



A STUDY ON THE FACTORS INFLUENCING PURCHASE DECISION OF SMARTPHONE AMONG FEMALE STUDENTS IN CHENNAI

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Abstract

In the present scenario, smartphones have become a necessity and an integral part of everyday life. Earlier the phones were purchased and primarily used for communication purpose. But now with advancement in technology, a person can accomplish almost anything with a single touch. Smartphones are used for varied purpose and accordingly there are many factors that can influence the purchase decision of smartphone. This paper aims to find out the factors influencing decision making in the purchase of smartphone among female students in Chennai city. The sample size for this paper is 122 respondents. It was found that among the factors considered Product features and Brand has significant influence in the purchase decision.

Keywords: *Smartphones, Factors, Purchase decision.*

Introduction

Globalization has liberated people from being bound by their geographical location. With the world changing constantly, it's understandable that people seek out new opportunities across the globe. Even though people have moved to different locations, advancement in communication technology has allowed them to stay in touch with their families and friends. Earlier mobile phones in particular were used only for communicating. But with advancement in technology, communication has become one of the many reasons to purchase a mobile phone. With time and advancement in technology the mobile phone evolved into a smartphone. As the world progresses, the requirements and expectations of the customers also change. Companies work hard to fulfill the requirements and to meet the challenging expectations of the customers. There are a number of smartphones available with different features. In a market where there are many options, consumers' buying decisions can be influenced by many factors. It is crucial to understand the factors that influence customers to purchase smartphones.

Review of Literature

Study conducted by Savitha Nair, Nivea Nelson N, and Karthika R (2016) looked at consumer preferences toward mobile phones. The respondents were 130. The study showed that product quality and features of mobile phones are the most important factors.

Kameswara Rao Poranki (2016) conducted a study on “Customer Brand Preference of Mobile Phones at Hyderabad, India” The study used 250 respondents in Hyderabad town to find out whether brand was the most important factor when buying a mobile phone. The results showed that brand is a significant factor influencing preference for a mobile phone.

Anish John a dr. C. Sengottuvelu (2020) in their study revealed that social factors, social needs, product features, price, and brand significantly influence students' purchase intention of smartphones. The social influence was found to have a dominant role in purchase intention among generation Z.

Dr. S. K. Kaushal Rakesh Kumar (2016) in his research paper concluded the factors that encourage consumers to purchase smart phones are compatibility, dependency and social influence.

Need For the Study

This study aims to find the factors which have significant influence in the purchase decision of smartphones among female students in Chennai city. Following factors influencing purchase intention - Price, Brand, Product features, Convenience, Dependency are considered for the study.



Limitations

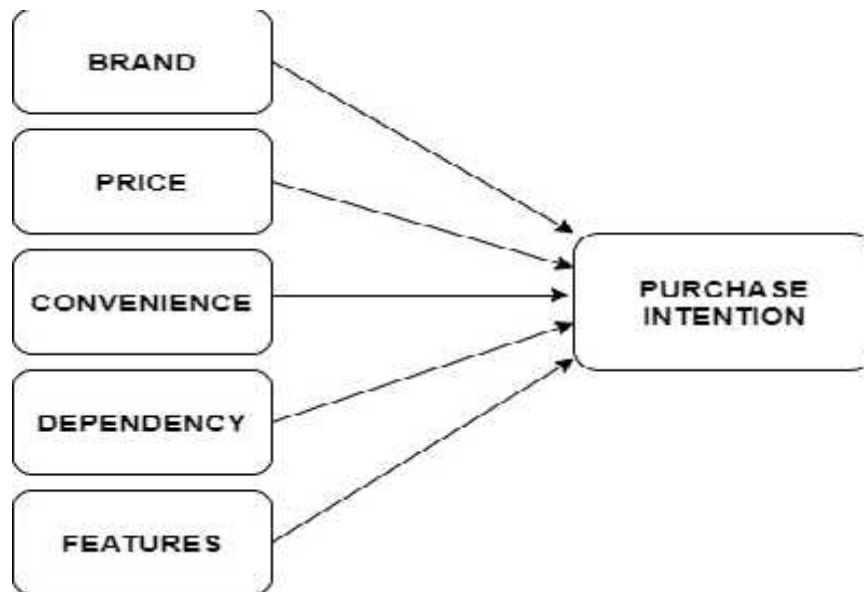
1. The present study is conducted only among female students in Chennai city. So the results may differ in other geographical areas.
2. Sample size is small and restricted due to time constraints.

Research Methodology

The sample size for this paper is 122 female respondents. The data was collected through a structured questionnaire on a 5-Point Likert scale. The statistical tools used for this paper are mean, standard deviation, Rank, percentage, Correlation and Regression.

Research Design

Figure 1 Factors influencing Purchase intention of smartphones



Objectives

1. To examine whether there is a significant relationship between price, brand, product features, convenience, and dependence on purchasing decisions among female students.
2. To identify the brand preferred by female students.
3. To identify the top four purpose of using smartphones by female students.

Data Interpretation

Table: 1 Factors

| S.No | Factors | Mean | Std. Deviation |
|------|------------------|------|----------------|
| 1 | Brand | 3.90 | .676 |
| 2 | Convenience | 4.22 | .568 |
| 3 | Dependency | 3.78 | .796 |
| 4 | Price | 3.71 | .698 |
| 5 | Product Features | 4.26 | .602 |



The above table Depicts the factors that have an impact on the purchase decision among the female students in Chennai. Of all the factors analyzed it was found that Product Features is the influential factor in the purchase decision with highest weighted mean of 4.26.

| Brand | Preference % |
|---------|--------------|
| Samsung | 31 |
| Xiaomi | 22 |
| Oneplus | 11 |
| Oppo | 11 |
| Apple | 10 |
| Vivo | 8 |
| Realme | 2 |
| Other | 5 |

Table 2: Pearson Correlation Analysis (N=122)

**. Significance at 99% confidence limit. (2-tailed).

*. Significance at 95% confidence limit. (2-tailed).

Table 2 shows the correlation between five variables i.e. Brand, Convenience, Dependency

| | Brand | Convenience | Dependency | Price | Features |
|--------------------|--------|-------------|------------|-------|----------|
| Purchase Intention | .458** | .269** | .415** | .215* | .553** |

Price and Product Features on purchase intention of smartphone. All the five factors have a positive influence and significant impact on the purchase decision of smartphones. There is a high correlation between Product Features (.553), Brand (.458) and Dependency (.415) and Purchase Intention. And Price and Convenience factor has low correlation with purchase intention. From the above table it is evident that Product feature is the most significant factor influencing purchase decision of smartphone.

Table 3: Multiple Regressions between Influencing Factors and Purchase Intention
Model Summary^b

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .690 ^a | .476 | .453 | .46442 |

a. Predictors: (Constant), Features, Convenience, Price, Dependency, Brand

b. Dependent Variable: Purchase Intention

ANOVA^a

| Model | Sum of Squares | df | Mean Square | F | Sig. | |
|-------|----------------|--------|-------------|-------|--------|-------------------|
| 1 | Regression | 22.722 | 5 | 4.544 | 21.069 | .000 ^b |
| | Residual | 25.020 | 116 | .216 | | |
| | Total | 47.742 | 121 | | | |

a. Dependent Variable: Purchase Intention

b. Predictors: (Constant), Features, Convenience, Price, Dependency, Brand



Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|-------|-------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | -.544 | .490 | | -1.111 | .269 |
| | Brand | .155 | .073 | .167 | 2.137 | .035 |
| | Convenience | .223 | .077 | .202 | 2.891 | .005 |
| | Dependency | .139 | .058 | .177 | 2.397 | .018 |
| | Price | .148 | .063 | .165 | 2.354 | .020 |
| | Features | .446 | .082 | .428 | 5.468 | .000 |

a. Dependent Variable: Purchase Intention

The multiple regression shows a significant relationship between the five factors influencing purchase decision of smartphones and Purchase Intention ($R = 0.690$). The R-squared value indicates that about 47.6% of the factors considered in this study predicts the purchase decision of smartphones among female students.

Table 4: Most preferred brands among female students

The above shows the preference of female students in Chennai among brands taken for study i.e. Samsung, Xiaomi, Oneplus, Oppo, Apple, Vivo, Realme. Samsung is the most preferred with 31%.

Table 5: Reason to use Smartphone

| Purpose | Rank |
|---------------|------|
| Communication | 1 |
| Education | 2 |
| Social Media | 3 |
| Entertainment | 4 |

The above table shows the top four purpose of using smartphone ranked from highest to lowest. For the purpose of this study the respondents were asked to rank the following reasons to use smartphones i.e., Communication, Education, Entertainment, social media, E-commerce, Navigation. The main reason and purpose to purchase a smartphone is Communication. Also, we can infer that due to pandemic, education via online mode has gained momentum thus becoming the second important reason to purchase the smartphone.

Conclusion

The purpose of this study was to examine the factors which influence the purchase decisions of female students in Chennai. Based on the above analysis, product features appear to be the most influential influence that motivates and triggers purchase decisions. In this study, five factors were taken into consideration for analysing the impact of purchase decision among female students in Chennai. The results of multiple regression however indicate that there are other factors that may also affect the purchase behavior. The study has certain limitations. Study is based on data collected from sample of 122 respondents. And research is restricted to only Chennai city. Research needs to be conducted addressing other factors that may influence purchase intentions for smartphones in the future.

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