Factors Influencing Consumer Behavior of Smartphone Users

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Degree Thesis
International Business (BBA)
2009
The aim of the study is to know about the factors influencing consumer behavior of Smartphone users. Under this study, the main focus is to identify whether Smartphone users buy Smartphone because of their need or wish, reasons to buy expensive smartphones, how social and personal factors affect them to make purchasing decision, for what purposes they use Smartphone, where and how long a day, change in usage of computers due to Smartphone and how high is the phone bill after using Smartphone.

The theoretical part is framed through the books, journals and articles whereas the empirical part is concluded by conducting focus group interviews. Two focus group interviews were done with the Smartphone users under the age group of 20-30 from the Helsinki region. There were 6 voluntary participants in each focus group interview.

The main limitation of this research is that only social and personal characteristics are included to check the influencing factors for Smartphone users while purchasing Smartphone. Besides the research is just analyzed just on the basis of focus group interviewees from the age group of 20-30 from Helsinki region which may not valid to larger population.
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1 INTRODUCTION

The rapidly growing demand of Smartphone has created a buzz around the world. Nowadays, most of the consumers opt to have a Smartphone. The increasing innovation in mobile phone industries has brought this craze among the people on Smartphone. Smartphone is configured by an operating system with advanced computing capability and connectivity. Generally Smartphone has high sensor big touch screens and high pixel cameras with lots of features and applications. Mostly people use applications for internet browsing, email, navigation, social media, listening music, reading news, games, finance, health and fitness, taking notes, calendar, weather forecast and lots of other things. These features and applications in Smartphone somehow have made people’s life easier either in daily life, at work or for entertainment purpose. As a result, the market of Smartphone has been escalating every year with increasing innovations. In the third quarter of 2012, the number of Smartphone use totaled 1.03 billion, a 47% increase from third quarter 20111.

Irrespective of the high price of the Smartphone, still the demand is increasing. It is true that hi-tech technology has played a vital role in attracting the people towards Smartphone. There are variety of smart phones with different names and brands available in the market such as Apple, Nokia, Samsung, HTC, Sony, ZTE etc. Brand is another factor that drives people to buy Smartphone. Besides, technology and brand there could be other so many marketing and stimuli factors that could influence the consumer behavior of Smartphone buyers. Moreover, the characteristics of the buyer itself also affect the buying behavior. All these things created an arousal in the author’s mind to study about the consumer behavior regarding Smartphone. Therefore this research is primarily focused to find out whether Smartphone that people buy is because they really need it or they just want it? According to Kotler et al 2008, cultural, social, personal and psychological factors are the main characteristics that influence the consumer behavior. In this research, the researcher is also interested to find out how social and personal factors especially affect the buyer behavior during the purchase of Smartphone. Besides, study is also carried out to find for what purpose people specially use their Smartphone, how long a day, cost of using a Smartphone and change in use of computers because of
To bring this research into conclusion, the researcher has carried out two focus group interviews under qualitative research method, 6 persons in each group under the age group of 20-30 from Helsinki region of Finland.

### 1.1 Aim of the Study

The increasing trend in Smartphone among the people is the main reason that has amplified the author’s interest to research on the topic. People’s obsession about the Smartphone has been increasing rapidly. The aim of this research is therefore to find out consumer behavior of Smartphone buyers. The research is trying to find out; why people buy Smartphone’, do they buy it because of their need or a desire? Nowadays cheaper smart phones are also available in the market. But why people buy expensive smart phones? Price, quality, brand, country of origin, marketing, sales, word of mouth etc could be several factors that a consumer may think before buying a Smartphone. Different consumers have different characteristics in their life that also influences their buying behavior. Social factors such as family, groups, roles and status) and personal factors (such as age, occupation, lifestyle, personality and self concept) are those characteristics that could manipulate the buyer behavior in making final decision. The research will also dig upon how their social and personal characteristics affect them to buy a Smartphone and how they use their Smartphone’s. Another important aspect will be to find out how people use their Smartphone, what for and how long a day. The research will also try to come across the cost of phone bills of the smart phone users and change in their habit of using computers because of Smartphone.

### 1.2 Research Questions

1. Why do people buy Smartphone? Do they need it or want it? Why they purchase expensive Smartphone?
2. Do their social and personal characteristics influence them to purchase a Smartphone?

3. How and what for they use their Smartphone? Do they use computers less now because of Smartphone?

4. Do their phone bills have increased using a Smartphone? How long do they use Smartphone every day?

2 DESCRIPTION OF MATERIALS AND METHOD

The thesis work will be based upon the literature of marketing and consumer behavior. The researcher will come up with the theoretical framework from the books, journals, articles, online publications and websites too.

The qualitative research will be carried by interviewing the two focus groups in order to find out the answers of research questions.

2.1 Significance of the study

As the Smartphone market is growing rapidly, an understanding of the consumer behavior regarding the characteristics of consumers in influencing their buying behavior is crucial. By understanding the consumer behavior of Smartphone consumers, this study is very significant to a wide spectrum of many industries related to the Smartphone to bring a real life changes in the marketing mix and marketing strategy as per the characteristics of consumers to enhance their sales. Besides, this research will be useful for students and future researchers intending to make further study in the same field of consumer behavior.
2.2 Limitations

The buying behavior may be affected by cultural, social, personal and psychological factors as mentioned above. But due to limitation of time and resources available to the author, the author has done the research on only two of them i.e. social and personal factors. The research will be limited up to two focus groups under the age group of 20-30 with in Helsinki region. Each group has 6 people irrespective of gender and income scale.

3 THEORETICAL FRAMEWORKS

3.1 Consumer behavior

Consumer behavior is a wide range of study about the decision making processes that a consumer make at the time of making a purchase. According to Kotler et al.2009 p. 224 “Consumer behavior is the study of how individuals or groups buy, use and dispose of goods, services, ideas or experience to satisfy their needs or wants.” In the early stages, consumer behavior was taken as buyer behavior that reflects the interaction between consumers and produces at the time of purchase but now marketers recognize consumer behavior as an ongoing process not only what happens at the time when consumer gives money and gains some goods or services. (Solmon, 1996 p 8)

In the eye of marketers, a consumer is known as “a man with a problem” (Bell, 1968 p 433). Therefore a consumer purchase is the response to that problem. The process that a consumer takes in his decision making is quite interesting to most of the large companies. They are extremely trying to research the consumer buying process to find out
what consumers buy, where and how they buy, when and why they buy. It is easier for researchers to find the answers for what, how, where, when and how much consumers buy but it is not that much easy to find why they buy. The reason is “the answers are often locked within the consumer’s head” (Kotler et al. 2008 p 265).

Usually a buyer passes through five stages to reach his buying decision. First the buyer notices the difference between his current state and ideal state and recognizes his want and need for something. A need can also be aroused by external stimuli. He/she starts searching the information for his/her desired product through different channels like family, friends, advertisement or mass media. After sufficient information is gathered, the buyer processes the information to evaluate the alternatives brands in the choice set. Finally he purchases the product which he assumes to be the best for him. After purchasing the product, the buyer will take further action to the marketer based on his satisfaction or dissatisfaction (Kotler et al. 2008 pp 265-271). A model is shown below to illustrate the buyer decision process.

![Figure 1. Buyer decision process (Source: The author)](image)

3.2 Models of Consumer Behavior

Companies use various marketing efforts to influence the decision of consumers but it is difficult to know how consumers respond to them. Marketing stimuli comprises the Four Ps: product, price, place and promotion. Besides these there are other stimuli that
act as the major forces in the buyer’s environment: economic technological, political and cultural. All these stimuli enter into the buyer black box and depending upon the influence of buyers characteristics, the buyer come up with the observable buyer response: product choice, brand choice, dealer choice, purchase timing and purchase amount. (Kotler et al. 2008 p 239)

**Figure 2.** Stimulus-response model of buyer behavior (Source: Kotler et al. 2008 p 239)

### 3.3 Characteristics Affecting Consumer Behavior

#### 3.3.1 Social factors

The civilization of human being grew up as they started to live in a society. Being a social animal, they interact with each other for better solutions. A consumer’s behavior is therefore influenced by the social factors such as groups, family and roles and status.
3.3.1.1 Groups

Human by nature are social in nature so they all belong to different groups in order to satisfy the social needs. They observe each other and take cues how to behave to fit in and please each other in the group (Solomon, 1996 p 339). Therefore, group norms will affect the individual’s behavior patterns. These norms include rules, regulations, habits and mores. To ensure conformation of group norms, sanctions (rewards or punishment) are used in formal or informal ways. Reward such as social acceptance and punishment such as ostracism are used by the most of the people that encourage a person to conform the prescribed norms of behavior. For example, subtle threats of this nature are usually used in the advertisements of toothpaste, skin lotions and deodorants with the implication that a person not using those products is in danger being ostracized, ridiculed or held in contempt (Cant et al. 2009 p 85). Groups that have a direct influence to a person belonged by it are called the membership groups. Among these membership groups some are primary groups such as family, friends, neighbors and co-workers in which there are continuous but informal interactions. Secondary groups include religious, professional and trade unions groups where there are more formal and less regular interactions (Kotler et al. 2008 p 244).

Reference groups are those groups that have a direct and indirect influence upon a person’s attitudes, aspirations or behavior. Within the reference groups, people who exert influence on others because of special skills, knowledge, personality and other characteristics are known to be opinion leaders (Kotler et al. 2008 p 245). Opinion leaders are typically self-indulgent who often like to try and explore the new and unproven but intriguing products and services. Today many products and services that are the integral parts of American lives got boosted up initially by opinion leaders. For example, opinion leaders purchase the products like DVDs and SUVs (sport-utility vehicles) well ahead than general public. Opinion leaders could be celebrities, sports figures or civic leaders and their influence on people depends upon their credibility, popularity, attractiveness and familiarity. Nowadays web blogs or blog sites are increasingly known to be as opinion leaders (Lamb et al 2008 p185). Reference group also influence people to which they don’t belong. Such groups are known as aspirational group. It’s the group to which an individual wishes to belong (Kotler et al. 2008 p 244). Aspirational groups
comprise idealized people such as athletes, performers or successful business people (Solomon et al. 2006 p 352).

There are three forms of reference group influence- informational influence, utilitarian influence and value-expressive influence. If a person seeks information regarding various brands from an association of professionals or independent group of experts then it is informational influence. Utilitarian influence occurs when the decision of an individual to purchase is particular brand is influenced by the preferences of the people with whom he or she has social interactions. If the individual feels that the purchase of a particular brand increases his/her image and respect on others, then such influence is known as value-expressive influence.

### 3.3.1.2 Family

“Family as a consuming and decision making unit is a central phenomenon in marketing and consumer behavior” (Commuri and Gentry, 2000, p. 1). As an individual always make the closest contact with family, family members can strongly influence buyer behavior. For many consumers, family is the most important social institution that strongly influences the buyer behavior, values, attitudes and self-concept. Family is always responsible towards the children for socialization process in passing down the cultural norms and values. Children automatically learn by observing the consumption patterns of their parents and will have the similar consumption behavior in the future (Lamb et al 2008 p186). The way children learn to become the consumers of our society may be mainly the result of family influence (Ward, 1974).

A buyer behavior can be influenced by two types of families; family of orientation and family of procreation. In case of family of orientation, the buyer’s parents are responsible for making up an orientation towards the buying behavior and other several aspects of life. Even if the buyer no longer lives or interacts with his or her parents, what he or she has learned during the stay with them influences his or her buying behavior later too. The family of procreation has more influence to the buyer by his/her spouse and children. Husband-wife involvement differs with product category and the stage in the buying process. Especially in food, clothing and household things, the wife is traditionally the main purchasing agent for the family. In Western Europe, the vast majority of
increased car sales are because of women. (Kotler et al 2008 p 247). Children also play a huge role in influencing the family buying decisions. There are number of research findings that indicate children have significant influence in purchasing the products for which there are the primary consumers such as toys, food, clothes and school supplies. (Atkin, 1978; Foxman et al. 1989; Lee and Beatty, 2002).

The family members play different roles during decision making. The first person who has an idea for buying a particular product is initiator. Influencer is the person who gives ideas and suggestions and influences the decision of the buyer. Decider is the person who ultimately decides of what, where, how and when to buy the product. Buyer makes an actual purchase and user finally uses or consumes the product or service. (Kotler et al. 2008 pp 248-249)

3.3.1.3 Roles and status

Every individual in the society does have different roles and status depending upon the position and relation that he or she holds in different groups, organizations or clubs. For example, a man employed as a manager of a company could have several roles in several groups. With his family, he plays the role of son, husband or father; in his company, he plays the role of manager. Therefore, he holds an exclusive role in different groups where he is supposed to perform certain activities depending upon the people around him. Each role affects his buying behavior during the decision making process. The role that he carries in various groups reflects the general esteem given to it by the society i.e. status. Status is another factor that he should take care before buying something. As a manager he has more status in the society than the role of a husband or a father. Therefore, he should choose the product that shows his status in society. (Kotler et al 2008 p 250)
3.3.2 Personal Factors

The personal characteristics of the buyer such as age and life-cycle stage, occupation, lifestyle, economic circumstances, personality and self-concept also affects the buyer’s decision.

3.3.2.1 Age and life-cycle stage

With the change in the age and life-cycle stage, people change buying patterns on goods and services they buy over their lifetimes. Tastes in food, clothes, furniture and recreation are generally age related that changes over the time. Buying is also shaped by the family life-cycle stage. (Kotler et al 2008 p 250). Even the consumption pattern of the people of same age and gender differs due to difference in their family life-cycle stage (Lamb et al 2010 p 267). According to Lamb et al, “The family life cycle (FLC) is a series of stages determined by a combination of age, marital status, and the presence or absence of the children”.

Generally, marketers define family life cycle as young singles, young married with children, middle age married with or without children and older age which largely influences the buyer behavior. Below is a figure that shows how the needs, income, expenses and buying behavior changes in different life cycle stage.
3.3.2.2 Occupation

A person’s occupation affects the consumption of goods and services. “A person normally buys goods that suit his occupation.” Jain 2010 p 134. The nature of job of a buyer has direct influence on the products and brands that he/she chooses for him or her.

For example, if two friends, one of them is Chief Executive Officer (CEO) and another is just a normal teacher, then their purchasing decision differs a lot. A CEO will always prefer the premium brands that are compatible with his designation but a teacher will look for the normal brands which are not usually expensive. As a CEO, the buyer could
be really conscious about the clothes that he wore, perfume and watches but a teacher will never bother about those stuffs and accessories. This is all because of importance of one’s designation. For a CEO, it is really an essential matter to wear something unique and elegant that shows his personality as per his profession.

3.3.2.3 Economic Circumstances
The buying tendency of a buyer is always directly related to the economic situation or income of a buyer. Any individual who have higher level of disposable income will buy expensive and premium products than compared to people having middle or lower level income. What an individual buys depict the economic situation of that particular person. For example; a person who has high income could afford and decide to buy the luxury items but a person who has lower income would buy grocery items rather than thinking to buy luxury items. Therefore, economic situation is an important factor that affects the purchasing decision of a buyer. Economic situation is the purchasing power of a consumer which has positive relationship with his/her personal spending.

Marketers, therefore target consumers who have lots of money and resources, charging prices to the match. For example, Rolex positions its luxury watches to high income individuals as ‘a tribute to elegance, an object of passion, a symbol for all time’. On the other hand some marketers target consumers with more modest means. Timex makes more affordable watches targeting consumers other than high level income that ‘take a licking and keep on ticking’. (Kotler et al 2008 p 252)

3.3.2.4 Lifestyle
Lifestyle is the way of living that an individual chooses according to his/her activities, interests, and opinions. People who have similar culture, social class or occupation may have different lifestyles. According to Kotler et al, “Lifestyle is a person’s pattern of living as expressed in his or her activities, interests and opinions”. Lifestyle captures a person’s whole pattern of acting or interacting in the world more than profiling a person’s social class or personality. (Kotler et al 2008 p 252)
According to Boyd and Levy, “Everyone’s life has a style of some kind and he wishes to develop it, sustain it, show it and make it a coherent and visible thing that other people can recognize”.

Moore (1963) on the other hand suggested another definition of lifestyle to connect conceptual and operational interpretations. According to him, lifestyle is a patterned way of life into which people fit various products, events or resources. Moreover, consumer purchasing is an interrelated, patterned phenomenon and products are purchased as part of a “life style package”.

Lifestyle is measured through psychographics. It is the technique of measuring lifestyles and developing lifestyle classifications. Basically, it involves measuring the main AIO dimensions (activities, interests and opinions). Psychographics specifically focuses on what people like to do, what are their areas of interests and what opinions that people hold on various matters. (Lazer (1963), Plummer (1974)). The table below shows the dimensions used in psychographics to measure lifestyles.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Interests</th>
<th>Opinions</th>
<th>Demographics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work</td>
<td>Family</td>
<td>Themselves</td>
<td>Age</td>
</tr>
<tr>
<td>Hobbies</td>
<td>Home</td>
<td>Social issues</td>
<td>Education</td>
</tr>
<tr>
<td>Social events</td>
<td>Job</td>
<td>Politics</td>
<td>Income</td>
</tr>
<tr>
<td>Holidays</td>
<td>Community</td>
<td>Business</td>
<td>Occupation</td>
</tr>
<tr>
<td>Entertainment</td>
<td>Recreation</td>
<td>Economics</td>
<td>Family size</td>
</tr>
<tr>
<td>Club membership</td>
<td>Fashion</td>
<td>Education</td>
<td>Dwelling</td>
</tr>
<tr>
<td>Community</td>
<td>Food</td>
<td>Products</td>
<td>Geography</td>
</tr>
<tr>
<td>Shopping</td>
<td>Media</td>
<td>Future</td>
<td>City or townsize</td>
</tr>
<tr>
<td>Sports</td>
<td>Achievements</td>
<td>Culture</td>
<td>Stage in the lifecycle</td>
</tr>
</tbody>
</table>

Figure 4. Psychographics Dimensions. (Source: Kotler et al 2008 p 253.)
Another mostly used lifecycle classification is the SRI Values and Lifestyles (VALS) typology. The original VALS typology classifies consumers into nine lifestyle groups on the basis of inner directed (for example, ‘experientials’), outer directed (‘belongers’, ‘achievers’), or need driven (‘survivors’). Kotler et al. 2008. p 252

A survey from Strategic Business Insights (SBI), a spin out of SRI International is one of the most popular frameworks for exploring consumer lifestyles. A short questionnaire is used by the company’s VALS Program to help classify consumers into eight basic groups (innovators, thinkers, achievers, experiencers, believers, strivers, makers and survivors) as shown in below figure.

![VALS Types](image)

**Figure 5. VALS Types** *(Source: Pride and Ferrell 2011 p 161)*

### 3.3.2.5 Personality and self-concept

The unique and distinct personality of an individual influences his/her buying behavior. Personality is the visible human internal traits and behaviors that make an individual distinct and different from every other individual. The traits such as self-confidence, dominance, sociability, autonomy, defensiveness, adaptability and aggressiveness are used for describing the personality of an individual. “Personality refers to the unique...
psychological characteristics that lead to relatively consistent and lasting responses to one’s own environment” (Kotler et al. 2008, p. 253). An individual personality may arise from personal experiences or hereditary characteristics that make him unique. Personality is typically described as having one or more of these characteristics such as compulsiveness, ambition, gregariousness, dogmatism, authoritarianism, introversion, extroversion and competitiveness. (Pride and Ferrell 2011, p. 160)

Consumers are likely to purchase the products or brands that match up with their personalities. Consumers personally tend to identify themselves with certain brands or use brands as a means of self-expression (Kim 2000). It means that brands are also perceived to possess the personality in much the same way as humans. According to Aaker 1997, a brand personality is therefore can be defined as the set of human characteristics associated with a brand that tends to serve a symbolic and self-expressive function. Aaker 1997, also mentioned about five dimensions about brand personality including existence, excitement, competence, sophistication and ruggedness.
There are a number of well-known brands that tend to be strongly associated with one particular trait:

- Land Rover: Ruggedness
- Marlboro: Masculine
- BBC: Competence
- Virgin: Sincerity
- BMW: Excitement
- Virginia Slims: Feminine
- Apple: Younger
- Coca Cola: Conforming

An individual’s self concept is closely related to personality. Self-concept also known as self–image is the way to view oneself. Self-concept is defined as “the totality of the individual’s thoughts and feelings having reference to himself as an object” (Rosenberg, 1979, p. 7). Individuals develop their self concept and alter them based on the interaction between psychological and social dimensions. Research has shown that buyers purchase those products that reflect and enhance their self-concept and purchase decisions are important for the development and maintenance of a stable self-concept. Self-concept influences the buyer to buy a product in a specific product category and may affect brand selection and the place to buy it at the same time (Pride and Ferrell 2011 p 160).
According to Carl Rogers (1959), self concept has three different components.

1. Self image (the view you have of yourself)
2. Self esteem (how much you value of yourself)
3. Ideal self (what you wish you were to be)

These three components always affect the buying behavior of a buyer. During decision making, a buyer always keep in mind what he think of himself, how much he value gives for himself and what he wish to be like and he purchase something that best fit those criteria. Health and Scott, 1998, mention that consumers buy those products and brands that they believe to possess symbolic images similar and complementary to their self image in order to achieve image congruence. For example, people purchase luxury products (e.g. high performance automobiles) to reinforce or strengthen their status in the society (O’Cass and Frost, 2002).
3.4 SMARTPHONE

A Smartphone is a mobile phone, generally built on with a mobile operating system that has more advance computing capability and connectivity than a feature phone. The very first smart phones were combined the Personal Digital Assistant (PDA) but later cameras, music players, GPS navigation and lots of other features were added in Smartphone to optimize them as multi use devices. Nowadays, Smartphone usually have high resolution big touch screens and web browsers that can display standard web pages with mobile optimized pages. Wi-Fi and mobile broadband moreover assist in high speed data access in smart phones.

A Smartphone allows users to download and install third-party applications from application store. There are lots of applications regarding internet browsing, email, navigation, social media, listening music, reading news, games, finance, health and fitness, taking notes, calendar, weather forecast and lots of other things that people can install in Smartphone. Generally, Smartphone are computed with an operating system that allows installing applications. Apple’s IOS, Microsoft’s Windows, Google’s Android, Nokia’s Symbian are some examples of operating system used in Smartphone.

3.4.1 Use of Smartphone

"People view their Smartphone as an extension of themselves, taking them everywhere they go -- even the most unorthodox places -- from the shower to their commute, from the dinner table to the bedroom," Marc Barach, Jumio's chief marketing and strategy officer(Source: CNN.com.http://edition.cnn.com/2013/07/13/TECH/SMARTPHONE-USE-SURVEY/)

People use Smartphone less for the phone calls and more for internet browsing, social media, emails, online shopping, navigation and so many other things. Smartphone are replacing more of our gadgets like digital cameras and alarm clocks.
“Smartphone are now being used like a digital ‘Swiss Army Knife’, replacing possessions like watches, cameras, books and even laptops.” David Johnson, general manager of devices for O2 in the UK. (Source: The Telegraph. Assessed from: http://www.telegraph.co.uk/technology/mobile-phones/9365085/Smartphones-hardly-used-for-calls.html)

A research done by ‘The Telegraph’ on the topic ‘Smartphones are hardly used for phone calls’ shows following result:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Average Time Per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td>24 mins 49 secs</td>
</tr>
<tr>
<td>Social Media</td>
<td>17 mins 29 secs</td>
</tr>
<tr>
<td>Music</td>
<td>15 mins 38 secs</td>
</tr>
<tr>
<td>Games</td>
<td>14 mins 26 secs</td>
</tr>
<tr>
<td>Phone calls</td>
<td>12 mins 6 secs</td>
</tr>
<tr>
<td>E-mails</td>
<td>11 mins 6 secs</td>
</tr>
<tr>
<td>Texting</td>
<td>10 mins 12 secs</td>
</tr>
<tr>
<td>TV/film</td>
<td>9 mins 23 secs</td>
</tr>
<tr>
<td>Books</td>
<td>9 mins 22 secs</td>
</tr>
<tr>
<td>Camera</td>
<td>3 mins 28 secs</td>
</tr>
</tbody>
</table>

*Figure 8. Activity by average time per day (Source: http://www.telegraph.co.uk/technology/mobile-phones/9365085/Smartphones-hardly-used-for-calls.html)*
4 METHODOLOGY

4.1 Focus Group

Focus group is a technique to collect the qualitative data through group interactions on a certain topic. A group of individuals are brought together by a moderator and are encouraged to interact for sharing their views and opinions. “By putting the people together in a focus group, they can be encouraged to respond each other’s comments and go beyond their initial response to a question” Kolb 2008, p 30. Generally, a group of 6-12 people are used for the focus group interviews. The selected participants of a focus group should have certain characteristics in common related to the topic of the focus group. A permissive and nurturing environment is created by a moderator or interviewer that encourages different perceptions and points of view, without pressuring participants to vote, plan or reach consensus (Krueger 1988). Focus groups help the moderator to explore the important issues in more detail to gain greater clarity. As a part of qualitative research method, focus group is used widely across disciplines such as marketing, education, business, health, psychology and social sciences.

According to Barbour & Kitzinger, 1999, “Focus groups are group discussions exploring a specific set of issues. The group is “focused” in that it involves some kind of collective activity.” Professionals extensively uses focus group interviews in the field of marketing and business because they offer opportunities for business to connect to their consumers’ perceptions and interests by attempting to ascertain about what consumers think about specific product and issues (Vaughn et al 1996 p 2-3)

4.2 Reasons for choosing Focus Group

The aim of the research is to dig out how social and personal characteristics influence the buyer decision during the purchase of a Smartphone. For this, author thought of go-
ing through qualitative data collection, especially using focus group interviews to obtain different perspectives of participants on the specific research topic rather than using quantitative methods. In qualitative research method, participants are free to express their views and opinions regarding certain topic and don’t have to be confined on limited options. A free-flowing discussion creates a relaxed environment for the participants of the focus group that may discover unexpected and surprisingly new answers about the topic. The main idea behind choosing focus group interviews is to gather the sincere and straightforward answers that come spontaneously and naturally from the participants and pulling down more detailed information for the study. The interaction among participants could stimulate general level of excitement over the topic that may make group members more willing to express their opinions freely and comfortably without any hesitation. In case if the participants couldn’t understand the questions, they also have opportunity to seek for clarification and thereby, more reliable answers could be accessed. It is also possible to ask follow-up questions to the participants whenever needed that probe more deeply. Similarly, the dynamic environment of the focus group interviews makes it feasible to modify the questions already prepared to gain more focused insight and suitable for the purpose.

As a number of individuals are interviewed at the same time in focus group interviews, data and information are collected more quickly. The results obtained are also easy to understand and analyze than complex statistical analysis of survey data.

### 4.3 Questions for Focus group

i. Do you buy Smartphone because of your need or your want?

ii. Do you have an expensive Smartphone? If yes why you decide to purchase an expensive Smartphone?

iii. Do your social characteristics (such as groups, family and roles and status) influence you while purchasing your Smartphone? Which and how?
iv. Do your personal characteristics (such as age and lifecycle stage, occupation, economic circumstance, lifestyle and personality and self-concept) affect your decision during purchase of Smartphone? Which and how?

v. What are the things that you usually do with your Smartphone? For ex. phone calls, internets browsing, news, online shopping, travel planner, weather forecast, social Medias, emails etc.

vi. Around how many times or hours a day you use those applications per day?

vii. Overall how long time a day you use your phone?

viii. Where do you usually use your phone? For ex. school, café, work, bus, home, waiting for friends etc.

ix. Does your phone bill is high after you started using Smartphone? Do you use your computers less now because of Smartphone and even if the cost of using it is high?

x. How essential do you think about the Smartphone in your daily life? Is having a Smartphone makes your daily life easy?

4.4 Implementation of focus group interview

The results for this research are accumulated by using two focus group interviews. The participants were known previously by the author and were requested to take part in the interview. The participants were chosen as each of them possesses expensive Smartphone from different brands. All of them were contacted by using the social media ‘Facebook’ creating two different groups and asked if they like to participate in focus group interview regarding “Factors affecting consumer behavior of Smartphone buyers”. Thankfully every one of them agreed to help the author and showed their interest and enthusiasm about the interview.

All the participants are between the age-group of 20-30 and are students doing part time jobs in different places. The participants of the focus group interviews are currently living in Helsinki. In focus group 1, there were 2 female and 4 male participants whereas 1
female and 5 male in focus group 2. All participants were clued-up concerning the meaning of focus group interviews and how it is taken.

The focus group interviews were held in two consecutive days in a closed meeting room by the author himself and his friend. The questions for the focus group were set up by the author prior to the interview and were tested with two people voluntarily to check reliability. Throughout the interview, all the participants remained active and energetic and were allowed to have free discussions. The questions were made clear to the participants during their confusion. Each of the interviews lasted for around 1 hour.

The 11 questions for the focus group interview were prepared in order to find out the factors affecting consumer behavior of Smartphone buyers. All questions were targeted to gather the finding for the aim of the research. All the participants put forward clear views and opinions towards their motive to buy smart phone, factors influencing them while purchase of Smartphone and how are they using it and so on to pave this research towards the conclusion. Finally results are analyzed on the basis of the focus group interviews.

5 RESULTS

The results from the both group interviews are similar to each other. It seems that most of the participants buy Smartphone because of their need in this modern era. Despite the expensive price, the results also reflected that people buy Smartphone because of their enthusiasm in newer technology. The results of the each question are described below.

Do you buy Smartphone because of your need or your want?

Most of the participants mentioned that they buy Smartphone because of their both need and want. In addition one male participant from focus group 2 said, “From one perspective, it could be said as my want but from another point of view, it has made things easi-
er for me in my daily activities. So, I prefer to say it as my need.” In conclusion, all the participants agreed it as their need.

Do you have an expensive Smartphone? If yes why you decide to purchase an expensive Smartphone?

Right after the question was kept forward among the participants; the reply came at once which was a big yes. Among the participants, majority of them have ‘Iphone 5’, few have ‘Samsung Galaxy S3 and S4’, ‘Nokia Lumia 920’ and ‘Sony Xperia Z’. The reasons that participants responded for buying expensive Smartphone were quite different from each other and some of the participants just agreed on what other said without expressing their own views. The participants seem to have their own choices of selection and decided to buy the expensive Smartphone for different purposes. Some their thoughts were:

“I bought my phone because of features that it provides where as the functionality and the processing ability makes this phone almost equivalent to a laptop.”

“Cheap Smartphone’s are not reliable from durability perspective so I decided to buy the expensive one.”

“I decided to buy the expensive one because it had the new features like higher pixel camera good design and new operating system. In fact I wanted my first Smartphone to be the latest one.”

“Because it has higher use of newer technology, highly flexible, easier to use and user friendly”

“Because they are fast and have many applications to use.”

“I’m a hi-tech lover so I bought my Samsung Galaxy S4 because that time it was the latest one. Besides, I thought the multifunction and quality of this phone will worth equal to the money I paid for it.”
“I bought expensive because it has best hardware and was latest features which are very useful in everyday use.”

“I have always liked this particular brand 'Apple' for its user friendly and simple apps.”

“I just want to be satisfied with my Smartphone and have a big selection of apps for it.”

But different from all the participants one female participant of focus group 1 said, “For me, I bought this Smartphone because it was on discount and it was popular generally”

Do your social characteristics (such as groups, family and roles and status) influence you while purchasing your Smartphone? Which and how?

For the focus groups, especially to male participants it seemed that social factors don’t affect them at all in purchasing their Smartphone. Most of them agreed that they made independent decision while buying their smart phones. They just checked the features of the Smartphone in the internet or the stores and make their final decision. Instead, one of the male participants of focus group 2 stated that his groups influenced him to buy the Smartphone. “But I have to say that in my case, my groups influenced me to purchase a Smartphone. All my friends are using, why not me?”

Just opposite to male participants, out of 3 total female participants, 2 female participants from group 1 also agreed that their decisions are influence by their friends. Their views were:

“I got totally influenced by my friends. They recommended me to try this phone before I bought it”

“For me it’s groups too. My friends are also using the same smartphones. They gave good compliments and I also tried using their phones. I got good impressions, which affected me in my purchasing decision. Especially, lots of my friends are using iphone, so it’s also quite easy for me to use the same phone type for free imessage and facetime with friends instead of texting message which are more expensive.”
Do your personal characteristics (such as age and lifecycle stage, occupation, economic circumstance, lifestyle and personality and self-concept) affect your decision during purchase of Smartphone? Which and how?

The discussion remained quite interesting for this question. While buying a Smartphone, all the participants of the focus group mentioned that their personal characteristics has somehow influenced them in making their decision. The participants seemed to be influenced by one or more factors while purchasing their smartphones. Overall, from the two focus group interviews most of the participants were found to be influenced largely by age and life cycle stage, economic circumstances and personality and self-concept. Only one male participant stated that he was influenced by lifestyle but no one mentioned about occupation as their influencing factor. The participants’ main views are:

“I have family now and I stay home with the kids. I can’t buy whatever I want. I need to have savings first then have to think if I can buy something more expensive with my salary.” Age and life-cycle stage

“I think I am influenced by my life cycle stage because my Smartphone preferences didn’t make a U-turn. I’m single and don’t have to take care of family or children and I am in a good economic circumstances that’s why I am preferring to spend more money for a Smartphone I like not to be annoyed or disappointed.” Age and life-cycle stage

“I am young and I am automatically attracted towards attractive things and smartphones are the attraction of modern age.” Age and life-cycle stage

“I’m young and single and I just wanted to fulfill my wishes what I want, so why not a Smartphone.” Age and life-cycle stage and Lifestyle

“I buy products that I can afford whilst saving aside some from my salary. Youngsters these days want latest technology and I guess it has also somewhat affected my buying behavior as well.” Economic circumstance and Age

“For me it is the economic issue that comes in between while deciding which Smartphone to go for…and of course the need….rest is just futile.” Economic circumstance
“Yes, economic circumstances. I bought my Smartphone because it was on discount and it was good for price. And also may be my personality because I like to try something new.” Economic circumstances and Personality

“I bought my phone mainly for good hardware and software preferences and good performance abilities. I wanted a mobile which will have good performance even after couple of years when there will be even more powerful mobiles. Also design was affecting my decision slightly. I got everything I wanted in the same package in my Smartphone but had to pay little bit more.” Personality and self-concept

“I don’t think buying a Smartphone is a big deal nowadays. My Economic circumstance didn’t affect me because I bought it in installment payment process. But it’s my personality to want to stay up to date in technology, that’s why I buy Smartphone.” Personality and self concept

“I love technology so I wanted to buy Iphone to try its new feature in the phone.” Personality and self-concept

“I think my personality affected my decision. For me I would always want to be in touch with latest technology.” Personality and self-concept

“Lifestyle has some effect on me because I have busy life so it becomes easy for me to manage my daily tasks if I use smart phone.” Lifestyle

What are the things that you usually do with your Smartphone?

The Smartphone is moreover like the computers which can do lots of things easily and quickly whenever needed. The focus groups mentioned that they use Smartphone for various purposes as per their need. One of the male participants of focus group 1 said, “Usually whatever the thing can be done in a computer can now be done with the Smartphone. I would book a ticket, play games, take pictures, listen to music, chat with friends and watch videos and many other things.” According to focus groups participants they usually use Smartphone for phone calls, text messages, social medias like facebook, twitter, viber, skype, whtsapp etc, news reading, online shopping, journey
planner, weather forecast, booking a flight ticket, playing games, online banking, online postal services, playing videos, listening songs, managing everyday finance, making schedules, internet browsing, emails, health and fitness, calendar, checking time, alarm clock, programming purposes, navigation, taking pictures, calculator and checking sports information. A male participant of focus group 2 said, “I use my mobile to make the basic tasks such as calling and messaging but also I use to handle everyday tasks such as: internet browsing, news, travel planner, weather forecast, social media, emails, calculation, online banking, school works, notes, navigation and maps, games and many other helpful software.”

In the end when the participants were asked about the most common things that they do every day with their Smartphone then all of the participants agreed on social media like facebook, phone calls, text message, weather forecast, journey planner and news reading. One female participant from group 1 ended the discussion by saying, “I check my facebook everyday and news, calls and text. So let’s say I use it for everything. I use my phone more than computer.”

Around how many times or hours a day you use those applications per day?

The focus group participants couldn’t give exact reply to this question but said that they start using Smartphone with various applications whenever they had free time or feel bored. One participant from focus group 1 said: “I don’t know. I check things often if I’m bored.” Most of them answered that it depends upon the schedule of their day and what they need. One participant of focus group 2 said: “It’s hard to say how many times I use the apps every day. But it is for sure that I start to use my phone from morning after I wake up to the night before going to sleep. May be I use my phone more than 20 times a days and for sure I use facebook most of the time when I’m free.” Like this participant, most of the participants also agreed that they start using Smartphone from the morning for reading news, checking social medias, weather forecast etc. A participant from focus group 1 said: “Most of the time it’s always in my pocket so whenever I have free time or feel bored, I use my Smartphone no matter what where I am.” Since Smartphone is like
a computer people can do whatever they like and they use it for various purposes several times a day. In conclusion, from the both focus groups they estimated they might use Smartphone more than 10 to 20 times a day.

Overall how long time a day you use your phone?

Few participants have different answers but most of them have quite similar answers. Most of the participants mentioned that they use their phone for around 2-3 hours a day. The minimum hour mentioned was around 1 hour and to the great surprise one participant from focus group 2 mentioned around 5-6 hours a day.

Where do you usually use your phone? For ex. school, café, work, bus, home, waiting for friends etc.

Smartphone is easily portable and people carry it with them wherever they go. The focus group participants answered that they use them wherever they are if they don’t have anything to do. They said that they use Smartphone at home, school, work, bus, train, coffee shop, restaurants, cinema, supermarket, shopping malls, waiting time, café, walking, gym and parks. One participant of focus group 1 said: “I use my Smartphone in gym to keep record of my exercise sets or while running to track my distance, time and speed.” Another participant in focus group 1 said: “Even when I’m in the coffee shop with my friends, at some point not only me but I could see all of my friends staring at their smart phones and there is nothing more than silence.” A female participant from group 2 said: “I always take out my phone and do something whenever I get into the public transportation. More than that, I usually visit online shopping stores on my bed until I fell asleep.” It seemed that Smartphone has become an easy way for people not only for communication but also for entertainment, information searching, checking weather, and so many other things that they just use it whenever they need.

Does your phone bill is high after you started using Smartphone? Do you use your computers less now because of Smartphone and even if the cost of using it is high?
The focus group participants revealed that the phone bill is not significantly high due to the use of smart phones. If the participants have bought their Smartphone on installment basis then the added value of the phone cost itself will increase their phone bill. One participant of group 1 said: “Yes, the phone bill is higher now because I have to pay also for the device itself. Generally the mobile bill has been the same over a long period due to fixed internet payment and unlimited data usage which covers most of the tasks made on phone.” Like this participant mentioned another factor that may increase the phone bill is internet subscription but participants mentioned that the internet subscription is fixed and also cheap. A participant from the focus group 2 said: “The only thing that I have to pay more is for the internet subscription and it is quite cheap. There isn’t any remarkable change.” Another participant from the same focus group added that “Since the sms and calling is mostly optional now if you have the internet connection in your Smartphone then you can use the free apps like viber, line, etc for calling and messaging so it would deduct the actual cost less than before.” That is definitely true that most of the people nowadays use the free applications like viber for calling and sms as it doesn’t cost nothing at all.

About the use of computers, most of the participants concurred on the fact that there has been relatively decrease in the use of their computers because of smartphone. Even at home there are some things that they prefer to use Smartphone over computer such as reading news, social medias, net banking, weather forecast, playing songs, journey planner, online shopping, getting sports information, flight booking and so on. One participant from group 2 said: “Yes, I have seen the slight change in pc usage because when I’m not at home I use the mobile and when I’m home I use the pc. But certainly there is time when it is easier to grab a mobile and check things from there than go to computer even at home.”

How essential do you think about the Smartphone in your daily life? Is having a Smartphone makes your daily life easy?
All the participants from both focus groups think that Smartphone is really essential for daily life and concluded that it makes daily life easy. A participant from focus group 1 put forward his view like this: “A single Smartphone can replace a watch, alarm clock, camera, torch light, analog items like phonebook, note book and diaries and even computers on various fields. You can use your Smartphone wherever you need and for entertainment purposes whenever you get bored. So, yes I think Smartphone is essential to make daily life easy.” Another participant from the same focus group thinks that life without Smartphone is difficult to live and will become old-fashioned once again. “Smartphone definitely makes the life easier and it is difficult to imagine now to live without it. Of course we can survive without it and do the things old fashion way, but with Smartphone we can ease our everyday life and be in contact with our friends and relatives around the world with just a touch of the finger.” Internet has become one of the vital aspects all over the world. With internet one can do everything and Smartphone has made it a lot easier for internet browsing. One participant from focus group 2 said: “Yes the life has been a lot easier with Smartphone. I can browse anything anywhere once I have Smartphone with internet. I can use the phone for navigation, online banking, travel planner, listening music, playing videos in YouTube and main thing is there are different applications available for different purposes.” The participant from the same focus group added, “I agree, Smartphone definitely makes our life easy from fast information travel to one touch connection to unlimited entertainment.”

6 DISCUSSION AND CONCLUSION

In this modern era, a Smartphone is just not only the want but also a need if you know how to make proper use of it. All the participants of the focus group also mentioned Smartphone as their need. Obviously, Smartphone have changed the ways that we used to live, communicate and connect with people all over the world. With it, you can surf the web with just a touch in the palm of your hand whether to read the breaking news,
or compare the prices or features of a product while shopping, book the travel tickets, keep track of your parcels delivered wherever you are and so on. It’s just like a technological Swiss Army knife from which you can do most of the things you need and most important is it don’t more space in your pocket.

All the focus group participants have expensive smart phones. According to them, expensive smart phones are more durable, reliable, have higher processing ability, provide large selection of applications, better hardware and multifunction ability. They also pay huge money in smart phones for latest technology and for brands too. As all the participants of both focus groups are from 20-30 age groups are students who have their part-time job and most of them are unmarried, this could be the reason that all of them own expensive Smartphone.

As Smartphone have become somehow the need in the present time, it seems that social factors especially for male participants have no effect on their purchasing behavior. Except one male participant, all male participants said that they made their own independent decision for purchasing Smartphone. Only one male participant and two female participants out of 3 mentioned that their decision were influenced by groups especially friends while buying Smartphone. It seems that Smartphone is nowadays no more taken as a fashion that people decision get affected by other people. May be it has become a mere essential product that people make their independent decision in selecting it.

Personal factors also shape the buying pattern of a person. Regarding the purchase of Smartphone, the focus groups participants showed that their buying decisions were affected by one or more characteristics of personal factors. As most the participants of both focus groups are single and between the age group of 20-30, some of them said that they were affected by age and life-cycle stage. In young age people don’t have to take any responsibility of their family and just want to live their life how they like and that’s how they got influenced by age and life-cycle stage factor. Meanwhile one participant who is married and have child also mentioned that his decision was affected by his life-cycle stage as he has to take care of his children before buying expensive products for himself. Similarly, economic circumstance is also another factor that influences the focus group while buying Smartphone. Obviously one has to think his/her purchasing capacity before buying expensive products and on the other hand all the participants
in both focus groups are students with their part time job, so no doubt that they are affected by economic circumstances. However one participant expressed that economic factor may not affect that much nowadays while purchasing Smartphone because one can buy it in various monthly installment schemes form different stores. Indeed this kind of scheme had made convenient to those buyers who couldn’t pay whole lump sum money at the time of purchase. Another factor that influenced the focus group is personality and self concept. Participants who were affected mentioned that brand, their excitement for latest product or being up-to-date and strong personalities are reasons for getting influenced. Only one participant stated that lifestyle influenced his decision to manage his busy life. It was quite surprising that no one mentioned about occupation as a factor to influence their decision even if all the participants are students.

The most common things that focus group usually do with their Smartphone are updating facebook, phone calls, text messages, weather forecast, news reading and travel planner. Beyond that they also use Smartphone for other social medias such as twitter, viber, skype, whtsapp etc, online shopping, booking a flight ticket, playing games, online banking, online postal services, playing videos, listening songs, managing everyday finance, making schedules, internet browsing, emails, health and fitness, calendar, checking time, alarm clock, programming purposes, navigation, taking pictures, calculator and checking sports information. Apparently, there are so many applications that can be used for various purposes through Smartphone, it just depends upon the person what he/she needs to use.

Participants exactly didn’t mention which application they use how many time a day but they mentioned that they use it if they need to check something, feel bored or have free time. They said that they might use Smartphone around 10 to 20 time a day.

The average time that focus groups spend on Smartphone is 2-3 hours per day. The minimum hour mentioned was 1 hour and maximum is 5-6 hours per day.

Since Smartphone is handy and could be taken everywhere, participants use it wherever they are. Usually, they use it in home, school, work, bus, train, coffee shop, restaurants, cinema, supermarket, shopping malls, waiting time, café, walking, gym and parks. This is quite positive side of Smartphone that it can be used for information seeking wherev-
er you are and whatever you are doing. This is why people take it wherever they go and use it right away if they feel to use it.

After starting to use Smartphone, focus group participants didn’t feel increase in their phone bill at all. They mentioned that there has been a negligible increase in the phone bill with the added cost of internet package but still it is fixed and quite cheap too. Definitely there are so many corporations that is providing telecommunication service in Helsinki and the competition among them is also the possible reason for the cheap service. Moreover participants mentioned that they prefer to use free apps like viber for calling and text messaging rather than cellular service which will also decrease the cost of phone bill. About the use of computers, participants said that there has been slight decrease in use of computers because for some purposes they rather prefer using Smartphone even at home.

All the focus participants agreed that Smartphone is really essential to make the daily life easier. Indeed Smartphone have made people smarter by organizing their lives with a single device and providing access to the world wide information at the fingertips. It doesn’t only organize daily life by putting calendars, to do list and shopping list at one place but also helps people connected from all over the world by integrating contacts, emails, social networking, messaging and even video chats. It has made lives easier for everyone. One can use it for education purpose, job related tasks, information search or entertainment purposes. That is the main reason that everyone carries a Smartphone nowadays.
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