

A Study of Trends in Buying Pattern of Smartphones In India

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Abstract

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. India has witnessed a dramatic growth in the number of mobile phone users in the recent past. Equally impressive has been the increase in internet access. Although mobiles allow us to stay connected, it is the convergence of internet access and smartphones that has resulted in tectonic shifts in consumer awareness, outlook and behaviour. 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.

Keywords : Smartphones, Consumer awareness, Internet browsing, Features and Applications.

Classification JEL : L11, L25, L96.

1. INTRODUCTION

Today, businesses are using technology in almost every sphere. However, most people view technology as a back-end support or at best an enabling platform. Consequently, most business managers have not devoted their time to gaining even a basic appreciation of the ways in which emerging technology can solve some of their customers' problems. This mind-set is about to change. With the market cap of new age companies such as Amazon, Alibaba, Google (Alphabet) and Facebook, to name a few, having surpassed a significant number of large traditional players, the importance of the new

role played by technology in disrupting long-held business models is now being acknowledged. Technology can help businesses serve customers in a manner that were unimaginable before. From mobility, analytics, 3D printing, the Internet of Things, artificial intelligence to machine learning, technology is bringing about revolutionary changes in creation, delivery and consumption of products.

Now days, the cell phone, on its own or in conjunction with an organizer is used for much more than simply making phone calls. It also acts as a flexible terminal for a huge range of applications. So the availability of information (weather forecasts, economic data, news), e-

shopping, e-ticketing, e-banking and e-brokerage is greater than ever before, regardless of time or place. The WAP (Wireless Application Protocol) and WML (Wireless Markup Language) open standards mean the Internet's innovative solution strategies can now be applied to mobile telephony too.

Smartphone has created new dimensions for business in Indian market. It is not only the smartphone sellers enjoying the business but it also created a new area for mobile application developing companies in India, Internet services provider and other sectors of life to utilize the smartphone to gain competitive advantages. There has been an extreme growth in broadband and Internet service providers business in past few years and one of the main reasons for this drastic increase in their business is the ever increasing use of Smartphone's and growth of Smartphone and mobile applications. In a very small duration a huge number of Smartphone have been sold that provided an opportunity to businesses to invest in mobile application development and allowed to introduce new business dimensions in market space. As it is easy to change settings and make customizations on Smartphone, therefore there are several programs for Smartphone's from different sellers including Blackberry, Android, iPhone and Microsoft etc. Mobile Application Market is another business sector introduced by Smartphone's. Different mobile operating system vendors have their own mobile application technology hence having a different market for Mobile Applications. Smartphone's also impacted advertising business sector as well. Advertising is an old concept but the features of Smartphone have made it more effective and no doubt it is an additional positive impact of mobile application for business. Mobile application publisher, distributor and service provider are getting large revenue by providing ads as a part of mobile application.

2. OBJECTIVES OF THE RESEARCH PAPER

a. To analyze the decision making of consumers.

B. To analyze the trends in buying behavior towards smartphones.

3. RISING COMPLEXITY OF DECISION MAKING FOR CONSUMERS

Over the years, the choices offered to consumers have gone through the roof. In the past, they would walk into a small kirana store and quickly buy what they needed. The number of brands and variants available were limited. If they needed help, advice was available from the owners of these shops; decisions were based on input from a trusted source, and the risk of the consequences of poor decision-making was low. Therefore, the cognitive load of a wrong buying decision was minimal, and consequently, making a choice was simple. With a rapidly growing economy and free trade, the number of products available has increased by leaps and bounds. While consumers have a huge variety to choose from, they also have many more product categories on offer. Earlier, one product served multiple consumer needs, now we have various brands, and within these are numerous variants and pack sizes catering to sub-segments with refined needs.

With the vastly improved quality of brands offered, making a choice is becoming increasingly difficult for most consumers. What compounds this is the fact that modern formats of physical and online retailing do not offer the same level of help as the shop-owners of small stores. While lack of variety caused consumers to move from small traditional stores to bigger and more modern ones, we now expect to see complexity driving them towards sources that will help to simplify and ease their choice-related and purchase decisions.

4. TRENDS IN BUYING PATTERN OF SMARTPHONES

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.

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 smartphones with different names and brands available in the market such as Apple, Samsung, HTC, Sony, vivo, OPPO, 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.

Table 1

Top Five Brands of Smartphone in India (2017)

S.No.	Company	Market Share
1	Samsung	24.7%
2	Xiaomi	20.9%
3	vivo	9.4%
4	Lenovo	7.8%
5	OPPO	7.5%

Source: IDC Quarterly Mobile Phone Tracker, February 12, 2018

Consumers' buying behaviour is evolving faster than ever before, with buyers not only expecting seamless services, but also a real experience. Today's consumer is active on social media, and is tech-savvy, information-rich and time-starved. The resulting level of disruption driven by such consumers is unprecedented.

Table 2
Global Smartphone Model Sales Market Share (2017)

S.No	Model	Sales (%)
1	Apple iPhone 7	4%
2	Apple iPhone 7 Plus	2.9%
3	OPPO R11	2.1%
4	OPPO A57	2%
5	Samsung Galaxy S8	1.8%
6	Xiaomi Redmi Note 4x	1.8%
7	Samsung Galaxy S8 Plus	1.7%
8	Apple iPhone 6	1.6%
9	Samsung Galaxy 17 Prime	1.4%
10	Samsung Galaxy AS 2017	1.2%

Source: IDC Quarterly Mobile Phone Tracker, February 12, 2018

Consequently, they expect the world to be at their fingertips, at a place and time of their convenience. They don't go shopping, they shop 24X7. Moreover, they want a shopping experience that is customized to their needs and offers them a faultless experience-online and offline. The retail landscape in India is dominated by traditional trade usually independent and small-format mom and pop stores. However, modern trade in the form of large chains of supermarkets, convenience stores and pharmacies is muscling in. Over the next several years, this shift to modern trade is expected to continue and sales to grow at the rate of 20% per annum—twice as fast as that of traditional trade. Mid-sized players have traditionally focused on general trade and will need to put in place GTM strategies to be able to take advantage of emerging and growing channels such as organized retail, institutional channels and e-commerce.

Increasingly, companies are cutting through the clutter by reaching consumers directly through modern trade. For example, Hector Beverages, which primarily targets the urban Indian population in the age group of 20–40 years, has launched its' Paper Boat' brand only through modern trade stores and institutional sales channels (airlines, airports, multiplexes and food courts), to create a level

playing field with respect to larger beverage players that dominated neighbourhood kirana stores in the past.

5. CONCLUSION

The behaviour of consumers toward smartphone is increasingly as a focus of marketing research. In particular, consumer's behaviour in smartphone industry, from adoption motivation to post-usage behaviour it has become a major focus of research in the field of marketing, especially within consumer behaviour. As, India is one of the fastest growing economies in the world, the smartphone industry in India is growing very fast and for consumer's in market smartphone has become

essential parts of personal and business life. There is a continuous increase in disposable income; there has been a major shift in the attitude and aspirations of the consumers. It is not only the smartphone sellers enjoying the business but it also created a new area for mobile application developing companies in India, Internet services provider and other sectors of life to utilize the smartphone to gain competitive advantages. Smartphones have been rapidly transformed from being just handheld telecommunications devices to being a window to the world and are now a means of expressing one's opinion and individuality. It's also become the new retail store front.

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