

Uncertainty in Consumer Behaviour with Reference to Factors Influencing Consumer Purchase Decision of Smartphones in the City of Bengaluru

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Abstract

This article attempts to investigate and understand the factors that influence the purchase decision towards smartphones in Bangalore. Bangalore is a cosmopolitan and multilingual city with a mixed culture. It is also a famous city in India with the IT sector and educational institutions, which has grown in the recent past. The shopping pattern in Bangalore is found to be very interesting when compared to other south Indian cities because the spending pattern of people in Bangalore provokes the consumers to purchase. A survey was conducted to determine the factors influencing smartphone purchase. Simple random sampling technique has been used with a sample size of 190. Factor analysis was run to reduce the dimensions and find the aptest variables influencing the consumer purchase decision. From the analysis, the researchers have derived five iterations which are price and in-built features (Component 1), camera, battery backup and sound quality (Component 2), marketing strategy and social groups (Component 3), brand image and origin of the company (Component 4), EMI and replacement option (Component 5). This study will help the marketers in understanding the expectation

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of the consumer's from the product and figure out the areas of improvement in smartphone features and other factors influencing the purchase so that they can tailor make the product as per customer requirement and understand the most crucial factor contributing to the sale. Uncertainty is to be understood by the marketers, as drastic changes in needs, wants, desire, and expectations are needed.

Keywords: Smartphones, Consumer Preference, Purchase Decision, Brand, Decision-making Process

1.Introduction

In today's fast-paced world, we do not use or envy technology; we function with technology (McCarthy & Wright, 2004). Technology is ingrained in our daily routine. Everything can be done in seconds with a click of a button; with this growth of technology, smartphones have taken a predominant place. A few years back, where cell phones were used only to make calls and text messages, now everything could be done at the expense of a smartphone (Butle, 2016). Smartphones have evolved from buttons to smart touch screens, wireless internet access, cameras, a global positioning system (GPS), voice communications, offers a broad array of mobile applications (Mourcou et al., 2015). Due to which there is a shift in consumer preferences from basic cell phones to smartphones (Singh, 2018). The usage of smartphones has significantly increased by everyone, but its high usage is seen among youngsters because it provides a gamut of entertainment, gaming, applications, and much more (Haug et al., 2015). Smartphones have reformed the way we perform tasks. A smartphone replaces a computer. It has widened the usage of exchanging information, purchasing products, and making payments (Dedyukhina, 2016). Today, for almost every activity, there are applications on the smartphone (Malviya, Saluja, & Thakur, 2013). Brand perception is an exclamation used to describe how consumers view a particular product (Berger & Draganska, 2007). Consumer perception refers to marketing and advertising the idea of sensory perception to understand how a product or service affects consumer actions. (Shabrin, Nushrat; Khandaker, Sarod; Kashem, Saad Bin & Susila, 2017); (Agyekum et

al., 2015). Merchants apply the principle of market understanding to assess how their consumers see them against other rivals (Harshleen Kaur Sethi, 2017). Companies use consumer preference theory to device marketing and advertising strategies for attracting, maintaining, and handling consumer relations, long-term survival in the competitive market (Melewar, Foroudi, Gupta, Kitchen, & Foroudi, 2017). An American economist Paul Samuelson devised the 'theory of revealed preference.' where he explains 'preferences can be revealed by the level of income and price' under varied circumstances (Wong, 2006).

1.1 Smartphone Usage in India: An Overview

India is a profitable market for smartphone manufacturers due to its diverse population (Septiana Wijayanti & Sungkono, 2017). After China, India is the second-largest smartphone market in the world (ICA, 2018);(Mondal, 2019). In 2019, India exported 158 million smartphones. OnePlus, Realme, Oppo, Xiaomi, Vivo are the Chinese phone brands, 72% sold in India (Lohchab, 2020). Apple, Samsung, Asus, Google take the rest of India accounts for 20% of smartphone subscribers worldwide. Android has a 90% share in the Indian market, which dominates the operating system (OS) market. 58% of smartphone users in India claim that applications help their livelihoods(MEF, 2016). In 2015, over 199 million people in the country were using smartphones, i.e., around 26.3%. According to the chamber of commerce and PWC, a smartphone user in India is anticipated to increase by 84%, i.e., 442 million by 2022 (Bureau, 2019).According to a research agency(Counterpoint, 2019), the major smartphone brands and their market shares in India are as follows Xiaomi, with a 27% stake, holds the number one position in the market, followed by Vivo and Samsung with 21% and 19% stake respectively. Oppo and Realme have 12% and 8% of stake respectively in the market. Several other brands like Apple, Motorola, Asus, Lenovo, LG holds less than 13 % of stake in the Indian smartphone market (Sharma, 2020).

1.2 Significance of the study and scope of the study

In this contemporary world, despite the economic slowdown and the global recessionary trend, the Indian smartphone market continues to thrive and is a promising sector (Abhijit, 2019). The use of the smartphone has seen exponential growth, especially amongst youngsters. Today, every consumer is very well informed and rational while making a purchase decision for a smartphone. Based on the usage and priority, the consumers make a preliminary choice and compare the price, brand, quality, etc., with the other available options. Eventually, the lead is converted into actual sales. The desired result of any marketer is to make the consumers happy and retain them. Hence, it is essential to understand the factors that majorly influence smartphone purchases. An in-depth analysis of the factors contributing to smartphone purchase will enable the marketers to develop a new product with the most preferred elements at the atomic level and also device strategic decisions regarding pricing, marketing, and consumer retention plan, which will, in turn, help in achieving the business objective. Our study would help the other research scholars understand the factors that will eventually lead to purchase and identify the factors influencing the consumer in making their purchase decision. The spending pattern is an essential factor because it provokes the consumers to get involved in the purchase. However, there are no demographic restrictions; the data was collected from a large group of individuals.

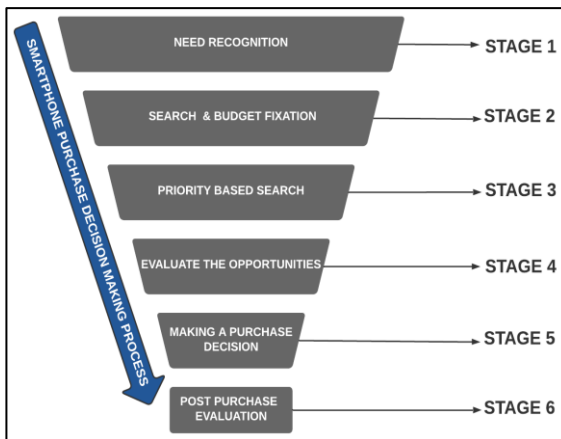


Fig 1.1: showing the smartphone purchase decision-making process

Figure 1.1 explains the stages involved in consumer purchase decision-making for smartphones. Consumer decision making can be defined as the "behavior patterns of consumers, that precede, determine and follow on the decision process for the acquisition of need satisfying products, ideas or services" (Du Plessis, P. J., Rousseau, G. G., 1991). According to (Kotler and Keller, 2012);(Blackwell, RD, Miniard, PW & Engel, 2006), the consumer behaviour model generally passes through 5 stages, i.e., needs recognition, information search, evaluation of alternatives, purchase decision and post-purchase behaviour respectively. The above framework has been developed after adding a new stage 'search and budget fixation' to the previous framework. The first stage in consumer decision-making is recognising the need or the problem (Phillip Kotler & Gary Armstrong, 2008). Need recognition is a prime motivating factor where the consumer realises the need and is aware of the desired state (William M. Pride, 2007). According to (Workman & Studak, 2006), this stage is centred on what drives consumers to purchase the product.

The consumer identifies the need, and if the consumer feels that the new phone has utility, the previous phone is obsolete, there is a need for updating to new features and versions, and so on, stage one is achieved. After the need recognition, the second stage is where the consumer, preliminary screens all sorts of smartphones available in the market through various sources like social media, personal research, online blogs, social groups, family, word of mouth, advertisements, and so on. After this, the consumer applies price filters to see if it fits his budget & requirement. Not all smartphones have the entire feature that fulfils the consumer's needs, and if it does, it is not within the budget. After the consumer has decided the budget, he prioritises his needs based on his personal usage like gaming, photos, casual media, other utilities, etc. The consumer then takes up some research to gain in-depth information on the product (Phillip Kotler & Gary Armstrong, 2008). This forms a part of stage three. Contemporary society mainly uses the internet to search for information and make decisions (Goodwin, 2017). This follows up to stage four, where the consumer evaluates the opportunities or alternatives. The consumer evaluates the various angles like the

utility, priority-based usage, value, and price along with few other essential factors and distinguishes them from each other so that he can make the right decision among the various alternatives available. In this stage, the consumer makes a trade-off between smartphones. All these stages eventually bring us to stage five, where the actual purchase is made after taking into account all the alternatives available to maximise the total utility. In this stage, possession of the good is finally transferred to the consumer. The last stage in the decision-making is post-purchase evaluation. According to (Belch, 2009) post-purchase evaluation is a stage where the consumer evaluates if the purchase met expectations, exceeded expectations, or left them disappointed. This stage may lead to consumer loyalty if the consumer is highly satisfied or may lead to consumer switching in case of dissatisfaction.

1.3 Review of literature

Understanding and finding out the factors that are influencing the purchase behaviour towards smartphone is fundamental, and hence, (Shanka, 2013) researched the city of Hawassa, where they explored the six most important factors, such as features of the product, brand name, price, durability, social group, and after-sales services. The research revealed that the consumer's decision-making process is influenced by price and then followed by other listed factors. (Attri, Rekha; Maheshwari, Sreta & Sharma, 2017) researched consumer purchase behaviour for smartphone brands. The findings of the study were that hardware specification comprising of processor, cameras, and memory has the highest degree of influence on consumers. The marketing strategies like advertising, point of sale communication (POS), and word of mouth (WOM) are the other important factor that influences the purchase by a consumer and least important factor are the EMI options available and exchange offer. The research signifies that the highest consumer preference is towards an android phone because it has user-friendly attributes, which are accepted by consumers with comparison to that of windows. (Subramanyam, D & Venkateswarlu, 2012) studied various strategies of marketing adopted by the seller to attract existing consumers, potential consumers and their impact on the

purchasing behaviour of mobile phones. Results showed that the education level of family and their income determine the factors that determine purchasing mobile phones. (Ganlari, Deepika; Kr Deka, Pradeep & Dutta, 2016) study shows that the price and performance, which includes integration of software, and hardware and display of camera performances, file transfer, brand, and product design, influence people in purchasing mobile phones. (Shabrin, Nushrat; Khandaker, Sarod; Kashem, Saad Bin & Susila, 2017) choose the seven most important factors that influence smartphone purchases, namely brand concern, convenience, dependency, price, product features, social influence, social needs. The detailed investigation proved that brand name, product feature, and social influence had a significant impact on purchasing behavior. In contrast, convenience, dependency, price, and social needs had an insignificant influence on purchasing behavior. A Nigerian research team (Ayodele; Adetola and Ifeanyichukwu, 2016) investigated the various factors that dominate the smartphone buying behaviour among young adults in Nigeria. The study concluded that various attractive features, effective branding strategy, and appealing pricing strategy would lead to an increase in sales and is the most dominating factors while making a purchase. (Kaushal, Dr S. K. & Kumar, 2016) study revealed that only compatibility, dependence, and social influence were significant. Interestingly, a significant variation was seen in the responses of males and females with respect to the convenience factor. A team of researchers (Rahima, Azira; Zaharah, Siti Safina; Khenga, Law Kuan; Abasa, Nurliyana, and Alia, 2016) conducted a study to understand the factors that influence the purchasing intention of smartphone among university going students in Malaysia. The findings of the study revealed that product features, brand name, and social influence are the most important factor. In contrast, product sacrifice is the least important factor and has no significant relationship between purchasing intentions. (Malasi, 2012) examined the factors influencing smartphone selection choices made by consumers in Pakistan. The findings showed that consumers give importance to the latest technology features as the most significant variable among all of them. It also serves as a driving force that encourages them to decide to purchase a new smartphone. A study in Ghana on factors that influence the

consumers to choose branded phones was conducted by (Aidoo, Eric & Nyamedor, 2008). The study revealed that 76 % of the people preferred smartphones, while 24 % did not prefer it because of high pricing. The study also revealed that the important factors that determine the choice of branded phones are based on the reliable quality of the mobile phone, mobile phone brand, and user-friendliness of mobile phones. Research conducted by (Das, 2012) researched the factors that influence the behaviour of youth to purchase smartphones in coastal districts of Orissa in India. The study revealed that the brand of the phone, smartphone appearance, advanced features, and usability is the prime choice of young consumers; feminine, postgraduates, working students, and urban residents in geographical area groups play a more prominent role in buying decision. The usage also proves preference (Prasad, 2016) studied the attitude of Indian consumers towards the use of smartphones of the android and windows version. The result revealed that any branded smartphone is based on services such as service centers, brand names, network, technology, Wi-Fi range, customisation in service, physical appearance such as durability and reliability, screen size, weight, size and value such as hardware design and features, camera quality in terms of pixels. In 2014 a research conducted by (Liua Chia-Ju, 2014) on a topic entitled "the deep impression of smartphone brands on consumers decision making." The researcher conducted a study on the four most prominent smartphone players. A questionnaire survey and an eye-tracking technique were used to trace the most important factor that persuades consumers to purchase like product systems, product exterior, and brand appearance. The study proved that 71 % of the respondents were ready to shell out more money to buy the favourite brand. The device tracking system interestingly showed that that brand logo was the most important factor. The findings concluded that irrespective of the changes in the specifications, the favourite brand was given more importance. Research conducted by the (Creusen & Schoormans, 2005) found that physical appearances of the product influence the consumer decision in the purchase of a product. The design of the product is the first-ever impression for the consumer and can become an advantage for the manufactures. (Hussein, 2012) asserted that brand recognition is the possibility that

consumers know a company's product's presence and availability. One of the main steps for promoting the companies' products is to build brand recognition publically by establishing excellent communication with the consumers. Performance in terms of brand relation has key components such as trust, satisfaction, and commitment (Dorsch, Swanson, & Kelley, 1990). These components play an essential role in maintaining a consumer-brand relationship. Consumer decision to purchase a brand was affected by the nature of the brand relationships, quality of service, and brand experience. Consumer intention to repurchase depends on the brand. (Yi & La, 2004) found that modified expectations can intercede the impact of consumer satisfaction on intention to purchase the same brand again and the quality of the product, advertisement of the brand has a substantial effect on the repurchase intention of the consumers. The research by (Chen, Chen, & Lin, 2016) revealed that most consumers' give importance to appearances and the price of the product, but the final move would have a slight impact on social groups and brands. Therefore, maintaining a brand reputation becomes essential to attract consumers. (Dziwornu, 2013) explored the effect of product feature on smartphone preference among students of Kenyan university. The study found that the variability of the product features impacts smartphone preference among the students. Different product and brand features were considered, such as colour combinations, brand, and smartphone with a range of models, security, display, smartphone appearance. Consumer behaviour includes learning how the purchases are made, what kind of purchase, reasons behind the purchases made, and when a consumer decides to make a buying decision, they will start moving the process through identification of the product, search details, appraisal, buying, recommendations (Butler & Peppard, 1998). Consumers and households are who purchase goods from the companies for personal consumption (Dupree, 2005). There are two different types of consumers, i.e., individual consumers and organisational consumers. When these consumers are acquiring goods, using, and disposing of goods and services is known as consumer behaviour (William, Kumju, Seonaidh, & Caroline, 2009). (Singh, 2018) conducts a study on a topic entitled "Consumer Behavior of Smartphone Users" with a motive to find out the

variables that influence the selection and decision-making, purchasing patterns, and much more. The paper highlights that physical features and guarantee is the most important factor followed by special offers and family influence, domestic brand and size and lastly by price. (John, 2018) studied in-depth the social factors that influence smartphone purchase among Generation Z. Hence, major three factors- parents, friends, and social needs were taken into consideration, and the findings revealed that parents influenced the most followed by friends and social needs. (A. S., Suresh & Singh, 2019) recently conducted a study on a topic entitled "Factors affecting Consumer Purchase Decision for Smartphones in India." The study concludes that companies should focus on camera-centric devices with the overall good quality and at a reasonable price since these are the most important factor, and advertising is the most important driving factor that affects purchase decisions.

1.4 Content analysis from Videos

These days importance has been given to a mixed research approach considering quantitative and qualitative approaches. In this regard, we have done a content analysis as a part of model development from the talks and essence captured from the same. For this purpose, selected videos from YouTube have been taken. Thus this research follows a triangulation approach (Shankar, 2018). The videos used for content analysis follows the theme of smartphones and their usage. In addition, it considers the various pros and cons associated with a smartphone. (Punjabi, 2016) in his video spoke about the top 5 aspects that need to be considered while making a smartphone purchase decision. The first things that need to be given importance are storage option since there is an incredible hike in volume and quality of files that requires more space if not handled properly will lead to delayed processing, the battery is next essential element especially amongst college and businessperson since they have a high usage pattern. The display size, screen resolution is also a very crucial factor. The camera resolution and pixel because ever user expects high-end camera features in the smartphone.

The budget of the consumer is a factor that holds the highest weightage. A TEDx speaker (Frenkel, 2014), in his talk, discusses

smartphones, was once made for the sole purpose of entertainment, convenience, and much more, and as per the business perspective of earning profits has created by way of hooking consumers with more apps. A TED talk (Butle, 2016) says that most people get pulled into using a smartphone because of sociological or peer pressure. The users are 24/7 over the phone. (Maini, 2019) discusses that the name of the smartphone should talk about a product, which needs to be short and precise with Alpha or numerical so that clear distinction can be made. The appeal of the product should associate with what the product stands for. The smartphone should be web-friendly, which means appearance on web pages when consumers browse on search engines. The pronunciation makes psychological connect with consumers, and hence the name should be simple.

Apart from this, scratch-resistant, durability, attraction, material, and glass fusion protector are other variables that need to be considered while designing a smartphone. A smartphone purchase advisor on YouTube (Raghavan, 2018) mentioned that before purchasing a smartphone, the consumers need to prioritise their personal usage like gaming, photos, casual media, etc., because all smartphones do not have features that support the consumer's purpose. Budget is also a significant factor that needs to be taken while making a purchase decision. The system on chips (SOC), which is a chip, has four components that take care of CPU, GPU, RAM, and modem that supports in functioning. SOC options available are Qualcomm snapdragon, mediatic series, Huawei Kiran series, and x0 series. Snapdragon is better since it has a better CPU, GPU, performance & better image processor, and hence a prudent consumer needs to do a little research that suits his requirements and is within the budget. How people shopped ten years ago and how they are shopping now is quite different. Ten years ago, consumers entered the shop with very little awareness about the product and sought information from the sales representative. They made purchase decisions only after the touch and felt the product. Now the consumer is empowered with information, and they do not want to see and touch the product. They go on an e-commerce website, see the description, rating, and order the product online. Back then, questions did not address online answered via a sales representative. Now the role of the sales representative has changed what it was ten

years ago where they had to explain everything and answer the question of the consumers. Sales representative jobs had a lot of pressure and demanded more knowledge to provide the right information at the right time to consumers (The USA, 2019).

The video (Geekyranjit, 2019) is about how much one should invest in a smartphone and what youngsters should consider while buying smartphones. In financial terms, smartphones are called depreciable assets. Say if 50,000 is the initial investment made on an android phone and you want to sell in the market after one year, it will fetch you fifteen-twenty thousand. Smartphones will depreciate over a period, and again it depends on how much duration they have been used, but most users might use about a year. When it comes to the iPhone, the usage is two and a half to three years. In 2019 the mid-range smartphone price point of 15,000 rupees, consumers are availing themselves great phones. It is not as if they have to spend fifty to eighty thousand to get a good phone. In terms of battery life, they last a minimum of ten long hours. Its cameras have an excellent ultra-wide lens. The best example is Redmi-Xiaomi is fifteen sixteen thousand, it is doing well in the market, and cameras are mid-range. These days, consumers buy a smartphone just for the primary usage for making a call, daily work, or take some photographs. So they spend more than around 15,000; they are getting really good smartphones. If consumers spend between or more than 50 to 80 thousand on Android or IOS, they are just paying for the brand. In India, people buy iPhones just for the brand image. Many youngsters get into jobs and buying smartphones almost three times the price of their salary. Therefore, the youngsters should not fall into this trap because these days, most of the vendors on the e-commerce website give options of buying these expensive smartphones on EMI, and you get easy instant approval. But you should never buy a smartphone on EMI; if not able to pay full price for a smartphone, then that smartphone is not for you because it will depreciate. If you take it on an EMI for about a year or eight months, the value of the smartphone after eight or twelve months is almost nothing.

Advice to youngsters is to buy a mid-range phone for 15 or 17 thousand instead of purchasing an iPhone that costs 70,000. They can

opt for a bike loan, a car loan, or any other thing instead of investing money in depreciating assets like smartphones. The video (Hatten, 2017) is about post-purchase dissonances. Two friends hanging out together, one of their phone rings, noticed how deeded the phone was and suggested buying a new iPhone. At first, she was not interested, but due to friends' advice, she visits a store to check out some phones. She explains to the salesperson that she wants a new phone but does not want to spend a lot of money. The salesperson suggests her to buy an iPhone 5 for \$50 and, she agrees and purchases, but she is unsure of her investment. She decides to check out iPhone 5 online, reads the features of calling and texting and purchased. She finds the new version of the smartphone and very curious to understand the working; it was significantly advance. She realised it is not useful to her and a waste of money. She looked at all the options, benefits, and similarities amongst similar phones. She concludes that what phone she chooses does not matter, and they will be the same because they are iPhones. They will all have the same overall functions; the only differences are new features will be added. She watches Netflix though her new phone, but the app does not work. This frustrates her, and she will exchange the phone. A well-known Indian yogi, spiritual guru, and author (Sadhguru, 2018), in an interview with Dubai TV, was questioned on the fact that smartphones have made humans highly dependent and termed it as if this 'modern era slavery.' He mentions that life has become so much better, technology has enabled humans to do things efficiently and comfortably, and this gadget proves to be a necessity now. The only problem is that humans make things very compulsive. He finally quotes that "compulsiveness leads to sufferings and the only solution to this is consciousness."

From the overview of the review of the literature, the above framework is developed. The framework represents the factors influencing the purchase decision for smartphones. The entire framework is bifurcated into two parts based on the internal and external factors influencing smartphone purchase. (Khaniwale, 2015) asserts that both the internal and external factors both affect the consumer purchase decision significantly.

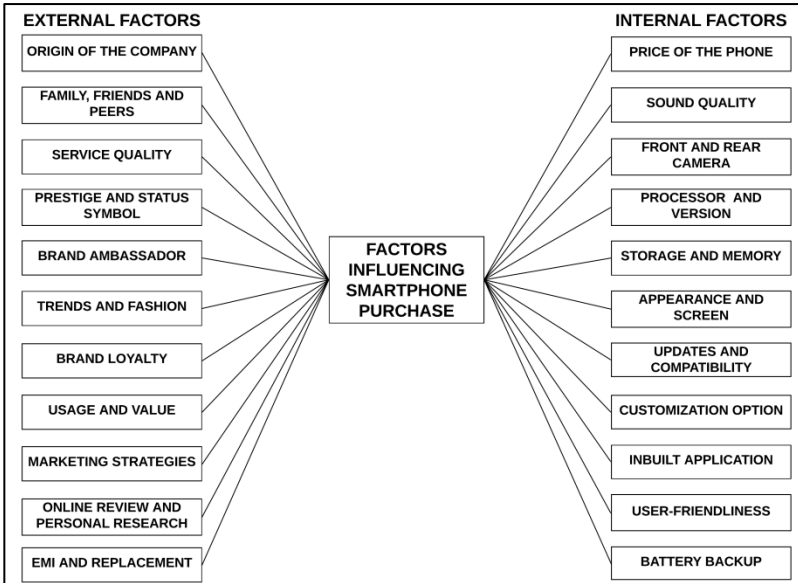


Fig 1.2: showing the factors influencing smartphone purchase

1.5 Research problem

The consumer purchase decision is a qualitative approach because it involves attitude, emotions, demographic influence, the influence of the internal and external environment, and digital marketing. Now the consumers are smart enough to conduct market research before they purchase an expensive product. In general, an individual takes reasonable efforts before buying a smartphone. Still, those efforts are unknown, and it differs from individual to individual, and hence there is a need to explore the factors influencing the consumer purchase decision. In addition, the concept of social purchase has encouraged the consumers to have a detailed discussion with the social groups associated with them before buying the final product, and it is a platform to share opinions and feelings. Social media are very informative, giving many opportunities for knowledge sharing and acquisition (Raja, 2019). All this opinion and preference towards the same product might differ, which has to be explored, and sometimes it is quite shocking to analyse the demographic influence. In the era of micro marketing and permission marketing, even

marketers should look into various features associated with the product to influence the consumers, which would lead to profitability.

1.6 Research Gap

From the deep scrutinisation of many literature sources, it is found that most of the researches have analysed the data using a quantitative approach. However, in social sciences, specific themes such as consumer behaviour, which is influenced by the psychographic profile of the respondents, should follow a qualitative approach. Moreover, past researchers have explored factors associated with the product and not the service in depth. In the era where the consumer expects relationship marketing, the CRM features have not been explored in past research. Thus, these gaps have been identified and incorporated in this present research.

1.7 Objective of the research

The motive of the research is to study the factors influencing consumer purchase decision towards smartphones.

1.8 Methodology (Materials and methods)

The methodology is the outline to follow the process and procedure in a chronological way to achieve the result. In this research, the researchers have given importance to quantitative and qualitative approaches by collecting data using the primary and secondary sources of data collection. The researches have chosen the questionnaire method of data collection using simple random sampling. The data from (N=190) was collected from September to November, and for this purpose, the researchers have personally visited various stores selling smartphones and the service providing destination. The reliability of the questionnaire was tested using Cronbach alpha, which had a value of more than 0.7, which is acceptable according to the statistical theory of Nully(Reynaldo, 1999);(Cronbach, 1951). In this research, a principal component analysis (PCA) using the varimax index factor analysis was used. Factor analysis is a multivariate statistical technique where there is

no distinction between independent and dependent variables; both are analysed to extract the underlined factor. Factor analysis is a dimension reduction method where a large number of variables resulting in data complexity are reduced to a few manageable factors. It is mostly preferred when there is a problem of multicollinearity (Sondhi And Chawla, 2015). In factor analysis, the data will be organised based on the proportion of variance (Adbi, 2003). The Factors that have high factor loadings are considered for the analysis, and those who have low factor loadings are not considered for further analysis (Paul, 2005).

1.9 Data Analysis and Interpretation

Table 1.9.1: showing the KMO and Bartlett’s test of sphericity

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.881
	Approx. Chi-Square	2398.677
Bartlett's Test of Sphericity	Df	253
	Sig.	.000

From the above table, it is clear that the KMO sample adequacy and Bartlett's Test of Sphericity are met, and hence, we can proceed with factor analysis (Kaiser, 1974);(IBM, 2019).

Table 1.9.2 showing the Rotated Component Matrix for a factor analysis

Rotated Component Matrix					
	Component				
	1	2	3	4	5
Storage space	.783	.327	.116	.069	.180
Inbuilt application	.727	.247	.195	.208	.010
Price	.686	.019	.286	-.016	-.010
Internal memory	.635	.456	.073	.025	.135
Processor	.556	.477	.096	.151	.146
Version	.547	.484	.292	.001	.108
Screen size	.521	.363	.302	.373	-.062
Touch screen	.517	.353	-.149	.126	.453
Front-camera	.089	.855	.140	.127	.094
Back camera	.210	.846	.101	.056	.133
Sound quality	.316	.694	.177	.080	-.084
Image sensor	.352	.597	-.004	.173	.343

Battery backup	.411	.547	.148	-.005	.112
Friends and peers	.134	.114	.809	.110	.139
Family members	.114	.156	.690	.171	.113
Point of sale explanation (POS)	.323	.088	.617	.171	.225
Word of mouth (WOM)	.251	.163	.612	-.090	.112
Advertisement	.065	.080	.588	.616	-.047
Brand ambassador	-.059	.016	.547	.567	.144
Origin of the company	.039	.107	.230	.741	.186
Brand image	.236	.129	-.104	.707	.191
Exchange Option	.110	.100	.261	.278	.760
Every month instalment (EMI)	.346	.137	.346	.110	.752

Extraction Method: Principal Component Analysis

Rotation Method: Varimax with Kaiser Normalization

a. Rotation converged in 7 iterations.

1.10 Conclusion

The first and foremost important component that determines purchase decision is the price and inbuilt feature within the smartphone. The next important component preferred by smartphone users is the camera, battery backup, and sound quality. Followed by Consumer loyalty, advertisement, market strategies, and consumer satisfaction are the critical factors that help consumers in making a wise purchase decision. Society, peers, friends, family members play a very influential role for the same purpose. The origin of the company and brand image psychologically affects the consumer's purchase behaviour, and hence it has to be given due importance. The EMI and replacement options are comparatively of less weightage when compared to other factors. These are the most critical factors that the companies need to keep in mind to attract more consumers and to maintain strong consumer loyalty.

1.11 Suggestion

The business houses need to invest in understanding consumer behaviour and try to implement new strategies that will further help them attract consumers. The most intimidating marketing philosophy deals with the ability to understand what the consumers

choose in the market and what they end up buying. However, this information is crucial for marketers because having a clear understanding of consumer behaviour can help to focus on what is essential to the consumer and imply possible consumer decision-making factors. Consumers today are very well informed and choosy. The researchers suggest that the consumers are highly price-conscious, they buy value, and hence pricing product is of utmost importance. The marketers need to follow the copious trend towards camera-centric devices with innovation and maintained quality because consumers have a high affinity towards this, which might prove to increase the market share. Sound quality and battery backup are exceptionally crucial. Consumer buys what they see and hear and hence, having just the right price, and features are not enough, it has to be backed by right marketing strategies, and thus, the marketers need to take enough initiatives to promote using advertising campaigns, point of sales explanation (POS), word of mouth (WOM), online and social media marketing, etc. Replacement option and EMI option is also found to be a critical factor that influences the smartphone purchase behaviour. The marketers also need to keep in mind that smartphone operates in a monopolistic market where product differentiation is a key factor, there prevails a cutthroat competition, which makes the market very dynamic and value-oriented, and hence, all these factors need to be taken into consideration in order to be successful.

1.12 Limitations of the study

The geographical location considered for the study is Bangalore, Karnataka, which is located in the Indian sub-continent popularly known as the silicon valley of India. The city has been chosen because it is the hometown of researchers, and data collection is based on a simple random sample. The scope of the study is restricted since it is confined only to Bangalore, and this is a prime limitation. The conceptual map is framed after going through literary texts, and the variables are vetted for the conceptual framework. The selection of the variables might differ based on the researcher's assumptions, judgment, and expectations, and hence, this variable selection process is a vital drawback of this study. Consumer behaviour influences purchase decision

significantly. Social factors like family, reference groups, roles, and status have not been studied in detail. Highly influential, cultural factors such as values, customs, traditions, and religion are not considered for the study. Economic factors involving personal income, family income, and government policy have not been given due importance. Personal factors encompassing age, lifestyle, personality, and gender have not been taken into account. Psychological factors like motivation, perception, learning, attitude, and belief system, which is the crux of consumer behaviour, is not considered in this study, which is a prime limitation. This paper is one-dimensional, does not consider the marketers' point of view, and is a major limitation of the study.

1.13 Recommendation

The researchers strongly recommend that the smartphone manufacturing company should continuously research and develop new stylish smartphones and also improve the inbuilt features within the phone because these are the primary features that most of the consumers at the very inception look at. Hence, the researchers recommend that there should be no compromise made on these factors. Thus, it is not easy to attract consumers where there is heavy competition, and the marketers have to drive the consumer experience very positive and frame strategies for consumer retention.

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