



AN EMPIRICAL STUDY OF BRAND PREFERENCE FOR MOBILE PHONES WITH REFERENCE TO COIMBATORE CITY

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Abstract:

Branding has always been an important aspect of marketing. Brand is a powerful differentiator in a highly competitive market place. It provides the company the power to deflect competitive moves. A strong brand rings trust, confidence, comfort and reliability in the customer's mind. Branding has always been an important aspect of marketing. Brand is a powerful differentiator in a highly competitive market place. It provides the company the power to deflect competitive moves. The present paper focuses on the study of brand preference for mobile phones with reference to the management students. The primary objective of the study is to assess the brand preference for mobile phones among the management students. It also identifies the major features which a student looks in a mobile phone. The conclusion is that the company can use “push” strategy, which uses its sales force, or the supply chain, to interact with the customer, and create demand for the product. Consumers do not get satisfied with the promotional policies of the companies. New techniques of promotion are required to create awareness about the entire range of companies' products.

Key Words: Mobile Phones, Brands & Coimbatore City

Introduction:

Brands are new business warriors. When role of other conventional assets is getting marginalized in winning marketing war, marketers look up to brands for making their bottom lines black. The purpose of any business is to create customers at a profit and the most valuable asset for a company is customer's loyalty. Brands explain the way people live in a society. The value of a brand comes from its ability to gain an exclusive, positive and prominent meaning in the minds of a large number of customers. Brands are valuable assets to organizations and also are important to consumers. American Marketing Association defined brand as ‘a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition. The new competition is not between what companies can produce in their factories but between what they add to their factory output in the form of packaging, service, advertising, customer service, financing delivery arrangements, warehousing, and the things people value. There are four important elements in branding. They are brand identity, brand image, brand position, and brand equity. Brand identity consists of the brand physique, brand personality, brand reflections, self-image. The brand image is the descriptive thought that consumers hold towards the brands and often explain the unique combination of attributes for the brand. Brand position is the act of communication through which the brand manager identifies the consumer relevant dimensions and communicates about the brand on these dimensions. Brand equity is what the customer is ready to pay more when all other brands are available in the market. Because of consumer preference the brand can charge a higher price, command loyalty, and run efficient marketing programmes. The brand preference therefore leads to higher asset value.

Statement of the Problem:

In recent time, customers are reminded by companies by their Advertisements, Offers, New product launching and brand name. Customers believe that brand name is a symbol of quality. Similarly Brand name influences customers to buy any product, so as to analyze the Market potential of mobile phone in this competitive environment.

Objectives of the Study:

- ✓ To identify the market potential in terms of value of mobile phones in Coimbatore.
- ✓ To study the existing purchase pattern and preference of the mobile consumers.
- ✓ To identify the Uniqueness of mobile phones and their brands.
- ✓ To provide suggestion based on findings.

Scope of the Study:

The study identifies the Market potential of the Mobile phones in Coimbatore. During the project research the customers are too much price conscious as they want a quality product on lesser amount. In this competitive environment Mobile phones survive with higher priced products, So as to analyze the Market potential of Mobile phones in Coimbatore city. It provides suggestions to maintain their brand image and to attract new customers.

Methodology:

Type of Study: The type of research is Descriptive research study.

Sample Design: Primary data is used in the study. Data is collected through questionnaire technique. Convenience sampling is used for the study.

Methods for Data Collection: Primary method of data collection is done through questionnaire administered to the respondents.

Tools for Analysis: The statistical tools used in the study includes Mean Score, Percentage Analysis

Limitations of the Study:

- ✓ Study is limited to the Dealers at Coimbatore city.
- ✓ Time given to undertake the study was only limited (45 days).

Literature Review:

Chen and Chang (2008) found that Brand equity has significantly positive effect on both brand preference and brand loyalty. The effect of brand equity on purchase intention is also significant.

Del Vecchio, Henard, Freling (2006) quoted that sales promotion neither a positive nor a negative effect on brand preference beyond the promotion period. While the overall mean effect is not statistically significant this does not suggest that sales promotion do not affect brand preference. Consistent with the notion that multiple mechanism may affect post promotion preference. Sales promotion either undermines or augments brand preference depending on the promotion and the characteristics of the product being promoted.

Paulo, Duarte and Mario (2010) quoted that several factors contribute to brand preference, especially those related to brand identity, personality and image and their congruence with consumer self image. The main direct effects on brand preference are the self image congruence and the identity/ personality and image of the brand. In addition to those, the level of involvement, social environment, risk perception, demographic profile, and product visibility also show a positive influence on brand preference.

Sriram, Chintagunta and Neelamgham (2004) found that intrinsic brand preference have a much bigger effect on the performance of the brand than the inclusive value which reflects model level prices, product attributes, and the length of the brand's product line. Further they found that some brands can increase their advertising expenditure and still increase their profitability.

Analysis and Interpretation:

Demographic Variables	Particulars	Frequency	Percent
Gender	Male	40	42.6
	Female	54	57.4
	Total	94	100
Age	16-25	57	60.6
	26-35	32	34
	36-45	3	3.2
	46-55	2	2.1
	Total	94	100
Occupation	Business	10	10.6
	Professional	8	8.5
	Student	16	17
	Others	4	4.3
	Total	94	100
Marital Status	Married	31	33
	Unmarried	63	67
	Total	94	100
Income Level	Less than Rs.5000	14	14.9
	Rs.5001-Rs.15000	57	60.6
	Rs.15001-Rs.25000	17	18.1
	Rs.25001-Rs.35000	6	6.4
	Total	94	100

Interpretation: The above table shows about the gender of the respondents were out of 94 respondents 42.6% are male and 57.4% female. 60.6% are from the age group between 16-25, 34% are from the age group between

26-35, 3.2% are from the age group between 36-45 and 2.1% are from the age group between 46-55. 33% are married and 67% are unmarried. 14.9% are earning less than Rs.5000, 60.6% are earning between Rs.5001-Rs.15000, 18.1% are earning between Rs. 15001 - Rs. 20000.

Mode of Purchase:

	Frequency	Percent
Cash	55	58.5
Installment	39	41.5
Total	94	100

Interpretation:

The above table shows about mode of purchase of the respondents were out of 94 respondents 59.5% are purchasing through cash and 41.5% are purchasing through installment. It shows that most of the respondents are purchasing through cash.

Source of Awareness towards Mobiles:

	Frequency	Percent
Relatives and Friends	27	28.7
Mechanics	23	24.5
Banner Display	23	24.5
Advertisements	13	13.8
Others	8	8.5
Total	94	100

Interpretation

The above table shows about source of awareness towards mobiles were out of 94 respondents are knowing about through relatives and friends, 24.5% are knowing through mechanics, 24.5% are knowing through banner display, 13.8% are knowing through advertisements and 8.5% are knowing through other sources. It shows that most of the respondents are knowing about mobiles through relatives and friends.

No of Years of Using Mobiles:

	Frequency	Percent
Less than One Year	9	9.6
1-2 Years	60	63.8
2-3 Years	19	20.2
3-4 Years	4	4.3
More than 4 Years	2	2.1
Total	94	100

Interpretation:

The above table shows about no of years of using mobiles were out of 94 respondents 9.6% are using mobiles for less than one year, 63.8% are using between 1-2 years, 20.2% are using between 2-3 years, 4.3% are using between 3-4 years and 2.1% are using more than 4 years. It shows that most of the respondents are using mobiles between 1-2 years.

Preference towards the Products:

	Frequency	Percent
Brand Name	20	21.3
Service	43	45.7
Economy	19	20.2
Design	7	7.4
Others	5	5.3
Total	94	100

Interpretation:

The above table shows about preference towards the products were out of 94 respondents 21.3% said as brand name, 45.7% said as service, 20.2% said as economy, 7.4% said as design and 5.3% said as other factors. It shows that most of the respondents said that they are preferring the products due to service of the brand.

Comparison between Occupation and Opinion towards Effective Advertisements of Mobiles:

H₀: There is no relationship between occupation and opinion towards effective advertisements of mobiles

Crosstab						
Count		Opinion towards effective advertisements of mobiles				Total
		TV	Online	Newspaper	Billboards	
Occupation	Employee	20	27	7	2	56

	Business	3	4	2	1	10
	Professional	3	4	1	0	8
	Student	8	6	2	0	16
	Others	2	1	1	0	4
Total		36	42	13	3	94

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	4.891 ^a	12	0.962

Interpretation:

The above table shows about the relationship between occupation and opinion towards effective advertisements of mobiles were the level of significance is at 0.962 which is greater than 0.05. It shows that there is no relationship between occupation and opinion towards effective advertisements of mobiles.

Rank Correlation for Factors Related to Purchase of Products:

S.No	Particulars	X	Y	R1	R2	D	D ²
1	Warranty / Guarantee	9	15	2	2	0	0.00
2	Easy Handling	1	12	5	4	1	1.00
3	Design	24	43	1	1	0	0.00
4	Brand name	2	13	4	3	1	1.00
5	Price	6	11	3	5	-2	4.00
							6.00
N	5					1-R	0.02
	.					R	0.98

Interpretation:

The above table shows about the rank correlation for the factors related to purchase of products were the correlation value is at 0.98 which shows that the factors are highly correlated. It reveals that the design of the mobiles are the factors influencing them towards purchasing the products.

Findings:

- ✓ Most of the respondents are female in our survey.
- ✓ Maximum of the respondents are from the age group between 16-25.
- ✓ Maximum of the respondents are unmarried in our survey.
- ✓ Most of the respondents are earning between Rs.5001-Rs.15000.
- ✓ Maximum of the respondents are purchasing through cash.
- ✓ Most of the respondents are knowing about mobiles through relatives and friends.
- ✓ Maximum of the respondents are using mobiles between 1-2 years.
- ✓ Most of the respondents said that they are preferring the products due to service of the brand.
- ✓ Maximum of the respondents are highly satisfied towards price of the products.
- ✓ Most of the respondents are highly satisfied towards quality of the products.
- ✓ Maximum of the respondents are satisfied towards advertisements & promotional activities of the products.
- ✓ Maximum of the respondents said as very good for using the mobiles.
- ✓ Most of the respondents are highly satisfied with the products.
- ✓ Maximum of the respondents said that the price of the at present is good.
- ✓ Most of the respondents said that they are satisfied towards design of the product.
- ✓ Maximum of the respondents said as easy handling for mobile products based on others word.
- ✓ There is no relationship between occupation and opinion towards effective advertisements of mobiles.

Suggestions:

- ✓ The company can use “push” strategy, which uses its sales force, or the supply chain, to interact with the customer, and create demand for the product.
- ✓ The company can use pull strategy which relies on heavy advertising to create demand for a product. Advertising plays a very big role in this strategy. The many ways of creating demand in a pull strategy have increased with the advent of viral marketing. General characteristic of pull strategy is advertising (in its many forms), word of mouth, which all boils down to creating a buzz about the product, in the market.
- ✓ Cellular companies should increase the awareness about the 4G service.
- ✓ Companies should offer more range of Rs. 10,000 or less than 10,000.
- ✓ LG and Motorola should try to expand its market share and also should try to increase the awareness through the television advertisement.

Conclusion:

Each brand has its position in the customer's mind and delivers a set of values perceived higher than those of other competing brands. A brand serves as an assurance to the customers about product performance. Brand promises the customer to deliver the stated benefits. Customers prefer those brands which fulfill or outperform their requirements. From the study it can be concluded that the management students prefer Nokia brand of mobile phone as it delivers the higher value than the competing brands. Most of the students get information regarding mobile phones from television, newspaper and internet. Management students prefer the mobile phone which provides the facilities like GPRS, SMS and E-mail facility, and downloading facilities. They use the different phone accessories such as Bluetooth, camera, memory card, dual SIM card, USB data cable and head phone. The mobile phones which provide these facilities along with the sturdiness are mostly preferred brands. The management students change their handsets in 1 to 3 years because of the new mobile phones are coming with the updated technology and innovations. They are ready to spend Rs. 5000 to Rs. 10000 on the mobile phone which is not related to their family income levels. From this it can be concluded that customers want the mobile phone with medium price range and with different facilities which enables them to communicate and get information in different ways. The conclusion is that the company can use "push" strategy, which uses its sales force, or the supply chain, to interact with the customer, and create demand for the product. Consumers do not get satisfied with the promotional policies of the companies. New techniques of promotion are required to create awareness about the entire range of companies' products.

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