

FACTORS INFLUENCING CONSUMER BUYING BEHAVIOR TOWARDS SMARTPHONES

Gretchen Yarra L. Erno, MBA
North Eastern Mindanao State University

ABSTRACT: Consumer behavior refers to how people choose products and services depending on their attitudes, beliefs, and preferences. Consumer purchasing decisions are influenced by a variety of elements, including social, psychological, personal, and economic aspects. Consumers have a variety of qualities that indicate their purchasing habits. Nowadays, the majority of consumers want to have a Smartphone. A Smartphone is a mobile phone that runs on a mobile operating system and has more advanced computing and connectivity capabilities than a regular phone. The main purpose of this research is to figure out what factors influence consumer behavior while buying smartphones. This study was carried out using a descriptive research design. The study's primary data was gathered by sending structured questionnaires to smartphone users. The study's findings suggest that relative advantage is the most important element influencing customer purchase behavior, followed by price, compatibility, and social factors. This research will aid smartphone manufacturers in not only better understanding how and why consumers buy smartphones, but also in developing better marketing and sales strategies. This research will also assist telecom executives and smartphone makers in better understanding customer smartphone needs so that they can build products that meet those needs. The study's scope was restricted to smartphone users. Because consumer behavior may differ among regions, this might be expanded to a larger area.

INTRODUCTION

Consumer Behavior is the process of selection of products and services based on their attitude, perceptions and taste and preferences. Consumer buying behavior depends on several factors like Social, Psychological, personal and economic factors. It also includes the examination of people's needs, motivations, and habits of deduction used in picking one thing over another and the instances of purchasing different items and endeavors[1].

Consumers have different characteristics which also reflect their behavior in terms of buying. Social factors such as family, friends, groups roles and status and personal factors such as age, occupation, lifestyles, personality and self-concept are components that could influence buyer behavior in making final decision[2].

The fast increasing demand for Smartphones has generated a stir around the world. The majority of consumers nowadays prefer to have a Smartphone. The growing innovation in the mobile phone industry has fueled this trend among smartphone users[3]. Smart phones play a significant role in the twenty-first century, and a significant portion of those delivered from 2012 onwards have quick flexible broadband 5G internet, development sensors, and portable installation features[1]. A Smartphone is a mobile phone with a mobile operating system that has more advanced computing capability and connectivity than a traditional phone[4]. It has a large touch screen and high pixel cameras showcasing lots of features and applications[3]. People use Smartphone less for phonecalls and more for videocalls, internet browsing, weather forecast, social media, emails, online shopping, online selling navigation[4]. calendar, listening music, reading news, games, fiddling with the phone, and so on. People's lives have been made easier by these Smartphone features and applications, whether in daily life, at work, or for enjoyment [3].

According to Statista, there are 6.648 billion smartphone users in the world today, which indicates that 83.72 percent of the global population possesses one. This is a significant increase from 2016, when there were just 3.668 billion users, or 49.40 percent of the world's population. United States, China and India are the countries with the highest number of smartphone users. The smartphone market still has high growth potential. Due to smartphones' rising average selling price, the worldwide smartphone market revenue has continued to rise in recent years despite stagnant unit sales. Samsung and Apple are the two most popular smartphone manufacturers nowadays. These two technological firms account for over half of all smartphone shipments worldwide[5].

Despite the high price of the Smartphone, demand for it continues to grow at a rapid pace. Technology advancements have played a significant influence in encouraging more individuals to purchase smartphones. There are numerous smart phones on the market with various names and brands, including Apple, Samsung, Oppo, Vivo, Huawei, Xaomi, Realme, and others. Another factor that may impact consumer behavior is brand. However, there may be additional marketing and stimulus aspects that influence consumer behavior among Smartphone buyers.

Furthermore, the buyer's qualities have an impact on consumer purchasing behavior. As a result of these circumstances, the author chose to research consumer behavior when it comes to purchasing a smartphone. The primary goal of this study is to determine the various factors that influence consumer behavior while buying smartphones.

Because the smartphone market is rapidly expanding, it's critical to have a good awareness of consumer buying habits. This study is very significant to a wide spectrum of many industries related to communications and technology innovation because it brings real stories from the perspective of consumers that could be integrated in developing marketing mix and marketing strategy based on consumer characteristics to increase sales and competitive advantage. Furthermore, this work will be beneficial to students and future academics who wish to pursue additional research in the same field.

OBJECTIVES OF THE STUDY

This study assessed the buying behavior of smartphone consumers in Tandag City, Surigao del Sur. Specifically it aims to determine:

1. the profile of the respondents;
2. the factors influencing the consumer buying behavior towards smartphones

METHODS

Research Design

This study is descriptive in nature. Descriptive research was utilized to allow researchers to use quantitative data to obtain information and features about the population or phenomenon under study. Its goal was to shed light on present issues or problems through a data collection approach that allowed them to characterize the situation more fully than they could without using this method [6].

Research Environment

The study was conducted in Surigao del Sur State University Main Campus. Surigao del Sur State University is the only state university in the province of Surigao del Sur, Philippines. The main campus consists of four colleges: College of Arts and Sciences (CAS), College of Business and Management (CBM), College of Engineering Computer Studies and Technology (CECST), and College of Teacher Education (CTE).

Participants

Faculty members and students from the university's four colleges are among the survey's respondents. A total of 370 people took part in the survey.

Instruments

The study employed an adopted and modified survey questionnaire to collect pertinent information and data. It consists of a series of items with the goal of getting data from respondents.

The survey was divided into two sections: (1) Profile of the respondents; (2) Factors influencing consumer buying behavior towards smartphones.

Data Analysis

The demographic profile of the respondents was determined using frequency counting and simple percentage counts. On the other hand, the factors influencing consumer purchase behavior towards smartphones were determined using weighted mean.

RESULTS AND DISCUSSION

Table 1. Profile of the respondents

Gender	Frequency	Percentage
Male	156	42.16
Female	214	57.84%
Total	370	100%

Age		
17 years old below	116	31.35%
18-26 years old	234	63.24 %
Above 26 years old	20	5.41%
Total	370	100%
Educational Level		
Undergraduate	349	94.32%
Graduate	17	4.60%
Post Graduate	4	1.08%
Total	370	100%

Table 1 presents the profile of the respondents. Out of total 370 respondents, 57.84% are female and 42.16% are males which implies that the selected sample is sufficiently representative of both male and female. In terms of age, majority of the respondents are young 18-25 (63.34%), below 17 years old (31.35%) and the rest are more than 26 years old (5.41%). 349(94.32%) of the respondents are undergraduate, 17 (4.60%) are graduates and the rest belongs to other categories. The above profile shows that the selected sample is basically representative of young consumers (students and young professionals).

Factors Influencing Buying Behavior Towards Smartphones

Table 2. Relative Advantage

Indicators	Mean	Description
Relative Advantage		
Smartphone are more convenient, reliable, and useful than normal mobile phones	4.36	Strongly Agree
Smartphones are more fashionable, stylish, and trendy	4.20	Agree
The price/quality is acceptable in smartphone, as I can enjoy other service (e.g. email, voicemail, Skype, word processor and other apps) anywhere I want	4.28	Strongly Agree
Smartphones have good integration of wide range functions and service	4.46	Strongly Agree
Smartphones have bigger screen and full keyboard that make different functions easier to use.	4.28	Strongly Agree
Mean	4.32	Strongly Agree

Table 2 shows the factors influencing consumer buying behavior in terms of relative advantage. It has an overall weighted mean of 4.32, indicating that the respondents strongly agree that one of the factors influencing their buying behavior in terms of smartphones is its relative advantage. Relative advantage is defined as the extent to which an inventive technology is considered to be superior to those that occurred before it or its closest alternative [7]. According to Rogers' idea, innovations with a clear, unambiguous advantage over the previous technique are more likely to be embraced and implemented. According to current research, if a potential user does not see a relative benefit in employing the innovation, it will not be adopted [8].

Respondents believed that smartphones had an excellent integration of a wide range of functions and services based on the information gathered. A smartphone, according to Liao, is a phone that combines a feature phone and a mobile computer platform, with today's versions including digital cameras, media players, high-speed data access through Wi-Fi, GPS navigation, and other apps. Web browsers and high-resolution touchscreens are common features of smartphones, allowing users to have a better browsing experience [9].

Table 3. Price

Indicators	Mean	Description
Price		

Price is the most important factor when purchasing a smartphone	4.45	Strongly Agree
I compare prices of other smartphone's brands and store brands before I choose one	4.04	Agree
I buy smartphone because they are worth to use regarding with their price and usage quality	4.10	Agree
Mean	4.20	Agree

Table 3 shows the factors influencing consumer buying behavior in terms of price. The overall weighted mean is 4.20, which is described as Agree. This means that price is one of the contributing factors in consumer buying decisions for smartphones. Based on the gathered data, the indicator "Price" is the most important factor when buying smartphone received the highest weighted mean of 4.45, which is described as strongly agree. This result is also in line with Bharat Rai's findings that the price element has a substantial impact on smartphone purchasing intentions[10].

Suki defines pricing as a means of transaction for obtaining a product or service. People will consider a smartphone to be good value for money if it meets or exceeds their expectations in terms of quality[11]. The cost of a mobile phone is an essential consideration for many consumers when selecting a model. When acquiring a mobile phone, younger clients, in particular, evaluate affordability in addition to technological improvements[12].

Table 4. Compatibility

Indicators	Mean	Description
Compatibility		
Smartphone is compatible and fit with my needs	3.71	Agree
Smartphone is compatible with my lifestyle/working style.	3.72	
Smartphone fits with my habits.	3.67	Agree
Smartphone is a good complement to traditional mobile phones for me.	3.64	Agree
Smartphone fulfill my wants and needs in current life	3.71	Agree
Mean	3.71	Agree

Table 4 shows the characteristics that influence consumer purchase behavior in terms of smartphone compatibility. The overall weighted mean is 3.71, which is classified as agree. Compatibility is another essential factor that effects a customer's perception and purchasing intent, particularly when it comes to a technical product like a smart phone.

Compatibility of the product is the company's need to discover a way to suit prior experiences and the wants of potential adopters in order to meet and satisfy customers' needs. In a market with demand externalities and customer purchase intent, compatibility is also a critical consideration [13].

Qun, Howe, Thai, Wen, and Kheng investigated the impact of compatibility on purchase intention and discovered that compatibility has a significant impact on consumers' purchase intentions for smart phones, accounting for 51.6 percent of total variance when combined with price and social influence[14].

Table 5. Social Fctors

Indicators	Mean	Description
Social factors		
Friends and Family are very helpful to me in making decision of buying smartphone	3.92	Agree
I will ask the opinions of my friends and family when buying a smartphone	3.57	
Friends and Family give me a valuable advice when I buy a	3.39	Agree

smartphone		
I trust my friends and family about their opinions and advices of buying smartphones	3.46	Agree
Smartphone fulfill my wants and I will purchase a smartphone because my friends and family recommended it to me.	3.29	Agree
Mean	3.53	Agree

Table 5 indicates the factors influencing consumer purchasing behavior in terms of social influence. Among the indicators, "friends and family are very helpful to me in making decisions of buying smartphone" received the highest mean with a description of agree. 3.53 is the overall weighted mean, which is considered agreeable. According to the findings, social influence is one of the elements influencing consumer purchase behavior when it comes to smartphones. This results also coincide with the data from the study of Qun, Howe, Thai, Wen and Kheng who found that social influence has an impact on smartphone purchase intention among young adults [14]. It is also consistent with the findings of Renjith Kumar and Diana Fernandez's study on Factors Influencing the Purchase Decision of Smartphone Users in the Sultanate of Oman [15].

Consumer behavior is impacted by social elements such as the consumer's small groups, family, and social roles and status, according to Kotler & Armstrong [16]. An individual's social influence can cause another person's sentiments, attitudes, and behavior to change. The impact of social influence on a student's smartphone dependency is enormous [17]. Consumers will rely on smartphones if they have a pleasant perception or experience from them or their friends, and this will lead to positive word-of-mouth. Friends and family members are viewed as key social influences in promoting and encouraging more reliance on smartphones by customers [11].

CONCLUSIONS AND RECOMMENDATIONS

By identifying the characteristics that influence consumers' smartphone purchases, this study was able to determine consumer buying behavior. As a result, it can be concluded that relative advantage, price, compatibility, and social factors all influence consumer purchasing behavior for smartphones. The results of the study will be helpful for smartphone manufacturers and marketers to devise appropriate strategic and operational plans that would contribute towards enhancing the sales and competitive advantage. Relative advantage has the greatest influence on consumer purchasing behavior for smartphones, followed by price, compatibility and social factors. As a result, it is recommended that companies selling smart phones to young adults focus more on improved functionality and services by developing new smartphone features.

Price has been discovered to have a substantial impact on consumer smartphone purchasing behavior. Smart phone prices must be aligned with the target market's characteristics, and the product category must be selected in accordance with the target market's characteristics. The corporations should target young adults with a price plan that is appealing to them. Companies may build an attractive and appealing pricing plan that best meets the present market conditions. Accessibility can be improved by providing appealing financing facilities, convenient installment purchase programs, and specials, among other things.

Compatibility is another major factor that drives consumer purchasing decisions. As a result, smartphone companies should design new products that meet the demands and desires of their customers. To appeal to young adults, who make up the majority of the smartphone market, manufacturers may introduce new and better product features.

Many people who the consumer considers important, such as friends and family, affect the consumer's decision also to purchase a certain product or brand.

Smartphone firms may place a greater emphasis on those elements in order to attract more clients. Future studies may completely utilize the knowledge gained from this study to make amendments or as a reference. As a result, this study provides a clearer understanding of the elements that influence smartphone buyers' purchasing decisions.

REFERENCE CITED

1. C.Arun, C.Janarthanan., 2021. Consumer Buying Behavior on smartphones at Pondicherry. International Journal of Creative Research and Thought. Volume 9, Issue 5 May 2021 | ISSN: 2320-2882. P.681-682

2. Mohan, A. 2014. Consumer Behavior towards smartphone industry in Indian Market. Dublin Business School. Retrieved from <http://esource.dbs.ie/copyright.p.9>
3. Nagarkoti, Bishal. 2009. Factors Influencing Consumer Behavior of Smartphone Users. ARCADIA. Retrieved from https://www.theseus.fi/bitstream/handle/10024/70466/Nagarkoti_Bishal.pdf ,p.5.
4. Soriton, L., Tumiwa, J. 2016. Factors Driving Consumer Purchase Decision in Selecting Smartphone (Study: Students Of Faculty Of Economics And Business) Jurnal EMBA Vol.4 No.2 JunE 2016, Pp 558-567
5. S. O'Dea, Feb 23, 2022. Smartphone subscriptions worldwide 2016-2027. Retrieved from <https://www.statista.com/statistics/330695/number-of-smartphone-users-worldwide/>
6. Fox, W. & Bayat, M.S. (2007) "A Guide to Managing Research" Juta Publications, p.45
7. Gkartzonikas, C., and Gkritza, K. (2019). What Have We Learned? A Review of Stated Preference and Choice Studies on Autonomous Vehicles. *Transport. Res. Part C* 98 323–337.
8. Greenhalgh T, Robert G, Macfarlane F, Bate P, Kyriakidou O: Diffusion of innovations in service organizations: systematic review and recommendations. *The Milbank Quarterly*. 2004, 82 (4): 581-629. 10.1111/j.0887-378X.2004.00325.x.
9. Liao, Yu-Ju. 2012. Consumer Behavior on Smartphone. Journal of marketing management, waseda.repo.nii.ac.jp
10. Bharat RAI (2021). Factors Affecting Smartphone Purchase Intention of Consumers in Nepal. *Journal of Asian Finance, Economics and Business* Vol 8 No 2 (2021) 0465–0473
11. Suki, N. M., & Suki, N. M. (2013). Dependency on Smartphones: An Analysis of Structural Equation Modelling. *Journal of Technology*, 62(1), 49-55.
12. Karjaluoto, Heikki; Karvonen, Jari; Kesti, Manne ; Koivumäki, Timo ; Manninen, Marjukka ; Pakola, Jukka ; Ristola, Annu; Salo, Jari. (2005). Factors Affecting Consumer Choice of Mobile Phones: Two Studies from Finland. *Journal of Euromarketing*. 14. 10.1300/J037v14n03_04.
13. Gatignon, H., & Robertson, T. S. (1991). *Innovation Decision Process*. New Jersey: Prentice Hall.
14. Lim, L. Y. K., Han, K. S., & Chan, B. Y. F. (2013). Factors Affecting Smartphone purchase decision among Malaysian generation Y. *International Journal of Asian Social Science*, 3(12), 2426-2440.
15. Kumar, R., Fernandez, D. 2020. Factors Influencing the Purchase Decision of Smartphone Users in Sultanate of Oman. *Journal of Marketing and Consumer Research* ISSN 2422-8451 Vol.72, 2020 Pp 41-52
16. Kotler, P., & Armstrong, G. (2010). *Principles of Marketing*. (13th edition) Pearson Education.
17. Ting, D. H., Lim, S. F., Patanmacia, T. S., Low, C. G., & Ker, G. C. (2011). Dependency on smartphone and the impact on purchase behavior. *Young Consumers: Insight and Ideas for Responsible Marketers*, 12(3), 193- 203. <https://doi.org/10.1108/17473611111163250>