

ASPECTS REGARDING THE MANAGEMENT OF A RESEARCH CONCERNING THE BACKGROUND OF MOBILE PHONE BRANDS' RESISTANCE TO CHANGE ON THE MARKET OF DURABLE GOODS IN ROMANIA

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Abstract: This article puts forward the theoretical presentation of the steps/stages taken during a research that aims to identify the degree of resistance to change of mobile phones on the market of durable goods in Romania. The actual research will be conducted on the model presented in this study.

The consumers' resistance to changing the brand is determined by the perception of the emotional costs, the experience with the brand, the perception of the services provided by the supplier of the brand, price reductions, brand innovation and learning costs.

Keywords: resistance to change, emotional costs, brand innovation, experience with the brand, price reductions

Introduction

For many categories of products and services, consumers who have paid for their purchase to a company have also covered the costs for the case in which they intend to change the supplier with a similar one, who is a competitor with the current supplier. The examples may be costs associated with learning how to use the good of the new brand, the uncertainty costs regarding the quality of the new brand, the psychological switching cost associated with brand loyalty and the real costs of the transaction covered when choosing a different brand. An example of this type of switching cost occurs when wanting to purchase a mobile phone, especially when it implies changing the mobile phone service provider. This requires not only voiding the contract signed with the current mobile phone service provider, but also signing a new contract with a different service provider. In case there are high costs for terminating such a contract, and the user wants to purchase a new phone at a low cost, he has the option of extending the contract for a relatively long period in exchange of a considerable price reduction for the mobile phone.

Conceptual Framework

Emotional or psychological costs are the costs that arise from the mind of the user or from the emotions associated with changing the brand. This category of costs includes the costs generated by incertitude and emotional costs. From the

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consumer's perspective, choosing a different brand implies undertaking uncertain costs related to the risk perception regarding the performance of the new brand. Incertitude occurs when the performance level of the new provider is unknown for the user (Guiltinan 1989). Emotional costs determine a psychological or emotional discomfort in the mind of the consumer when switching to a different brand due to the attachment or loyalty towards the brand purchased in the past (Guiltinan 1989). For mobile phones, these costs are specific for the phones used regularly.

The learning costs have been considered by many researchers an important aspect of the switching costs over the years [3;5;2;1]. Learning costs consist of time costs and the costs that imply the effort put in to acquire new skills or know-how in order to use efficiently a new product or service [1]. Learning costs include time and effort expended on information acquisition, exchange and assessment. These costs may occur before or after acquiring a new brand [2]. In the context of our research, the learning costs refer to the time and effort put in during the process of learning how to use the new mobile phone. In the model proposed by Nipuna Pereraa and Hee-Woong Kimb (2008), the consumers' resistance to change is researched by measuring the relationships with uncertainty costs, emotional costs, operating costs, learning costs, price reduction and low performance costs.

Brand innovation is a strong advantage when choosing a mobile phone. Young people and businessmen are especially attracted by the new technology that emerges on the telecommunication sector in the context of their recent development and evolution. Innovation is considered the main engine of economic growth in today's global economy. By putting innovations into practice, we may obtain products with improved quality characteristics, high quality services, improved models of business management systems, modern methods of labour management, etc. There are numerous motivations for enterprises and organizations to innovate, including: increase the market share, gain new markets, improve product quality, expand product range, replace obsolete products, reduce environmental impact, etc.

Being a marketing concept, innovation may be defined from several perspectives, such as:

- *Business innovation* or "creating new" describes the company's ability to develop and introduce on the market new products at a relatively high rate (Hurley and Hult, 1998);
- *Product innovation* or "possession of novelty" is the novelty degree of a product (Daneels and Kleinsmith, 2001);
- *Consumer innovation* or "novelty consumption" refers to the tendency to buy new products more often and more quickly than others (Midgley and Dowling, 1978)

Innovation is not limited to science and technology. In a broader sense, innovation may also be social (in social systems), artistic, administrative, in business, in medical care, etc. In sociology, innovation is defined as an influence process

leading to a social change and whose result is to reject the existent social norms and adopt new norms.

The services provided by the supplier of the brand may be a barrier in the process of changing the current brand with a competing one. If provided in a timely manner, are of quality, are complete and may be purchased at competitive prices, these services may encourage the building of a long-term relationship between supplier (seller) and buyer. With regard to the approach of this study, the reference was made to the services of the device and not to the internet or mobile network services for which the mobile phone is just a tool to access them.

The experiences with the brand may be defined as emotional or intellectual associations made for a person or an object. It is better understood by placing the random experiences with the brand in the opposite corner. Currently, many companies make huge efforts to create favourable experiences for consumers in the hope it will reduce the possibility of switching to a different brand. This may be explained by the fact that the experiences created by the services or products supplier for consumers can make their behaviour predictable in the future. Most researches regarding experiences with the brand conducted until now have focused on the experiences related to the product and not to the experiences regarding the product's brand determined by specific stimuli like the form, colour, slogans, fonts or design of the phone. These stimuli of the brand are intended to identify and differentiate the brand of the mobile phones and they are bases of subjective answers regarding experiences for many consumers.

Price reduction is an element of major importance when making the purchasing decision or when deciding to switch the brand. Therefore, a price reduction, even temporary, may be an extremely efficient promotional tool. If the prices will be reduced for a longer period of time, then the buyer will get used to it and will no longer consider it a favour. Price reductions may be considered in various situations: as a mean to eliminate the buying hold-ups of certain categories of consumers for whom the price is too high; reducing or liquidating stocks of products with poor sales; contracting the actions of the competitors, etc. In this category are included special offers, discount coupons, reimbursements, quantitative rebates, convenient taxes and fees. Price reductions influence the decision to switch the brand because, on short-term, it may determine repeat purchase of the same brand, especially for price conscious buyers.

Summary

Research model and hypotheses:

Based on the overview presented above, we propose the research model in figure 1:

1. Experience with the brand has a positive effect over resistance to switching the brand.
2. The services provided by the supplier have a positive effect over resistance to switching the brand.
3. Price reductions have a positive effect over resistance to switching the brand.

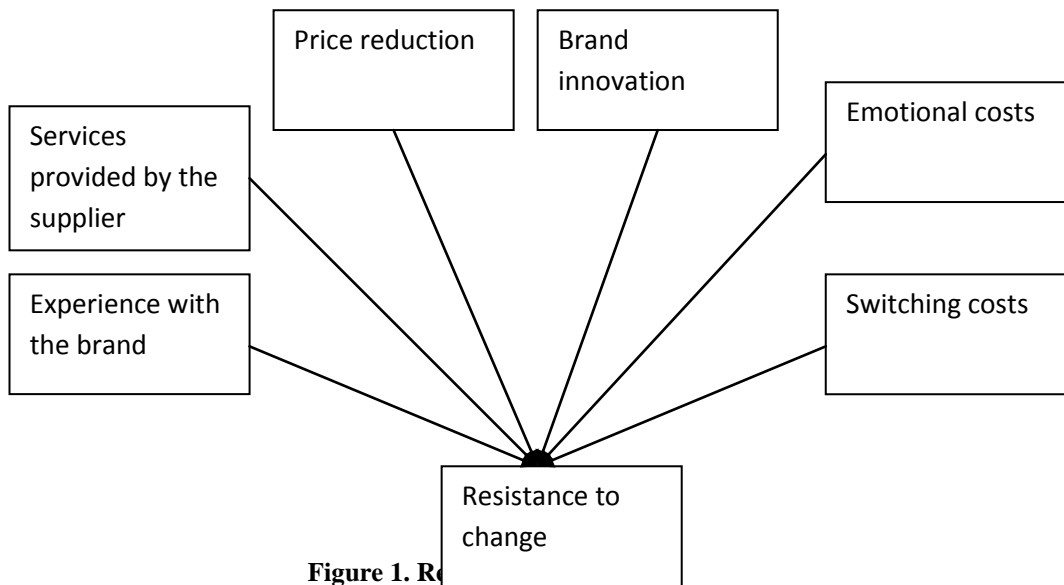


Figure 1. R

4. Brand innovation has a positive effect over resistance to switching the brand.
5. Emotional costs have a positive effect over resistance to switching the brand.
6. Learning costs have a positive effect over resistance to switching the brand.

The questionnaire that will be applied in order to complete this research is presented in the Annex, its results leading to numerous and significant conclusions

Appendix

QUESTIONNAIRE NO. _____

Dear Madam/ Dear Sir,

Please be kind to participate in this survey on consumer resistance to switching mobile phone brands. Please be assured that the information you provide us will remain confidential and will only be used for statistical processing. Thank you for your time!

Please select the category that suits you:

Gender: Female _____ Male _____

Nationality: Romanian _____

Other

(specify): _____

Completed studies:

High-school	University	Master degree	Post-graduate	PhD
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			studies	

Status:

Pupil	Student	Unemployed	Retired	Employed

Monthly income:

0-500 lei	501-1000 lei	1001-2000 lei	2001-3000 lei	> 3001 lei

Age:

18-25	25-30	31-40	41-50	> 50
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Please indicate on a scale from 1 to 5 the extent to which you agree or disagree with the following statements regarding switching the mobile phone brand:

Strongly agree	Partial agree	Neutral	Partial disagree	Strongly disagree
1	2	3	4	5

	Please write your favourite brand of phone: _____	Answer
1	I'll keep buying the same brand because I'm very pleased.	
1	Other mobile phone brands have disappointed me.	
2	This phone has sufficient warranty.	
2	I'm sure in case of technical problems, the manufacturer will fix them in a short time or I will receive a new phone.	
3	I choose this mobile phone brand when it is offered at promotional prices or discounts.	
3	Price reductions at similar phone brands are not significant in choosing a different brand.	
4	I'll keep buying the same brand because the phones will have new features.	
4	The operating system of this phone is consistently updated.	
5	Although other brands of phones emerge on the market, this brand is my favourite.	
5	This brand is appreciated by my friends and colleagues.	
6	Purchasing a different phone brand requires time to learn how to use it.	
6	I'm buying this phone brand because I know how to use it.	

Please place in order of importance the following items when making the decision to buy the same mobile phone brand (from 1 to 6):

- The satisfaction of using this phone brand _____
- The services provided by the supplier/seller _____
- Price _____
- Received recommendations _____
- Attachment to the brand _____
- Ease of use _____

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ASPEKTY ZWIĄZANE Z ZARZĄDZANIEM BADANAMI DOTYCZĄCYMI ODPORNOŚCI TELEFONÓW KOMÓRKOWYCH RÓŻNYCH MAREK NA ZMIANY NA RYNKU TOWARÓW UŻYTKU TRWAŁEGO W RUMUNII

Streszczenie: W niniejszym artykule zaproponowano teoretyczną prezentację kroków/etapów podjętych podczas badań, których celem jest identyfikacja stopnia *odporności* telefonów komórkowych na zmiany na rynku towarów użytku trwałego w Rumunii. Obecne badania zostaną przeprowadzone na modelu zaprezentowanym w niniejszej pracy.

Niechęć konsumentów do zmiany marki jest określona przez postrzeganie kosztu emocjonalnego, doświadczenie związane z daną marką, postrzeganie usług oferowanych przez przedstawiciela danej marki, obniżki cen, innowacje wprowadzane przez daną markę koszty związane z nauką.

关于手机品牌调整在罗马尼亚耐用品市场中的阻力的调查

摘要: 本文对于移动电话在罗马尼亚耐用品市场的调整的难度系数的调查步骤（阶段）进行了理论介绍。实际研究将被引入到本次研究提出的模型。消费者调整品牌取决于一下几种因素，情感成本，品牌，品牌供应商服务的了解，品牌创新以及学习成本。