

Brand Positioning Criteria and Consumers Reaction - Mobile Phone Brand Preferences in Coimbatore City

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Abstract

Brand position creates an image for a particular product of a seller, support them in differentiating from the competitions products, spell out unique features of a products and create a buyer segment for a product. BP is more associated with convincing the buyers to accept a product launched or marketed by creating a perception, attitude, by fixing a fair or premium price and likeness for a brand. The study convey the message that price sensitive attitude expressed by the consumers generally influences their brand selection and repurchase of an advanced model of mobile phones. Sample population falling in the age group of 21-40 years (72.35 per cent) with the family income of Rs.60001 to Rs.75000 (32.71 per cent) prefer buying basic or budgeted smartphones that supports calling, talking, participation in social media, watching movies etc., (79.50 per cent). Approximately 53.60 per cent respondents' use Android based OS and 80 per cent of the population prefer buying smartphones within Rs.10000 to Rs.20000. High end product like Apple I phones, Mortola and Oppo are purchased keeping the brand image in the mind i.e., prestigious value. Samsung, Lenovo, Micromax and Asus and Lava are purchased based on the flexible price ranges. These brands are also preferred by the buyers based on its in-build features, product availability and durability.

Key Words: Smartphones, Brand Positioning, Factors Influencing

Introduction

Brand Position (BP) is very complex matter and involves vivid strategies in presenting, recalling, marketing and selling a product. BP is the tactics adopted by the marketers to place or say create an image about a product brand in the mind of the potential buyers. Brand position creates an image for a particular product of a seller, support them in differentiating from the competitions products, spell out unique features of a products and create a buyer segment for a product. BP is more associated with convincing the buyers to accept a product launched or marketed by creating a perception, attitude, by fixing a fair or premium price and likeness for a brand. Positioning of smartphone in a heterogenically divided market in India is purely determined not only by the buyers economic status by their educational status, occupation, degree of usage, purpose of usage, technology savviness, credit availability and prestige value realised etc., i.e., short BP is determined by real users' needs.

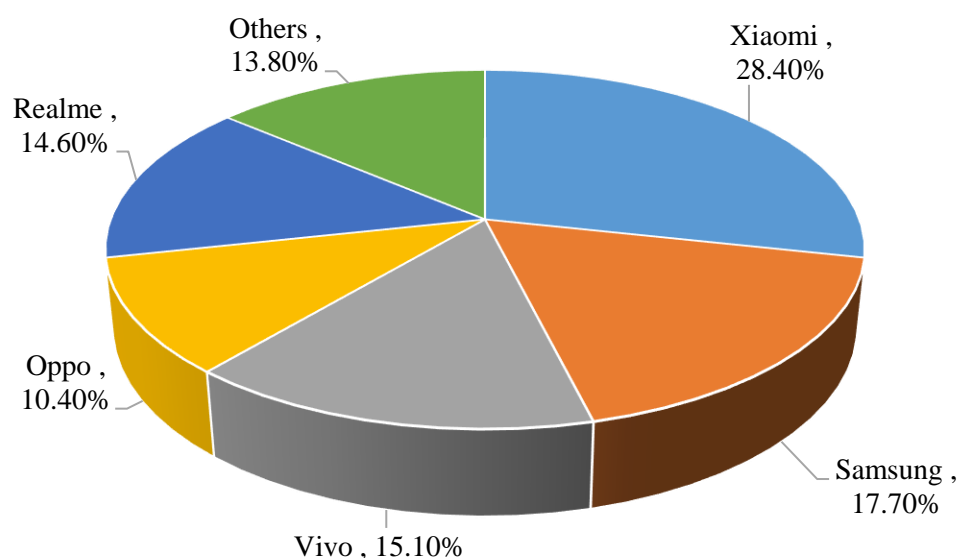
In India mobile phones in general and smartphones in particular are marketed in different price ranges, with different models incorporating different technical features and in different size (screen size, handiness, colours etc.). Marketers also adopt different mediums of promotions for positioning their brands in the mind of the target cellphone buyers as they tend to be competitive in securing their market share based on the above mentioned parameters. Promotion of brands are based on more of emotional appeal, technology features specification (2G, 3G, 4G or upcoming 5G), conveniences in usage, value for money spend etc. Brand position of mobile or smartphones are mostly depended on the retailers cum distributors' role in the market. Certain brands distributions are encouraged while they make high volume of sales (Xiommi, Oppo, Vivo etc.,) and certain brands manufactures prefer to support those detailer points that records high value sale (eg. Samsung).

Market Size of the Smartphones in India

India is the second largest smartphone market in the world, next to China. The marketers targeted to sells 38 million smartphones in the year 2021, the average sale cost of Rs.11,000 to Rs.18000. Five prominent brands compete with each other very stiffly for 82 per cent of the market shares Xiaomi (28.40 per cent), Samsung (17.70per cent), Vivo (15.10 per cent), Oppo (10.40 per cent) and Realme (14.60per cent) and rests of 13.80 per cent of the market share is shared by brands.

EXHIBIT: 1

TOP SMARTPHONE BRANDS IN INDIA

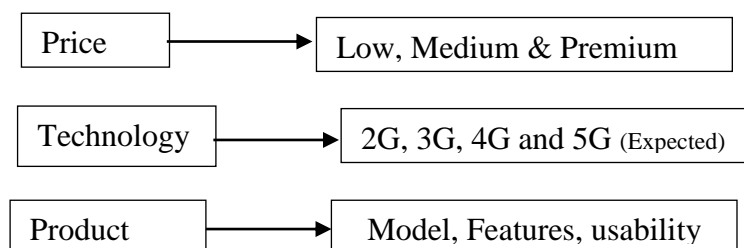


Source: Q2 2021: India Smartphone Market Says Resilient During Second COVID-19 Wave, Crosses 33 Million Shipments, <https://www.counterpointresearch.com/india-smartphone-market-q2-2021/>.

Market Growth Opportunities

Smartphone penetration is very low in India. Though with the increase in interest net penetration, preference for buying smartphone among the consumers have raised, still many of the Indians living in low-income categories, less educated and less techno-savvy prefer to use basic model cell phone instruments. Market for mobile phones in India is defined and determined by two prime factors one is the price of the instrument and the second is the user-friendly technology adoptability. The mobile phone market is highly competitive in India, where more than 75 brands and 340 models compete with each other on basic criterions.

EXHIBIT: 1
BASES OF MOBILE PHONE INSTRUMENT
MARKET SEGMENTATION



Source: Pictograph Developed for the Study

Tangible handset market is highly differentiated based on the mobile phone features, technology adoptability and based on these two features the price ranges are fixed. There prevails stiff competition between the domestic manufacturers (OEMs Original Equipment Manufacturers) and imported smartphone sellers. Consumers demand for Android phones are on rise as most of the basic model digital dial mobile phone users are shifting their choice for the medium price smartphone models.

Review of Literatures

Discussion of previous study on this subject concepts is presented in this study.

Study of Erda' (2008) found that consumers are motivated by various factors while choosing branded mobile phones like: fair pricing of mobile phones, high quality, unique style features, functions, and brand reputation of mobile handsets. Research work Singh's (2012) claim that smart phone buyers in Punjab prefer to buy low price mobile phones that has multimedia options, more technological features, elegant looks and high brand reputation. Malviya et al.'s (2013) identify the factors influencing customers' purchase decision of Smartphone in Indore. As per the result of the study consumers influenced by various factors such as affordable price of the mobile phones, brand reputation, social influences and technologically in built features etc. Kaushal and Kumar's (2015) investigate the motives and reasons behind using Smart Phones users. The author found that purchase decision is highly influenced by social groups, family friends, colleagues and it is considered as a prestige factor and they usually purchase smartphone for connecting with social media sites and for playing games. Raval and Trivedi's (2016) revealed in their article that certain factors like: handset features, price of the products, influence effluent by persons, brand reputation in the market and usage convenience etc., influences the smart phone purchase decision. In another study Kumari (2017) added new dimensions to thst study by stating that Smart phone buyers in Tirupur city are interested in buying less weight mobile phones, affordable price and product quality is associated with the communication, price, feature, function, or performance of the mobile phones. Research article Shrinivas and James's (2018) smart phones purchase intention of young i.e., youth greatly influence by the manufacturing companies, quality product, technically well-designed and economically price. Tabassum and Ahamed (2020) explored the SWOT of Xiaomi smartphone in Hyderabad city. The authors claim that white goods market in Hyderabad, especially for smartphones are drive by three key factors i.e., through product advertisements on Omni channels, building of strong network of dealers and through enhanced product quality. Due to active product brand positioning strategies adopted by the marketers Xiaomi has become one of the top selling brands in the Southern region.

Through this reviews it has been well understood that various factors that influences a brand preference or its usage by a specific segment of consumers at micro level. Similarly, the price sensitive attitude expressed by the consumers generally influences their brand selection and repurchase of an advanced model of mobile phones.

Objectives of the Paper

- This study aims to analyse the brand preferences among the heterogeneous population group smart phone buyers
- To assess the brand position criterion of the mobile phone marketers that influenced the buyers' selection of smart phones at micro level.

Hypotheses

- There exists close association between smartphone model owned by the mobile phone users and their brand preference, operating systems (OS) used and the cost of the smart phone (value).

Methodology and Materials

The study encapsulates both qualitative and quantitative research techniques. This study has been conducted on mobile phone users of Coimbatore city in Tamil Nadu, India. The study maintained only 425 questionnaires were distributed, conjoint analysis and interpretation of data were performed.

Results and Discussions

Ethnographic survey comprised of 51.29 of male smartphone users and the remaining females users. Over 72.35 per cent of the samples are aged between 21-40 years. Fourth seven per cent of the smartphone users are graduates and 30.71 per cent of the smartphone users are employed in a private organisation, young i.e., unmarried (53.18 per cent) and live in a family that has four to six members (48 per cent). Almost 44.59 per cent of the smartphone users live in a dual income family and their monthly income ranges between Rs.25001 to Rs.50000. Family income of smartphone ranges as Rs.60001 to Rs.75000 (32.71 per cent). Approximately 51.65 per cent of the smartphone users sourced information about smartphones through their friends or colleagues and 47.88 per cent of the samples have sourced information about smartphones through internet. Samsung brand is observed to the more popular brand among the samples i.e., 83.40 per cent.

Table: 1association Between Smartphone Owned By Users And Model Of Smartphone Owned By Consumers

Brand Name	Model		
	Budgeted Model Smartphone	High Featured Model Smartphone	Total
Apple I Phone	37(8.70)	16(3.80)	53(12.50)
Samsung	91(21.40)	27(6.40)	118(27.80)
Lenovo	48(11.30)	13(3.10)	61(14.40)
Micromax	35(8.20)	6(1.40)	41(9.60)
Oppo	27(6.40)	6(1.40)	33(7.80)
Vivo	12(2.80)	4(0.90)	16(3.80)
Mi	36(8.50)	2(0.50)	38(8.90)
Motorola	30(7.10)	7(1.60)	37(8.70)
Asus	18(4.20)	6(1.40)	24(5.60)
Lava	4(0.90)	0(0.00)	4(0.90)
Total	338(79.50)	87(20.50)	425(100)
Chi-Square Value	11.473		
DF	9		
Table Value	16.919		
Contingency Co-efficient	.162		

Source: Computed Data and Level of Significance: 5 per cent

Indian market for feature based mobile phones are slowly replaced by smartphones. Smartphone markets are again categorised as budgeted models and high featured products. It has been observed that in the study area majority i.e., 79.50 per cent of the Coimbatoreans prefer buying basic or budgeted smartphones that supports calling, talking, participation in social media, watching movies etc. Just 20.50 per cent of the elite group of consumers prefer using high-end techno-advanced smartphone that has high features in terms of screen, display, sensors, camera features, in-built operating systems, price range, network coverage and support future technology adoptions. The study concludes that there exists close association between smartphone model owned by the mobile phone users and their brand preferred by the buyers.

Table: 2 Association Between Smartphone Owned By Users And Operating System Of Smartphone Owned

Brand Name	Model		
	Operating System (OS)	Integrated Operating System (IOS)	Total
Apple I Phone	28(6.60)	25(5.90)	53(12.50)
Samsung	64(15.10)	54(12.70)	118(27.80)
Lenovo	33(7.80)	28(6.60)	61(14.40)
Micromax	22(5.20)	19(4.50)	41(9.60)
Oppo	17(4.00)	16(3.80)	33(7.80)
Vivo	8(1.90)	8(1.90)	16(3.80)
Mi	20(4.70)	18(4.20)	38(8.90)
Motorola	20(4.70)	17(4.00)	37(8.70)
Asus	14(3.30)	10(2.40)	24(5.60)
Lava	2(0.50)	2(0.50)	4(0.90)
Total	228(53.60)	197(46.40)	425(100)
Chi-Square Value	0.433		
DF	9		
Table Value	16.919		
Contingency Co-efficient	.032		

Source: Computed Data and Level of Significance: 5 per cent

Operating systems installed in the smartphones determines the functional utility of phones. Android or windows supported OS are more used by the Indians. The data revealed that 53.60 per cent respondents use Android based OS and 46.40 per cent of the respondents own instruments that operate on Windows supported OS. Number of applications (Apps) can be downloaded and used with the support of well-performing cum technically sound OS. The study confirmed that computed Chi-Square values are less than the table value and it declares that there exists close association between smartphone model owned by the mobile phone users and operating systems (OS) owned by the smartphone users. Selection of smartphones based on the OS is purely based on the affordability of the buyer.

Table: 3 Association Between Smartphone Owned By Users And Value Of Smart Phone Owned

Brand Name	Value					Total
	Below Rs.10000	Rs.10001- Rs.20000	Rs.20001- Rs.30000	Rs. 30001- 40000	Rs. 40001- Rs. 50000	
Apple I Phone	17(4.00)	23(5.40)	9(2.10)	4(0.90)	0(0.00)	53(12.50)
Samsung	37(8.70)	52(12.20)	13(3.10)	15(3.50)	1(0.20)	118(27.80)
Lenovo	23(5.40)	28(6.60)	2(0.50)	6(1.40)	2(0.50)	61(14.40)

Micromax	13(3.10)	18(4.20)	4(0.90)	5(1.20)	1(0.20)	41(9.60)
Oppo	12(2.80)	16(3.80)	1(0.20)	3(0.70)	1(0.20)	33(7.80)
Vivo	6(1.40)	8(1.90)	1(0.20)	1(0.20)	0(0.00)	16(3.80)
Mi	18(4.20)	17(4.00)	3(0.70)	0(0.00)	0(0.00)	38(8.90)
Motorola	16(3.80)	16(3.80)	1(0.20)	2(0.50)	2(0.50)	37(8.70)
Asus	9(2.10)	11(2.60)	2(0.50)	1(0.20)	1(0.20)	24(5.60)
Lava	1(0.20)	2(0.50)	1(0.20)	0(0.00)	0(0.00)	4(0.90)
Total	152(35.80)	191(44.90)	37(8.70)	37(8.70)	8(1.90)	425(100)
Chi-Square Value	29.221					
DF	36					
Table Value	0.930					
Contingency Co-efficient	.254					

Source: Computed Data and Level of Significance: 5 per cent

In India most of the high feature smartphones marketed on behalf of Chinese manufactures are imported or assembled in Indian factories. Whereas few of the high end smartphones like Nokia and Apple have its factor for manufacturing in Tamil Nadu and Karnataka. Lava and Samsung has it manufacturing hub at Nodia. Micromax is manufactured within the country in Gurgaon. Products manufactured within the country and imported smartphone greatly influences the financial selling cost of the product.

Price is a very crucial determinant in sales of smartphones in India. A country with largest population in low and middle income brackets creates demand for moderately or say economically priced products. Data descriptions presented above reveals this characteristics of Indian consumers. Almost 80 per cent of the population prefer buying within Rs.10000 to Rs.20000 i.e., low budget entry level smartphones (35.80 per cent) or moderate range of phones valued Rs.10001-Rs.20000 (44.90 per cent). The data discussion reveals that there exists close association between smartphone model owned by the mobile phone users and its cost of the smart phone (value owned).

Table: 4 Factors Influences Branded Smartphone Purchase

Factors	Apple I Phone (N:108)	Samsun g (N:235)	Lenov o (N:122)	Microma x (N:81)	Oppo (N:65)	Vivo (N:32)	mi (N:78)	Motorol a (N:74)	Asus (N:48)	Lav a (N:7)
Budget Price Ranges	7	1	1	1	2	1	1	2	1	1
Brand Image	1	2	2	3	1	2	3	1	2	2
Specific Models Available	5	3	4	5	6	4	4	6	3	3
In build Features	4	4	3	2	3	5	2	2	8	7
Product Appearance	6	5	5	6	4	6	5	7	6	5
After Sales	3	9	7	9	10	11	10	8	12	8

Service										
Warranty and Replace Contract	11	7	8	7	8	8	8	4	9	5
Security Features	9	11	9	11	8	10	11	10	7	9
Product Availability	8	10	10	8	7	8	9	12	10	9
Quality of the Instrument	2	6	6	4	5	3	5	5	5	11
Product Durability	10	8	11	10	11	7	7	8	4	4
Others	12	12	12	12	12	12	12	11	11	12

Source: Primary Data

Elaborate data analysis and its snap short interpretation are presented in the table. Number of factors influences purchase of product that is technological ever changing and price sensitive in nature. Smartphone market in India is divided as low range, medium range and high range. Based on the range of the product model, its position is made by the marketers /dealers in different segment of the market. It has been well understood that high end product like Apple I phones, Mortola and Oppo are purchased keeping the brand image in the mind i.e., prestigious value. Samsung, Lenovo, Micromax and Asus and Lava are purchased based on the flexible price ranges. These brands are also preferred by the buyers based on its in-build features, product availability and durability.

Conclusion

Comprehensive study provides a 360 degree analysis on the brand position of smartphone in the study region and real time buyers' reactions to the smartphones marketed in their region. Author come to a conclusion with in a very changing communication world technology act as prime determinant factor that influences sales, purchase and marketing of mobile phones in general. Both the manufacturers and the buyers need to update themselves with the change in technology. Yesterday technology become obsolete and new technologies dominants every inch of human, business and administrative operations. Sample population falling in the age group of 21-40 years (72.35 per cent) with the family income of Rs.60001 to Rs.75000 (32.71 per cent) prefer buying basic or budgeted smartphones that supports calling, talking, participation in social media, watching movies etc., (79.50 per cent). Approximately 53.60 per cent respondents' use Android based OS and 80 per cent of the population prefer buying smartphones within Rs.10000 to Rs.20000. High end product like Apple I phones, Mortola and Oppo are purchased keeping the brand image in the mind i.e., prestigious value. Samsung, Lenovo, Micromax and Asus and Lava are purchased based on the flexible price ranges. These brands are also preferred by the buyers based on its in-build features, product availability and durability.

The author suggest with the quote that noting is static in today's world except technology advancement, so do the brand position need more innovation and attractive to the modern day buyer i.e., it has to touch their emotion, sentiments and technology needs for a brand to sustain in the market in the long-run. At the same time the smartphone instruments should have the inbuilt features to adopt the future technology advancement with minimum updation of software and it should not demand complete replacement of instruments.

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