

AN EMPIRICAL STUDY ON YOUTH PERCEPTIONS AND PREFERENCES ON SMARTPHONES

**Bijay Prasad Kushwaha, Research Scholar
Department of Commerce and Management Studies
Andhra University, Visakhapatnam (India)**

Abstract

The cell phone can be perceived to be a global communication device. Cell phone markets are one of the most tempestuous market environments in the present day due to amplified competition and revolution. The revolution of smart phones is well accepted and proven by the smartphones' surging sales throughout these years by generation Y. This study concentrates on youth perception and preference on smartphones. The study also finds the awareness level and impact of factors influencing buying decision of smartphones. The result indicates that Y-generations prefer to own the most sophisticated smartphones having maximum integrated applications and features. Y-generation is having enough knowledge about smartphones and its usability. The smartphones makers should keep on improving the features as per desires of new generation.

Keywords: *Perception, Preference, Smartphones, Y-generation*

Introduction

The exponential growth of cell phone technologies has created additional affordances and new channels of communicating and presenting information. The capability and performance of cell phones have improved considerably since their first introduction, and are no longer simple voice centric devices. Smartphones are the advanced form of mobile phones which provides wide range of application to the consumer such as advance ability of computing, it also provides all things which a computer system provides as well as access the internet on high speeds can be possible (Gupta & Sheoran, 2013). A smartphone is a consumer device, and smartphone apps are Consumer Information Systems that provide value and utility to the end-users. Mobile phone has diverse usages to different users in accordance with their necessities (Osman et al., 2011). Virtually every activity today has a Smartphone app for it (Mackenzie, 2011). Literately, a smartphone is a handheld computer, as it is powerful enough to deliver various functionalities comparable to a computer.

Mobile phone usage has proliferated in recent years. Some areas of the world have enjoyed rapid deployment and high penetration of mobile telephony (Osman et al., 2012). Advanced mobile devices, such as smartphones and personal digital assistants, have become ubiquitously available and have changed the ways how people organize relationships, communicate, and live on a daily basis (Chun et al., 2013). Indian market has been traditionally dominated by Nokia phones. But later on with emergence of Smartphones and introduction of Android system, the Nokia got left behind in the race and Samsung grasped the lead position. Now there is very stiff competition among cell phone players like Samsung, Micromax, Nokia, Sony and other, etc. Each company is offering and launching various new models to attract the new customers. Now the features of cell phone have gone into major improvement (Kumar, 2013).

Literature Review

The brand name has directly influenced customer's perception toward the quality of the offering. When customers are satisfied, they generate word of mouth and it will lead to others to become interested and choose the same brand (Avanti, 2012). Smartphone's mainly preferred by those consumers who used phone in order to store information as well as want entertainment in his life. Apple targets segments which includes class of those who

are either pursuing any professional degree or indulge in any profession (Terui, 2004). It seems that regardless of whether they already own a conventional mobile phone, smartphone is a must have item that would answer to several of their needs in term of its practicality as well as what it could symbolize(Mothar et al., 2013).

Male and young consumers generally are greater target market. Moreover, the “smartness” of smartphone yet to be fully exploited, most of the usages are limited to core functionalities of mobile phone such as making phone call and SMS(Osman et al., 2011). More female youth are among the respondents with high addiction tendency. Highly addicted smartphone users have a greater level of motivation for chatting, caring for others, and accessibility to others than the low addictive users. The preference of smartphone activities, such as voice calls, social network sites, and chatting, is shown among addicted smartphone users(Park & Lee, 2014).There is little gender difference in usage of mobile phone banking; young females prefer to use these services as they are able to control their financial well-being in what they perceive to be a more secure environment(Clarke, 2014). There is a relationship between the age of the respondents and the years of usage of smart phones(Yeshwanth & Jacob, 2014).

The buyer of smart phone considers physical attributes the most important factor in buying decision. Some other factors are pricing, charging and operating facilities, size and weight, friends’ and colleagues’ recommendations, neighbors’ recommendations and advertising(Uddin et al., 2014). That selling price is not the most important factor that affects smartphone purchasing decision, whereas the consumers perceive other factors such as design, connectivity, and performance to be more important than the price. Hence, the consumers are willing to pay more in the exchange of better product quality and features(Osman et al., 2012).

The consumers perceived business functionality, support functions, aesthetics & design, parts & processes, solidity, and tones & games among the features preferences. The first three correlate with customer satisfaction, and only the business functionality factor correlates with repurchase intent(Haverila, 2011). Most respondents were satisfied with the use of smartphone apps, and their satisfaction level was affected by factors such as needs fulfillment, performance improvement, ease of use, security/privacy, and peer

influence(Chun et al., 2013). The local players like Micromax, Karbonn, Lava, Lemon, Spice and a like will have to quickly rethink their product, marketing and service strategy fresh according to the small towns like Chidambaram to put their house in order. Apart from affordable pricing and assured quality of the mobile phones, the mobile company's target audience should be more towards younger generation(Maheswari, 2015).Karen, Han & Benjamin (2013) stated that the Smartphone purchase decision of Generation Y is influenced by brand concern, product feature concern and social influence concern.

Significance of Study

Consumer purchase decisions vary greatly depending on the demographic profile and product to be purchased. The literature also point out that there in generational gap on preference and perception of smartphone. Therefore, sectorial research is needed to demarcate the consumers'preferences and perception. Consumers can prefer certain products, brands or companies over others, and to understand the reason behind these choices is exceptionally essential in order to market existing products more effectively than rivals. This study explores the youth preferences and perception on smart phones in India to reveal the meaning and structure of this learning.The study will provide insight to marketers to understand the impact of various influencing factors those play vigorous role in the purchase decision and selection of smart phones which will help marketers to cope in the highly competitive market of smartphones.

Research Objectives

The study will be more dedicated to examine the youth preferences and perception towards smartphones. This study will also discover the factors those are most considered on purchase decision making by youth consumers.

Research Methodology

The non-probability convenience sampling method is used and the sample sizes of 125respondents are interviewed from Anand city of Gujarat, India. Out of those, we received 112 faultless questionnaires from the respondents. The target respondents were youth having age between 20 to 35 years. Data is collected via self-administered questionnaire which contains ten questions in first section related to various factors

influencing purchase decisions of television, five questions were in second section regarding respondents' socio-demographic profile.

Scope of Study

Understanding of youth buying behavior is essence for survival of any smartphone sellers. In changing technological environment the consumer tastes and preferences are changing harshly and unexpectedly the existing business model gets outdated. Therefore, this study is useful for marketers to understand the youth psychology on buying smartphones so that the product can be easily segmented and positioned. The study also supports to know the youth preferences and perceptions towards smart phones. It helps the organization to understand the efficiency of existing marketing strategy and ads campaign. Similarly, it creates the root for further improvement in marketing mix offering. It helps to formulate distinct strategy for each territory of youths.

Limitations of Study

The study seeks to provide a helicopter view of the field reality and hence inferences drawn do not provide conclusive evidence to any social characteristics in particular albeit they aid us in spotting an underlying trend. Moreover, currently the area of study is limited to one Anand city of Gujarat. The characteristics of youths vary on the ground of geographic region and ethnicity. As such covering entire area of India may bring out some imperative statements. The study is based on the response of the customer who is highly subjective in nature and hence generalization made may not be totally true.

Data Analysis and Interpretation

The one-third youth owns or prefers Samsung brand of smartphones whereas one-fourth has Nokia brand of smartphones. Nearly half of the youth has or willing to buy other brands like Micromax, Xolo, HTC, Sony etc. of smartphones. Those youth whose family income is high they prefer to buy either Samsung or Nokia, Sony and HTC brand of smartphones. The low income group of youth likes to buy other Indian local brands. Similarly, one-third of youth are using smartphone since 3 years or more.

The majority of youth prefer multimedia like camera quality, speed, maximum applications support, etc. features in their smartphones. These are the factors on the basis of which they

value the product and make purchase decisions. On an average every day one new application for smartphone gets launched. Y-generation is sophisticated and they love to buy eye-catching product which has maximum features and applications. They also hunt for such product which does make them distinctive in their friends circle and best suited for their personality.

The 89 per cent youth are aware about smartphones, its usages and how it can be operated. The students are taking maximum benefits of smartphones; they are using for the purposes of study; be in touch with nearer and dearer. The use of applications of smartphones are required some technical skills therefore the core segment of this product is literate youth. Mostly student pursuing technical and management courses are making the most effective use of smartphones. However, the other students pursuing rather than technical courses are just using for accessing social network sites and video calls.

Almost two-third youth of those who is aware about the smartphone have owned smartphone. There is almost equal share of male and female youths in users of smartphone. Remaining has planned to purchase in near future. The cause behind waiting or postponing the purchase decision for smartphone is rapid innovations. Purchasers always feel dissonance once they buy smartphone due to introduction of an upgraded version of same product with attractive extra features.

More than four-fifth of respondent said that they mostly use smartphone for chatting, emailing, social networking, and current news, etc. almost every youth support that it is useful in study and it helps in searching notes, definitions and other study material. In the era of digitization where everything is available on fingertips, they even suggested that every youth should have a smartphone to become smart.

However, it does help in study another side of fact is time wastage and distraction from study. From the hypothesis testing we find that wastage of time and distractions from the studies are the factors which have most negative impact on purchase of smartphones. Respondents also said that it is due to smartness in cell phones has led many youth to hangout most of the time on phone. They also committed that the students are more dependable on smartphones and avoiding library or other physical sources of information.

Internet has the highest priority and is most authentic source to get information regarding smartphones. The online traders have enforced and facilitated the platform to compare the product from all aspects. They are also selling these products in cheaper prices with cash on delivery payment facility. Likewise, word of mouth and TV ads are in the second and third most important source to get reliable information. Almost every youth collect information from at least one of these three sources. Word of mouth is cheap and most trusted source of information. This also helps to reduce the buyer cognitive dissonance.

Researchers tried to investigate regarding smartphones user friendliness, more than four-fifth of respondents replied that it is user friendly, little knowledge of English is required for operating all the applications. It does not require any technical specialist, it needs some experience and a layman can also operate easily. Similarly, more than 80 per cent youth said smartphones are user friendly whereas female respondents supporting smartphones user friendly is little lesser than male respondents.

Discussion and Managerial Implications

The market share for Samsung smart phone is highest in India cell phones market. If we go back to the history of cell phones, it was a time the market share of Samsung mobile was very less compare to Nokia. It is only due to smartness in cell phone of Samsung the consumers switched their Nokia brand and became loyal to Samsung brand. The Amir Khan (Bollywood Super Star) endorsement in promotion of Samsung Mobile phones has helped to achievement maximum market share of Y-generation segment. Samsung has also positioned its smartphones for every segment of market offering different ranges of smartphones. Google helped in promotion of Android based application which changed the perception of Y-generation and made them to prefer android based phones. On other hand, in the grooming era of android phones Nokia failed to deploy android operating system in its smartphones which led consumer to purchase Samsung and other android based smartphones.

Y-generation is well aware about the smartphone and its usages. The manufacturers and sellers of smartphones should need to work more on R&D part of it. If you see the trend of purchasers they prefer innovative product which has maximum speed and applications support. They also consider Memory, Camera, and Screen while taking final purchase

decision of smartphone. This study supports the result of Tanzila, Sohail&Tanveer (2015) study where the buyer behavior or university students is influenced by product features. The finding of Vaidya also revealed that Y-generation prefers speed and OS of smartphones while purchasing. The promotion of new product through internet and TV commercials could help to make consumers awareness about the new arrivals. The word of mouth has good command on this group of consumers. They also get influenced by their classmates and other close friends. Marketers can make these ground of consumer well informed about the product which can make them great influencing group and opinion leader for smartphones buyers.

Conclusion

Twenty-first centuries is an era of smartness. The world has been stepped into the creation of smart everything. The incessant research and progress in the field of technology and communication has offered various smart products. Similarly, the human being is also directed their drives toward smart items. The Y-generation has played vital role in adoption of smart products. This group of consumers changes their perception and preference towards any categories of products within very short span of time. The smartphones makers should keep on improving the features as per desires of new generation. The digitization of every area has impelled the modern consumers to take rational purchase decision. Marketers can implement differentiating technique for positioning of their product as superior than competitors and in the mind of consumers.

This study has focused only technological factors of smartphones that influences perceptions and preferences of youth. For the future study one can incorporate other factors those influence youth perceptions and preferences of smartphones.

References

Avanti, K. (2012, Nov 1), Malaysian smartphone and tablet growth biggest in region: *Ericsson*, Retrieved July 23, 2015, from ComputerWorld Malaysia: <http://www.computerworld.com.my/print-article/24243>.

Chun, S.G.; Chung, D. and Shin, Y.B. (2013), Are Students Satisfied With The Use of Smartphone Apps? *Issues in Information Systems*, 14(2), 23-33.

Clarke, N.H.; Ngcongo, M. and Mnisi, J. (2014), A Gender Gap? Uses and Perceptions of Mobile Phone Banking in South Africa, *International Journal of Humanities and Social Science*, 4(9), July, 170-178.

Gupta, R., & Sheoran, B. (2013), Consumer Behaviour on Smartphone's - A Study on The Perceptions of Youth Population While Purchasing Smartphone's, *International Journal of Research in Management & Social Science*, 1(1), 61-73.

Haverila, M. (2011), Mobile Phone Feature Preferences, Customer Satisfaction and Repurchase Intent Among Male Users, *Australasian Marketing Journal*, 19, 238–246.

Kumar, R. (2013), A Study on Consumer Behaviour towards Cell Phones, *International Journal of Research in Computer Application & Management*, 3(12), 78.

Mackenzie, R. (2011, April), *Quora*, Retrieved September 20, 2015, from www.quora.com: <http://www.quora.com/Rob-Mackenzie/Posts/How-consumers-with-smartphones-will-impact-the-retail-experience>.

Maheswari, V. (2015), A Study on Brand Preference of Mobile Phone Users in Chidambaram Town, *International Journal of Information Research and Review*, 2(2), 341-345.

Mothar et al. (2013), The Importance of Smartphone's Usage Among Malaysian Undergraduates, *IOSR Journal Of Humanities And Social Science*, 14(3), 112-118.

Osman, M.A.; Sabudin, M.; Osman, A. and Shiang-Yen, T. (2011), Consumer Behaviors toward Usage of Smartphone in Malaysia, *International Conference on Software and Computer Applications*, 9, (pp. 158-164), Singapore: IACSIT Press.

Osman, M.A; Talib, A.Z.; Sanusi, Z.A; Shiang-Yen, T. and Alwi, A.S. (2012), A Study of the Trend of Smartphone and its Usage Behavior in Malaysia, *International Journal on New Computer Architectures and Their Applications*, 2(1), 275-286.

Park, N., & Lee, H. (2014), Nature of Youth Smartphone Addiction in Korea, *Journal of Consumer Research*, 51(1), 100-132.

Terui, N. (2004), Measuring Delayed and Long-Term Effects of Pricing Decisions on Market Share, *Marketing Intelligence & Planning*, 22(3), 264 – 283.

Uddin, M.R.; Lopa, N.Z. and Oheduzzaman, Md. (2014), Factors Affecting Customers' Buying Decisions of Mobile Phone: A Study On Khulna City, Bangladesh, *International Journal of Managing Value and Supply Chains*, 5(2), 21-28.

Yeshwanth, A., & Jacob, J. (2014), Rating of Smart Phone Features - A Demographic Study, *Global Journal of Emerging Trends in e-Business, Marketing and Consumer Psychology*, 1(1), 30-40.