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MOTIVATIONAL DETERMINANTS IN THE DEVELOPMENT OF THE DECISION TO PURCHASE MOBILE PHONES

Case
Study

Keywords

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Mobile phones;
Brands;
Purchase decision;*

JEL Classification

M31, M39

Abstract

In this 21st century, mobile phone manufacturers have experienced a tremendous change in customer choice preferences and purchasing behavior, which has led scholars to explore a new horizon of research. This paper tries to discover the choice standards of customer in the mobile phone market. The purpose of this study is to discover the underlying factors that affect the customers' buying decision.

INTRODUCTION

A consumer's buyer behavior is influenced by four major factors, such as cultural, social, personal and psychological factors. These factors cause consumers to develop product and brand preferences. Although many of these factors cannot be directly controlled by marketers, the understanding of their impact is essential as marketing mix strategies can be developed to appeal to the preferences of the target market. When purchasing any product, a consumer goes through a decision process. This process consists of up to five stages: problem recognition, information search, evaluation of alternatives, purchase decision, post purchase behavior.

LITERATURE REVIEW

The world today has become a global market, subject to supply and demand, where economic operators want to sell their products and services to consumers. Within the market economy, the best product, with the best price, is the winner. The consumer is the main beneficiary of this competition, who receives a good product at a price he can pay. Economic agents are helped by the science of marketing in order to know what consumers want. They are seen as the central element by marketing (Balaur, 2002, pg. 27-29) specialists.

In the decision-making process, as regards the purchase of a good or service, the consumer is influenced by several factors. These factors determine the decision on the purchase of a product, but also the consumer's behavior. The influencing factors of the consumer's behavior are divided into two categories, which can be observed directly, such as demographic, economic or specific to the marketing mix and those that are inferred, factors of an endogenous and exogenous nature (Catoiu & Teodorescu, 2004, p. 47).

Companies know what and how much customers consume, but, in fact, they want to know why they consume a product in a certain quantity and not in another quantity, why they buy more of that product in a certain period of time, or why they no longer consume that good. The main factor, which companies want to determine and which applies to any consumer, is the cultural factor. It is regarded as the set of basic values, perceptions and behaviors that are learned by a member of society from the family and other important institutions (Kotler & Armstrong, 2004 pp. 179-180).

Consumer behavior research is a scientific study of the processes used by the consumer to select, secure, use and eliminate products and services that meet their needs. It is widely accepted that

consumer behavior is the key to success for contemporary marketing. Information and knowledge of customer behavior have a direct impact on the marketing strategy. This is (Hawkins & Coney, 2003, p. 775) caused by the concept of marketing that companies rely on in order to meet the customers' needs. Firms can only meet these needs to the extent that they understand their customers (Winer, 2000, p. 232).

The factors that affect the purchase decisions on mobile phones are represented by: brand, convenience, dependence, price, product characteristics, social influence and social needs. David Mudondo (2014, pg. 140-146) stated that mobile phone features, design, price, appearance and technological applications are the most important factors that influence the determination of brand preferences or, in terms of purchasing, a certain mobile phone.

The brand represents more than just a name or a symbol. The brand name creates an impression in the customer's mind about the quality of the product it offers. If the customer is satisfied with the branded product, this may make recommendations that eventually influence other consumers to purchase a particular brand. Brands have a positive impact on female customers more than on their male clients (Azad & Safaei, 2012, pg. 1233-1238).

There is evidence that brands have a greater impact on people with limited purchasing capabilities (Bhattacharya & Mitra, 2012, pg. 1-4). People also prefer branded products because of their perceptions of performance, quality, service and social status associated with the brand. Mudondo (2014, p. 12) suggests that age is an important factor in the technological advancement of the younger generation. He finds evidence that the younger generation has a better understanding of the technological advance on mobile phones, thus influencing their purchasing decision.

Consumers are influenced by different factors when it comes to buying behavior. Social factors, such as family, groups, role in the society and personal factors, such as age, occupation, lifestyle, personality, represent characteristics that can influence the consumer's behavior in making a purchase decision (Shende, 2014, p. 4).

Mobile phones have become vital in today's society, and they end up being more of a necessity than just a simple gadget that helps the user keep in touch with family and friends. Fundamental needs involve psychological factors, lifestyle, respect and consumer fulfillment (Schiffman, 2010, p. 234). Mobile phones make people's life easier and the rivalry between big producers affects all consumers. The mobile phone industry represents one of the most dynamic and aggressive commercial fight, involving large manufacturers. This competition determines companies to launch

new models with innovative functions at an extremely fast pace given (McCarty, 2014, pg. 1217-1220). The ultimate goal is making a profit, so the big producers seek to create strong, successful brands and a long-lasting relationship with their consumers (Hess, 2011, p. 23).

The brand is the one that makes a simple phone more than a product (Kapferer, 2008, p. 352). This includes enthusiasm and the consumers' trust. The brand does not only represent those writings or logos, the brand represents the identity that allows the consumer to differentiate the products from one another. In order to make consumers aware about their brand, the companies often associate themselves with famous people. For advertisers, regardless of the presentation techniques of their organizations, the main motivation behind a promotion is to influence the consumers' perception towards a brand, to build the brand image in the minds of the consumers and to strengthen the genuine purchasing behavior of consumers, thereby expanding offers, increasing their market share and bringing value to the brand (Zhang, 2015, p. 58).

Branding is a key factor for gaining customer's respect (Holt, 2015, p. 18). Mack and Sharples (2009, p. 52) have demonstrated that when it comes to choosing a mobile phone, the brand is more important than the product characteristics themselves. Clients give in their trust vote, based on the image of a brand, by the value it's recognition (Schiffman, 2010, p. 41).

In the current highly competitive and dynamic market, brand strength is a key factor that can lead to the long term success of the company (Gunelius, 2014, p. 10). Value, brand, interface and technical specifications are most important in influencing purchasing decision among consumers.

The brand is often perceived as the main issue that consumers take into account when it comes to purchasing decision, when they express success, market position and innovation.

On the other hand, consumers appreciate convenience because of their limited time (Genova, 2010, p. 119). Convenience refers to a condition where work is simplified and can be done with less effort and without great difficulty. The smartphone is smaller and lighter than a laptop, which makes it easier to carry anywhere. Accessing internet services makes smartphones more convenient and preferred by consumers.

Dependence on something means to use it routinely and intensely, and the reluctance to stay away from it (Ding, 2011, p. 193). The smartphone is not just a conventional phone for talking or messaging, people can use it for a number of reasons, including banking, e-mailing, documentaries, games, photo sharing, and social media. Research has suggested that high levels of mobile phone dependency can

lead to a reduction in social and communication skills (Lay-Yee & Yan-Fish, 2013, p. 2433).

Price represents the amount of money a consumer is willing to exchange for a service or product (Kotler & Armstrong, 2004, 46). Price is an important factor influencing buyers to make a purchase decision. Price and after-sales services have been found to play an important role in the consumer's satisfaction, but the price of the device has a greater impact than other factors (Hanif & Riaz, 2010, p. 46).

Hardware and software are important features of the product when it comes to smartphones. Osman (2012, p. 274) reveals that 56% of people give importance to smartphone design, 38.5% to Wi-Fi connectivity, 34.2% to computing power and 30.2% to device price. He argues that software features are more important than hardware features in potential consumers' purchasing decisions. Other features to be considered by the consumers would be cameras and phone weight, also color and size are treated as additional motivational factors (Mudondo, 2014, p. 12).

Consumer behaviour and decision-making processes are influenced by family, friends, social roles and status (Kotler & Armstrong, 2004, p. 23). Indirect models (e.g. celebrities) have a greater impact than direct models (e.g. parents). According to previous studies, social influence has a direct effect on behavioural intentions (Ajzen, 1991, p. 179).

Social needs differ from one individual to another. When it comes to smartphones, may represent the need to keep in touch with friends, family and associates (Tikkanen, 2009, p. 534). In the 21st century, having a smartphone is a social necessity for consumers, so it is argued that smartphones are an important facilitator of social connections (Wei & Lo, 2006, p. 53). Customers search for mobile apps that are congruent with their lifestyle and needs and desires (Mudondo, 2014, 16).

METHODOLOGY

A qualitative research was carried out, the interview, and the tool used for this is the structured interview guide.

The reason for choosing this method is given by the fact that it allows to study closely and understand the perspectives of the interviewees on certain aspects, factors through their own experience.

DATA ANALYSIS

The data has been studied through comparative analysis, as it allows for the drawing of final directions in the research carried out.

The interviews conducted were intended to identify and investigate different common behaviours, among those who have direct contact with those who purchase mobile phones.

Determinants underlying the purchase of a mobile phone and its advantages/facilities

Based on the answers given to questions one, two, four and ten, the need for quick communication with loved ones, family, friends was determined as a main motivation for the interviewees and the consumers of mobile phones, the fact that a mobile phone aims to "make life easier" through access to technology, through "managing daily activities". An important place behind the purchase of a mobile phone also gives it its design.

A number of advantages and features offered by smartphones with an impact on the lifestyle they seek are: high-performance camera, memory storage, durable battery life, easy access to social media, speed of the operating system.

In contrast with their desire to have top smartphones, as a level of performance and speed of use, from the comparative analysis of the information obtained, it was determined that, for the consumers, mobile phone use also brings a number of disadvantages to their lifestyle such as: dependence on social media and gaming, social life happens more in the virtual environment than in the real one, which means that they become more and more distant from the social environment in which they find themselves, lose a large part of their time on these devices, attention will be absorbed more and more by them, and in the end, communication will be more superficial with those around them and will lose the emotions transmitted through face-to-face communication.

Price and brand as the main decision-makers in the preparation of the purchase decision

From the answers analysed, respondents consider that each owner of a mobile phone was influenced in the purchase decision, an idea supported by the following arguments: price is associated with a higher quality, price is the primary factor in the purchase decision, a more expensive phone has better specifications based on the needs of customers that increase with the development of the mobile phone market. Thus, on this subject, users have purchased the mobile phone according to revenue and there are two categories of consumers: those who are willing to offer a higher price on a mobile phone, considering a long-term investment and bringing them as many benefits as possible and those who are looking for affordable phones and who offer them the main facilities of a phone.

Another decision-maker behind the purchasing decision is the brand because customers tend to attach themselves to a particular brand and then

continue on this line, regardless of other benefits of other brands on the market. Respondents feel characterized by a particular brand and associate it with their personal preferences, which are met by that brand. A number of brands have been listed that as the most purchased grouped by user categories.

For example, Apple is perceived as a luxury brand, used mainly for personal purposes, and the Huawei brand as a fairly affordable brand, used both in business and everyday life.

Purchasing behaviours observed after the launch of a new product on the market

Respondents stated that mobile phone users are looking for different ways of informing themselves, internet, media, shops, about the desired product, and once with their intention of purchasing a phone, they form a set of questions, and then come to stores to ask for more details. Their questions focus either on the specifications of the phone or related to the price, the benefits of the new product on the market in their personal lives, and how to purchase it with subscription or installments. Some users want to purchase a newly launched product, out of a desire to be on trend. There is also a segment of consumers who have taken advantage of launching a new product in order to purchase their previous models at lower prices.

Influence of the social environment in consumer purchasing behaviour

From the analysis of question number eight, respondents consider that mobile phone users are influenced by the social environment and by their friends, that greatly influence their purchasing decision. The social environment has become an integral part of daily life. Clearly, the social environment will influence people's behavior even in terms of purchasing a phone. Respondents said that there are many social factors that play an important role in making a final purchasing decision.

In terms of social behaviour, they also state that people aged 16-28, who have a desire to stand out in their friend circles, prefer the latest phone models, giving them a reputation they want in the social environment to which they belong.

They noted that among users, there is a trend, with the launch of a new phone model, changing their phone annually, which also shows the frequency of purchase for them.

Analyzing the answers provided, consumers fall into two categories: an individual who comes from a low-possibility environment will never opt for a top phone, but will opt for one with weaker but affordable specifications. On the other hand, it was identified the segment of consumers with greater possibilities who seek to always be on trend and to own the latest top models.

Prospects for the future on the mobile phone market

Interviewees provided answers that mainly state that there will be a number of changes in terms of technology as well as design, as each company seeks to have a competitive advantage. However, they mentioned that certain mobile phone brands will be successful by promoting the smart ones they will use. For example, the ads of the latest models of Huawei phones have as protagonists some famous actors. Manufacturers will try to come up with new models that offer high-performance phones at affordable prices to all categories of consumers, in order to exceed their expectations and capture as much of the end-user market as possible.

Technically speaking, foldable screen, screen transparency, battery life are the main debates in innovation campaigns.

The evolution in the mobile phone market over the next three years will fluctuate, and that is because consumers, as they get older, will change their preferences and either move towards a new brand or they will want the phone they own to satisfy other requirements than previous ones.

Although the frequency of words in interviews helped to identify the most important concepts among the eight texts, it was not very useful in identifying codes that could be extracted. To solve this problem, the auto code function of the NVivo program was resorted, which was very useful in identifying codes in context. The results obtained, which are highlighted in Table 1, illustrate a total of 17 codes identified in the eight interviews conducted. Of this total, 11 codes were identified in interviews one, two, and three, 12 codes in interviews four, five, and six, and nine codes in interviews seven and eight. To determine which codes appear at the same time in all three interviews conducted, the co-appearance function was used, the results obtained being highlighted in Table 2.

According to the data in Table 2 only six codes were noted that appear at the same time in the eight interviews and address questions related to: communication, price, need, influence, brand and quality. Respondents interpret communication as one of the reasons they would buy a mobile phone, but on the other hand, there is also the need to use such a device to keep in touch with family, friends and business partners. According to the data in the eight interviews, price is one of the important factors when a consumer wants to purchase a mobile phone. For some, the brand also matters, because the respondents claim that, the quality of the product comes from a good brand. A strong brand inspires more confidence and sells a more qualitative products. That is why it has come to the idea that some consumers, when they want to

purchase a mobile phone, are influenced by various factors, either family or social environment.

CONCLUSIONS

During the research a number of factors were identified, that helped to study the determinants in the development of the decision to purchase a mobile phone.

With regard to the first objective of the research report, namely 'Identification of the purpose of purchasing a mobile phone', it was determined the fact that the need for users to communicate with others is the primary need, but they are influenced by the facilities and functions offered by a mobile phone.

They believe that mobile phones should fold on their daily activities to be appropriate for their passions (photos, social media, gaming). They are also motivated by the desire for change and to be on trend with the society in which they live, in terms of their phones.

With regard to the second objective of the research, 'Determining the factors influencing the decision to purchase a mobile phone', there are a number of factors underlying the decision to purchase a mobile phone, among which were mentioned: price, as the main determining factor, the brand, the functions that come to the aid of users in order to keep up with the technology, and the need to have a phone with as much battery life as possible.

The third objective, 'The influence of the social environment on consumer's behaviour in the purchase of a mobile phone', tracked the impact of the social environment on the purchase decision and it was found that mobile phone users are influenced by the social environment and friends, which greatly influence their purchasing decision. It could be determined that the young generation of people, for example, who have the desire to stand out in their friend circles, prefer top models, because in this way they are also satisfied with a number of intrinsic motivations, such as the reputation and esteem they want in the social environment to which they belong.

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LIST OF TABLES

Table 1
Codes obtained for the eight interviews

	A : Internals\1st interview	B : Internals\2nd interview	C : Internals\3rd interview	D : Internals\4th interview	E : Internals\5th interview	F : Internals\6th interview	G : Internals\7th interview	H : Internals\8th interview
1: Communicate	1	1	1	1	1	1	1	1
2: Inform	0	0	0	1	1	1	0	0
3: Purchase	0	0	0	0	0	0	1	1
4: Price	1	1	1	1	1	1	1	1
5: Decisions	1	1	1	0	0	0	0	0
6: Utility	1	1	1	0	0	0	1	1
7: Development	0	0	0	1	1	1	0	0
8: Functions	1	1	1	0	1	0	1	1
9: Need	1	1	1	1	1	1	1	1
10: Influence	1	1	1	1	1	1	1	1
11: Product advantages	0	0	0	1	1	1	0	0
12: Social environment	0	0	0	1	1	1	0	0
13: Innovation	1	1	1	0	0	0	0	0
14: Brand	1	1	1	1	1	1	1	1
15: Socializing	0	0	0	1	1	1	0	0
16: Shops	1	1	1	1	1	1	0	0
17: Quality	1	1	1	1	1	1	1	1
Total	11	11	11	12	12	12	9	9

Source: processed in NVivo Plus by the author.

Table 2
Codes encountered in all eight interviews

	A : Internals\\1st interview	B : Internals\\2nd interview	C : Internals\\3rd interview	D : Internals\\4th interview	E : Internals\\5th interview	F : Internals\\6th interview	G : Internals\\7th interview	H : Internals\\8th interview
1: Communicate	1	1	1	1	1	1	1	1
4: Price	1	1	1	1	1	1	1	1
9: Need	1	1	1	1	1	1	1	1
10: Influence	1	1	1	1	1	1	1	1
14: Brand	1	1	1	1	1	1	1	1
17: Quality	1	1	1	1	1	1	1	1

Source: processed in NVivo Plus by the author.