

**“CONSUMER BUYING BEHAVIOUR PURCHASING A MOBILE PHONE “**

*PROJECT REPORT SUBMITTED IN PARTIAL FULFILLMENT FOR THE AWARD OF THE DEGREE OF:*

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# ABSTRACT

This study examines the complex dynamics of purchasers' behavior when purchasing mobile phones, with the goal of offering significant insights for marketers and industry stakeholders. Due to the swift advancement of technology, the mobile phone industry is intensely competitive, requiring a thorough comprehension of consumer preferences and decision-making procedures. The study used a mixed-methods methodology, integrating qualitative and quantitative studies to explore the various factors that impact purchasers' decision-making processes. Qualitative interviews and focus groups reveal the emotional and psychological elements that influence preferences, while quantitative surveys evaluate the importance of variables such as brand reputation, pricing, features, and customer reviews. The key findings emphasize the crucial impact of brand perception on purchasing decisions, as consumers frequently link particular traits and values with mobile phone companies. The study highlights the growing importance of online reviews and social media in influencing consumer perceptions and decisions. Furthermore, pricing methods and the perception of value-for-money play a crucial role in the decision-making process. This research enhances the current knowledge by providing insights into the changing patterns of consumer behavior when it comes to buying mobile phones. Marketers can utilize these observations to customize strategies that align with the varied requirements and inclinations of consumers, thereby augmenting their competitive edge in this ever-changing market.

Keywords:- Mobile phones, Buyers' behavior, Consumer preferences, Brand perception, Pricing strategies, Online reviews, Technology market, Decision-making process, Marketing strategies, Consumer psychology.

Introduction

The development of mobile phones and technologies has been an extended history of innovation and advancements cropped up due to dynamic changes in consumers’ needs and preferences. Among these developments, mobile phone devices have had one of the fastest household adoption rates of any technology in the world’s modern history (Comer and Wikle, 2008). Nowadays, mobile handsets have become an integral part of human daily life and personal communication across the globe. In the current highly competitive mobile phone market, manufacturers constantly fight to find additional competitive edge and differentiating elements to persuade consumers to select their brand instead of a competitor’s. There are various studies conducted to identify factors that make companies better than their competitors in influencing the customers purchase decision. Consumers’ of mobile phone found throughout the world greatly influenced by those different factors affecting mobile phones purchase decision. These factors may be related to the characteristics of the consumer and the features associated with the mobile phones. This leads mobile phone companies to come up with a variety of mobiles with different brands and features. There is various research studies conducted to identify factors affecting consumers’ choice of mobile phones. These studies indicated a range of items as a determinant factor influencing purchase decision. These factors include price, features, quality, brand name, durability, social factors and so on (Li 2010; Zheng, 2007; Zhang, 2006; Huang, 2004). Mobile penetration in Ethiopia is very low when compared to the other African countries (Research ICT Africa, 2010). However, there are 16 million mobile phone subscribers owning various brands of mobile phone. During the mobile phone buying decision process, these subscribers’ takes into account numerous factors. However, researchers devoted little attention to factors underlying the mobile phone buying decision process in Ethiopia. This study seeks to know the factors that underlying a person’s decision in choosing brand of mobile phone(s) to use. At the end of this study, it will be possible to know the most popular brand of mobile phone in Hawassa city.

**LITERATURE REVIEW**

A literature review is a comprehensive examination of books, scholarly papers, and other relevant sources that pertain to a specific subject, study field, or theory. Its purpose is to provide a detailed account, summary, and critical assessment of these works in connection to the research problem under investigation. The literature review for a study on buyers' behavior while purchasing a mobile phone entails a comprehensive examination of existing research and academic papers related to various aspects of consumer behavior in the context of mobile phone purchases. Below is a succinct overview of the primary topics and findings identified in the literature:-

I have thoroughly examined and analyzed multiple research articles on Consumer Behaviour regarding Mobile Phones in order to gain insights and understand their findings.

In a report authored by Mr. Amrit Mohan entitled "Consumer Behaviour Towards

Smartphone Industry In Indian Market," he presents his conclusions that 88.5% of the

260 individuals surveyed use smartphones, while the remaining 11.5% do not. Out of a total of 260 respondents, 150 individuals expressed their intention to switch to a different brand that offers extra features. Conversely, 80 respondents indicated that they will remain loyal to the present brand they are using and will not switch. However, his restriction was that he focused solely on a specific segment of the population when distributing his questionnaire.

The subsequent research paper, authored by Mr. Kameswara Rao Poranki, is titled "Customer Brand Preferences Of Mobile Phones: Hyderabad." The objective of this study was to determine the mo findings revealed that Nokia and Samsung are the favored brands among college students. Additionally, it was discovered that 35% of students replace their mobile phones within a span of 1-2 years. However, he exclusively gathered data from students between the age range of 18 to 24 years.

Mr. Mohan Kumar and Mr. Dinesh Kumar conducted a study titled "A Study On Customer Purchase Behaviour Towards Mobile Phone". The study aimed to identify the demographic characteristics of mobile phone consumers and the factors that influence their choice of brand. The study found that 23% of the participants were between 31-40

years old, while 14% were below 20 years old. Among the respondents, 55% were male and 45% were female.

The process by which consumers make decisions regarding their purchases. Research highlights the importance of comprehending the consumer decision-making process, which commonly encompasses steps such as recognizing the problem, searching for information, evaluating different options, making the purchase decision, and exhibiting post-purchase behavior. The decision-making process in the mobile phone market is more complex due to the abundance of options and quick technical improvements.

Perception of a brand and the level of loyalty towards it The perception of a brand is a critical factor in shaping consumers' decisions in the mobile phone industry. Consumers frequently link particular characteristics, such as novelty, dependability, and status, to individualbrands.

The significance of online reviews and social media The emergence of online platforms has revolutionized the manner in which consumers acquire information on products. Consumer perceptions and decisions in the mobile phone business are greatly influenced by online reviews, social media debates, and influencers.

The reliability and genuineness of online information sources are crucial determinants that impact customers' dependence on online reviews and social media. Strategies for determining prices and the way customers perceive the value of a product or service.

Consumer decisions are significantly influenced by pricing. Research indicates that buyers frequently consider the perceived worth of a mobile phone in relation to its price. The impact of pricing on perceived value is complex, with factors such as brand reputation, product characteristics, and market placement playing crucial roles.

Advancements in Technology and Characteristics Consumers have a tendency to favor mobile phones that possess unique features that improve the overall user experience. The research investigates the impact of technical advancements, such as improved camera features, processing speed, and connection, on consumers' buying choices. The incorporation of nascent technology, such as 5G connectivity and augmented reality, carries ramifications for consumer inclinations and market patterns.

Cultural and social factors Societal and cultural elements, such as current trends, cultural values, and peer influence, have a role in influencing consumers' perceptions and choices in the mobile phone industry. Examining cultural factors offers valuable insights into the diverse preferences among consumer segments worldwide.

The domain of electronic commerce and the retail industry The transition to e-commerce platforms for buying mobile phones has changed the retail environment. The inquiry

focuses on consumer experiences, convenience, and the influence of physical stores on the decision-making process.

Analysis of Customer Satisfaction and Behavior After Purchase Investigating post- purchase behavior, which encompasses customer happiness and brand loyalty, continues to be an essential field of study. Research investigates the variables that impact consumers' levels of happiness and the probability of endorsing a specific mobile phone brand.

**RESEARCH METHODOLOGY**

It is basically the process which is being used to collect information & the data and further the way in which the data is to be presented. The methodology may include other published researches, surveys which are to be conducted, some interviews and interactions or maybe any other research techniques.

In this report work I have chosen the source of Primary Data along with some amount of Secondary Data as it would be more helpful and it will provide more relevant details and data for my topic. As Consumer Behaviour deals with how consumer behave and choose their commodity so it‘s better to collect the data directly from them as this is more reliable and gives authentic data instead of totally going for Secondary Data which will provide the pre used data but it‘s better to opt for Primary Collection of Data as facts and figures keeps on changing so frequently nowadays.

On field interacting with each person of the sample size is not possible in such busy schedule. So some other tool has to be selected. And making a Questionnaire with most relevant questions which is to be asked from the consumers regarding the topic of the report is the most common tool. So my tool for collecting data is by circulating Questionnaire through Google Forms to the sample size of people.

Further the data which is collected through the questionnaire will be presented with tools such as Pie Charts, Graphs, Tables, etc. for the better understanding of the

data which is collected as responses from the consumers through the questionnaire.

Research Design – Exploratory Research

Data Sources – Primary and Secondary Sources

Data Collection Instrument – Questionnaire

Sample Size – 150 People

Sampling Method – Simple random sampling

Sampling Unit – An individual person

**PROFILE OF THE ORGANISATIONS**



Samsung Mobile Division is one of five divisions within Samsung electronics, belonging to the Samsung Group. It‘s headquarter is located in Suwon, North Korea. In 2007 Samsung Mobile Division Business reported over 40% growthand became the second largest mobile device manufacturer in the world.

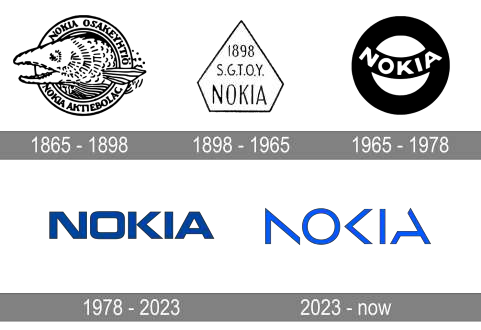
According to estimates from marketing research firm Counterpoint, Samsung commanded 24% of the Indian smartphone market in the quarter that ended in September,2023. The volume of units Samsung shipped in Q3 2023 was up 32% year-over-year, Counterpoint said. The company has benefited from its recent aggressive push in online sales and launch of several affordable smartphone handsets in recent months

Xiaomi



Xiaomi Corporation is a Chinese multinational electronics company founded in April 2010 and headquartered in Beijing. Xiaomi makes andinvests in smartphones, mobile apps, laptops, home appliances, etc. At the start of second quarter of 2018, Xiaomi was the world's fourth- largest smartphone manufacturer. It has 16,700 employees worldwide.Xiaomi has led the Indian smartphone market for three consecutive years. According to estimates from marketing research firm Counterpoint, Xiaomi commanded 23% of the Indian smartphone market in the quarter that ended in September,2023. It has entered India in 2014 and for several years sold exclusively through e-commerce platforms, is still the top online brand in India

Nokia



Nokia continues to be a major patent licensor for most large mobile phone vendors. As of 2018, Nokia is the world's third-largest network equipment manufacturer. The company was viewed with national prideby Finns, as its mobile phone business made it by far the largest worldwide company and brand from Finland. In 2018, Nokia employed approximately 103,000 people across over 100 countries, did business in more than 130 countries, and reported annual revenues of around €23 billion. Nokia is a major contributor to the mobile telephony industry, having assisted in the development of the GSM, 3G and LTE standards (and currently in 5G), and was once the largest worldwide vendor of mobile phones and smartphones. After a partnership with Microsoft and subsequent market struggles, its mobile phone business was bought byMicrosoft.

Apple iphone



The iPhone is a series of smartphones made by Apple Inc since 2007.It does many things that a computer can do, but is small enough to fit in someone's hand. It is a mobile phone, meaning that it makes calls and sends text messages but without wires. There are many types of iPhones,such as the model iPhone X. The iPhone can access the Internet as well, either using a cellular network or over Wi-Fi. Like an iPod, it plays music and videos that havebeen downloaded from the Internet directly, or which have been put on itby connecting it to a personal computer, which is called syncing. It also has a calendar and 1 or 2 built-in cameras. A user can make it do many other things, such as run video games, by downloading apps from the App Store.

All iPhones run on a mobile operating system which Apple calls "iOS".A new version of iOS comes out every year, each having more features than the one before. Each new iPhone comes with the latest version of iOS, and older iPhones usually also get a software update to the latest version. The more-recent iPhones, such as the iPhone 11 and variants ofit, use iOS 13 and came out in September 2022. As of November 1, 2018, more than 2.2 billion iPhones had been sold.

**CONCLUSION**

In the realm of consumer electronics, particularly in the expansive mobile phone industry, understanding consumer buying behaviour is crucial for both manufacturers and retailers. The consumer's mobile phone purchasing decision-making process is intricate, influenced by a diverse array of factors that encompass practical considerations and emotional impulses. Thus, it is imperative for businesses to possess a comprehensive understanding of these factors in order to tailor their marketing strategies, product offerings, and customer experiences with utmost accuracy. Price is a crucial determinant for consumers when purchasing a mobile phone. Consumer price sensitivity displays considerable variability, with certain individuals prioritising affordability while others are more inclined to pay a premium for superior features and brand reputation. Hence, it is imperative to offer a diverse range of pricing options that are accompanied by distinct features and value propositions to cater to the requirements of various consumer segments. Furthermore, marketing strategies such as discounts, trade-in options, and financing alternatives can influence buying decisions by minimising financial barriers or enhancing perceived value. Brand reputation and loyalty have a substantial impact on consumer buying behaviour. Established brands often benefit from the trust they have built with consumers through a track record of consistently providing top-notch products, dependability, and exceptional customer service. Conversely, emerging or lesser-known brands may encounter challenges in establishing consumer trust. In order to successfully compete, it is necessary for them to adopt strategic branding initiatives and quality assurance measures. Furthermore, the associations that brands establish with innovation, status, or cultural relevance can significantly influence consumers' perceptions and preferences towards them.