

A STUDY ON THE FACTORS INFLUENCING PURCHASE INTENTION OF SMART PHONE IN TIRUCHIAPPALLI CITY

V.P.T. DHEVIKA¹ & M. AISHWARYA²

¹Research Supervisor, Shrimati Indira Gandhi College, Tiruchirappalli, Tamilnadu, India

²Research Scholar, Srimad Andavan Arts and Science College (Autonomous),
Tiruchirappalli, Tamilnadu, India

ABSTRACT

This is a research paper on factors influencing purchase intention of smart phone in Tiruchirappalli city. The main objectives of the study are to find out the factors influencing purchase intention of smart phone and to study the relationship between personal profile and purchase intention. Sample size consists of 100 respondents using convenient sampling method. The study shows that the most important factor influencing purchase intention of smart phone is compatibility followed by relative advantage. The least important factor influencing purchase intention of smart phone is social influence. There is no significant association between age & gender and factors influencing purchase intention of smart phone.

KEYWORDS: Purchase Intention, Smart Phone, Compatibility, Relative Advantage

INTRODUCTION

Since the launch of mobile phones, there has been remarkable development both in their product sophistication and their fast and global adoption nowadays, customers are continuously facing the dilemma; which phone to buy. After the smart phones have been released, the choice seemed to be even harder, since the opportunities and offers that producers are providing are endless. As number of manufactures have entered the smart phone market, the competitions in the smart phone market becomes more and more fierce. India has now become the third-largest smart phone market having a growth of 129% after china and the United States in terms of smart phone shipments, according to the latest report by canalys. In recent years mobile phone has evolved from essentially an interpersonal communication device to a multimedia machine known as "Smart phone". Hence study attempts to investigate the purchase intention of Smart phone.

Scope of the Study

This study focus on the factors influencing purchase intention of smart phone users. The study covers the factors like Relative advantage, price, compatibility and social influence only.

Objectives of the Study

- To find out the factors influencing purchase intention of smart phone.
- To study the relationship between personal profile and factors influencing purchase intention.

Hypotheses

- There is a difference between gender and factors influencing purchase intention.
- There is difference between age and factors influencing purchase intention.

METHODOLOGY

Sample size consists of 100 respondents. Convenient sampling method is used based on the convenience of the respondents. Structured questionnaire is being used in this research to collect data. All the items are assessed on a liker's five-point scale and 1 represents "strongly disagree" whereas 5 represent "strongly agree". Primary data are collected through structured questionnaire. Secondary data are collected through journal, magazines, text books and websites. Collected data are analyzed and interpreted using tools like percentage analysis, chi-square and t-test.

RESULT AND DISCUSSIONS

Table 1: Dimensions Influencing Overall Purchase Intention

Dimensions	Low	High	Min.	Max.	Median	S.D	Mean
Relative advantage	67(33.5%)	133(66.5%)	5	25	20	3.962	18.93
Price	77(38.5%)	123(61.5%)	12	24	18	2.561	17.95
Compatibility	89(44.5%)	111(55.5%)	10	25	20	3.451	19.53
Social influence	102(51%)	98(49%)	6	24	16	4.320	16.12
Purchase intention	96(48%)	104(52%)	7	25	18	3.767	17.01

Source: Compiled from primary data

Table-1 shows that the most important factor influencing purchase intention of smart phone is compatibility (mean=19.53) followed by relative advantage (mean =18.93). The least important factor influencing purchase intention of smart phone is social influence (mean=16.12).

Table 2: t-Test Showing the Significant Association between Gender and Purchase Intention of Smart Phone

Gender	Mean	S.D	Statistical Inference
Relative advantage			
Male (n=132)	19.18	3.684	T=1.229 Df=198 .221>0.05 Not Significant
Female (n=68)	18.46	4.443	
Price			
Male (n=132)	18.35	2.604	T=3.133 Df=198 .002<0.05 Significant
Female (n=68)	17.18	2.305	
Compatibility			
Male (n=132)	19.39	3.226	T=-.776 Df=198 .439>0.05 Not Significant
Female (n=68)	19.79	3.862	
Social influence			
Male (n=132)	16.18	4.319	T=.259 Df=198 .796>0.05 Not Significant
Female (n=68)	16.01	4.352	
Purchase intention			
Male (n=132)	16.94	3.621	T=-.369 Df=198 .713>0.05 Not Significant
Female (n=68)	17.15	4.060	

Source: Compiled from primary data

Table-2 shows that Relative advantage (mean = 19.18), Price (mean = 18.35) and Social influence (mean =16.18) are high for the male respondents. Compatibility (mean = 19.79) is high for female respondents. It also shows that there is no significant difference between Relative advantage ($p=.221$), Compatibility ($p=.439$) and Social influence ($p=.796$) and factors influencing Purchase intention of smart phone. But there is a significant difference between Price ($p=.002$) and factors influencing Purchase intention of smart phone.

Table 3: Chi – Square Test Showing the Significant Association between Age and Purchase Intention of Smart Phone

	Age					Statistical Inference
	Below 20yrs (n=50)	21 to 30yrs (n=73)	31 to 41yrs (n=54)	Above 40yrs (n=23)	Total (n=200)	
Relative advantage						
Low	9(18%)	24(32.9%)	16(29.6%)	18(78.3%)	67(33.5%)	$X^2=26.453$ Df=3 .000<0.05 Significant
High	41(82%)	49(67.1%)	38(70.4%)	5(21.7%)	133(66.5%)	
Price						
Low	10(20%)	19(26%)	31(57.4%)	17(73.9%)	77(38.5%)	$X^2=32.359$ Df=3 .000<0.05 Significant
High	40(80%)	54(74%)	23(42.6%)	6(26.1%)	123(61.5%)	
Compatibility						
Low	28(56%)	35(47.9)	16(29.6%)	10(43.5%)	89(44.5%)	$X^2=7.873$ Df=3 .049<0.05 Significant
High	22(44%)	38(52.1%)	38(70.4%)	13(56.5%)	111(55.5%)	
Social influence						
Low	15(30%)	39(53.4%)	29(53.7%)	19(82.6%)	102(51%)	$X^2=18.349$ Df=3 .000<0.05 Significant
High	35(70%)	34(46.6%)	25(46.3%)	4(17.4%)	98(49%)	
Purchase intention						
Low	25(50%)	32(43.8%)	25(46.3%)	14(60.9%)	96(48%)	$X^2=2.176$ Df=3 .537>0.05 Not Significant
High	25(50%)	41(56.2%)	29(53.7%)	9(39.1%)	104(52%)	

Source: Compiled from primary data

Table-3 shows that Relative advantage (82%), Social influence (70%) & Price (80%) are high for the respondents who are in the age group of below 20 years. Compatibility (70.4%) is high for the respondents who are in the age group of between 31 to 41yrs. It also explains that shows that there is a significant association between relative advantage ($p=0.000$), price ($p=0.000$), compatibility ($p=0.049$) social influence ($p=0.000$) and purchase intention.

Findings

- The most important factor influencing purchase intention of smart phone is compatibility.

- The least important factor influencing purchase intention of smart phone is social influence.
- Purchase intention is high for female respondents.
- There is a significant difference between price and gender.
- There is no significant difference between gender and purchase intention.
- Purchase intention is high for the age group of between 21-30 years.
- There is a significant difference between Relative advantage, Price, Compatibility, Social influence and age.
- There is a significant difference between price and gender.
- There is no significant difference between age and purchase intention.

Suggestions

- Steps may be taken to enhance social influence about the smart phones.
- The product feature should be clearly communicated through advertisement.
- Different strategy can be adopted to purchase the smart phones.

CONCLUSIONS

The most important factor influencing purchase intention of smart phone is compatibility. The least important factor influencing purchase intention of smart phone is social influence. There is no significant difference between gender and purchase intention. There is no significant difference between age and purchase intention.

REFERENCES

1. Akaah, I. P. And Korgaonkar, P. K. (1988). A Conjoint Investigation of the Relative Importance of Risk Relievers in Direct Marketing, *Journal of Advertising Research*, 28 (4), 38-44.
2. Bearden, W. O., & Etzel, M. J. (1982). Reference Group Influence on Product and Brand Purchase Decisions. *Journal of Consumer Research*, 9 (2), 183-194.
3. Ezeh, M. And Al-Azzawi, M. (2012). Students Brand Preferences between Apple and Samsung Smartphone.
4. Forsythe, S., Kwon, W. S., Leone, R. P., & Shannon, D. (2009). National Textile Center: Annual Report the Pivotal Role of Brand Image in Purchase Decisions.
5. Kotler, P., and Armstrong, G. (2007). *Principles of Marketing* (12th Ed.). Boston: Pearson Education
6. Lay-Yee, K., Kok-Siew, H., & Yin-Fah, B. (2013). Factors Affecting Smartphone Purchase Decision Among Malaysian Generation Y. *International Journal Of Asian Social Science*, 3 (12), 2426-2440.
7. Sondoh Jr, S., Omar, M., Wahid, N., Ismail, I., & Harun, A. (2007). The effect of brand image on overall satisfaction and loyalty intention in the context of color cosmetic. *Asian Academy of Management Journal*, 12 (1), 83-107.

8. Tariq, M., Nawaz, M. R., Nawaz, M. M., & Butt, H. A. (2013). Customer Perceptions about Branding and Purchase Intention: A study of FMCG in an Emerging Market. *Journal of Basic and Applied Scientific Research*, 3 (2), 340-347.

