

# Consumer Behavior in Selecting Mobile Phones in the Context of Bangladesh

Syeeda Raisa Maliha, Md. Tafsir Alam & Mustafa Nizamul Aziz

## Abstract:

The behavior of consumers regarding smartphones is more and more a center of marketing research. Especially, consumer behavior in the case of the smartphone industry, from selection motivation to after use behavior has become a center of research in marketing. The outcomes of this study confirm that the regulatory focus has an impact on consumer behavior regarding smartphone procure decisions by controlling their perception, rationale, and lifestyle. For consumers' smartphones have become crucial parts of life. This study is to analyze factors that affect a consumer's decision in buying a smartphone. The study also emphasizes consumer points of view for smartphones and the impact brand name has on consumers. The current growth of smartphone usage is a noticeable fact that goes across all gender and age divides. Hence, this study exhibits a quantitative analysis of some of the key factors that affect consumer's viewpoints and behaviors regarding smartphone purchases.



IJSB

Accepted 28 June 2020

Published 29 June 2020

DOI: 10.5281/zenodo.3921991

**Keywords:** Mobile phones, smartphones, consumer behavior, Bangladesh, smartphone industry.

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## 1. Introduction

The quickly developing interest in Smartphones has become a buzzing issue all over the world. The expanding development in cell phone ventures has expedited this fever of Smartphones among the general population. Cell phone is arranged by a working framework with cutting edge processing ability and network. For the most part Smartphones have highly sensitive big screens and high pixel cameras with heaps of highlights and applications. These highlights and applications in Smartphones, one way or another have made people's lives simpler whether it is regarding everyday life, at work or for amusement. Thus, the market of Smartphones has been rising every year with expanding advancements. This research is additionally intrigued to discover how social and individual factors particularly influence the buyer's conduct amid the purchase of Smartphones. Furthermore, the research also focuses on the reasons why individuals exceptionally utilize their Smartphone, and to what extent per day.

### 1.1 Background of the Study

This research paper is designed to observe the behaviour of customers when they purchase mobile phones. Today, brands are known as an amazing weapon, utilizing which organizations rival one another. A brand is the most significant piece of the association whereupon the accomplishment of the association lies; along these lines, to discover how essential a brand's job in the cell phone industry is, this research has been conducted to discover the manner in which customers purchase cell phones. In the current world, every organization in every kind of business is confronting high challenge in the battle of pitching their items to customers. In any case, it is not easy for the organizations any longer to gain the clients' interest and seek after them to buy products without introducing itself uniquely in contrast to the contenders. Thus, organizations today try to make their brands one of a kind with the goal that clients can perceive its products as desirable. Nonetheless, knowing that in recent years, various types of cell phone brands are accessible, it is yet to be known whether brand mindfulness and shopper's conduct have any relationship in the handset industry. This examination is fundamentally done for the general population of Dhaka where distinctive components that influence customers to purchase specific brands of cell phones are inspected. Nonetheless, the scope of the exploration is kept to a restricted zone because of time and asset constraint, so, in this manner, this examination has been centered around the purchasing conduct of people who are of 18 or above. In this way, this undertaking is intended to find the components which influence most of the 18 or above age gatherings' purchasing conduct.

## 2. Literature Review

### 2.1 Consumer Behavior

Consumer behavior is the way consumers act to purchase and use a product. It is a dynamic process that does not only involve buying and consuming but also involves disposing of the products and services.

#### 2.1.1 Factors Affecting Consumer Behavior

Studies state that customer behavior is affected by some internal and external factors, four of which are mentioned below (Kotler & Armstrong, 2008):

- **Cultural factors:** Includes culture, subculture, and social class that formulates customers' essential principles, sensitivities, requirements, and behaviors.
- **Social factors:** Factors that influence consumer's behavior like reference groups, family roles, and status.

- **Personal factors:** Individual factors such as the age, type of lifestyle maintained by the customers, their occupation, the financial condition has an impact on their buying behavior.
- **Psychological factor:** Some psychological factors like motivation, perception, knowledge, values, and things those sorts have a further impact on customer behavior.

Moreover, situational factors can also affect consumer behavior, such as the consumer's mood. In the case of purchasing mobile phones, consumers might be affected by the factors mentioned above.

### 2.1.2 Customers' Purchase Decision Process

A standard consumer purchasing decision process is:

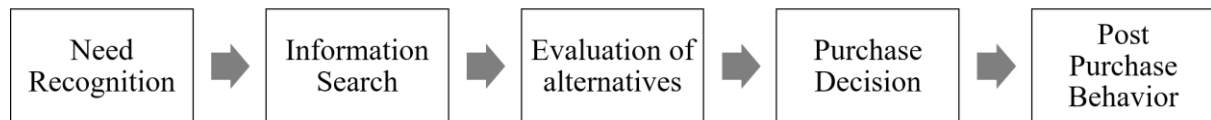


Figure 1: A buyer's decision-making process (Riley, 2012)

A consumer buying decision process starts with 'need recognition', where the consumer identifies a problem or need. After that, the consumer 'searches for information' about which the consumer's desire is aroused. This process helps consumers to gain awareness and knowledge of the available brands of a particular product or service. After gathering information, the consumer 'evaluates the alternative' brands that are available. After evaluating the alternatives consumer finally makes the 'purchase decision'. Finally comes the 'post-purchase behavior' where consumers decide whether they are satisfied or dissatisfied with the purchase (Ganlari et al., 2016; tutor2u, 2020; Riley, 2012; Lautiainen, 2015).

### 2.1.3 Types of Consumer Buying Behavior

Consumer buying behavior differs based on several factors like- the kind of product they desire to purchase, the level of involvement with the product, and so on (Consumer Behavior in Marketing - Patterns, Types, Segmentation, 2019).

- **Complex buying behavior:** Here, a consumer is highly involved with the product and there are major differences among brands. Such complex buying behavior takes place in case of high involvement, expensive products.
- **Dissonance reducing buying behavior:** Here, the products are of high involvement, but the differences among brands are few.
- **Habitual buying behavior:** This behavior is also characterized by low involvement and few variations among brands. Consumers do not put in much time or effort to search and buy the product.
- **Variety-Seeking buying behavior:** Consumer practices variety-seeking buying behavior when there is low involvement but a good amount of diversity among brands. Here, consumers do not mind trying out new brands as there are so many varieties and little to lose.

### 2.2 Brand

A brand is a combination of elements like name, logo, slogan, jingle, and other elements that create a separate identity for a particular product or services to differentiate those from others and it also helps to create consumer preference.

### 2.3 Buyer Decision Process for New Products

The stages for adopting a new product are as follows:

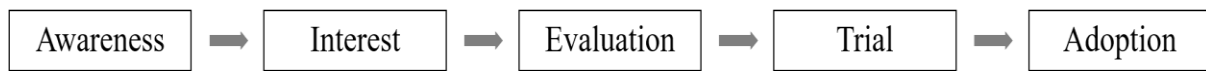


Figure 2: Stages for adopting a new product (Kotler et al., 2008)

This model shows that for consumers to adopt and purchase a new product, they need to gain awareness about the product first. After responding to their interest, they assess the new product and then purchase the product in order to try its actual value.

#### **2.4 Factors Influencing Brand Consumer Buying Behavior**

Some of the factors are discussed below which influence consumers' final purchase decision (Yaseen et al., 2011; N. & Ali, 2016; Ladipo et al., 2018; Dziwornu, 2013):

##### **2.4.1 Perceived Quality**

Perceived quality means how a brand's quality is measured by consumers. If a particular product has good quality, consumers may buy that product even if the price is high.

##### **2.4.2 Price**

Another important factor consumer considers while purchasing a product is price. Price also plays as a pointer of a product's quality as price has a positive relationship with quality in the minds of the customers.

##### **2.4.3 Brand Loyalty**

A customer who is loyal to a particular brand of product normally does not go for other brands of the same product class.

##### **2.4.4 Sales Promotion**

Sales promotion is a very strong practice which can influence consumers' behaviors very effectively. Sales promotion is rather considered as a short-term method to influence consumer behavior rather than long term behavior.

##### **2.4.5 Social Influence**

Consumers sometimes purchase product influenced by others either directly or indirectly like: consumers seeking their friends' opinion in case of buying handsets where their purchase decision highly depends on their friends' opinion.

##### **2.4.6 Product Uniqueness**

A unique product itself will have an impact on consumers' buying behavior. Unique and updated products attract customer most and they can grab the whole market within a short time.

### **3. Research Methodology**

The research methodology used for this project include both primary and secondary research.

#### **3.1 Primary Research**

Primary research involves collecting new and original data to establish new findings regarding a particular subject. In the study, a questionnaire was prepared for physical survey which consists of simple multiple choice and Likert scale questions. It was also made sure that the questionnaire avoids all kinds of biasness from the researcher and avoids respondents' unwillingness and inability to answer questions. The reason for selecting survey questionnaire for this research is that it is both time and cost effective compared to face-to-face interviews as it allows covering large number of sample sizes and wide geographic areas. Another reason for choosing this method is that it is easy to analyze and interpret. Also, respondents are more comfortable with filling out questionnaires rather than interviews as it takes very little time compare to interview approaches.

### 3.2 Secondary Research

Secondary research is a process where data is collected from existing research to gather insights. There are two types of resources from which secondary data can be collected which are- internal sources and external sources. For this research project secondary data is mainly collected from 'external' resources where data has been collected from books, journals and reports from the internet. As this is an academic research, most of the secondary data is collected from academic sources.

## 4. Analysis

### 4.1 Background of the Analysis

In the first part of the analysis, all the important questions are being discussed in terms of what kind of responses are being received from the respondents and in the second part, the relationship between the variables are analyzed statistically.

### 4.2 Question by Question Analysis

- a. The survey started with (see appendices for details) the very basic question asking about the gender of the respondents where the percentage of male respondents (53%) is higher than the female respondents.
- b. In the second question, people were asked about their age and to mark in which age group they belong to. Most responses were received from the 21-25 age group as it possessed the highest percentage (68.0%), followed by the 18-21 age group in the second place.
- c. Respondents were asked about their occupation as we tried to find out what kind of impact occupation has on their mobile phone purchase behavior. From the result of the survey, it is very clear that the majority of the respondents are students. The rest of the respondents were involved in jobs, businesses and some were homemakers.
- d. In this question, respondents were asked about their educational qualifications. Most of the respondents have completed their post-graduation degree, followed by respondents from the HSC background. Few of the respondents belonged to a group that completed their masters and SSC.
- e. Respondents were asked if they are aware of buying a particular brand. Most of the people select brands for buying mobile phones based on the word of mouth communication by their friends, family, and others. About 29.0% of people prefer advertisements to buy mobile phones. 28.0% of people go for their research and 6.0% of people prefer other sources.
- f. Here, the respondents were asked about their preferred mobile phone brands. Here, it is seen that the majority of the respondents (31%) prefer the Red Mi brand. Samsung was preferred by 29.0% of the respondents. Oppo is preferred by 11.0%, some of them (10.0%) prefer iOS, 7.0% of them like Nokia and 2.0% voted for Lenovo.
- g. In this question, we asked the respondents if they search for a particular brand when they go to buy that brand's product. About 68.0% of people always search for information about a brand, before going to purchase a product. 26.0% of people search sometimes and 6.0% never go for any inquiry about the particular brand.
- h. Here, we asked my respondents about their preference for buying new or second-hand mobile phones. 86.0% said that they prefer to buy new mobile phones because they do not feel comfortable in second-hand mobile phones. On the other hand, 14.0% of people said that they would like to buy secondhand mobile phones because they want running handsets and they cost less.



- i. Here, the question was if they take opinions from others when they go to buy a mobile phone. The majority of the respondents (70.7%) said affirmatively that they take opinions from others before buying a mobile phone. 29.3% said they do not ask for any suggestions. They just go to the market and buy their preferred handsets.
- j. In this question, respondents were asked if they always buy a particular brand's product. About 55.0% of people said that they always buy a particular brand's product. The rest 45.0% change their brand for different technological tastes.
- k. Here, the question was about their preferred price range. It is seen that most of the people prefer the range of BDT 16,000-25,000 for buying mobile handsets. Those who have more affordability preferred the range BDT 26000 and above. 25.0% said they would like to buy their smartphone within BDT 15000.
- l. Respondents were asked about their area of consideration for buying a mobile phone. It has been seen that most people consider the performance of their phones. 30.0% of people are price-conscious. 11.0% look for value-added service of the brand. 10.0% of people prefer coverage and the rest of the respondents said they consider other areas of mobile phones while buying a mobile phone.
- m. The respondents were asked about the influencing factors before buying a phone set. 43.0% of people are influenced by camera quality. 28.0% like to see the storage capacity of the phone. Only 3.0% people responded that they care about audio quality(music) and the rest of the respondents are influenced by the other criteria of mobile phones.
- n. This question is about their preferred operating system. 87% said that they like the android operating system. 9% said they prefer Apple OS and only 3% said they will go for Microsoft.
- o. In the second half of the questionnaire, consumers were asked to express their opinions regarding the factors that influence their purchase behavior in a 5-point Likert scale, 5 being very important and 1 being very unimportant.  
 Brand Awareness: 47.5% are very much conscious about the brand, 37.4 % were somewhat conscious, and 1.0% of people said that brand is not important to them at all. The rest of the respondents hovered in the middle.  
 Quality of Product: 47.5% people responded that quality is very important to them, 37.4% said quality is important and 1.0% said quality is not mandatory. This means that majority of the people care about quality.  
 Price of the Product: 35% of the respondents said that price is very important, 46% said that it's important. On the other hand, 4% said it's unimportant and 2% said it's very unimportant. This explains that most of the buyers are price sensitive.  
 Product Uniqueness: To 28% of people, uniqueness of the product is very important, 30% said it's important, but 11% of people said that uniqueness is very unimportant.  
 Sales Promotion: About 38.0% of people said that they like sales promotion, almost 45% said that it is important, but 2.0% of people answered that sales promotion is not important.

## 5. Findings

From the research analysis, we can see that majority of the respondents belong to the age group of 21-25 where most of the respondents are students. It is also seen that number of male respondents is more than female respondents. Though in response to a question most of the respondents have mentioned that they never searched for any information about a particular brand before making the final purchase, it is also seen from another question's analysis that the majority of the respondents are well aware of brands. Thus, this gives the

idea that people are quite aware of a brand through various mediums like word of mouth, advertising, and so on; as a result, they do not need to search any information about brands before making the purchase decision. It also can be assumed from the analysis that respondents can gather knowledge about a particular brand of mobile phones through their friends and family. From the analysis, it is evident that the majority of the people can afford mobile phones within the range of BDT 16,000-25,000 range and mostly they prefer the performance of the device especially high performance of camera as this is an era of being trendy and uploading pictures. According to the analysis, it is quite clear that people love the Android operating system. They are brand conscious and they think about the product uniqueness of particular brands. Here, price is an important factor when they go for buying a mobile phone. Most of the time they are not influenced by any kind of sales promotion, as their need and timing are much more important than buying mobile phones on sale. We got to know the consumers' behavior while purchasing a mobile phone. Consumers take time to evaluate their situation before purchasing a product as they search for information about the products and the brands. Moreover, they choose it according to their affordability, social status, technological attitude, and beliefs. The main thing that we got to know here is that performance and uniqueness of the device influence customers to a great extent. They get satisfied most when they find the desired product within their affording price range. If this is ensured, they do not think about the brand's promotional activities or any other factors.

## 6. Conclusion

In conclusion, it can be said that the quality of a product is the most important factor which affects the consumer's mobile phone purchase behavior. The price of the product is another important factor to consumers because, at the end of the day, there is no free lunch in this world. Brand and product uniqueness are the third and fourth choice of respondents; therefore, camera function and operating system are the fifth most important factors that affect a consumer's mobile phone purchase behavior. Different kinds of sales promotion are not very important to people except for those who are interested in trying different brands of mobile devices.

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## Appendix

### Questionnaire:

Please circle the best option in answering the questions below:

- a. Gender
  - Male
  - Female
- b. Age
  - 18-21
  - 22-25
  - 26-29
  - 29+
- c. Occupation\_\_\_\_\_
- d. What is your educational qualification?
  - SSC
  - HSC
  - Hon's
  - Masters
- e. How did you become aware of a particular brand?
  - Advertisements
  - Word of mouth communication by friends, family or others
  - Through own research for a particular product
  - Other\_\_\_\_\_
- f. Which brand of mobile phones do you prefer most?
  - Apple
  - Samsung
  - Nokia
  - Redmi
  - Oppo
  - Lenovo
  - Others
- g. Do you search for any information about the brand before you purchase that brand's product?
  - Always
  - Sometimes
  - Never
- h. What type of mobile phone do you like to purchase?
  - New
  - Second hand
- i. Do you make the mobile phones purchase decision by taking others' (friends and family) opinion?
  - Yes
  - No
- j. Do you always buy a particular brand's product?
  - Yes
  - No
- k. Which price range you will choose to buy a mobile phone?
  - Below 5000
  - 5000-15000
  - 16000-25000
  - 26000 and Above
- l. Which area do you consider most to purchase mobile phones?
  - Coverage



- Price
  - Performance
  - Value Added Service
  - Others
- m. Which factor influence you to buy the particular mobile phone?
- Camera
  - Music
  - Storage
  - Others
- n. Your most preferred operating system (OS)?
- IOS
  - Android
  - Microsoft
- o. Please rate the following factors which according to you are important or unimportant when purchasing mobile phones. You have to rate each of the factors by giving (√) mark.

Factors	Very Important	Important	Neither Important nor Unimportant	Unimportant	Very Unimportant
Brand awareness					
Quality of product					
Price of product					
Product uniqueness					
Sales promotion					

#### Cite this article:

Syedda Raisa Maliha, Md. Tafsir Alam & Mustafa Nizamul Aziz (2020). Consumer Behavior in Selecting Mobile Phones in the Context of Bangladesh. *International Journal of Science and Business*, 4(7), 91-99. doi: <https://doi.org/10.5281/zenodo.3921991>

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