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Consumer's Behaviour in Buying Smartphones in Kathmandu Valley

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Abstracts

This study related to the factors that affect themobile purchase decision in Kathmandu valley. Furthermore, the study shows the relationship ofdemographic factors like gender, age, education level, occupation, income level andmarital status with the purchase decision of mobile in Kathmandu valley. Consumers purchase decisions are affected by various factors and it is necessary for any brand to understand the factors that affect the decision. Thus this research isconducted to study factor influencing purchase decision of mobiles in Kathmanduvalley. The objective of the research is to identify the influencing factor for thepurchase decision of mobiles and to examine the relationship of these influencingfactors with the purchase decision of mobiles in Kathmandu valley. Based on the literature review, in the study, the researcher identified variables like, promotional campaign, price, after sales service, mobile attributes, brand name & family and friend influence. The collected data were completely analyzed and interpreted on the objective wise and the major conclusions are given.

Keywords: Occupation, demographic, emotions, sovereign, preferences, attitudes, behaviors, bargaining

Background of the Study

Consumer behaviors may be defined as the study of individuals and organizations and how they select and use products and services. It is the decision process and physical activities that includes engage in when evaluating, acquiring using or disposing of the good and services. Consumer behavior examinations how emotions, attitudes and preferences affecting buying behavior. Consumer's needs and desires undergo change from time to time. The buying behaviors of consumer differs from person to person, however their buying process may be same or identical. It is difficult to predict their behaviors. It is essential for marketers to conduct research continuously on consumers in order to adapt business with changing pace of consumers' needs and desires.The study of consumer behavior is concerned with psychology, motivations, behavior and all the aspects of purchasing behavior from pre-purchase activities through to post-purchase consumption, evaluation and disposal activities and also concerned with all persons involved either directly or in directly in purchasing decisions and consumption activities including brand- influencers and opinion leaders.

The consumer buying process consists of five stages – problem recognition, information search, evaluation of alternatives, purchase and post purchase evaluation. All the consumers' do not always go through all this five stages. The individual may terminate the process during any stage so this depends on the experience of consumer involved in purchasing and the nature of product they wants to purchase. Persons in high-involvement decision process may omit some of these stages. Whatever be the buying process, it is essential for modern marketer to know the buying behavior of his/her target customer for the long-term survival.

Statement of Problem

In the recent years, the business environment of Nepal has been changed drastically. The business has become more complex, complicated and competitive so to survive in such a changing and competitive business environment, all activities of the business must be focused on the consumer. In reality, the consumer is sovereign, deciding whether to accept or reject a product on monthly basis of whether or not it meets perceived needs and desires. Understanding consumer's buying behavior is a complex and difficult task as it is influenced by many factors such as cultural, social, personal and psychological. Consumer's needs and desires undergo change from time to time. It is essential for marketers to conduct research continuously on consumers in order to adapt business with changing pace of consumers' need and desires.

In this article focus to study the consumer behavior of mobile owners with respect to decision-making process of mobile purchase in the valley. The research questions are:

- Does demographic factor plays a role in purchase decision of mobiles?
- What are the major factors that influence the purchase decision of mobiles?

Objectives of the Study

Understanding consumer behavior has become more complex and complicated day by day. It required continuous efforts of investigation and exploration of consumers but such practice of investigation and exploration on consumer buying behavior are too rare or entirely absent in Nepalese business perspective. In such circumstances, an attempt has been made in this work to study consumer behavior with respect to decision-making process of mobile purchasing by mobile user in the valley. The main objectives of this study are mentioned below-

- To examine the relationship between influencing factors and purchase decision of mobile by mobiles users.
- To identify whether demographic factor play an important role in purchasing

Significance of the Study

Different types of products with large number of alternative brands are available in the market so it is essential for the manufacturer or marketer of the product to know the buying behavior of target customer to turn success in their favor. As the focus of the study is on consumer behavior with respect to decision making process of mobile purchase by mobile users, the marketer of the product will be highly benefitted by this study. Mobile has been

the necessity for easy communication. The mobile dealers and companies may use the finding of this study as a guideline for making strategies for successful marketing of their product to the mobile users of Kathmandu valley. Such marketing strategies may relate to segmentation of market based on buyer's behavior. The research helps not only their marketers but also provide valuable guidelines and references to the scholar and researchers who are interested in conducting further research on consumer buying behavior.

Research Design

Research Design is the plan structure and strategy of investigations conceived so as to obtain answers to research questions and to control variance. Descriptive research is a fact finding operation searching for adequate information. It is a type of survey study which is generally conducted to assess the opinion, behavior, or characteristics of a given population and to describe the situation and events occurring at present.

The objective of this study is to examine consumer behavior with respect to decision-making process of mobile purchase in the valley. Descriptive research is widely conducted to solve various marketing problem. Thus, a descriptive study as well as survey research design have been used in this study.

Population and Sample

Population for the research consists of total mobile user in valley. The sample size of respondents chosen for this study constitutes 125 mobile buyers who are residing in Valley. The sampling method used in the study is non- probability random sampling. The sample are selected using convenience sampling method in Kathmandu. The respondents in sample are believed to be the true representative of the population.

Data Collection procedure

The information and data required for conducting the study is entirely based on Primary source. Primary information and data will be gathered through structured questionnaire. Based on the objectives of the study, a comprehensive questionnaire was developed which includes questions pertaining to consumer decision-making process and factors influencing behavior. The data were collected through self-administered structured questionnaire. It was also collected at mutual convenient places in Kathmandu valley through questionnaire. The respondents were supported by oral explanation when they did not understand the questionnaire.

Secondary data regarding the previously done research were collected from .the website of different journals. Other various information for the research like population size was collected through the webpage of different Mobile Companies and other sources.

Method of Analysis

Qualitative as well as quantitative data were collected for this study as primary source, a well-structured questionnaire was prepared as the main instrument for data collection. Questionnaire contains single choice questions and Liken scale questions to meet the objective. In order to analyze the collected data Microsoft Excel has been used. Clear

interpretations are made simultaneously. Necessary table and diagrams are used so that the research will be cleared as well as clearly understandable.

The questionnaire were distributed and collected to make them applicable for presentation and analysis. Presentations of data are done on table from simple diagram and bar diagram. The interpretation and explanation are made whenever necessary. In order to analyze the collected data Microsoft Excel are used. Frequency and percentage computation describe the number and proportion of the-sample respondents. Cross-tabulation describes the relationship between respondents' demographic variables and their priority for.

Presentation And Analysis Of Data

Questionnaires were distributed to various respondents at the different places in Kathmandu valley personally and were also collected through online survey form. A random sampling procedure was followed with a total of 125 valid respondents. The following tables and graphs illustrate the descriptive statistics of our sample. The respondents were asked to rate each factors. The respondents were asked to rate these various factors upon the likely and unlikely scale. The descriptive analysis of proportional campaign & buying is also done in this section. Relationships are examined by using frequency tables and cross tabulation.

Relationship between Gender and Brand Preference of Mobile

In this part cross tabulation and chi-square test between gender and brand of mobile that the respondents have purchased was done.

Table 1: Cross Tabulation between Gender and Brand Preference of Mobile

Brand of Mobile		Gender		
		Female	Male	Total
Samsung	Count	22	24	46
	%within Gender	40%	34.3%	36.8%
Huwaei	Count	3	7	10
	%within Gender	5.5%	10%	8%
Nokia	Count	0	1	1
	%within Gender	0%	1.4%	0.8%
Vivo	Count	5	3	8
	%within Gender	3.6%	1.4%	6.4%
Oppo	Count	4	2	6
	%within Gender	6.6%	2.9%	4.8%
Oneplus	Count	3	9	12
	%within Gender	1.8%	1.4%	9.6%
iPhone	Count	8	12	20
	%within Gender	3.6%	2.9%	16%
Mi	Count	6	5	11
	%within Gender	3.6%	1.4%	8.8%
Others	Count	4	7	11
	%within Gender	0%	4.3%	8.8%

Total	Count	55	70	125
	%within Gender	100.0%	100.0%	100.0%

Sources: Field Survey, 2022

From the Table :1, it has been observed that out of 125 respondents the highest number of respondent are male i.e. 70 and female respondents are 55. Out of total respondents, 36.8% had Samsung mobile 8% had Huawei, and 0.8% had Nokia mobile. Similarly, 6.4% had Vivo, 4.8% had Oppose, 9.6% had one plus, 16% had iPhone, 8.8% had MI and 8.8% had other brands of mobile. The tabulated value of x^2at 5% level of significance for 8 degree of freedom (d.f) is 15.507.Since the calculated value of x^2is equal to 6.86 which is lesser than tabulated value i.e. 15.50>6.86 therefore there is no significant relationship between gender and the purchase decision of the mobile.

Relationship between Age Group and Brand Preference of Mobile

In this part cross tabulation and chi-square test between age group and brand of mobile the respondents have purchased was done.

Table 2: Cross Tabulation between Age Group and Brand Preference of Mobile

Brand of Mobile		Gender				
		16-25	26-35	36-45	46 & above	Total
Samsung	Count	27	14	2	3	46
	%within Age	44.3%	26.4%	28.6%	75%	36.8%
Huwaei	Count	8	2	0	0	10
	%within Age	13.1%	3.8%	0	0	8%
Nokia	Count	0	0	1	0	1
	%within Age	0	0	14.3%	0	0.8%
Vivo	Count	6	1	0	1	8
	%within Age	9.8%	1.9%	0	25%	6.4%
Oppo	Count	5	1	0	0	6
	%within Age	8.2%	1.9%	0	0	4.8
Oneplus	Count	2	9	1	0	12
	%within Age	3.3%	17%	14.3%	0	9.6%
iPhone	Count	2	17	1	0	20
	%within Age	3.3%	32.1%	14.3%	0	16%
Mi	Count	5	4	2	0	11
	%within Age	8.2%	7.5%	28.6%	0	8.8%
Others	Count	6	5	0	0	11
	%within Age	9.8%	9.4%	0	0	8.8%
Total	Count	61	53	7	4	125
	%within Age	100.0%	100.0%	100.0%	100.0%	100.0%

Sources: Field Survey, 2022

From the Table 2: it can be seen that out of 125 respondents the highest number was from the age group 16-25 years i.e. 61 and lowest from the age group 46 years and above i.e. 4. Likewise, 53 respondents are from age group 26-35 years and 7 respondents are from age group 36-45 years. Out of total respondents, 36.8% has Samsung mobile, 8% had Huawei, and 0.8% had Nokia mobile. Similarly, 6.4% had Vivo, 4.8% had Oppo, 9.6% had One plus, 16% had iPhone, 8.8& had MI and 8.8% had other brands of mobile.

The tabulated value of x^2 at 5% level of significance for 24 degree of freedom (d.f) is 36.415. Since the calculated value for x^2 is equal to 59.58 which is greater than tabulated value i.e. 59.58>36.415 therefore there is significant difference in brand preference of mobile with age group.

Relationship between Education and Brand Preference of Mobile

In this part cross tabulation and chi-square test between education and brand of mobile the respondents have purchased was done.

Table 3: Cross Tabulation between Education and Brand Preference of Mobile

Brand of Mobile		Education				
		SLC & Above	Intermediate	Bachelors	Masters & above	Total
Samsung	Count	5	3	28	10	46
	%within Education	62.5%	18.8%	36.8%	40%	36.8%
Huwaei	Count	0	1	7	2	10
	%within Education	0	6.3%	9.2%	8%	8%
Nokia	Count	0	0	0	1	1
	%within Education	0	0	0	4%	0.8%
Vivo	Count	1	2	3	2	8
	%within Education	12.5%	12.5%	3.9%	8%	6.4%
Oppo	Count	0	4	2	0	6
	%within Education	0	25%	2.6%	0	4.8
Oneplus	Count	1	1	10	0	12
	%within Education	12.5%	6.3%	13.2%	0	9.6%
iPhone	Count	0	1	16	3	20
	%within Education	0	6.3%	21.1%	12%	16%

Mi	Count	1	3	3	4	11
	%within Education	12.5%	18.8%	3.9%	16%	8.8%
Others	Count	0	1	7	3	11
	%within Education	0	6.3%	9.2%	12%	8.8%
Total	Count	8	16	76	25	125
	%within Education	100.%	100%	100%	100%	100%

Sources: Field Survey, 2022

From the Table 3:, it indicates that out of 8 respondents who had education of SLC & below 62.5% had Samsung mobile, 16 respondents who had education of Intermediate 18.8% had Samsung and MI mobile. Likewise, out of 76 respondents who had education of Bachelor 36.8% had Samsung mobile and out of 25 respondents who had education of Masters and above 40% had Samsung mobile. Out of total respondents, 36.8% had Samsung mobile, 8% had Huawei, and 0.8% had Nokia mobile. Similarly, 6.4% had Vivo, 4.8% had Oppo, 9.6% had one plus, 16% had IPhone, 8.8% had MI and 8.8% had other brands of mobile. The tabulated value of x^2 at 5% level of significance for 24 degree of freedom (d.f) is 36.415.

Since the calculated value for $x^2$is equal to 39.81 which is greater than tabulated value i.e. 39.81>36.415 therefore there is significant difference between education level and purchase decision of mobile.

Relationship between Occupation and Brand Preference of Mobile

In this part cross tabulation and chi-square test between occupation and brand of mobile the respondents have purchased was done. Table4 : Cross Tabulation between Occupation and Brand Preference of Mobile.

Table 4 : Cross Tabulation between Occupation and Brand Preference of Mobile

Brand of Mobile		Occupation					
		Student	Service	Employed	Self-employed	Unemployed	Total
Samsung	Count	10	4	20	10	2	46
	%within Occupation	31.3%	57.1%	32.3%	55.6%	33.3%	36.8%
Huwaei	Count	2	0	8	0	0	10
	%within Occupation	6.3%	0	12.9%	0	0	8%

Nokia	Count	1	0	0	0	0	1
	%within Occupation	3.1%	0	0	0	0	0.8%
Vivo	Count	0	0	5	1	2	8
	%within Occupation	0	0	8.1%	5.6%	33.3%	6.4%
Oppo	Count	2	0	4	0	0	6
	%within Occupation	6.3%	0	6.5%	0	0	4.8
Oneplus	Count	1	1	7	2	1	12
	%within Occupation	3.1%	14.3%	11.3%	11.1%	16.7%	9.6%
iPhone	Count	5	1	11	3	0	20
	%within Occupation	15.6%	14.3%	17.7%	16.7%	0	16%
Mi	Count	5	0	5	0	1	11
	%within Occupation	15.6%	0	8.1%	0	16.7%	8.8%
Others	Count	6	1	2	2	0	11
	%within Occupation	18.8%	14.3%	3.2%	11.1%	0	8.8%
Total	Count	32	7	62	18	6	125
	%within Occupation	100.%	100%	100%	100%	100%	100%

Sources: Field Survey, 2022

From the Table 4: it shows that out of 32 respondents who students 31.3% had are Samsung mobile, out of 7 respondents who are in service 57.1% had Samsung mobile. Likewise, out of 62 respondents who are employed 32.3% had Samsung mobile. Similarly, out of 18 respondents who are self-employed 55.6% had Samsung mobile and out of 6 respondents who are unemployed 33.3% had Samsung and Vivo mobile. For more, out of total respondents, 36.8% had Samsung mobile, 8% had Huawei, and 0.8% had Nokia mobile. Similarly, 6.4% had Vivo, 4.8% had Oppo, 9.6% had one plus, 16% had iPhone, 8.8% had

MI and 8.8% had other brands of mobile. The tabulated value of x^2 at 5% level of significance for 32 degree of freedom (d.f) is 46.194. Since the calculated value for x^2 is equal to 32.295 which is less than tabulated value i.e. 32.295 < 46.194 therefore there is no significant relationship between occupation level and purchase decision of mobile.

Relationship between Income level and Brand Preference of Mobile

In this part cross tabulation and chi-square test between income level and brand of mobile the respondents have purchased was done.

Table 5: Cross Tabulation between Income Level and Brand Preference of Mobile

Brand of Mobile		Income level(per month)				
		Less than 20000	20001-40000	40001-60000	60001 & above	Total
Samsung	Count	24	12	6	4	46
	%within Income	38.1%	33.3%	50%	28.6%	36.8%
Huwaei	Count	5	5	0	0	10
	%within Income	7.9%	13.9%	0	0	8%
Nokia	Count	1	0	0	0	1
	%within Income	1.6%	0	0	0	0.8%
Vivo	Count	6	1	0	1	8
	%within Income	9.5%	2.8%	0	7.1%	6.4%
Oppo	Count	3	1	1	1	6
	%within Income	4.8%	2.8%	8.3%	7.1%	4.8%
Oneplus	Count	2	4	3	3	12
	%within Income	3.2%	11.1%	25%	21.4%	9.6%
iPhone	Count	7	8	1	4	20
	%within Income	11.1%	22.2%	8.3%	28.6%	16%
Mi	Count	7	3	0	1	11
	%within Income	11.1%	8.3%	0	7.1%	8.8%
Others	Count	8	2	1	0	11
	%within Income	12.7%	5.6%	8.3%	0	8.8%

Total	Count	63	36	12	14	125
	%within Income	100%	100%	100%	100%	100%

Sources: Field Survey, 2022

From the Table 5:, it shows we can see that out of 63 respondents who earn less than Rs. 2000 per month 38.1% had Samsung mobile. Similarly, out of 36 respondents who earn 20001 to 40000 per month 33.3% also had Samsung mobile and out of 12 respondents who earn between 40001 to 60000 per month 50% had Samsung mobile. Likewise out of 14 respondents who earn 60000 and above per month 28.6% had Samsung mobile & iPhone. Along with this, out of total respondents, 36.8% had Samsung mobile, 8% had Huawei, and 0.8% had Nokia mobile. Similarly, 6.4% had Vivo, 4.8% had Oppo, 9.6% had One plus, 16% had iPhone, 8.8% had MI and 8.8% had other brands of mobile.

The tabulated value of x^2 at 5% level of significance for 24 degree of freedom (d.f) is 36.415.Since the calculated value for $x^2$is equal to 24.54 which is lesser than tabulated value i.e. 36.415 < 24.54therefore there is no significant relationship between income level and purchase decision of mobile.

Relationship between Marital Status and Brand Preference of Mobile

In this part cross tabulation and chi-square test between marital status and brand of mobile the respondents have purchased was done.

Table 6: Cross Tabulation between Marital Status and Brand Preference of Mobile

Brand of Mobile		Marital Status		
		Unmarried	Married	Total
Samsung	Count	35	11	46
	%within Marital Status	33.3	55%	36.8%
Huwaei	Count	10	0	10
	%within Marital Status	9.5%	0	8%
Nokia	Count	1	0	1
	%within Marital Status	1%	0	0.8%
Vivo	Count	8	0	8
	%within Marital Status	7.6%	0	6.4%
Oppo	Count	6	0	6
	%within Marital Status	5.7%	0	4.8
Oneplus	Count	9	3	12
	%within Marital Status	8.6%	15%	9.6%
iPhone	Count	17	3	20

	%within Marital Status	16.2%	15%	16%
Mi	Count	8	3	11
	%within Marital Status	7.7%	15%	8.8%
Others	Count	11	0	11
	%within Marital Status	10.5%	0	8.8%
Total	Count	105	20	125
	%within Marital Status	100%	100%	100.0%

Sources: Field Survey, 2022

From the Table 6: can be seen that out of 105 were unmarried and 33.3% of them have Samsung mobile. Similarly, out of 20 respondents who were married 55% of them also have Samsung mobile. For more, out of total respondents, 36.8 % had Samsung mobile, 8% had Huawei, and 0.8% had Nokia mobile. Similarly, 6.4% had Vivo, 4.8% had Oppose, 9.6% had one plus, 16% had iPhone, 8.8% had MI and 8.8% had other brands of mobile. The tabulated value of x^2 at 5% level of significance for 8 degree of freedom (d.f) is 15.507.Since the calculated value for x^2 is equal to 10.78 which is lesser than tabulated value therefore there is no significant relationship between marital status and purchase decision of mobile.

Conclusion

Thisstudy conducted in Kathmandu valley to find out the factors that affect the mobile purchase decision. Furthermore, the study shows the relationship ofdemographic factors like gender, age, education level, occupation, income level andmarital status with the purchase decision of mobile in Kathmandu valley. Consumers purchase decisions are affected by various factors and it is necessary forany brand to understand the factors that affect the decision. Thus this research isconducted to study factor influencing purchase decision of mobiles in Kathmanduvalley. The objective of the research is to identify the influencing factor for thepurchase decision of mobiles and to examine the relationship of these influencingfactors with the purchase decision of mobiles in Kathmandu valley. Based on the literature review, in the study, the researcher identified variables like, promotional campaign, price, after sales service, mobile attributes, brand name & family and friend influence. Likewise there is no significant relationship between genders, occupation, income level and marital status with the mobile purchase decision which is represented by the significance level accordingly. However, there is significant relationship between education level and age with purchase of mobile which is represented by the significance level accordingly.

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