A Study of Various Factors Influencing Brand Loyalty of Smartphone Users in Thane City

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Abstract:- The fascination of digital gadgets amongst young consumers worldwide, in particular mobile phones, has presented an opportunity for telecommunication marketers to target this group. The vast majority of mobile phone users have a personal relationship with their phones. They no longer regard them as a mere luxury, but rather as a necessity for everyday life. The mobile phone has attracted massive recognition all over the world and has millions of users including India. There is the continuous development of new products, frequent changes in the technology and design which has reduced the life of the mobile phone. The features, functions, outer appearance of the smartphone mobile keep on changes and updated within short period of time. As a result, large part of the population is inclined to buy these updated models. So, the brand loyalty in Smartphone mobile is a great area of research.

The present study is undertaken in Thane city. This study examines the general information about sample using Smartphone brand (such as preference of brand, purchasing year, source of purchasing, best feature of the brand and overall satisfaction with the brand). All the information pertaining to the research topic is collected with the help of structured questionnaires from the sample respondents. And after thorough analysis and interpretation of data, necessary suggestions and recommendation are made by the researcher.

This research study mainly focuses on factors influencing people's (sample's) brand loyalty towards Smartphone brand in Thane city.

Keywords:- *Brand Loyalty, Consumer Behaviors, Telecommunication Sector, Smartphone.*

I. INTRODUCTION

Brand loyalty can be defined as the extent of consumer faithfulness towards a specific brand and this faithfulness is expressed through repeat purchases and other positive behaviours such as word of mouth advocacy, irrespective of the marketing pressures generated by the other competing brands (Kotler & Keller, 2006).

The globalization of competition, saturation of markets, and continuous growth of information technology have increased customer awareness and created a situation where long term success is no longer achieved only through optimized product's price and qualities. Instead, companies build their success on a long term customer relationship. Today's empowered consumer with the support of advancement in communication and information technology is much better placed to select and take a decision among the plethora of brands available in the market. Companies are trying to keep the existing customer by building a strong brand loyalty. In intensely competitive markets like India with high unpredictability and little product differentiation, brand loyalty is a major element in marketing strategies and tactics. Perceived quality has been defined as the consumer's subjective judgment about a product's overall brilliance or supremacy. Loyalty for a brand is a deeply held commitment to re-purchase a preferred product or service consistently in the future. It was found that loyal customers show more favourable response to a brand than non loyal customers. In this 21st century, the international community has shifted from the industrial era into the era of information technology without borders. As well as, one can find the growth of new technology devices such as mobile phones, laptops, cameras, and others where too many extra features are available in these devices. These days smartphone with advanced features has been a basic device that one must possess.

In this competition era in almost all the industries including mobile / smart phone segment, consumers have plenty of choices to choose from and they are the ultimate king, it is essential for marketers to develop brand loyalty with the intention of creating long-term consumer-brand relationships. According to International Data Corporation (IDC)'s Smartphone Consumer PULSE research study on the mobile phone consumer trends in India, one out of three mobile phone consumers are willing to spend more than their planned budget and more than half ready to spend between $100 to $200 on a new smartphone. This reflects the attractiveness of this mass segment which contributes almost half of the India smartphone market and is dominated by brands like Xiaomi, Samsung and Motorola. The availability of consumer offers like zero cost EMIs, easy exchange programs at both offline retail stores and online are additional incentives for customers to spend more. It is easily to customers or users to switching to another brand if they feel not satisfied with current brand and choose the better Smartphone brand. So this study is to determine the factors that influencing brand loyalty among Smartphone users.

➢ *Market Share of Smartphone in India:*

	2014				2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Samsung	35	29	24	22	23	23	24	27	27	25	23	25	28	24	23	24
Micromax	15	18	20	18	16	17	17	14	13	13	8	-	-	-	-	-
Karbonn	10	8	8	-	-	-	-	-	-	-	-	-	-	-	-	-
Nokia	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lava	6	6	8	7	6	7	5	7	-	-	-	-	-	-	-	-
Motorola		5	5	4	-	-	-	-	-	-	-	-	-	-	-	-
Xiaomi	-	-	-	8	-	-	-	-	-	-	-	11	14	17	23	27
Intex	-	-	-	-	9	11	11	9	9	7	7	-	-	-	-	-
Lenovo	-	-	-	-	6	6	9	12	8	8	10	10	10	7	9	6
Reliance Jio	-	-	-	-	-	-	-	-	7	7	7	-	-	-	-	-
Vivo	-	-	-	-	-	-	-	-	-	-	-	8	11	7	9	7
Oppo	-	-	-	-	-	-	-	-	-	-	-	9	9	8	8	5
Others	30	34	35	41	45	36	34	31	36	40	45	37	28	37	28	31

Table 1:- Market Share of Smartphone in India from 2014 to 2017
Source: Statista (2018), https://www.statista.com/statistics/269487/top-5-india-smartphone-vendors

II. REVIEW OF LITERATURE

This section outlines the review of literature on factors influencing brand loyalty of Smartphone users at International, India and Thane level.

Salem Mohammad Zedan Yehia S. M. and Massimo C. (2016) in their research paper 'An Experiment on Brand Loyalty Among Mobile Phone Users in the Basque Region of Spain' attempts to examine brand loyalty among mobile phone users – the case of the main six mobile phone companies operating in the Basque region of Spain. An empirical study was conducted by collecting the primary data using a questionnaire. The findings proved that there is a low loyalty toward phone mobile companies according to users' attitudes. In addition, there is no loyalty among mobile phone users toward companies they deal with according to users' behaviors. The purpose of the study Bikash Singh B., (2016) is to identify the factors which are influencing the brand loyalty for the users of Samsung mobile in Nepal. For this study, researcher has taken 120 sample from Nepal who are using Samsung brand. A total of 186 questionnaires was sent online, out of them, 128 responses were recorded in Google docs. 120 responses were considered for data analysis because the remaining of them were incomplete and disqualified. From the regression analysis, we found out that customer satisfaction and brand experience are significant and determining brand loyalty. Other independent variables i.e. perceive brand quality, brand image, social media marketing and the control variable age, gender, and education do not have significant influence to determine brand loyalty for Samsung phones.

Apple topped the list with the highest brand loyalty score followed by Asus, Blackberry, LG, Samsung, Motorola, Micromax, Nokia/Microsoft, Sony, Xiaomi, Lenovo, Huawei, and HTC in the study conducted among IT employees. The statistically significant difference found in the brand loyalty scores of different smartphone brands signals the manufacturers to seriously focus on brand loyalty building to cope up with the cut throat competition and to ensure their long-term growth and survival. The manufacturers should concentrate more on areas such as image building, manufacturing quality products, and ensuring customer satisfaction. (Kumar S. S and Menon R. P., 2017). A total number of 600 young adults comprising of both students and working professionals from various reputed colleges and companies in Bangalore were surveyed and their responses were analyzed using SPSS 20. The study indicated that Apple has the most loyal base of customers, though Samsung is the most popular brand, and among the various demographic factors, only age had an impact on brand loyalty. Technical incompatibility and new technical and value added features are the primary reasons for switching to a new handset. (Nandi S. and Pattanayak J. K., 2010)

Wilson Lobo (2016) investigated customer's perceptions on brand loyalty for household appliances in Thane. For this study, the researcher used qualitative approach. The researcher conducted two focus groups with the household owners in Thane. The data collected were then analysed using thematic analyses and several key themes were formed. The result of this research shows that, majority of the participants were brand loyal and influential factors like experience, advertisements, loyalty schemes, price, perceived quality and customer satisfaction affected their repurchase behaviour for household appliances. The findings of this research also pointed out that, consumer's preference with regards to Indian versus international brand varied greatly from one participant to another.

### III.	OBJECTIVES OF THE STUDY

- To study the demographic profile of sample users.
- To analyse the factors influencing people's (sample's) brand loyalty towards Smartphone brand in Thane city.
- To provide conclusion on the basis of findings of the study.

### IV.	SCOPE OF THE STUDY

The scope of research is restricted within the limits of Thane city. This research mainly concentrates on people's brand loyalty towards Smartphone brand in Thane city.

### V.	SAMPLE SELECTED FOR THE STUDY

For the purpose of this study, 350 Smartphone users are taken as a sample from Thane city. The study is conducted by collecting data through primary sources like questionnaires. All the data are properly classified and arranged in tabular form. Simple charts are used as statistical tool for the analysis and interpretation of the study.

### VI.	ANALYSIS AND INTERPRETATION OF DATA

This section includes analysis and interpretation of the data collected through primary method

A. Profile of Sample Customers:

	Responses	
	In Numbers	**In Percent**
Males	207	59%
Females	143	41%
Total	**350**	**100%**

Table 2:- Gender of Sample

It is evident from the above that 59% of selected sample for this study, who are using Smartphone, is male and remaining is female.

	Responses	
	In Numbers	**In Percent**
<=20	70	20%
21 - 35	185	53%
36 - 50	81	23%
>50	14	4%
Total	**350**	**100%**

Table 3:- Age Group of Sample

From the above table, it is understood that 53% of sample is in the age bracket of 21-35, followed by 23% of sample is in the range of 35-50, 20% of sample is less than 20 and remaining is above 50.

	Responses	
	In Numbers	**In Percent**
Student	77	22%
Working (Service)	228	65%
Business	24	7%
Others	21	6%
Total	**350**	**100%**

Table 4:- Occupation of Sample

From the above table, it is found out that 65% of selected sample belong to working class, followed by 22% who are students, 7% of them doing business and remaining 6% of them are in other category.

	Responses	
	In Numbers	**In Percent**
< 40,000 Rs.	42	12%
41,000 – 80,000 Rs.	122	35%
81,000 – 1,20,000 Rs.	168	48%
Above 1,20,000 Rs.	18	5%
Total	**350**	**100%**

Table 5:- Family Income (Monthly) of Sample

In terms of annual family income, then above table and Chart shows that 48% of sample is found in the range of 81,000 – 1,20,000 Rs, followed by 35% is in the range of 41,000 – 80,000, 12% of the is < 40,000 Rs, and remaining 5% of them are earning > 1,20,000 Rs.

B. General Information about Sample Smartphone users:

	Response	
	In Numbers	**In Percent**
Samsung	133	38%
Lenovo	14	4%
Xiaomi	74	21%
Vivo	42	12%
Oppo	59	17%
Others	28	8%
Total	**350**	**100%**

Table 6:- Which Brand of Smartphone Purchased by You?

Above table shows that majority of sample (i.e. 38%) is using Samsung brand, followed by 21% of sample using Xiaomi, 17% of sample using Oppo, 12% of sample using Vivo, 8% of sample using other brands such as Reliance jio, Motorola etc. and remaining 4% of sample is using Lenovo brand.

	Response	
	In Numbers	**In Percent**
2017 & Above	28	8%
2016	112	32%
2015	161	46%
2014	42	12%
2013 & Below	7	2%
Total	**350**	**100%**

Table 7:- In which Year, you Purchased the Smartphone Brand Currently Being Used?

It can be understood from the above table that 46% of selected sample has been using the Smartphone brand since 2015, followed by 32% of sample using since 2016, 12 % of sample using since 2014, 8% of sample using since 2017 and remaining 2% of sample has been using the brand since the year 2013 and below.

	Response	
	In Numbers	**In Percent**
Online	80	23%
Directly from Distributor	32	9%
Visiting Electronic Store	231	66%
Other Sources	7	2%
Total	**350**	**100%**

Table 8:- From where you have Purchased the Smartphone?

From the above table, it is cleared that 66% of selected sample has purchased the Smartphone brand by visiting the electronic store personally, followed by 23% of sample purchased online, 9% of sample purchased directly from distributors and 2% of sample has purchased the brand from the other sources.

	Response	
	In Numbers	**In Percent**
Studies	63	18%
Business Purpose	14	4%
Fun & Entertainment	252	72%
Other Purposes	21	6%
Total	**350**	**100%**

Table 9:- For which Purpose, Smartphone is being Mainly Used by you?

Above table shows that majority of sample (i.e. 72%) uses the Smartphone for the purposes of fun & entertainment (i.e. games, videos etc.), followed by 18% of sample uses it for studies (Google search, access to MS office etc.), 6% for other purposes and remaining 4% of sample uses it for the business purposes (i.e. Mailing, PPT etc.)

	Response	
	In Numbers	**In Percent**
Very Happy	189	54%
Somewhat Happy	101	29%
Neutral	28	8%
Not Very Happy	18	5%
Not at All Happy	14	4%
Total	**350**	**100%**

Table 10:- Are you Satisfied with the Customer Service of your Smartphone Brand?

It is evident from the above table that 83% of sample is satisfied (i.e. very happy or somewhat happy) with the customer service of their Smartphone brand. Whereas, 9% of sample is not satisfied with the customer service and remaining 8% of sample is in neutral.

	Response	
	In Numbers	**In Percent**
Camera Clarity	94	27%
Advanced Features	109	31%
Strong Battery Back-up	63	18%
Broad Display Size	56	16%
Other features	28	8%
Total	**350**	**100%**

Table 11:- Tick any One Best Feature of your Smartphone Currently Being Used.

From the above table, it is found out that 31% of sample mention advanced features as best feature of their Smartphone currently being used, followed by 27% of sample who mention camera clarity as a best feature, 18% of sample mention strong battery back-up, 16% of sample mention broad display size as best feature and remaining 8% of sample mention other features.

	Response	
	In Numbers	**In Percent**
Very Likely	255	73%
Likely	71	20%
Neutral	10	3%
Not Likely	10	3%
Very Unlikely	4	1%
Total	**350**	**100%**

Table 12:- Will you Recommend to Others?

It is cleared from the above table and chart that 93% of sample is very likely or likely to recommend their Smartphone brand to others. On the other side, 4% of sample would not like to recommend and remaining 3% of sample is neutral.

C. Factors Influencing Customer's Brand Loyalty towards Smartphone Mobile Users

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
1. Trustworthiness	0	0	2	36	62	**100%**
2. Quality	0	0	0	57	43	**100%**
3. Pricing	14	34	8	28	16	**100%**
4. Status Symbol	2	22	2	54	20	**100%**
5. Quick after sale-service	4	6	4	63	23	**100%**
6. Easy accessible customer service centre.	6	12	8	56	18	**100%**
7. Have strong image in the market	0	2	7	68	23	**100%**
8. Company is transparent in its dealing	6	28	18	36	12	**100%**
9. Reviews (Feedback)	0	3	12	62	23	**100%**
10. Always coming up with new models	14	46	14	20	6	**100%**
11. Availability in both modes (Online & Offline)	12	38	18	30	2	**100%**

Table 13:- Factors Influencing Brand Loyalty towards Smartphone Mobile Users.

Above table show that almost majority of sample say that trustworthiness, quality, after sale service, strong image and reviews are the significant factors influence their brand loyalty towards Smartphone mobile.

VII. CONCLUSIONS

➢ It can be concluded from the study that sample user's first choice is Samsung brand, followed by Xiaomi and Oppo. These are all foreign brands which are also operating in India and became household name. Among all the Smartphone brands, Samsung Smartphone has the highest market share in India.

➢ Sample users have accepted that Smartphone has become necessity of their day to day activities. The use of smart phone has not only been limited to communicate with friends, families, business personals but has a multi-purpose feature which includes data storage, camera, multimedia and others.

➢ Users have accepted that they do have knowledge of other brands also but they will prefer their own Smartphone brands due to its mainly advanced features, camera clarity, and strong battery backup. Even they are ready to spread positive reviews and recommend their brands to others also.

➢ Study found that loyal customer have trust in brand of mobile phones they are using. It is also found out that Samsung Company in mobile segment is one of the top sellers in Smartphone category, but there is a stiff competition with other available smart phone brands. Therefore, companies should understand the value of loyalty towards to face the cut-throat competition in the market.

➢ Majority of sample users, according to the study, uses the Smartphone for the purposes of fun & entertainment (i.e. games, videos etc.), followed by studies (i.e. Google search, access to MS office etc.).

➢ It also shows that price is irrelevant factor for majority (i.e. 48%) of loyal customers. That means, loyal customers are ready to pay a little more for their Smartphone brand till the time they are getting quality product, quick after sale-service etc.

Statements	1 S.D	2 D	3 Neut.	4 A	5 S.A	Total % of 4 & 5	Ranking* on the basis of Total %
1. Trustworthiness	0	0	2	36	62	98	*2*
2. Quality	0	0	0	57	43	100	*1*
3. Pricing	14	34	8	28	16	44	*8*
4. Status Symbol	2	22	2	54	20	74	*6*
5. Quick after sale-service	4	6	4	63	23	86	*4*
6. Easy accessible to customer service centre.	6	12	8	56	18	74	*6*
7. Strong image in the market	0	2	7	68	23	91	*3*
8. Company is transparent in its dealing	6	28	18	36	12	48	*7*
9. Reviews (Feedback)	0	3	12	62	23	85	*5*
10. Always coming up with new models	14	46	14	20	6	26	*10*
11. Availability in both modes (i.e. Online & Offline)	12	38	18	30	2	32	*9*

Table 14:- Factors Influencing Customer's Brand Loyalty towards Smartphone Mobile Users
*Ranking is taken out by totaling maximum preferences given to agreed and strongly agreed by sample group.
So, it can be concluded on the basis of the study that the most influencing factors in terms of ranking are quality of brand, trustworthiness, strong image in the market, quick after sale-service and reviews.

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