



Factors Affecting Brand Switching Behaviour & Brand Preferences Towards Mobile Phones in Punjab

Ms. Santosh Bala Sharma¹
Dr. Geetika Sharma²
Dr. Rakhee Diwan³
Er. Ashwani kumar⁴

Abstract:

Now India is becoming a fastest growing market in the world. Progressively competition is now becoming more complex among the well-known telecom companies. Mobile phones become the necessity of life. The mobile manufacturing companies are introducing new models with latest technologies to the society. Consumers are aware of the recent facilities available in the mobile phones. The mobile manufacturers are challenging to attract the consumers, to increase their sales and fulfill consumer's needs and wants. In the present competitive markets obtaining consumer's satisfaction is a tough task. Different new innovative techniques are introducing by the mobile companies. The purpose of this study is to analyze those factors which influence brand switching & choice of brand in cellular phones. 200 mobile users were approached from the different five cities of Punjab. For youngster's information, data was collected from University students. Likert's five-point scale method is employed to measure the perception of respondents on brand preference and switching behaviour. The research explores different reasons for switching their cell phones from existing ones. Change in Technology, new advanced features, marketing offers by telecom industries, Camera resolution, Price and brand image were found the major influencing factors in mobile consumers.

KEY WORDS: Mobile phone, Brand Switching, Brand Preference, Technology, Consumer

1. Research Scholar, I.K.G Punjab Technical University, Jalandhar, Punjab
2. HOD, SUS College of Engg. Technology, Mohali
3. Asst. Prof, SUS College of Engg. Technology, Mohali
4. Dy. Controller of Examinations, RIMT University, Mandi Gobindgarh, Punjab

Introduction:

Communication plays a key role in day to day life. Mobile phones are most important innovation for humans. Mobile phones have actually changed the way of communications. Mobile phones are nearly used everyone's communication tool today. In today's time, it's very hard to find a person who does not own a mobile phone. But they are not just limited to communication purposes today. The small gadget is a basic necessity of life. Mobiles have become very popular electronic consumer product. With the connectivity with internet connection, the demand of mobile phones has been increased. In emergency situations, GPS (Global Positioning System) capability proves a life saver for tracking cell phone users.

People cannot live without their cell phone. The expansion of mobile phones and technologies has been a comprehensive history of innovation and advancements bring in up due to dynamic changes in consumers' needs and preferences. Along with this growth, mobile phones have had one of the greatest household acceptance rates of any technology in the world's contemporary history (Comer and Wikle, 2008). Nowadays, mobile handsets have turn into an essential part of human being daily life and personal communication across the world. When consumers wants to shift their attitude from one product brand to another product brand is known as consumer switching behaviour (Zikiene and Bakanauskas, 2006). Consumer brand switching behaviour comes into the consumer's attitude, when any idea of product and marketing strategy not able to deliver its full strengths and remain failing in accomplish the consumers' needs and requirements. (Bhasin, 2010). Earlier research studies stated that the consumer switching behavior is extremely dependent relative on the cause-effect relationship (Njite, Kim and Kim., 2008); (Zikiene and Bakanauskas, 2006) and (Bhasin, 2010). The consumer behaviour is known for recognizing, exploring and searching, choosing and consuming products and services for fulfilling their needs and requirements (Solomon et al., 2006). Consumer behaviour find outs, how consumers make decision to buy a particular product and what are the different factors, which are responsible for this choice (Bhasin, 2010). Essentially the study of mind of the consumers is consumer behaviour, like the time of purchase, how they purchase, why they purchase and for which needs and wants they wish to fulfil. In marketing the psychology of consumer thinking, feeling, choice between different brands alternatives is known as consumer behaviour. (Perner, 2006).The companies are constantly trying to construct mutual relationships with their customers through bringing better value and satisfying their promises, but due to competitive business atmosphere, it's becoming complicated for marketers to achieve this. The consumer switching behaviour control both parties to make extensive relationships and even it split the already developed long term relationships (Zikiene and Bakanauskas, 2006).

Importance of Mobile phone in human life:

The first and foremost role that mobile phones play in our lives is that they provide us with an easy and fast way of communication. Mobile phones stay us connected with social networking sites and connected with our contact persons from any place. It made handy our day to day tasks. In the presence of a Smartphone in your pocket, there is no need to keep extra camera, torch, calculator, music player, books, movies, television, watch, radio and many more things with you. These tasks can be done by any Smartphone very easily. Latest games can entertain us in free time. Moreover, with millions of apps accessible for almost do anything you can think of. Online shopping by mobile also changed our life style. Cell phones have so many advanced features which make mobile completely powerful in consumer's eyes. By one click, we can transfer or receive payments by Mobile Banking facility. After the **Demonetisation** the mobile banking increased tremendously. In the developed world, subscription rate of mobile users is gradually reaching its peak. In the developed countries, at least one mobile subscription per person has been recorded.

Latest Technology in Mobile Phones:

In recent time the growth of telecommunication has reached at new heights. These growth and developments expected to provide new innovations and services to fulfill the various needs with consumer's advantage. The most modern technologies are Voice over Internet Protocol (VOIP), Managed Leased Line Network (MLLN), Multiprotocol Label Switching – Virtual Path Network (MPLS-VPN), Code Division Multiple Access (CDMA), Global System for Mobile Communication (GSM), and Direct Internet Access Service (DIAS) etc. These technologies provided many communication qualities like best quality, clear speed, less tariff, and much more. The revolutionary improvement in communication sector improved to mail coach, telex, telephone and telegram. These technologies connected with satellites and provide online services; email services voicemail services and internet facilities etc. The advanced telecommunication services made a new digital India.

The growth of Mobile Services:

The different Generations-1G, 2G,3G,4G Cellular phone services are increasing with a variety of generation. The expansion of cellular communication throughout various generations is as under:

Zero Generation: 0G – It is a pre cell phone mobile telephony technology such as ARP, PTT, MTS, IMTS, and AMTS. **First Generation: 1G** – NMT, AMPS, TACS, and RTMI technology started in the wireless telephone technology cell phone. **Second Generation: 2G** : Digitalized wireless telephone technology likely sending email, digital voice call based on data and time by the systems PCS, TDMA, CDMA. **Generation – 2.5** – put into practice a packet and circuit switched domain. **Generation – 2.75** – It has not been formally distinct but used for the strong market reason all the way through EDGE systems. **Third Generation: 3G**- Mobile telephone technology through CDMA 2000. **Fourth Generation: 4G** – It is the successor of 3G. It describes high speed mobile wireless access and pervasive networks

Tremendous Change in the Indian Telecom Industry by JIO Marketing Strategies:

Jio Telecom Industries made tremendous record-breaking changes in the digital world. Jio offers motivate people to connect with it. Free services by jio increased internet usages in India. India has become top country in mobile data usages with jio users consuming more than 100 crore gigabytes (GB) of data per month. The per day data consumption was 3.3 crore GB per day. India bagged 150th rank in broadband penetration in the world in the year 2016. Indian consumers make more than 200 crore minutes of voice calls and become largest mobile video network globally. Jio Company claimed that jio has crossed 100 million customers in 170 days, after it launched on 5th September 2016. Jio announced that after its free data offer 7 customers added in its network per second every day. According to the CMR's annual review, the mobile handset market recorded a rise of 22% revenues in last year at Rs 1,359,975 million in 2016 as against Rs 1,117,571 million in 2015. Samsung

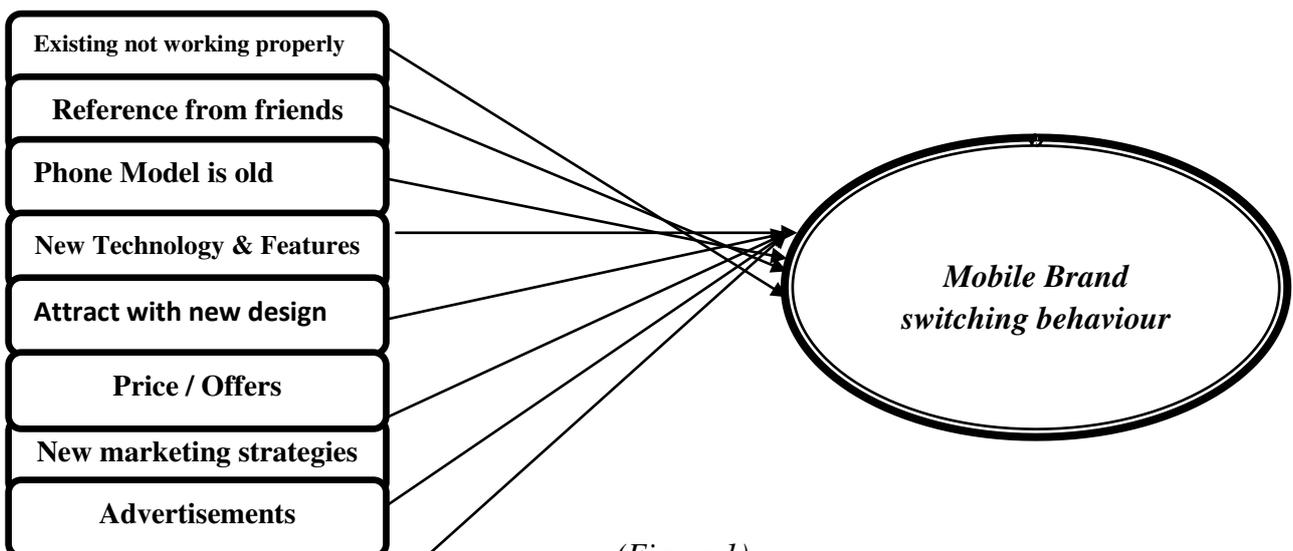
gathered 33% market share for the duration of the year with its revenues standing at Rs 453,713 million, followed by Apple (8%) and Lenovo (7%) with Rs 112,975 million and Rs 99,806 million revenues, respectively. In the last year 2016, the revenues of 4G industry become doubled to Rs. 99274 million, whereas 3G revenues declined by 60% to Rs. 165,978 million. In CY 2016, 4G composed about 69% of total Smartphone consignment; at the same time as 3G was 29%. 4G is all set to cover in close proximity to 100% of Smartphone in CY 2017, The competition among Indian brands – Lava, Micromax, Intex, Karbon and Chinese brands- Oppo, Lenovo, Vivo and Xiaomi is going to be antagonistic. ‘Make in India’ has presented the right momentum to the mobile industrialised in the country. Today, about 66% of the total consignments are domestic manufacturing, it is being expected that in 2017 the contribution would increased up to 90%.

Problem Statement: India has one of the fastest growing telecommunication markets in the world. This sector has seen significant development. People living in India have a broad variety of alternatives when it comes to select a mobile phone. However it is not very obvious as to what motivates them to select a cellular phone. Therefore this study was aimed to identify the dominating factors that affect the purchase behavior of mobile users in Punjab.

OBJECTIVES OF THE STUDY

1. To study the factors affecting Choice of **Brand** in cellular phones.
2. To analyze the factors influencing brand **switching behavior** towards Mobile phones.

RESEARCH MODEL: Conceptual framework on the basis of dependent and independent variables:



(Figure 1)

Explanation of the Model: - People mostly switch the brand when their existing mobile starts troubling them. After some time mobile sets start hanging and it’s functioning starts irritating the users. Due to the lots of pictures, data downloads and applications its performance level starts decreasing. At that time people start searching for switching the

mobile. That is the most common and genuine reason to switch the mobile. At that time Reference from friends affects the purchase decision. New Technology, New Applications, Advanced Facilities attract the consumer the most. Attractive designs also motivate to replace the existing one. Sometimes the industry introduces low price handsets with advanced features. Marketing strategies also attract people. Attractive promotions by celebrities and emotional advertisement influence consumers to switch the brand.

Review of Literature:

In the existing extremely competitive mobile phone market, manufacturers continuously struggle to find extra competitive perimeter and differentiating basic elements to convince consumers to select their brand as an alternative of a competitor's. **Riquelme (2001)** conducted a survey with 94 respondents and suggested that the prior experience of mobile phone choice affects future choice. **Jones (2002)** with the survey of 500 consumers concluded that the Consumers value and individual time arrangement features in mobile phones affect choice behavior. **Liu (2002)** also suggested that the technology with the size and brand of the phone are mostly affecting factors in choice of a mobile phone. **Karjaluo et al. (2003a; 2003b)** with a Survey of 397 concluded that the price of the mobile phone affects choice criteria. **In-Stat/MDR (2002); O'Keefe (2004)** advised that the features of New Technology were encourages consumers to obtain new mobile phones. Various authors (**Huang, 2004, Zhang, 2006, Zheng, 2007, Li 2010**) conducted the studies and discussed many factors which influenced consumers' choice of mobile phones. These factors included features, like quality, price, brand name, durability, and social factors which mostly affect the final choice decision. **Karjaluo (2005)** conducted a study to know about the factors influencing purchasing behaviour of mobile phone and to investigate the reasons underlying mobile phone brand change in Finland. 79 graduate students participated from the total 196 respondents for the study. This study revealed that the choice of a mobile phone may be different on the basis of personal choice of customers. According to the study, the technical problem was the basic problem which influenced to switch the brand of mobile phone among the students. New features and innovator's status also concerned to switch the brand of mobile phones. Some of the general factors like Price, product material, interface or familiarity and brand name were considered as major influential factors in the choice of mobile brand. **Blackwell, Miniard, and Engel, 2006** explained in their book that there are two major factors which effect consumer behavior, the individual and environmental. Individual factors include the Knowledge of an individual, learning motivation, personality, beliefs attitudes and life style. On these individual factors they make a decision. Environmental factors are concern about the outside factors, which affect consumer behavior like culture effect, reference group, family and household effect **Eric and Bright(2008)** concluded that reliable quality and user friendliness of the brand are the determinant factors in the mobile brand choice. **Subramanyam and Venkateswarlu (2012)** explained the marketing strategies importance to obtain the attention of existing customers and to invite the potential consumers. The study revealed that these marketing strategies play an important

role in consumer buying process. Advertisements are the major determinant in purchase decision. Family income and education also the influencing factors of brand choice. (Agha, Haider, Kakakhel, & Murtaza, 2012), conducted a study to examine the brand switching behaviour. The study revealed that technology advancement is the major factor to switch the brand and model among students and professionals. They always want to be high tech with the changing environment. New design, technology, new features always attracts young generation. The study suggest to the electronically marketers to focus on these factors for maximise market share.

Sethi, A., & Chandel, A. (2015) conducted a study to find out the preference of consumers towards entrance level smart phones. It was found that brand is the most important attribute used as a selection variable while purchasing, followed by Price and Purpose respectively. The Camera, Screen size and RAM were found to play least role in purchasing decision. Zeeshan Ahmed, 2015, conducted an empirical study to show that the influencing factors set a strong impact on the consumer's decision. With these factors consumers either retain with their existing brand or switch towards the new brand. This study found that factors like advertisement, innovation & attitude, demographic factors, technological impact perception, brand name & image are the essentials factors which can be able to retain or switch the consumers from one brand to another. The author suggested that the company should make available best quality and latest features to customers which results less encouragement occur in the consumers to switch the brand. NDTV survey 2017 shows that in the last one year 2016, you Tube consumption on mobiles has grown from 55 percent to reach 80 percent. In 2016-17, watching YouTube videos on mobile grew by 400%. YouTube Says 180 Million Indians Watching Videos on Mobile Phones

DATA & METHODOLOGY:

The study concentrates mainly on mobile phone users in Punjab. Data was collected from 200 mobile users from the five cities of the Punjab. The cities included Patiala, Ludhiana, Mohali, Mandi Gobindgarh and Rajpura city. For the youngster's information, data was collected from University students. The random sampling method has been deployed for the study. The study is mainly based on primary and secondary data and it is collected through a pre-tested structured questionnaire. Likert's five-point scale method is employed to measure the perception of respondents on brand preference and switching behaviour & attitude for mobile phones. An informal discussion was held with mobile users to get their experience on various matters related to mobile usages as well as factors influencing brand preference and brand switching behavior. Simple data analysis techniques were adopted to analyze the data.

Demographic profile of the Respondents:

Age	No. of respondents	% of respondents	Education	No. of respondents	% of respondents
20 - 30 years	66	33.00%	School level	27	13.50%
31 – 40 years	65	32.50%	College level	103	51.50%



41- 50 years	55	27.50%	Professional	70	35.00%
50 – 60 years	11	5.50%	Total	200	100.00%
Above 60 years	3	1.50%			
Total	200	100.00%			
Gender	No. of respondents	% of respondents	Monthly Income	No. of respondents	% of respondents
Male	78	39.00%	5000 to 15000	24	12.00%
Female	122	61.00%	15001 to 30000	73	36.50%
Total	200	100.00%	30001 to 45000	47	23.50%
Area of respondent	No. of respondents	% of respondents	45001 to 60000	34	17.00%
Rural	13	6.50%	Above 60000	22	11.00%
Semi Urban	49	24.50%	Total	200	100.00%
Urban	138	69.00%			
Total	200	100.00%			

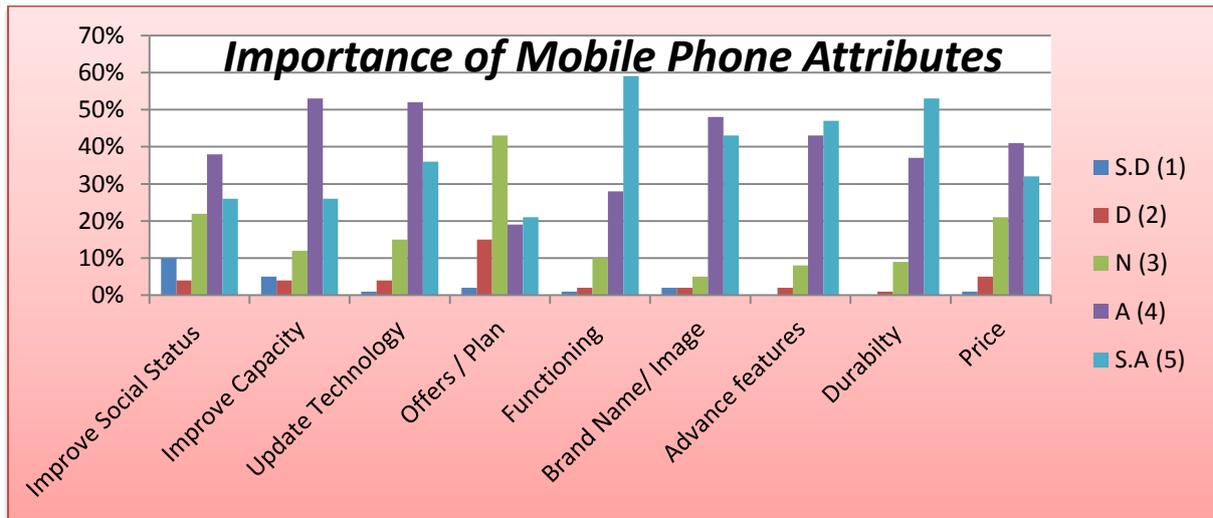
In the collected data 33% people were from the age group of 20 to 30 years, it was noticed that they were mostly e students or fresh professionals. 32 % and 27% were from the age group of 31 to 40 and 41 to 50 years respectively. From the cross relationship of demographic profile, it was noticed that advanced technologies mobile phones were more familiar amongst young people, urban areas students, professional or business men or working women as well as girls university students. Maximum 69 % respondents were from urban areas. 35% and 51% respondents were highly educated. People earning an income more than 15000 onwards were more aware of advanced mobile services. The survey found that there is a positive relationship between the income and demand of mobile. High-income earners switch the mobile frequently than low-income earners.

To examine the research model's factors effect on consumers brand switching behaviour the following questions were asked to the mobile users on the Likert's five-point scale. (SD- Strongly Disagree, D-Disagree, N- Neutral, A- Agree, SA- Strongly Agree)

Importance of the mobile phone attributes influences at the time of selection or replacing the existing brand	S.D (1)	D (2)	N (3)	A (4)	S.A (5)
To Improve the Social Status	10%	4%	22%	38%	26%
To Improve the Capacity	5%	4%	12%	53%	26%
To Update the Technology	1%	4%	15%	52%	28%
To get benefit from seasonal offers / Plans	2%	15%	43%	19%	21%
Existing one is not Functioning Correctly	1%	2%	10%	28%	59%
Brand Name & Image /Brand Uniqueness	2%	2%	5%	48%	43%

Special Advance features, (Camera, Quality & performance etc...)	0%	2%	8%	43%	47%
Durability & Reliability	0%	1%	9%	37%	53%
Price	1%	5%	21%	41%	32%

(Table 2)

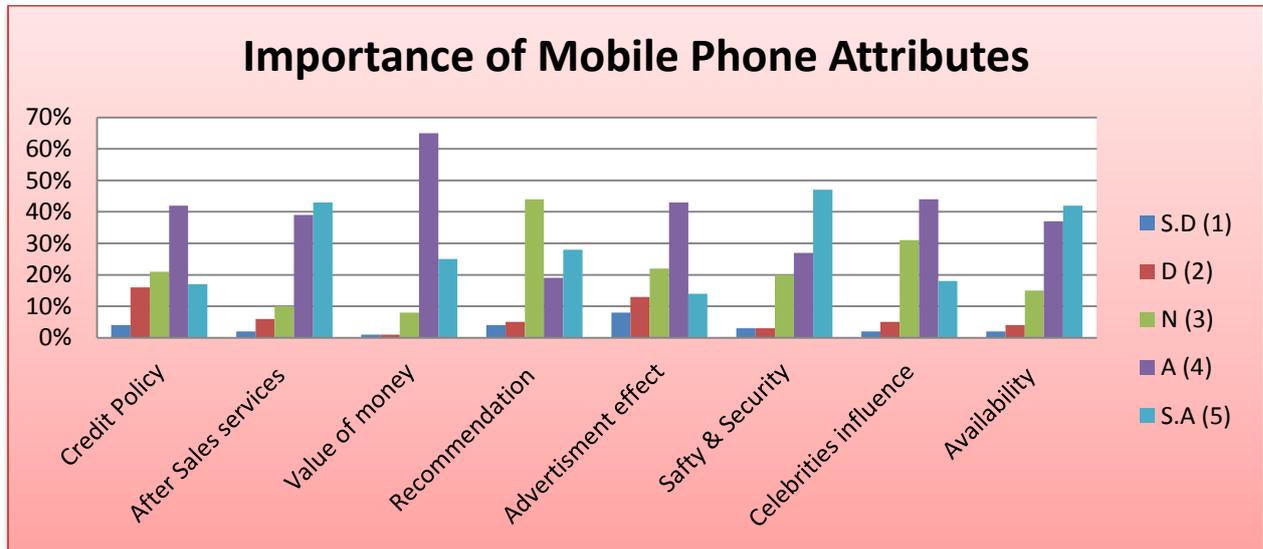


(Figure 2)

Interpretation of the results: It has been observed that Brand Name/ Image, Durability, Advance Features, Updated Technology, the functioning of the mobile set attributes have more influence at the time of purchase decision. According to the survey, it has been noticed that nearly 90% people are totally agreed and strongly agreed with these factors. However the improvement of capacity, price, social status and offer plans also having effective factors in the selection of the mobile. It has been observed that people are ready to pay the premium prices for the advance featured mobile.

Importance of the mobile phone attributes influences at the time of selection or replacing the existing brand	S.D (1)	D (2)	N (3)	A (4)	S.A (5)
Credit facility / Finance scheme	4%	16%	21%	42%	17%
After sale services	2%	6%	10%	39%	43%
Value for Money	1%	1%	8%	65%	25%
Influence of Friends & Favorites	4%	5%	44%	19%	28%
Attractive advertisement	8%	13%	22%	43%	14%
Safety & Security	3%	3%	20%	27%	47%
Influences from the Adds by the celebrities	2%	5%	31%	44%	18%
Availability of the brand in market makes the brand more popular.	2%	4%	15%	37%	42%

(Table 3)

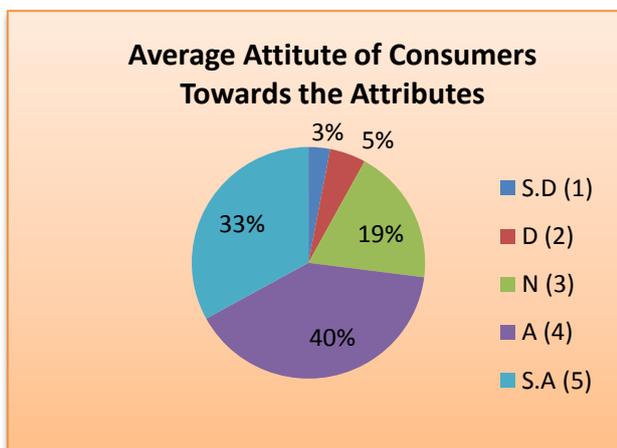


(Figure 3)

Interpretation of the results: According to the survey from the above attributes 90% consumer were totally agreed and strongly agreed for the value of money factor. Value for money is a believing that the goods/services are worth the price paid. It's a feeling of satisfaction from the product. 82 % people are agreed and strongly agreed for after sales services factors. Availability, Safety and Security factors also considered important by the respondents. It found that the young people between the age group of 20 to 30 are more influenced by the celebrity's promotional effect. Around 44% people remain neutral for the recommendation by friend's factor.

(Table 4) Average responses of Consumers towards the attributes

Strongly Disagree	3%
Disagree	5%
Neutral	19%
Agree	40%
Strongly Agree	33%



From the mean score of the responses of mobile users, it is found that consumers 33% consumers were agreed with all the factors, whereas 40% mobile users were agreed. 19% of the respondents remain neutral towards these factors. A minor respondent 3 to 5% mobile user shows their disagreements for all these attributes. It shows that our research model's factors have significant influences on brand switching consumer buying behaviour towards mobile phones.

Conclusion and Discussion:

According to the research there are many factors which extensively affected mobile phone brand choice behaviour. These factors influence them to switch the existing one. From the informal discussion with the mobile users, it was discovered that many factors motivate them to switch the brand. In the telecom industry, the new technology comes within 3 to 4 months. It was also observed that the maximum duration of using a mobile phone is 3 years. After 3 years period, generally, the mobile users wish to switch the existing mobile due to various reasons. The mobile manufacturing companies always introduced new technology to attract consumers in compression of competitors. These factors bring the feeling that their existing mobile phone has not had the new features. Its influence them to switch the mobile. Many companies introduce new marketing schemes which influence consumers to own the same configuration mobile set. Like to avail the free internet services and free voice calling facilities of Jio telecom, many consumers purchased 4G mobile set even then they already having a good mobile of 3G capacities. Reference from friends, Social status, new features, mostly the camera resolution, storage capacity, battery backup, new designing, low price, after sales services, net plans, adds by the celebrities, popularity, brand image, are the factors which effect at the time of selecting a new mobile or replace the existing one mobile phone. The study concluded that Social, Technological, Promotion, Price and Quality are the major factors to influence customers.

Managerial Implication:

The findings of this study observed that Social and Technological factors affect consumer brand choice. Hence, managers must keep in mind that in order to attract and retain consumers, they must focus on marketing campaigns and promotional activities. Promotion must be informative and attractive to retain the consumer satisfaction and long lasting association.

Abbreviation used in the paper

ARP	:	Address Resolution Protocol
PTT	:	Push to Talk;
MTS	:	Mobile Telephone System;
IMTS	:	Improved Mobile Telephone Service
AMPS	:	Advanced Mobile Phone System;
NMT	:	Nordic Mobile Telephone,
AMPS	:	Advanced Mobile Phone System;
TACS	:	Total Access Communication System;
NIMT	:	Nordic Mobile Telephone
PCS	:	Personal Communication Service;
TDMA	:	Total Division Multiple Access;
CDMA	:	Code Division Multiple Access;
EDGE	:	Enhanced Data rates for GSM Evolution



VOIP : Over Internet Protocol
MLLN: Managed Leased Line Network
MPLS-VPN: Multiprotocol Label Switching – Virtual Path Network
GSM : Global System for Mobile Communication
DIAS : Direct Internet Access Service

References:

- [1] Bhasin, H. (2010) Factors Affecting Consumer Buying Behavior, 4 August, [Online], Available:<http://www.marketing91.com/factors-affecting-consumer-buying-behavior>.
- [2] Blackwell, RD, Miniard, PW & Engel, JF (2006). Consumer behavior, 10th edn, Thomson South-Western, Boston.
- [3] Cochran, W. G. (1977). Sampling techniques (3rd ed.). New York: John Wiley & Sons.
- [4] Comer and T. A. Wikle (2008), Worldwide diffusion of the cellular telephone, (1995-2005). The Professional Geographer, 60(2), 252-269.
- [5] Engel and R. Blackwell. (1982). Consumer Behavior, 4th ed.
- [6] <http://gadgets.ndtv.com/internet/news/youtube-says-180-million-indians-watching-videos-on-mobile-phones-alone-1672943>
- [7] In-Stat/MDR (2002). The worldwide PDA market: The next generation of mobile computing. Research Report,
- [8] John Williams., (2002), “Entrepreneur Article on Rebranding”, Entrepreneur magazine, Vol. 12, No. 1, pp. 1-3.
- [9] Jones, H., & Farquhar, J. D. (2003). Contact Management and Customer Loyalty. Journal of Financial Services Marketing, 8 (1), 71-8.
- [10] Karjaluoto et al. (2005). Factors affecting consumer choice of mobile phones: Two studies from Finland, Journal of Euro marketing, 14(3), 59-82.
- [11] Karjaluoto, H., Karvonen, J., Pakola, J., Pietilä, M., Salo, J. and Svento, R. (2003a). Exploring consumer motives in mobile phone industry: An investigation of Finnish mobile phone users. Proceedings of the 1st International Conference on Business Economics, Management, and Marketing (Athens, Greece), 3, 335-342.
- [12] Karjaluoto, H., Pakola, J., Pietilä, M. and Svento, R. (2003b). An exploratory study on antecedents and consequences of mobile phone usage in Finland. Proceedings of the AMA Summer Marketing Educators’ Conference (Chicago, USA), 14, 170-178.
- [13] Li, S., & Li, Y. (2010). An Exploration of the Psychological Factors Influencing College Students’ Consumption of Mobile Phone in West China. International Journal of Business and Management, 5(9), P132
- [14] Ling, W. Hwang and G. Salvendy (2006). Diversified users’ satisfaction with advanced mobile phone features, Universal Access in the Information Society, 5(2), 239-249.



- [15] Liu, C.M. (2002). The effects of promotional activities on brand decision in the cellular telephone industry. *The Journal of Product & Brand Management*, 11 (1), 42-51.
- [16] Njite, D., Kim, W.G. and Kim, L.H. (2008) 'Theorizing Consumer Switching Behavior: A General Systems Theory Approach', *Journal of Quality Assurance in Hospitality & Tourism*, vol. 9, no. 3, August, pp. 185- 218.
- [17] Perner, L. (2006) *CONSUMER BEHAVIOR: The psychology of Marketing*, 1 August, [Online], Available: <http://www.consumerpsychologist.com/>
- [18] Riquelme, H. (2001). Do consumers know what they want? *Journal of Consumer Marketing*,
- [19] Sethi, A., & Chandel, A. (2015). Consumer buying preference towards entry level Smartphone.
- [20] Solomon, M., Bamsossy, G., Askegaard, S. and Hogg, M.K. (2006) *Consumer Behavior-An European Perspective*, 3rd edition, Essex: Pearson Education Limited
- [21] Subramanyam and Venkateswarlu (2012). Factors Influencing Buyer Behaviour of Mobile Phone Buyers in Kadapa District. *Indian Journal of Research*, 1(11), 3-5
- [22] www.slideshare.net/eaogonos/eric-and-bright
- [23] <http://www.jio.com>
- [24] Zikiene, K. and Bakanauskas, A.P. (2006) Research of Factors influencing loyal customer switching behaviour, [Online], Available: <http://www.mediastudies.lt/sites/default/files/Bakanauskas%20Zikiene.pdf>