# DETERMINANTS OF CHOICE OF MOBILE PHONE BRANDS AMONG UNIVERSITY STUDENTS: A SURVEY OF SELECTED UNIVERSITIES IN NAKURU TOWN, KENYA

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**NOVEMBER, 2016** 

# **DECLARATION**

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# **DEDICATION**

This work is dedicated to my parents Stephen Juma and Rosemary Juma who encouraged me throughout my studies, and to my sisters and brother Wilkista, Mercy, Faith and Isaac for their support every day and for their prayers.

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#### **ABSTRACT**

The widespread use of mobile phones, the various information access it provides to its users, and the vast presence and significant impact of mobile phone on users' daily life make mobile phones important devices to study. The research focused on the determinants of choice of mobile phone brand among university students in Kenya. The specific objectives of the study were to find out the effect of price variation, social factors, product features, perceived product image, media influence and post purchase services on mobile phone brand choice among university students. This study employed descriptive survey design. The target population was 3000 students of selected universities in Nakuru town. A stratified random sample of 106 students was used in the study. Both descriptive statistics and inferential statistics (correlation and regression analysis) were used in analyzing data with the help of statistical package for social sciences (SPSS) version 16.0 and results were presented mainly in form of tables. The findings showed that social factors ( $\beta 2 = 0.234$ , p=0.007), product features  $(\beta 2 = 0.284 \text{ p} = 0.002)$ , media influences ( $\beta = 0.357$ , p=0.000), post sales services ( $\beta =$ 0.181, p=0.039) had a positive significance on the choice of mobile phone handset. Price and product image had no significant influence on the choice of mobile phone brand. The study concludes that social factors, product features, media influence, post sales services makes it possible for the choice of mobile phone. The implication for the study is that marketers of mobile phones need to understand customers needs based on the media tools and give much information to boost their choice of mobile phone handset. Future research that extends sampling beyond a university environment would allow for a more representative assessment of factors influencing consumers' choice of mobile phone in the wider general society.

**Key words**: Determinants of choice, mobile phone brands, university students, Nakuru, Kenya.

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# **CHAPTER ONE**

# INTRODUCTION

# 1.1 Background of the Study

The development of mobile communication technology (wireless Internet, the mobile phone, MP3 player, GPS navigation system) has been a long journey of innovation which is constantly evolving and updating as a result of consumers' changing needs and preferences. Among various contemporary mobile communication technologies, the mobile phone is regarded as "the most radiactive domestic appliance ever invented" (Coghill, 2001). The device has had one of the fastest household adoption rates of any technology in the world's modern history (Comer and Wikle, 2008).

The growth has been phenomenal by any standards and there are now worldwide more mobile phone subscribers than fixed line subscribers (Rice and Katz, 2003). In 2001, mobile phone subscriptions were less than a billion worldwide with the majority of the subscriptions from the developed countries. However, at the end of 2010, mobile phone subscriptions had reached five billion worldwide with subscriptions from developing countries out-numbering that of the developed countries (Kelly, 2010). With the increasing of ubiquity of mobile phone ownership, the device is no longer perceived as a luxury item or a status symbol but rather a necessity in people's daily life (Walsh and White, 2006).

The widespread utilization of mobile phones in communication and information transfer leads to exponential improvement in mobile phone technology. To meet users' information needs, innovative features and applications are continuously being added to mobile phones to make them perform many more new functions. Consequently, mobile phone which is essentially a communication device has undergone numerous transformations, making its functionalities transcend the traditional voice communication between two individuals (Kushchu, 2007; Hakoama and Hakoyama, 2011). Beyond voice, mobile phones fulfill users' needs by providing: firstly communication services allowing transfer of information in the forms of text, graphics and voice, secondly wireless internet services such as browsing and e-mail, and lastly multimedia and entertainment services such as color screen, motion picture, camera, games, and music. Because these are key features in enabling universal information access, and in facilitating the formation of social networks among its

users (Ling, Hwang and Salvendy, 2006), detail assessments need to be made in order to thoroughly understand the needs and preferences of mobile phone users. Despite the growing importance of mobile phone technology there has, to date, been relatively little research on consumers' evaluation of the importance of mobile phone attributes.

The success of telecommunication industry depends on prudent efforts and feasible investments. In a competitive market, service providers are expected to compete on both price and quality of services and also it is necessary for the service providers to meet the consumers' requirements and expectations in price and service quality (Melody, 2001). The growth rate in the use of telecommunication facilities has increased dramatically, especially in the rank of increasing number of telephone subscribers. The number of telephones for every 100 persons increased from 6.5 in 1985 to 12 in 1993 (Government Report, 1995). The fixed line penetration ratio had risen to 16.6 per 100 population and 21.0 per 100 populations respectively by 1995 and 2000 (Lee, 2001).

Advances in information and communication technologies are constantly changing the way people use and experience technology, which is ever more pervasive in consumers' life. Indeed technology is no longer a matter of "haves" and "have-nots" but of basic services versus advanced ones. As technologies mature and product features become more similar, consumers are often unable or unwilling to differentiate between brands on rational attributes alone (Temporal and Lee, 2001). Commoditization occurs due to both technology and marketing, either as substitutes or as complementary variables (Munir and Philips, 2002). Such a phenomenon calls for strong brands, in order to win consumer preferences and build a long lasting relationship with them (Kay, 2006).

Differently from consumer goods, brands in the high-technology industry do not focus on the association between products and companies but on what is associated with the brand image (Hamann et al., 2007). Brands are perceived as a warranty not only of the quality and performance but also of the difference and emotional relationship with the product (Jiang, 2004). However, little empirical research concerning high-tech brands exists (Harris, 2004), even though there is general consensus that branding becomes more important as high-tech products become accessible to mass consumers (Ward et al., 1999). In fact, the marketing of high-technology products is challenging and the

use of brands has been minimal until recently (Zajas and Crowley, 1995). An increasing number of these companies, however, are now undertaking brand building activities in order to generate long-term profits (Aaker and Jacobson, 2001). Although previous studies (Aaker, 1999) demonstrated that both personal and situational factors positively influence attitudes toward a brand, they did not analyze the interaction effects between them.

# 1.1.1 The mobile phone industry in Kenya

The telecommunication industry has undergone tremendous innovations with the proliferation of information and communication technology. At present, mobile telephones are an integral part of modern telecommunications. In many countries, more than half the population already use mobile telephones and the market is still growing (Towett, 2002). For the last one decade, the marketing environment facing firms in Kenya has been dynamic. Generally, there has been a shift from a stable, predictable and uncompetitive environment to one that is volatile, unpredictable and competitive (Muturi, 2004).

The power of information and technology, deregulation, globalization of markets and stiff competition has made customers better educated, more inquisitive, sophisticated and deciding. The marketing environment has tremendously changed thereby posing serious implications and challenges to the survival and profitability of firms. Following the liberalization of the telecommunications sector in Kenya in 1998, two mobile telephone service providers, Safaricom limited and Kencell (now airtel) communications limited were licensed. In addition, a third mobile service provider involving Vtel Ltd. of Dubai won the bid to operate in Kenya in 2006. Their bid was however cancelled by Communications Commission of Kenya after they failed to apply for the license within the given deadline. This shows that the industry is still growing and there is potential of more entrants of new service providers in the industry. In many countries, wireless subscribership now exceeds or soon will exceed wireline subscribership, fundamentally challenging market definitions that have been the basis for policy making. This is especially striking in developing countries where wireless may be primarily a complement rather than a substitute for wireline telephony (Hamilton, 2003). The mobile phone industry is an emerging industry, which is growing at a high rate (Maina, 2001).

Demand for mobile phone services has taken an upward trajectory over the past two decades in both developing and developed nations. Higher market penetration has been achieved in developing countries like Kenya, because of affordability of handsets, increased uses of handsets, increased internet connectivity and compatibility of handset features to users' needs. Roostika (2011) attributes increased demand for mobile phones to rapid adoption of internet by users and the ease of internet access on mobile devices. In Kenya, there are over 28 million users who are connected to mobile phone services, representing 71.3 percent penetration of the total population (Communications Commission of Kenya, CCK, 2011/2012). Emergence of mobile phones has drastically changed the telecommunication sector in Kenya from one previously dominated by fixed line service providers and heavy government regulation to today's liberalized market, with mobile phone service providers taking lead in market share (Mokhtar, Maiyaki & Noor, 2011)

The demand for mobile phone services in Kenya is on the rise, with consumers largely using mobile phones for voice communication, money transfer and data transfer through internet technology. The recorded number of registered mobile money transfers users in 2011 was 18.9 million, representing 68 percent of all mobile phone users in Kenya. The decline in the number of fixed phone lines is as a result of the high maintenance costs and regular breakdowns of fixed lines due to cable vandalism and fixed-to-mobile substitution (CCK, 2011). As competition and cost of attracting new customers grow, companies increasingly concentrate their strategies on providing high quality services to existing customers.

Research has proven that recruiting a new customer cost more than retaining an existing customer (Hogan, Katherine & Barak, 2003). It is in line with this background that this study was conceived to empirically demonstrate what determines students choice of mobile phone brands. The value of the study includes informing mobile phone service providers what value their customer pay for and adding to existing knowledge of perceived service quality amongst cell phone users.

# 1.2 Statement of the Problem

The development of mobile phones and technologies has been an extended history of innovation and advancements cropped up due to dynamic changes in consumers' needs and preferences. Among these developments, mobile phone devices have had

one of the fastest household adoption rates of any technology in the world's modern history (Comer & Wikle, 2008). Nowadays, mobile handsets have become an integral part of human daily life and personal communication across the globe. In the current highly competitive mobile phone market, manufacturers constantly fight to find additional competitive edge and differentiating elements to persuade consumers to select their brand instead of a competitor's. To break the major mobile phone services monopoly, the competing mobile phone providers have resorted to niche marketing strategy targeting the youth. The university students provide a niche market that the mobile phone service providers target. Studies have indicated a range of items as a determinant factor influencing purchase decision. These factors include price, features, quality, brand name, durability, social factors (Li, 2010). Despite the heavy investment of mobile phone companies on innovative products that attract consumers, it remains unclear whether mobile phone consumers in Kenya and in particular university students consider factors such as pricing, physical features, social factor, media influence, brand image, and post sales services in their purchase decisions. Therefore, the study sought to determinant the influence of these factors on choice of mobile phone brand among university students in Kenya.

# 1.3 Purpose of the Study.

To examine if the chosen factors affect the choice of mobile phone brand. The factors were: price variation, social factors, product features, perceive product image, media promotion and post purchase services.

# 1.4 General Objective

To examine the determinants of choice of mobile phone brands among university students in Nakuru Town, Kenya.

# 1.4 .1 Specific Objectives

- i. To establish the effect of price variation on choice of mobile phone brand among university students.
- ii. To examine the effect of social factors on choice of mobile phone brand among university students.
- iii. To determine the effect of product features on choice of mobile phone brand among university students.

- iv. To find out the effect of product image on the choice of mobile phone brand among university students.
- v. To establish the effect of media promotion influence on the choice of mobile phone brand among university students.
- vi. To establish the effect of post sales services on the choice of mobile phone brand among university students.

# 1.5 Research Hypothesis

Ho<sub>1</sub>: Price variation has no significant influence on mobile phone brand choice among university students.

Ho<sub>2</sub>: Social factors have no significant influence on mobile phone brand choice among university students.

Ho<sub>3</sub>: Product features have no significant influence on mobile phone brand choice among university students.

Ho<sub>4</sub>: Product image has no significant influence on mobile phone brand choice among university students.

Ho<sub>5</sub>: Media has no significant influence on mobile phone brand choice among university students.

Ho<sub>6</sub>: Post sales services have no significant influence on mobile phone brand choice among university students.

# 1.6 Scope of the Study

The study will focus on undergraduate students of six selected universities in Nakuru Town, Kenya. The selected universities (Egerton University, Kabarak University, Jomo Kenyatta University of Agriculture and Technology, St Paul's University, Kenya Methodist University, and Kenyatta University), constitute a significant population of university students in Nakuru town totaling to 3000. The focus on university students is informed by the fact that they constitute a significant population that has embraced modern technology of mobile phone usage.

# 1.7 Justification of the Study

The mobile phone service sector was selected for the following reasons: First, consumers are highly familiar with the product which is of great interest and a significant proportion of their spending. Information and communication technology is among the fastest growing sectors in Kenya at the moment. Second, the mobile service providers advertise their products in the market, making consumers recall factors which may have influenced their decision-making. Finally, in understanding consumer behavior and their choice of mobile phone brand, mobile telephony firms can appropriately adjust their marketing strategies in alignment with consumer expectations, thereby growing the industry and the economy in general. Through knowing the determinants, the researcher provided knowledge to assist marketers on what to consider when selling their mobile phone products in the market.

# 1.8 Limitations of the Study.

The study was limited to undergraduate university students who may not be in active labour engagement with a salary. However, it was assumed that the students in the universities were of the age of the majority and have some degree of freedom in making choice of mobile phone to purchase even if the financer may be guardians or parents.

# 1.9 Operational Definition of Terms Consumer Buying Behaviour

Kotler and Keller (2011) defines consumer buying behaviour as the study of the ways of buying and disposing of goods, services, ideas or experiences by the individuals, groups and organizations in order to satisfy their needs and wants. For the purpose of this study consumer buying behaviour is defined as ways of buying mobile phone brands among university students.

## **Brand**

Brand is the name of uniqueness with respect to name, sign, term, or design or blend of them, proposed to classify the products or services of one supplier or group of suppliers to have competitive advantage on others in the market (Keller 2002). In this study brand is defined as name of a particular type of mobile phone handset.

# **Brand image**

The brand image of a particular brand of product is the image or impression that people have of it, usually created by advertising (Sardar, 2012). In this study, brand

image is the impression university student have when they are making a choice to purchase a particular mobile phone brand.

#### **Product features**

In this study product features are defined as features of mobile phone brand such as built in camera, large memory capacity, multimedia, Bluetooth, audio and video recording, and color screen.

# Post sales service

According to Kotler (2002), after sales service is a service provided by the company to a customer after the sale. Thus after-sales service is an activity that is executed after the delivery of products to consumers for the purchase, which is valid for any customer service or relationship ties in various service activities. In this study post sales service refers to guarantee and warranty offered to consumer after purchasing mobile phone handset.

## **Price**

It is possible to use price as a reason for brand choice in two ways: seek the lowest price to avoid financial risk or seek the higher price to gain product quality (Macdonald & Sharp, 2000). For the purpose of this study, price considerations shall comprise mobile phone brand at reduce price, special offer and alternative payment condition.

# Media influence

Media is a one way communication that can meet difficulties in an international market. Otherwise, it is one of the main ways to communicate and can reach a large number of small-volume consumers through media like television, radio, cinema, magazines and billboards. Advertising can also communicate through free samples in stores (Hollensen, 2004). In this study media influences to mobile phone brand choice comprise advertising and positive review in media.

## **CHAPTER TWO**

# LITERATURE REVIEW

# 2.1 Introduction

This chapter reviews literature and empirical evidence on factors that determine the choice of mobile phone. The review first discusses the choice of mobile phone by consumers. Next, is theoretical review followed by empirical research done on mobile phone choice. The conceptual framework used by the study as well as the rationale for using the model are presented.

# 2.2 The Concept of Consumer Choice of Mobile Phone

Research on customer choice of mobile phone classifies consumer's purchase process into a five step problem solving process: need recognition, information search, evaluation of alternatives, purchase activity and post purchase evaluation (Dorsch, Grove and Darden 2002). This five step process of decision making is most appropriate for the problem solving behavior of purchase making decision or complex decision purchase process. Similarly purchase decision for mobile handset pursues the same buying process but in some cases the decision may also be influenced by symbolic preference associated with some brands.

Before purchasing mobile phone consumers take some general considerations. Considering the classical problem solving buying behavior, it is always a case that consumers go for information search before taking purchase decision. There is also a common behavior that consumer's purchasing decision is directed by previous likings for some specific alternatives. This implies that customers formulate their purchasing decision based on the limited information search activity that they performed (Moorthy, Ratchfordand, Talukdar, 1997) rather than a detailed evaluation of all possible alternatives (Cherney, 2003).

Besides information search evaluation of alternatives is an important activity that determines consumer's choice (Laroche, Kim and Matsui, 2003). They opined that customer's purchase decision is influenced by 'cognitive heuristics' or in simple words a consumer choose his perceived brand based on his past experience if it fulfills his perceived values.

A lot of consumer's choice may be having both rational features (communication, time management) as well as emotional features (games, music, camera, and application). The younger the consumer the more he would prefer emotional rather than rational features in mobile phones (Wilska, 2003). Thus, customers' decisions of purchasing mobile phone depend on rational as well as emotional factors.

An experiment was conducted by Requelme (2001) to identify the quantity of self-knowledge consumers have when choosing between mobile phone brands. The study was built upon six key attributes (telephone features, access cost, connection fee, mobile to mobile phone rates, call rates and free calls) related to mobile phone purchasing respondents had to importance rate.

Malasi (2012) examined the influence of product attributes on mobile phone preference among undergraduate university students in Kenya. The author indicated that varying the product attributes' has an influence on the undergraduate students' preferences on mobile phones. Various aspects of product and brand attributes such as color themes, visible name labels, and mobile phone with variety of models, packaging for safety, degree of awareness on safety issues, look and design of the phone were considered. Findings indicated that these attributes have a significant influence on the student's preference of mobile phone. Although, most of the respondents would not consider these attributes to be important when making the decision of which mobile phone to purchase.

Discussion on the factors that affect/motivate Pakistani consumers in their mobile phone choice decision by Saif, Razzaq, Amad, and Gul (2012), they used questionnaire in registering consumers' perception, four important factors (price, size/shape, new technology features and brand name) were selected and analyzed. The study shows that consumer's value new technology features as the most important variable amongst all and it also acts as a motivational force that influences them to go for a new handset purchase decision. The authors also found that when selecting between different mobile phone handsets, consumers prefer well-known brands instead of non-familiar brands or Chinese handsets. The study further shows that price does affect consumers' choice for a mobile phone but becomes less important of a factor as consumers move from low monthly income to higher income earning

consumers. Consumers in Pakistan are well aware of the new technology trends in the mobile phone industry.

On the factors that determine choice of mobile phone brand among residents of Kumasi metropolis in Ghana carried out by Aidoo and Nyamedor (2008) examined that 76 percent of the respondents owned mobile phone and also most people did not use mobile phone because of its high cost. The analysis also revealed that the most used mobile phone was Nokia and the affordable mobile phone price ranges from GH¢50.00–GH¢100.00. It was also revealed that brand of mobile phone used by the consumer is associated with educational level attainment and occupational status of the consumer. Two factors were obtained as being the number of factors underlying choice of brand of mobile phone. The first most important factor was reliable quality of the mobile phone brand and the other was user-friendliness of the brand of the mobile phone.

#### 2.3 Theoretical Frame Work

This are theories related to the topic that explain more on the variables and how consumer behavior is influence the purchasing decision on the mobile phone.

# 2.3.1 Theories of Reasoned Action (TRA) and Planned Behaviour (TPB)

Prescriptive Cognitive Models were first developed in the 1960's when marketing researchers increasingly focused on beliefs and attitudes as determinants of consumer buying behavior (Ahtola 1975). The most influential work in this area was advanced by Martin Fishbein who proposed a model of attitude formation that became known as the 'Fishbein model'; the first of a breed of 'expectancy value' models (Fishbein 1967). The Fishbein model proposed that a person's overall attitude toward an object is derived from his beliefs and feelings about various attributes of the object (Ahtola 1975, Loudon AND Della Bitta 1993) While this model provided a significant contribution in the area, it was developed further, and significantly extended, to not only assess attitudes, but behaviour (Ajzen and Fishbein 1980). This revised model became known as the Theory of Reasoned Action (TRA).

Behaviour is said to be approximately equal to behavioral intention, which can be derived from a combination of the consumer's attitude toward purchasing the product and the subjective norms about the behaviour. Through the concept of 'subjective norm' the theory acknowledges the power of other people in influencing behaviour

(Solomon, Bamossy et al. 2006); explicitly, it accounts for the thoughts of others toward the certain behaviour, and is moderated by the extent to which the consumer is motivated to comply with these views. The relative contributions of attitudes and subjective norms will not necessarily be equal in predicting behaviour (Miller 2005), depending on the individual consumer's propensity to care about other's views, the consumption situation, or the product type under consideration, with conspicuously consumed products tending to be influenced to a greater degree by the subjective norm variable than less conspicuous products would be (Schultz 2006).

Another notable change in approach seen in TRA is that attitude toward the behaviour (the act of buying) is measured rather than simply the attitude toward the object. This was a necessary amendment once behaviour was being measured, as a consumer may have a very favorable attitude toward a product, but not toward the act of purchasing it (Solomon, Bamossy et al. 2006)

In empirical tests and applications of the TRA, a high correlation of attitude toward behaviour and subjective norms to behavioural intentions have been found, however, some studies have proposed that the stated high relationship between behavioural intention and actual behaviour is simplistic because of circumstantial limitations (Oliver and Berger 1979, Sheppard, Hartwick et al. 1988). For a variety of reasons it is purported that behaviour is not always within the complete control of the actor, and as such an additional variable mediating between intentions and behaviour is necessary (Warshaw 1980). Ajzen provided this additional variable in 1985 when he published the Theory of Planned Behaviour (TPB) (Ajzen 1985).

The Theory of Planned Behaviour is simply an extension of the TRA which seeks to address the seeming over reliance on intentions to predict behaviour. The construct 'perceived behavioural control' is formed by combining the perceived presence of factors that may facilitate or impede the performance of a behaviour and the perceived power of each of these factors. Actual behavioural control refers to the extent to which a person has the skills, resources, and other prerequisites needed to perform a given behaviour. Actual behavioural control is difficult to accurately assess and so perceived behavioural control is measured through specially designed questionnaires and serves as a proxy measure of the influence. In the TPB, behavioural intention is controlled by a dynamic mix of the attitude, subjective norm and perceived

behavioural control variables. Actual behaviour is again derived largely from behavioural intention, but is mediated to some degree by perceived behavioural control (Ajzen 2006).

# 2.3.2 Engel - Black box Model

The Consumer Decision Model (also known as the Engel-Blackwell-Miniard Model) was originally developed in 1968 by Engel, Kollat, and Blackwell and has gone through numerous revisions. It can be seen that many of the elements of the model are similar to those presented in the Theory of Buyer Behaviour (Howard and Sheth 1969), however the structure of presentation and relationship between the variables differs somewhat. The model is structured around a seven point decision process: need recognition followed by a search of information both internally and externally, the evaluation of alternatives, purchase, post-purchase reflection and finally, divestment. These decisions are influenced by two main factors.

Firstly stimuli is received and processed by the consumer in conjunction with memories of previous experiences, in this case the need of a mobile phone and secondly, external variables in the form of either environmental influences or individual differences. The environmental influences identified include: Culture; social class; personal influence; family and situation. This are the independent variables or the determinant that leads to the purchase, While the individual influences include: Consumer resource; motivation and involvement; knowledge; attitudes; personality; values and lifestyle (Blackwell, Miniard et al. 2001)

Entry to the model is through need recognition when the consumer acknowledges a discrepancy between their current state and some desirable alternative. This process is driven by an interaction between processed stimuli inputs and environmental and individual variables. After a need has been acknowledged the consumer embarks on a search for information, both internally through the consumers' memory bank of previous experiences, and externally. According to (Loudon and Della Bitta 1993) he argue that the model is suitable for use in explaining situations involving both extended problem solving and limited problem solving by modifying the degree to which various stages of the model are engaged in by the consumer. This model apply in the choice of mobile phone, one makes decision based on the model. The depth of information search will be highly dependent on the nature of problem solving, with

new or complex consumption problems being subjected to extensive external information searches, while simpler problems may rely wholly on a simplified internal search of previous behavior. Information is said to pass through five stages of processing before storage and use, namely: exposure, attention, comprehension, acceptance and retention (Blackwell, Miniard et al. 2001).

The alternative consumer choices are evaluated by the establishment of beliefs, attitudes and purchase intentions. This process of evaluation is influenced by both the environmental variables example social class, product features, image and the individual variables like the price, advertisement, and post sales services based on the research. Intention is depicted as the direct antecedent to purchase which is the only outcome tolerated by the model. Inhibitors are not explicitly depicted as mediating between intentions and purchase, however the environmental and individual influences are again said to act on purchase. Situation is listed as an environmental influence, and while this factor is not clearly defined, it could include such factors as time pressure or financial limitations which could serve to inhibit the consumer from realizing their purchase intentions (VanTonder 2003).

Consumption is followed by post-consumption evaluation which serves a feedback function into future external searches and belief formation. Divestment is depicted as the final stage in the consumption process acknowledging that the product purchased is likely to be disposed of at some point post consumption. This is considered based on one of the variable post sales service if the guarantee warranty and after sales service will influence on consumption.

# 2.3.3 Psychodynamic Approach

The psychodynamic tradition within psychology is widely attributed to the work of Sigmund Freud (1856-1939) (Stewart 1994). This view posits that behavior is subject to biological influence through 'instinctive forces' or 'drives' which act outside of conscious thought (Arnold, Robertson et al. 1991). While Freud identified three facets of the psyche, namely the Id, the Ego and the Superego (Freud 1923), other theorists working within this tradition, most notably Jung, identified different drives (Ribeaux and Poppleton 1978).

The key tenet of the psychodynamic approach is that behavior is determined by biological drives, rather than individual cognition, or environmental stimuli.

## 2.3.4 Andreason Model

This is one of the earliest models that attempted to construct a theory of consumer behavior by Alan Andreason in 1965 (Horton, 1969). The model addressed the problem of how a consumer decides whether or not to purchase a new product i.e. the role of attitudes on buyer behavior process. Andreason gave explicit recognition to the importance of information in consumer decision making and provided a forerunner of the current information processing theories especially by Bettman.

Information in the context of wants of the consumers, prior to purchasing experience, the consumer's personality, and the social norms and expectations of significant others such as friends, give rise to attitude. Attitude, which is seen as a predisposition to act toward the attitude object (a particular brand), gives rise to behavior. Thus behavior may be changed by changing attitudes. In Andreason's model, attitudes can be changed in a number of ways. For example, a consumer who changes group affiliation (social factor) is likely to conform to the new group norms for instance a sales person, recently promoted to the position of a marketing manager, joins a prestigious local club because it is expected of someone in that position. Features, aesthetics and cost may well be more of a priority when it comes to product choice. Andreason explains well how consumer choice on a product can be affected by particular factor in this case the mobile phone is affected by price, product feature, social factor, and the image. These factors are considered in the current study.

# 2.3.5 Veblenian Social – psychological Model

This model, developed by Thorstein Veblen, seeks to explain the consumer's behavior as being influenced by both social and psychological factors. At the level of social factors, Veblen sees man as primarily a social animal and therefore conforms to the general forms and norms of his larger culture and to the more specific standards of the subcultures and face to face groupings to which his life is bound (Kotler 1965). Veblen hypothesizes that much of economic consumption is motivated not by intrinsic needs or satisfy action so much as by prestige – seeking (Kotler, 1984) thus a consumer may purchase a product simply to show off rather that to satisfy a specific need. Among the social variables that influence consumer behavior are his social class, reference groups, culture and subcultures as well as his family.

Veblen saw man's behavior as being influenced also by psychological factors. Even though a consumer may buy a product to impress, he may be at the same time be buying it because of psychological factors such as his personality, motivation, perception, and attitudes towards the purchase.

# 2.4 Review of Empirical Studies

There are multidimensional factors impacting the consumer choices of mobile phones which have been investigated and analyzed through a plenty of researches over time and across the nations. Based on Mokhlis and Yaakop (2012) investigation on the consumer choice criteria in mobile phone selection among Malaysian university student's seven main factors were considered: innovative features, image, price, personal recommendation, durability & portable aspect, media influence and post-sales service. It was found that the new innovative features impact strongly on the choice of mobile phones among university students.

On the other hands, according to Karjaluoto et al. (2005), price, brand, interface, and properties tends to be influential factors affecting the actual choice amongst mobile phone brands. Also, Ling, Hwang and Salvendy (2007) investigated college students to identify their preference of their current mobile phone. The results of their survey indicated that the physical appearance, size and menu organization of the mobile phones are the most determinant factors affecting the choice of mobile phones.

An investigation done by Pakola et al. (2010) on consumer purchasing motives in cellular phone markets shows that the most influential factors affecting the purchase of a new mobile phone is a handset of reputed brand, smart appearance, and advanced value added features, pleasurability and usability. Yun et al. (2003) investigated the "look-and-feel" of fifty different mobile phones by a survey and found out that the "image and impression" characteristics of the products were closely related to the human product interface specifications as well as overall shape of the product. A research carried out by Han et al. (2004) on 65 design features of 50 different mobile phones and developed a regression models to link the design features to overall satisfaction and 'luxuriousness', 'attractiveness' and 'harmoniousness'. They established that a number of design features plays main role for enhancing satisfaction, such as phone size and weight, color, material, button shape and interface features. Study conducted by Singh and Goyal (2009) found out

that physical appearance, brand, value added features, and core technical features are more important than price to youngster.

A study by Liu (2002) on factors affecting the decision regarding brand in the mobile phone industry in Asia, found that the choice of a mobile phone is characterized by two distinct attitudes towards brands: attitudes towards the mobile phone brand and attitudes towards the network. The study further reported that customers' choice of mobile phone brand is affected largely by new features more than size. This trend of choosing is definitely towards phones with better capacity and larger screens. Color displays are now driving consumers into stores to purchase new mobile phones and related devices such as PDAs (personal digital assistants) that's according to a latest report given by In-Stat/MDR (2002) research institute.

The report also indicates that the customers demand for color display handsets is increasing and it is expected that in this 21<sup>st</sup> century all cellular phones and PDAs are equipped with color display. According to Mokhlis and Yaakoop (2012) there are countless factors that influence the way a consumer perceives a particular brand and prefers it over the others. Meyer and Kahn (1991) describe that the extensive attention has been paid to understanding the relative influence of the factors which affects the choice of consumers between various substitute brands of products and services that are purchased frequently. Rogers (1995), Tornatzky and Katherine (1982), Mason (1990) and Charlotte (1999) in their studies observed that various factors influence the consumers when they are making a choice among alternate brands. These factors consist of price, perceiver risk, compatibility, triablity, relative advantage, complexity, image and observability.

On the research article, the influence of following factors on brand choice has been measured: price, quality, features, family and friends' recommendations, brand image, innovative features, promotion effectiveness, celebrity endorsement, user friendliness, stylish appearance, post-purchase services. The price has a vital role in consumer's purchase decision or in other words, we can say that most of consumer buying behavior and choices are determined by price. It can act as a dominant and, in fact, the most important factor affecting the decision making and purchase process. For youths, price can be a key factor of attraction. When selecting out of varying mobile phone

models, consumers usually prefer such brands with which they have familiarity (Malasi, 2012).

# 2.4.1 Price on Brand Choice

Price is one of the most crucial variables not in the smart phone industry but in all other business aspects. Price is essential not just for the buyer but the seller as well. It is the fact that higher the price higher the product quality which would result in higher the user satisfaction. According to the study of Kupiec and Revell (2000) the customer buy the product with the intent to satisfy his desires. For this phenomenon the customer paid the price according to his desire. Moreover according to Bettman, Johson, and Payne (2000) all customers have different priorities and their priorities will be affected by different situation and diverse factors. Tastes, motivation, needs, status, lifestyle varies from person to person and this concept is also used while purchasing the product. Chisnal (1985) found out that some customers paid high price to achieve high quality for their optimum satisfaction and some them not willing to pay high price Monore (2003). Moreover research revealed that there is the strong relationship between consumer characteristics and consumer behavior towards purchasing a product.

The main feature includes quality, price and brand consciousness, recreation and innovative awareness that can confuse the buyer what to buy and what to leave (Leo, Bennet and Hartel, 2005). There are four main variables under research in this study such as brand, features of the product, price and social influences. In other factors the materialistic behavior of consumer also has the impact on buying products. The materlisim concept states that all luxury items have high value and for high value they paid high price, so the people who believe in materialism buy luxury items to gain status and self-recognition in the society (Yusuf and Abdullah, 2003). Price has the direct and positive effect on the consumer behavior. In case of smart phone there is wide range from low price to high price. Prices are differentiating with each other because of quality, brand, specifications, status, etc. (Kunaletal 2010), and that there is a positive and direct relationship between price and purchase intent and this relationship.

Most of the research done based on choice of purchase of a product price has been identified as a critical factor affecting the choice of mobile phone, especially among

younger people (Mokhlis & Yaakop, 2012). On the other hand, Dziwornu (2013) revealed that consumers' choice of purchasing mobile phone was mostly affected by price, as the consumers associated the price charged and the product quality. In similar vein, mobile phone customers have perceived price as a key identification of brands' perceived value and brands' quality, whereby high price indicates advanced technology, design, and improved features (Kabadayi, et al. 2008). Furthermore, a recent survey has described that consumers will purchase a product when its price is reduced (Malasi, 2012). Therefore, it can be assumed that there is a relationship between price and selection of mobile phones by young costumers and this is the key to identification of which brand either Nokia, Samsung, tecno mobile.

Economic conditions and perceptions of the consumers are considered when considering product's price. It may affect the brands' perceived value. Price is used by many of the consumers as an indication of the brands' quality which is a vital factor in the purchase decision (Nilson, 1998). How a consumer perceives the quality of a brand is a crucial factor that affects the brand choice. Product quality frames the products' ability to carry out its functions. According to Sardar's (2012) research study, Indian people give much higher value to brands. In India, a brand is due to quality because the unbranded products have huge varying quality. Consumer surveys often show that quality is one of the most important decision factors for the consumers, if not the most important. He also explored that the aesthetic appeal of a product, which also symbolizes packaging and the product quality, is the main differentiating feature of the successful brands.

Safiek Mokhlis and Azizul Yadi Yaakop (2012) on their research on Consumer Choice Criteria in Mobile Phone Selection came up with the following conclusion based on price. They state that price was one of the important factors. There finding was, reflective of the results of Karjaluoto et al. (2005) and Mack and Sharples (2009). This particular finding might be related to the use of student as the sample in this study. In general, Malaysian university students are similar to students from other parts of the world that are vulnerable to financial crisis (Henry, Weber & Yarbrough, 2001). Because of this reason, their spending behavior is dependent on the amount of money they receive and the priority they put in their spending. According to Sabri & Masud (2006), university students in Malaysia felt that the amount of money they

received was not even sufficient to cover their financial needs, let alone going for expensive mobile phones. On the study conducted by Bibi Noraini Mohd Yusuf and et al. (2015) noted that price was not significant to the choice of mobile phone because Price, which comes hand in hand with brand, is also considered having a strong relationship with brand. Consumers with high brand loyalty are willing to pay a premium price for their favored brand, thus, their purchase intention is not easily affected by price (Yee and Sidek, 2008). Also, Mesay Sata (2013), study on consumer buying behavior of mobile Phone device had the similar findings that price was not significant to the purchase choice.

## 2.4.2 Social factors on Brand Choice

There is the famous saying that the man is the social animal and man lives in social environment. In the environment there are so many social influences by the people and the environment. Social learning theory portrays that there are some cognitive and environmental factors which persuade the human learning and behavior. In social context the man learned a lot. The social learning theory also explains that people learn from one another together with an idea, observational learning, modeling and stimulation. (Abbott, 2007).

The evolution of this theory is from behaviorism however occasionally recognized as social cognitive learning. Moreover, the study explains that environmental stimulus is based on psychological factors which are influenced by social learning. The customer while buying smart phone can have the vital role in decision of purchasing relayed upon the information from family and friends. (Deeb 2012). A study conducted on young Black Berry Smart Phones users in Indonesia by (Heryiati, 2011) found out that some societal influences that is word of mouth attracts very young users to purchase the specific products. The study further showed that they were also attracted by the brand unique and special features. A research in East Malaysia (Norazah, 2013) on students revealed that social and cultural influence extensively affects students purchasing decision of smart phone.

Social factor is a factor from society that influences an individual's personality, attitudes and lifestyle. Influences from ones surroundings (friends, family, and work associates) are important factors that will lead to changes in behavior (Taylor & Todd, 1995). This results from the interaction with each other in the society. As indicated by

Moschis (1976) that the final purchasing decision are normally influenced by social groups on whether to buy a specific product and which brand or model to choose among competing alternatives and concluded there is a significant relationship. In addition, Products that are relatively luxurious (i.e. televisions, automobiles, expensive furniture mobile) are in the category for which consumers purchasing decisions are more likely to be influence by social factors (Hawkins et al., 1998). Mobile phone falls under this relatively luxurious category. Moreover, a study done by Osman, Talib, Sanusi, Shiang-Yen, and Alwi (2012) found out that trend in community is the most important criterion that influence consumer mobile phone purchasing decision in Malaysia.

One plausible explanation for this finding is that mobile phones are characterized by a high degree of risk aversion due to their search and experience qualities. To cope with the hazards of buying high-risk products, consumers tend to rely on personal recommendation as a risk-reliever or as a risk reduction strategy. The importance of personal recommendation arises from its ability to create a more informed choice, such that when consumers receive word of mouth regarding a particular mobile phone, they can benefit from reduced perceived risk by either decreasing the probability that the purchase will fail, or by reducing the severity of real/imagined loss suffered if the purchase does fail or equally by shifting from one type of perceived loss to another for which there is greater tolerance. The study in the East Malaysia by Norazah, (2013) reported that social and cultural influence extensively affected students purchasing decision of smart phone. It was concluded that social factor is significant to purchase of mobile phone.

# 2.4.3 Product features on Brand Choice

In addition to brand name the product features play an important role. In recent times the customer craze to buy the smart phone with good features and stylish looks has high demand. Frost and Sullivan (2010) research revealed that the interest in advanced features and applications is increasing due to the new service provided by mobile operator such as internet, media and entertainment. In recent days the consumer choice of buying smart phone is influenced by the functionality of smart phone. Functionality in terms of Oulasvirta et al (1993) states that different phone characteristics with connectivity of wireless, installation of application programs, a system of file management, presentation of multi-media programs, camera, picture,

video quality and mobile memory. In addition the user of smart-phones spotlight on classy operational system of mobile phone and high camera resolution function. According to Gowind, (2010), the popular smart phone brands in the market are Apple, Samsung, Nokia, Sony, and Blackberry. Due to the different specifications of the mobile phone, customers make their choices while comparing one mobile phone feature to another mobile phone. In the same way each operating system has its own unique features (Chow et al, 2005).

According to Psyarchik and Wicklife (2001), personal values are influenced by special attributes of the product. Customer purchased the products which were based on these special attributes. \_ Based on value of the combination products are chosen which have special attributes and features. A study by Heikii et al (2005) revealed customer's choice of mobile phone was based on self-knowledge and past experiences. The study further found out that there are three main attributes (feature, fee connection and price) which has the main role in decision purchase smart phone.

According to (Jainarian, 2012) customer makes the comparison of different brands featuring the products considerable attributes to make their choices well. It is due to the fact that customer takes keen interest on these attributes i.e. the specification of the product with respect to function and makes the decision of purchasing accordingly. Hence more product features enhances the customer needs and wants to purchase the product. A study in the Philippines stated that with the advancement of new technology in the mobile industry the new features largely affect the customer choice. Now, mobile storage capacity and sms-options have more impact than mobile size so, this is the main reason all the famous brands are launching their product with similar size but with different features.

Furthermore, the mobile with the better potential features and larger screen are more considered than the mobile price (Liu, 2002). Yen-Han, Hong and Kim (2003) study found out that 78% of the respondents choose the design of the phone with characteristics like simplicity, attractiveness, image, color, texture, which leads to the overall satisfaction. The main finding of the study is that not just the image and impression but the overall shape of the mobile phone is important in the case of phone choice. In another study by Han, Kim, Yu (2004) result shows that attractiveness, harmonious, and luxuriates of mobile phones relates to phone size, color, weight,

material, button shape influences the buying decision of the customer. The study of Lin et al (2006) explained that five mobile phone features such as camera, color, screen, dialing, internet and wireless connectivity have be known to drive high the user satisfaction. In recent times, to satisfy consumer wants up to optimum level the smart phone companies are offering different features in one mobile set such as web browsing, surfing and downloading, email, instant messaging, multimedia programs, GPS, Wi.Fi games (Goldman, 2010).

Smartphone is a 4 inch device which performs as powerful like a heavy and big size laptop. It is able to do everything like a laptop, keeping everything such as documents, photos, games and apps in one's pocket, (Gin & Suan 2012). In Malaysia, Wi-Fi is everywhere especially in the city and restaurants, making surfing internet become convenience. Internet access is also provided by major telecommunication providers in Malaysia such as Maxis, Digi, Celcom, and Umobile. By having Smartphone that equipped with Wi-Fi and internet access ability, online doesn't restrict on desktop or laptop surfing. A study by Khan, (2012) showed that there is a high usage of Smartphone for medical apps such as disease diagnosis management and drug reference among medical students and junior doctors for education and clinical practice purposes. Instead of flipping books, medical knowledge can be very fast and convenient through Smartphone apps. A study by Bibi Noraini Mohd Yusuf, Lim Lye Hock, Intan Maizura Abd Rashid (2015) argues that product feature is not significant to the choice of mobile phone.

The mobile phone features are basically the set of competencies, services and applications that are offered to the users. These can be Bluetooth, camera, dual SIM, video-recorder, MP3 player, memory card reader, WiFi connectivity and so on and they vary from brand to brand. Isiklar and Buyukozkan (2007) carried out a study on users' preferences by evaluating the mobile phone options. Different mobile features namely physical features, functionality, technical characteristics, brand choice and 'customer excitement', were compared as a multi-criteria approach for purchase decision making. The results showed that functionality was the most dominant factor among all three phones under consideration while the 'customer excitement' and the basic requirements were found to be least influencing factors.

The results of the study of Mack and Sharples (2009) also pointed out the significance of features in predicting mobile phone choice. Their experimentation indicated that usability is an important element in choice of a mobile phone but not as much as the users believed it would be. In reality, other such attributes especially features, visuality and cost might be of top priority when making a product choice (Nowlis and Simonson, 1996). Vu's (2012) study revealed that various design features have a contribution as size and weight of the phone, its material, color, shape of buttons and interface features influence the purchase choice of mobile phone.

Some of the previous studies have mentioned that physical appearances of the mobile phones, including size, color, design, weight, and keyboard have major impacts on final purchase decision for mobile phone. For instance, research conducted by Yang, He, and Lee (2007) found out that phone design and appearance are the most important factor in purchasing a mobile phone, because Chinese counterparts intend more to impress themselves and others with their mobile phones' fancy design and appearance.

According to Schiffman and Kanuk (1997), friends' options and preferences are an important influential factor in determining the products or brands selection, especially for a single individual who lives alone. Asch (1973) and Venkatesen (1973) found that peers, who are present at the time of purchase, play a crucial role in choosing a specific brand, especially with concern to product and rational impacts. Brand image generally describes the set or bundle of beliefs which a customer holds regarding a particular brand. It conveys the overall image or impression of a brand in customers' mind that is created from different sources. Brand image actually reflects the overall brand content which includes brand name, reputation, functionality and overall value. The study by Kohli et al. (2005) on new brand names evaluation found out that as compared to non-meaningful names, the meaningful brand names are more favorably evaluated.

Today, innovation has become one of the most fundamental ways to differentiate a firm's product from that of the competitors. It allows the company to constantly improve and update its products to meet the varying needs and demands of the customers. Hence, innovativeness is a key part of the firm's success that not only ensures the survival of the firm in such an advanced and competitive environment but

it also makes it possible for the company to position itself against its competitors. As stated by Saaksjarvi (2003), such technological innovations as cellular phone and digital televisions have gained the interests of marketing researchers as a concern to their process of adoption. The research findings of Liu (2002), Karjaluoto et al. (2005) and Mack and Sharples (2009) suggest that in students' choice process of mobile phones, the innovative features of products are most significant. This can possibly be related to the fact that mobile phones are now widely accepted as an important element of fashion accessories, particularly among the youths. Thus, innovation in features and designs of mobile phones has become a priority in consumers' mobile phones choice.

Based on Bibi Noraini Mohd Yusuf, Lim Lye Hock, Intan Maizura Abd Rashid (2015) study on the relationship between "Mobile Features" that will lead to consumer purchasing mobile phones, product features did not have significant influence on the choice of mobile phone. Mokhlis and Yaakop (2011), had investigated the looks-and-feels of fifty different mobile phones using a consumer survey, where a total of seventy-eight (78) participants had evaluated the design of phones on the perceived scale of "image / impression" characteristics and "overall satisfaction". It was found that "image and impression" characteristics of the products were closely related to the human-product interface specifications as well as overall shape of the product. However, \_ they concluded that not all people (especially respondents in Kangar) will purchase mobile phones based on the features.

Usually any new technologies applied in any new release of smart phones are the main attraction for new buyers. Salmi and Sharafutdinova, (2008), mentioned that freedom of movement and immediate accessibility have been found to be important benefits specific to mobile communication and in some studies have been recognized as decisive purchasing factor in the choice of this technology. Examples on features of mobile phones are cameras, Bluetooth, Wi-Fis, games, video calls and many more. Mokhlis and Yaakop (2011); Yun, Han, Hong and Kim (2003) had investigated the look-and-feel of fifty different mobile phones using a consumer survey and concluded that phone sizes do play, to some extent, an important role in the decision making purchasing process by consumer. Nevertheless, Karjaluoto et al (2005); Liu (2002) had surveyed Asian mobile phone users and found that sizes of the phones had no significant impact on mobile phone choice, but this finding might be due to the fact

that all competing brands have quite similar sized phones that are small enough. Results of studies by Mokhlis and Yaakop (2011); Mack and Sharples (2009) also highlighted the importance of product attributes in predicting choice of mobile phones.

# 2.4.4 Image on brand choice

Brand image generally describes the set or bundle of beliefs which a customer holds regarding a particular brand. It conveys the overall image or impression of a brand in customers' mind that is created from different sources. Brand image actually reflects the overall brand content which includes brand name, reputation, functionality and overall value. The study by Kohli et al. (2005) on new brand names evaluation explained that as compared to non-meaningful names, the meaningful brand names are more favorably evaluated. Brand image or image attached to the product plays a meticulous role on the choice of a product (Xue, 2008; Ghorban, 2012).

Brand is the name of uniqueness with respect to name, sign, term, or design or blend of them, proposed to classify the products or services of one supplier or group of suppliers to have competitive advantage on others in the market (Keller 2002). When the new product is launched in the market with the established brand name the chances of failure of that product would be less and there would be fewer expenses incurred on marketing of the product. (Martienz and Pina, 2012). Adding more, brand means trust in the eyes of the customer and customer is trustworthy that quality would not be compromised. The Intel success story is the example; they have been building their brand name since 1991. Now, with little effort to launch new product they are earning long-term profits and this is due to brand name.

Maha and Mac Anthony, (2012) observed that in customer decision making process brand plays the very important role. While purchasing the new product customer always go through some decision making steps. The consumer purchased the specific brand but first gets the information about the brand and after that sees the product requirement. If the product looks like suitable it then matches with the other brand product. After matching the customer decides which product is too purchase. When the customer buys the same product brand habitually, the customer past experiences about the particular brand plays the vital role about the purchasing of the product (Keller, 2008). Mohammed Ismuli (2012), in the study of factors affecting mobile

phone brand preference, found out that product image is not of significant importance when purchasing mobile handset, but other researchers Muhammad Ehsan Mali (2013), showed a significant influence of brand image on the purchasing of mobile phones. Similarly, (Karjaluoto et al., 2005, and Chaubey et al., 2011) found significant association between innovative features, portability, image factors and age of consumers on choice of mobile phone.

#### 2.4.5 Media influence on Brand Choice

Promotion is a way of communicating the information, regarding a product, between the buyer and seller so as to establish the brand profile and brand values (McCarthy and Pereault, 1984). Various promotional tools like advertising, word-of- mouth, publicity and sales promotion can be used by a company to create and strengthen its brand position in the customers' mind. A company uses such brand promotion techniques as a constant reminder to tell their customers about their special brand offerings and for establishing long term and stronger identity. Effective promotion not only gives identification to the brand and the company, but also facilities in building loyal customers through brand familiarity and awareness.

Erdem and Keane (1996) highlighted the influence of user experience and advertising content on the brand choice, especially when the consumers are forward-looking. In recent years, celebrity endorsement has become much more common and is used as a part of a company's marketing strategy for their brand communication by resorting to different celebrities who play the role of presenters of a particular brand or in other words, act as a spokesperson for a specific brand. Celebrities, because of their special characteristics such as personality, good looks, special skills and classy lifestyles have a leading role in public's decision making. Smita (2006) in her research study examined the significance of celebrities in advertisement and came up with the conclusion that in order to add glamour and excitement to their brands, advertisers use celebrity endorsers. Another study by Byrne et al.(2003) indicated that using celebrity endorsers generates a more positive response and higher purchase intentions than noncelebrity endorsers.

The study of Agarwal and Kamakura (1995) showed that celebrity endorsement is used in about 20% of the advertisements as a promotional strategy. According to McCracken (1989), a celebrity provides a kind of cultural meaning and the

association of it later transfers on to the brand. In turn, customers' perceptions and opinions regarding an advertised brand are thus improved. The term "user friendliness" (usability) stands for 'easy to use and understand'. In other words, it basically refers to a device or any software that is easy to use (posing no difficulty) and the person using or operating it will not find it hard to learn how to use it. In recent years, as the markets are becoming saturated with the competing brands, companies find it beneficial to develop such products that are user- friendly. Consumers usually seem to prefer such software and devices which they can operate easily without facing any problem. Similarly, in the mobile phone industry a high focus is paid in developing such phones which the users can easily operate and whose operations can be learned with no trouble. Muhammad Ehsan Mali (2013) argues that advertising has a positive impact nowadays and advertisement is stronger in the mind.

According to Jordan (2008), usability appears as the influential factor regarding whether people build a negative or positive belief about a product. The eye catching display of stylish and uniquely designed mobile phones has a great appeal to young consumers. Having stylish mobile phones has become a fashion statement and status symbol for youths and teenagers.

#### 2.4.6 Post Sales Services on Brand Choice

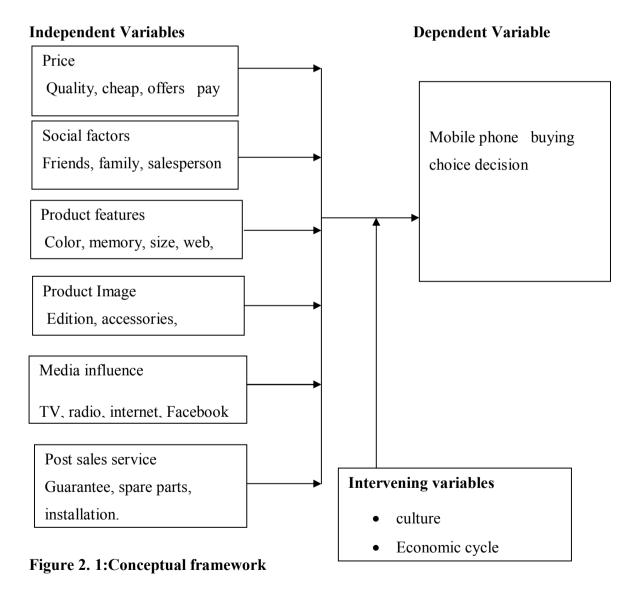
Post-purchase services, also known as after-sale services, mean any assistance which the seller provides to a buyer after a particular product is sold. It is a viable and important means of building brand loyalty through customer satisfaction and generating repeated customer purchase behavior. It basically involves the warranty or guarantee package offered to the customers based on the periodic or required maintenance or repair of the equipment (product) by its manufacturer during the time period of warranty. According to Wilson et al. (1999) after-sale services may include six activities namely: routine maintenance, installation, parts supply, training, emergency repair and software services. Marketers have found that after-sale services are ways through which they can enhance the customer perception about product quality Levitt (1983).

According to Jiang (2004), brands are perceived as a warranty not only of the quality and performance but also of the difference and emotional relationship with the product. Buying a product, for example, Apple iPhone or Samsung S5, people can get

some identity benefits attached to the product. Shahzad Khan (2013) investigated the factors affecting youth brand choice for mobile phones purchase in private universities observed that post sales service had a significant influence on the purchase of mobile phone.

# 2.5 Conceptual Framework

The conceptual framework in figure 2.2 shows the interrelationship between the dependent and independent variables. The independent variable is composed of the factors that affect mobile phone choice decision which are price, social factor, product feature, image, media influence, post sales service while the dependent variable is mobile phone buying choice decision.



**Source**: Modified from Mesay Sata (2013), on Consumer Buying Behavior of Mobile Phone Devices and also from Nazish Tanveer, Ali Akbar Sohailand Tanzila (2015) on Buying Behavior of Smartphone among University Students.

## Independent and dependent variables

Price as one of the factors that affect consumer choice of mobile phone comprise higher price, reasonable price, special offer and alternative mode of payment as constructs of choice of mobile phone.

Another variable is the social factor that shows how friend's recommendation, sales person recommendation and family recommendation influence consumer to purchase a particular mobile phone. Some respondents take the suggestions from their friends and colleagues before purchasing mobile phones.

Product features include all the physical characteristics of mobile phone like camera, Bluetooth, color, weight memory capacity, multimedia, color display are looked upon to see how theirs effect toward the consumer.

Image variable is one of the independent variables that is considered based on its expensiveness and limited edition or country of origin.

Advertising and positive review in media is considered as an influence toward the consumer choice on the mobile phone purchase. Customers may make their purchasing decision based on advertisement aired in various media.

Post sales service variable help in determining whether guarantee, warranty and after sales service have an influence toward the purchasing decision of mobile phone.

# **Intervening Variables**

An intervening variable facilitates a better understanding of the relationship between the independent and dependent variables. Intervening variables do have an influence on the dependent variable. In this study, the intervening variables are the values that affect the purchasing behaviour. The intervening variables are the cultural beliefs and the economic cycle.

# Research Gap

The university students provide a niche market that the mobile phone service providers target. Studies have indicated a range of items as determinant factors influencing purchase decision. These factors include price, features, quality, brand name, durability, social factors (Li, 2010). Despite the heavy investment of mobile phone companies on innovative products that attract consumers, it remains unclear

whether mobile phone consumers in Kenya and in particular university students consider factors such as pricing, physical features, social factor, media influence, brand image, and post sales services in their purchase decisions. Therefore our forecast is to determine whether this factors influence the purchase decision of mobile phone.

#### CHAPTER THREE

#### RESEARCH METHODOLOGY

#### 3.1 Introduction

This section describes the research design, the target population, sampling procedure and size. Instrument design, data collection procedure and data analysis have also been covered.

### 3.2 Research Design

The study employed a descriptive research design. Descriptive research design describes behavior, attitudes, values and characteristics (Kothari, 2004). The use of descriptive survey research design allowed the factors affecting mobile phone users to be examined. A survey was preferred because; it permits accurate estimation of the population parameters and subsequent generalization (Churchill & Brown, 2007). This design was considered versatile, for it allowed the use of questionnaires and collection of data in a relatively short period (Longnecker, 2008). The design permitted the use of quantitative analysis thus providing empirical evidence on the factors of choice of mobile phone brand. According to Mangan and Lalwani (2004), quantitative research allows for numeric analysis of data.

## 3.3 Target Population

According to Burns & Bush (2009), population is defined as the entire group under Study. It is composed of two groups which are target population and accessible population. Target population is the entire group of people to which possess the information sought by the researcher and about which inferences are made (Zikmund, Ward, Lowe, Winzar, & Babin, 2011). In this study, the objective was to find out the determinants that affect university students in buying mobile phones brands. Thus, the target population was 3000 students of selected universities in Nakuru town. These were Egerton, Jomo Kenyatta, Kabarak University, St Paul University, Kemu University and Kenyatta University.

# 3.4 Sample Plan and Size

Sample consisted of undergraduate, students in selected universities in Nakuru town. The whole population of undergraduates at the universitys' campus was estimated at 3,000 students. The sample size was obtain using a simple random sampling method of Nassiuma (2000) formula. Nassiuma, (2000) asserts that in most surveys, a

coefficient of variation in the range of  $21\% \le C \le 30\%$  and a standard error in the range  $2\% \le e \le 5\%$  is usually acceptable. The study therefore will use a coefficient variation of 21% and a standard error of 2%. Coefficient of variation and standard error will be selected so as to ensure low variability in the sample and minimize error

Naissuma (2000) formula,  $n = Nc^2$ 

$$c^2 + (N-1) e^2$$

n=Sample size

N= Population of the study

C= coefficient of variation

e = Standard error

The study will take coefficient variation of 21% and the standard error of 0.02

$$n = 0.21^2 \times 3000$$
 = 106 sample size  $0.21^2 + (3000-1) 0.02^2$ 

From the sample of 106, proportionate sample size for each strata (university) are shown in

Table 3. 1: Sample size

| Sample frame        | Target population (Town campus) | Sample size |
|---------------------|---------------------------------|-------------|
| Egerton university  | 863                             | 30          |
| Jomo Kenyatta       | 358                             | 13          |
| Kabarak university  | 500                             | 18          |
| St Paul university  | 200                             | 7           |
| Kemu university     | 359                             | 13          |
| Kenyatta university | 720                             | 25          |
| Total               | 3000                            | 106         |

To get the sample size of each strata will take each strata =target population of each strata\*total sample size need and then divided by total population

Egerton sample size=  $863/3000 \times 106 = 30$ 

Kabarak University sample size=500/3000×106= 13

Jomo Kenyatta university sample size= 358/3000×106=18

St Paul University sample size=200/3000×106=7

Kemu University sample size =359/3000×106=13

Kenyatta university sample size=720/3000×106=25

#### 3.5 Data Collection Instruments and Procedures

This study used structured questionnaire to obtain information from university students. First section contained personal information, their age, gender type of brand used and subscribers. The second section contained the factors influencing student's choice of mobile phone brand. There are six factors with each factor having its own items. The items are developed based on past literature (Karjaluoto et al. 2005; ling et al. 2007). The responses were measured on a 5 – point Likert scale with values ranging from strongly Agree =5, Agree = 4, Neutral =3, Disagree= 2, strongly Disagree=1. To counter balance possible order- effect bias, no significant was placed on the order of the attributes in the questionnaire.

The first factor was price, which had four items i.e higher price, reasonable price, special offer and mode of payment. The second determinant social factors had four items i.e personal recommendation, recommendation from family members, recommendation from sales person and recommendation from friends. The third factor physical features had nine factors i.e color display, memory. Web browser, duals sim, Bluetooth, camera and video, appearances, light and small. The fourth determinant image had four factors i.e country of origin, limited addition, brand image, expensive and accessories. The fifth factor Media influence had six items i.e advertisement in radio, advertisement in newspapers, advertisement in TV, positive review in Facebook and the positive review in blogs. Lastly post sales services factor had four items i.e guarantee/warranty, routine maintenances and repair, installation of applications, and initializing on usage that's according to (Wilson, Boström and Lundin, 1999).

## 3.5.1 Validity of the Instruments

Thietart et al. (2007) argue that there are two main concerns in relation to validity: assessing the relevance and precision of research results, and assessing the extent to which we can generalize from these results. It involves testing the validity of the construct and the measuring instrument, and the internal validity of the results. Validity is concerned with whether the findings are really about what they appear to be (Cooper and Schindler 2008). This was achieved by providing adequate coverage of the investigative questions and was done by reviewing literature related to this study and discussion with the lecturers. It is argued that a study is considered valid if it actually measures what it is supposed to measure and if there are logical errors in drawing conclusions from the data. Struwig and Stead (2004) describes validity as the truth or trustworthiness of the research findings. On the other hand, Collis and Hussey (2003) define validity as the extent to which the research findings accurately represent what is really happening in the situation. Validity of the tools was cross checked with the help of supervisors. Any items that may not be clear will be revised to reflect suggestions regarding, rewording and clarifications.

## 3.5.2 Reliability Analysis

Reliability analysis was used to compute and measure goodness of data and also ensuring that all items used in each variable were free from errors, thus providing consistent results. According to Sekaran, (2003), the reliability values gained for all variables should be greater than 0.65. The reliability alpha of over 0.8 is good enough.

A pilot study was carried out on 10 students from Mount Kenya University to test the reliability of the instrument. The results from the pilot study are shown in Table 3.2. The findings showed that all the variables in the study had alpha values above the acceptable value of 0.65, implying that the instrument would give consistent results. Cronbach alpha of the 37 items was 0.7677.

Table 3. 2: Reliability test

| Variables          | Cronbach's Alpha | No of items |
|--------------------|------------------|-------------|
| Price              | 0.662            | 4           |
| Social factors     | 0.781            | 4           |
| Product feature    | 0.834            | 7           |
| Product image      | 0.788            | 3           |
| S                  |                  | 4           |
| Media influence    | 0.702            | 5           |
| Post sales service | 0.795            | 6           |
| Choice of mobile   | 0.823            |             |

## 3.6 Data Analysis and Presentation

Data was analyzed using descriptive as well as inferential statistics. Descriptive data was in the form of means, frequencies and percentages. Factor analysis was used to determine the influence of price, social factors, perceived product feature, image, media and post sales services on the choice of mobile phone brand. Descriptive statistics such as frequency distributions, percentages and frequency tables were used to summarize and relate variables which were attained from the study. Correlation and Regression analysis were used to determine the association between the variables and to test the hypotheses. Specifically the regression model was formed:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \varepsilon$$

Where Y= Choice of mobile phone brand

a =constant

 $\beta 1 \dots \beta 6 = =$ Correlation coefficient

X1= price on brand choice

X2= social factors on brand choice

X3= product features on brand choice

X4= product image on brand choice

X5= Media influence on brand choice

 $\varepsilon$ = Error term Correlation analysis

## 3.7 Ethical Considerations

The respondents were assured of confidentiality of the information that will be obtained from them. The respondents will also be asked to voluntarily attend to the questionnaires. The researcher ensured tolerance and patience throughout the research period. A letter from the university was used to prove that the data acquired was meant for academic purpose only.

#### **CHAPTER FOUR**

#### DATA ANALYSIS AND PRESENTATION OF RESULTS

#### 4.1 Introduction

The results of data analysis on the determinant of choice of mobile phone brand among university students in selected universities in Nakuru are presented and discussed in this chapter. Findings of the analysis which was carried out using both descriptive and inferential statistics focusing on the research objectives and hypotheses are presented and discussed. The chapter has been organized into four sections. The first section focuses on the personal background, while the second section discusses the descriptive characteristics of the major variables. Correlation analysis of the variables is presented in section three followed by regression analysis in the fourth section.

# 4.2 Demographic Characteristics of the Respondents

This section outlines the finding on the demographic data of the sample, which includes the age, gender, number of mobile phones, types of brands they use currently and also the subscribers they use.

# 4.2.1 Gender of the Respondents

Each of the respondents was requested to indicate their gender as one of the key attributes. Their responses were as provided in table 4.1

:Table 4. 1 Gender distribution

|      | Frequency | Percent | Valid   | Cumulative |
|------|-----------|---------|---------|------------|
|      |           |         | Percent | Percent    |
| Male | 49        | 46.2    | 46.2    | 46.2       |
| Fema | ale 57    | 53.8    | 53.8    | 100.0      |
| Tota | 1 106     | 100.0   | 100.0   |            |

Source: Research Data, 2016

The findings from Table 4.1 indicate that majority of the respondents were female represented by 53.8 percent compared to the male students who were 46.2 percent. The variation in the percentages is within the confines of fair representation of female and male students

# 4.2.2 Age of the Respondents

Table 4. 2: Age distribution of the respondents

|       | Frequency | Percent | Valid   | Cumulative |
|-------|-----------|---------|---------|------------|
|       |           |         | Percent | Percent    |
| 18-24 | 74        | 69.8    | 69.8    | 69.8       |
| 25-31 | 26        | 24.5    | 24.5    | 94.3       |
| 32-39 | 6         | 5.7     | 5.7     | 100.0      |
| Total | 106       | 100.0   | 100.0   |            |
|       |           |         |         |            |

# Source: Research Data, 2016

From the analysis it was evident that majority, 69.8% of the respondent were aged between 18-24 years followed by those who aged between 25-31 years represented 24.5%, 32-38 years made up 5.7% and above 40 there was none.

# 4.2.3 Respondents number of mobile handsets

To establish the respondents number of handset they use currently and the type of brand used. The result was as presented in table 4.3

Table 4. 3: Brand phone

| Table 1 of phone by brand     |         |         |         |         |         |         |         |  |  |
|-------------------------------|---------|---------|---------|---------|---------|---------|---------|--|--|
| Controlling for gender=female |         |         |         |         |         |         |         |  |  |
|                               |         |         |         | Brand   |         |         |         |  |  |
|                               |         |         |         | other   |         |         | •       |  |  |
| Phone                         | Alcatel | Infinix | Nokia   | specify | Samsung | Tecno   | Total   |  |  |
| one                           | 2       | 3       | 5       | 2       | 8       | 10      | 30      |  |  |
|                               | (3.51)  | (5.26)  | (8.77)  | (3.51)  | (14.04) | (17.54) | (52.63) |  |  |
| three                         | 1       | 0       | 0       | 1       | 0       | 3       | 5       |  |  |
|                               | (1.75)  | (0)     | (0)     | (1.75)  | (0)     | (5.26)  | (8.77)  |  |  |
| two                           | 1       | 1       | 3       | 0       | 12      | 5       | 22      |  |  |
|                               | (1.75)  | (1.75)  | (5.26)  | (0)     | (21.05) | (8.77)  | (38.6)  |  |  |
| Total                         | 4       | 4       | 8       | 3       | 20      | 18      | 57      |  |  |
|                               | (7.02)  | (7.02)  | (14.04) | (5.26)  | (35.09) | (31.58) | (100)   |  |  |

Source: Research Data, 2016

Table 4.3 shows that female 35.09% use Samsung as their brand, with a 31.58% using Tecno followed by a 14.04% on Nokia while Infinix and Alcatel ranging to

7.02% usage. Most of them use one mobile phone with a 52.63%, female with two phones 38.6% and 8.77% with three phones.

Table 4. 4: Male phone by brand

| Table 2 of phone by brand   |         |         |         |         |         |         |         |  |  |  |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|--|--|--|
| Controlling for gender=male |         |         |         |         |         |         |         |  |  |  |
|                             |         |         |         | Brand   |         |         |         |  |  |  |
|                             |         |         |         | other   |         |         | -       |  |  |  |
| Phone                       | Alcatel | Infinix | Nokia   | specify | Samsung | Tecno   | Total   |  |  |  |
| one                         | 4       | 2       | 10      | 1       | 6       | 6       | 29      |  |  |  |
|                             | (8.16)  | (4.08)  | (20.41) | (2.04)  | (12.24) | (12.24) | (59.18) |  |  |  |
| three                       | 0       | 0       | 4       | 0       | 0       | 0       | 4       |  |  |  |
|                             | (0)     | (0)     | (8.16)  | (0)     | (0)     | (0)     | (8.16)  |  |  |  |
| two                         | 0       | 2       | 7       | 0       | 4       | 3       | 16      |  |  |  |
|                             | 0       | (4.08)  | (14.29) | (0)     | (8.16)  | (6.12)  | (32.65) |  |  |  |
| Total                       | 4       | 4       | 21      | 1       | 10      | 9       | 49      |  |  |  |
|                             | (8.16)  | (8.16)  | (42.86) | (2.04)  | (20.41) | (18.37) | 100     |  |  |  |

# Source: Research Data, 2016

From table 4.4 majority have one mobile phone handset constituting 59.18 % of the respondents followed by 32.65% of the respondents having two handset with and 8.16 % had three handsets of mobile phones. In the male 42.86% use Nokia brand with a high percent, then Samsung with 20.41%, Tecno taking 18.37% while Alcatel and Infinix takes the same 8.16%.

# 4.3 Respondents on Price Variation in Percent

To determine whether price variation is a factor that influence consumer purchasing decision table 4.5 shows

Table 4. 5: Response on price variation in percent

| Statements                  | SA    | A     | N     | D     | SD    | $\chi^2$ | $P>\chi^2$ |
|-----------------------------|-------|-------|-------|-------|-------|----------|------------|
| I profes handest that are   |       |       |       |       |       |          |            |
| I prefer handset that are   |       |       |       |       |       |          |            |
| highly priced than those    |       |       |       |       |       |          |            |
| that are cheap              | 29.25 | 26.42 | 16.04 | 16.04 | 12.26 | 11.54    | 0.02       |
| I consider the price        |       |       |       |       |       |          |            |
| according to the quality of |       |       |       |       |       |          |            |
| the mobile handset          | 68.87 | 20.75 | 7.55  | 0.94  | 1.89  | 171.45   | < 0.0001   |
| My purchase decision        |       |       |       |       |       |          |            |
| depends on special offers   |       |       |       |       |       |          |            |
| and price discounts on      |       |       |       |       |       |          |            |
| offer for mobile handsets   | 20.75 | 32.08 | 20.75 | 10.38 | 16.04 | 13.53    | 0.01       |
| I prefer mobile handsets    |       |       |       |       |       |          |            |
| that have alternative mode  |       |       |       |       |       |          |            |
| of payment e.g. bonga       |       |       |       |       |       |          |            |
| points plus cash top up     | 29.25 | 31.13 | 16.98 | 11.32 | 11.32 | 19.57    | 0.0001     |

Source: Research Data, 2016

Key: f = frequency, SA =Strongly Agree, A = Agree, N=Neutral, D = Disagree, SD= Strongly Disagree,  $\chi^2$  = Chi square

Questions were asked to establish price variation as one of the determinant of the choice of mobile phone handset. The result are seen in table 4.5 showing 68.87 % of the respondent strongly agree with the statement "I consider the price according to the quality of the mobile"( $x^2$  11.54, P <0.02) while a 32.08 % statement follows" My purchase decision depends on special offers and price discounts on offer for mobile handsets" where most respondent agree on it with ( $x^2$ 171.45, P<0.0001). And lastly 29.25% of respondents strongly agree with both statements "I prefer handset that are highly priced than those that are cheap" and "I prefer mobile handsets that have alternative mode of payment e.g. bonga points plus cash top up". The chi square result was ( $x^2$ 13.53, P<0.01) and ( $x^2$ 219.57, p<0.0001) respectively.

# 4.4 Responses on Social factors in Percent

In this section of analysis, the researcher sought to establish the influence of social factor on the purchasing decision on mobile phone handset the result are shown on table 4.6

Table 4. 6: Responses on social factors in percentage.

| Statements               | SA    | A     | N     | D     | SD    | $\chi^2$ | $P>\chi^2$ |
|--------------------------|-------|-------|-------|-------|-------|----------|------------|
| I normally listen to     |       |       |       |       |       |          |            |
| recommendation from      |       |       |       |       |       |          |            |
| family members on the    |       |       |       |       |       |          |            |
| mobile handset to        |       |       |       |       |       |          |            |
| consider for purchase    | 12.26 | 27.36 | 16.98 | 16.98 | 26.42 | 9.1887   | 0.0566     |
| Salesperson play a role  |       |       |       |       |       |          |            |
| in providing             |       |       |       |       |       |          |            |
| information and          |       |       |       |       |       |          |            |
| recommendation on        |       |       |       |       |       |          |            |
| mobile phone handset     |       |       |       |       |       |          |            |
| during purchase          |       |       |       |       |       |          |            |
| decision.                | 31.13 | 38.68 | 15.09 | 3.77  | 11.32 | 44.283   | <.0001     |
| I consider the opinion   |       |       |       |       |       |          |            |
| of friends regarding the |       |       |       |       |       |          |            |
| mobile handset to        |       |       |       |       |       |          |            |
| purchase.                | 14.15 | 41.51 | 25.47 | 8.49  | 10.38 | 39.849   | <.0001     |
| In the decision to       |       |       |       |       |       |          |            |
| purchase a mobile        |       |       |       |       |       |          |            |
| handset I consider one   |       |       |       |       |       |          |            |
| that is similar to what  |       |       |       |       |       |          |            |
| my friends have.         | 10.38 | 18.87 | 22.64 | 18.87 | 29.25 | 9.9434   | 0.0414     |

Source: Research Data, 2016

Key: f = frequency, SA =Strongly Agree, A = Agree, N=Neutral, D = Disagree, SD= Strongly Disagree

As evidences in table 4.6 the opinion of friends regarding the mobile handset to purchase has the highest percentage of 41.51% respondents that agree with the statement which had a ( $\chi^2$  = 39.849, P<.0001). Salesperson play a role in providing information and recommendation on mobile phone handset during purchase decision with 38.68% agree and a ( $\chi^2$  =44.283, P<.0001), another question was, on purchase based on one that are similar to what my friends had a respondent of 29.25% strongly disagree with the fact that their purchase is based on similarity.( $\chi^2$  =9.9434, P=0.0414). I normally listen to recommendation from family members on the mobile handset to consider for purchase with a high agree of 27.36% leading to a ( $\chi^2$ =9.1887, P>0.0566). This means that opinion from friend is the most considered factor when purchasing.

#### 4.5 Responses on Product Features

The researcher examined the product feature as a factor that influences purchasing behaviour on mobile phone handsets. The result are presented in table 4.7

Table 4. 7: Responses on Product features in percent

| Statements                         | SA    | A     | N     | D    | SD   | $\chi^2$ | $P>\chi^2$ |
|------------------------------------|-------|-------|-------|------|------|----------|------------|
| Color display is an important      |       |       |       |      |      |          |            |
| feature that I consider in         |       |       |       |      |      |          |            |
| selecting a mobile handset         | 50.94 | 22.64 | 12.26 | 7.55 | 6.6  | 72.019   | <.0001     |
| Memory capacity influences the     |       |       |       |      |      |          |            |
| type of mobile handset to          |       |       |       |      |      |          |            |
| consider in a purchase             | 79.25 | 15.09 | 3.77  |      | 1.89 | 170.68   | <.0001     |
| The appearance of the phone        |       |       |       |      |      |          |            |
| size and weight influences my      |       |       |       |      |      |          |            |
| decision to select a mobile        |       |       |       |      |      |          |            |
| phone                              | 54.72 | 22.64 | 10.38 | 6.6  | 5.66 | 89.566   | <.0001     |
| I prefer mobile phone that has a   |       |       |       |      |      |          |            |
| touch screen than those that       |       |       |       |      |      |          |            |
| have keypads                       | 64.15 | 14.15 | 14.15 | 2.83 | 4.72 | 134.94   | <.0001     |
| Web access speed and Bluetooth     |       |       |       |      |      |          |            |
| facility influences my decision    |       |       |       |      |      |          |            |
| to choose a mobile handset         | 74.53 | 16.04 | 4.72  | 4.72 | 3.77 | 204      | <.0001     |
| Dual sim mobile handset are        |       |       |       |      |      |          |            |
| more attractive than single sim    |       |       |       |      |      |          |            |
| handset                            | 35.85 | 17.92 | 32.08 | 8.49 | 5.66 | 39.189   | <.0001     |
| Presence of camera and video       |       |       |       |      |      |          |            |
| facilities is important for choice |       |       |       |      |      |          |            |
| of mobile handset                  | 66.98 | 21.7  | 7.55  | 1.89 | 1.89 | 160.13   | <.0001     |

Source: Research Data, 2016

Key: f = frequency, SA =Strongly Agree, A = Agree, N=Neutral, D = Disagree, SD= Strongly Disagree

From table 4.7, it is evident that the preferred product feature considered is memory capacity whereby 79.25% of the respondents strongly agree to statements on memory capacity. 74.53% of the respondents strongly agreed that web access, speed and Bluetooth facility influence the decision to choose a mobile handset. Presence of camera and video facilities is important for choice of mobile handset was also

examined whereby 66.98% of the respondents strongly agreed while 64.15%.of the respondents preferred mobile phones that have a touch screen than those that have keypads. The appearance of the phone size and weight influences decision to select a mobile phone with 54.72% of the respondents strongly agreeing and 50.94% of the respondents strongly agreed that Color display is an important feature that the respondent consider in selecting a mobile handset lastly dual SIM mobile handset are more attractive than single SIM handset with the least strongly agree of 35.85% from the respondent. From table 4.7 the result on chi square are  $\chi^2 = 170.68\%$ , 89.566%, 134.94%, 204%, 39.189% respectively.

This means that memory capacity is considered as the most imperative factors in the choice of mobile phone.

## 4.6 Responses on Product image in percent

This section of the analysis presents the result on product image on the choice of mobile phone handset. The results are presented in table 4.8

**Table 4. 8: Product image in percent** 

| Statements              | SA    | A     | N     | D    | SD   | $\chi^2$ | $P>\chi^2$ |
|-------------------------|-------|-------|-------|------|------|----------|------------|
| In the purchasing of    |       |       |       |      |      |          |            |
| mobile handset I would  |       |       |       |      |      |          |            |
| consider the latest     |       |       |       |      |      |          |            |
| brand edition existing  |       |       |       |      |      |          |            |
| in the market.          | 56.6  | 20.75 | 14.15 | 5.66 | 2.83 | 99.377   | <.0001     |
| Extra                   |       |       |       |      |      |          |            |
| accessories/services    |       |       |       |      |      |          |            |
| contained in the mobile |       |       |       |      |      |          |            |
| phone handset           |       |       |       |      |      |          |            |
| influences my purchase  |       |       |       |      |      |          |            |
| decision                | 50.94 | 28.3  | 14.15 | 4.72 | 1.89 | 85.981   | <.0001     |
| The higher the price of |       |       |       |      |      |          |            |
| mobile handset the      |       |       |       |      |      |          |            |
| better the quality.     | 40.57 | 22.64 | 17.92 | 9.43 | 9.43 | 34.849   | <.0001     |

Source: Research Data, 2016

Key: f = frequency, M=Mean, SA =Strongly Agree, A = Agree, N=Neutral, D = Disagree, SD= Strongly Disagree

From table 4.8, it is evident that when purchasing of mobile handset respondents consider the latest brand edition existing in the market with 56.6% of the respondent strongly agree. On extra accessories/services contained in the mobile phone handset influences purchase decision 50.94% strongly agree with the statement. Also on

another result imply that the higher the price of mobile handset the better the quality with a 40.6% strongly agree. In a nutshell, the result on product image to the choice of mobile phone lead to a  $\chi^2 = 99.377$ , 85.981 and 34.849 are highly significant at 2 degree of freedom and 5% level of significance shown in table 4.8.

# 4.7 Responses on media influence

The respondent were asked to indicate the level of media influence on consumer choice of mobile phone. The result are presented in table 4.9.

Table 4. 9: Media influence in percent

| Statement                       | SA    | A     | N     | D     | SD   | $\chi^2$ | $P>\chi^2$ |
|---------------------------------|-------|-------|-------|-------|------|----------|------------|
| Advertisement on TV             |       |       |       |       |      |          |            |
| provides the visual             |       |       |       |       |      |          |            |
| appearance of the mobile        |       |       |       |       |      |          |            |
| handset and its usage           |       |       |       |       |      |          |            |
| enhances its recognition in the |       |       |       |       |      |          |            |
| market.                         | 35.24 | 36.19 | I6.19 | 5.71  | 6.67 | 46.762   | <.0001     |
| Radio advertisement provide     |       |       |       |       |      |          |            |
| the facts and figures regarding |       |       |       |       |      |          |            |
| the features of mobile handset  |       |       |       |       |      |          |            |
| building customer's             |       |       |       |       |      |          |            |
| comprehension/understanding     | 19.81 | 32.08 | 27.36 | 14.15 | 6.6  | 21.925   | 0.0002     |
| Internet advertising provide    |       |       |       |       |      |          |            |
| both visual and                 |       |       |       |       |      |          |            |
| comprehension effect and        |       |       |       |       |      |          |            |
| allows repetitive free access   |       |       | 14.15 |       |      |          |            |
| to advert.                      | 45.28 | 33.02 | 14.13 | 6.6   | 0.94 | 73.434   | <.0001     |
| Positive review in Facebook     |       |       |       |       |      |          |            |
| influence the purchase of       |       |       |       |       |      |          |            |
| mobile phone handset.           | 23.58 | 36.79 | 16.98 | 15.09 | 7.55 | 25.604   | <.0001     |

Source: Research Data, 2016

Key: f = frequency, M=Mean, SA =Strongly Agree, A = Agree, N=Neutral, D = Disagree, SD= Strongly Disagree.

The result show majority of the respondent consider internet advertising provide both visual and comprehension effect and allows repetitive free access to advert leading to a 45.3% strongly agree. Advertisement on TV provides the visual appearance of the mobile handset and its usage, most respondents strongly agree 35.24%. Also on Positive review in Facebook influence the purchase of mobile phone handset with a high strongly agree of 23.58% respondents. Lastly Radio advertisement provide the

facts and figures regarding the features of mobile handset building customer's comprehension/understanding had a strongly agree of 19.8%. This shows that internet advertisement had most of respondent strongly agree with the statement "internet advertising provide both visual and comprehension effect and allows repetitive free access to advert leading" having the highest chi square of  $\chi^2 = 73.434$  and p<.0001.

### 4.8 Responses on post sales services

This section exhibit the respondents on post sales service factor on their choice of mobile phone. Five questions were asked to determine the extent to which the students considered each factor before making their final purchase decision. The result are shown in table 4.10

Table 4. 10: Post sales services in percent.

| Statements                        | SA    | A     | N     | D     | SD    | $\chi^2$ | $P>\chi^2$ |
|-----------------------------------|-------|-------|-------|-------|-------|----------|------------|
| I consider guarantee/ warrantee   |       |       |       |       |       |          |            |
| when purchasing mobile phone      |       |       |       |       |       |          |            |
| handsets.                         | 67.92 | 20.75 | 8.49  | 0.94  | 1.89  | 165.42   | <.0001     |
| Existence of repair and           |       |       |       |       |       |          |            |
| maintenance services is crucial   |       |       |       |       |       |          |            |
| in selecting a mobile handset.    | 65.09 | 27.36 | 4.72  | 1.89  | 0.94  | 159.66   | <.0001     |
| I would only consider mobile      |       |       |       |       |       |          |            |
| handset whose spare parts are     |       |       |       |       |       |          |            |
| readily available in the market.  | 54.72 | 23.58 | 13.21 | 7.55  | 0.94  | 94.472   | <.0001     |
| I expect the mobile handset       |       |       |       |       |       |          |            |
| seller to install all relevant    |       |       |       |       |       |          |            |
| applications in the mobile        |       |       |       |       |       |          |            |
| handset.                          | 37.74 | 25.47 | 17.92 | 6.6   | 12.26 | 31.17    | <.0001     |
| Initial training and instructions |       |       |       |       |       |          |            |
| on the use should be carried out  |       |       |       |       |       |          |            |
| by mobile handset                 |       |       |       |       |       |          |            |
| vendors/dealers after purchase.   | 35.85 | 32.08 | 14.15 | 11.32 | 6.6   | 36.359   | <.0001     |

Source: Research Data, 2016Key: f = frequency, M=Mean, SA =Strongly Agree, A = Agree, N=Neutral, D = Disagree, SD= Strongly Disagree guarantee/warrantee when purchasing mobile phone handsets

In table 4.10 it is evident that guarantee/ warrantee when purchasing mobile phone handsets has the highest respondents with a strongly agree 67.92% and a ( $\chi^2=165.42$ , P <.0001). Respondent strongly agree with 65.09% on existence of repair and

maintenance services been crucial in selecting a mobile handset. ( $\chi^2$ =159.66, p<.0001).On another question considering mobile handset whose spare parts are readily available in the market a high strongly agree of 54.72% with ( $\chi^2$ =94.472, p<.0001).On the statement that, installing all relevant applications in the mobile handset a strongly agree of 37.74% with a ( $\chi^2$ =31.17, P<.0001) the one with the least chi square ( $\chi^2$ =36.359) was Initial training and instructions on the use should be carried out by mobile handset vendors/dealers after purchase with 35.85%.this shows the most considered item when purchasing was guarantee/ warrantee.

# 4.9 Responses on choice of mobile phone

This section exhibit the respondents overall consideration before making the final choice of the particular mobile phone. The result are shown on table 4.11

Table 4. 11: Descriptive statistics on choice of mobile phone in percentage value

| Statements   | SA    | A     | N     | D     | SD    | $\chi^2$ | $P>\chi^2$ |
|--|-------|-------|-------|-------|-------|----------|------------|
| I compared the price of different                            |       |       |       |       |       |          |            |
| mobile handsets in the process of                            |       |       |       |       |       |          |            |
| determining the appropriate price                            | 45.00 | 22.06 | 15.00 | 2.77  | 1.00  | 76.02    | .0001      |
| visa vie quality   | 45.28 | 33.96 | 15.09 | 3.77  | 1.89  | 76.83    | <.0001     |
| The opinion of family, friends, relatives and peer group     |       |       |       |       |       |          |            |
| relatives and peer group influenced my ultimate decision to  |       |       |       |       |       |          |            |
| buy a mobile handset   | 15.09 | 28.3  | 20.75 | 16.04 | 19.81 | 5.7925   | 0.2152     |
| The appearance of mobile phone                               | 10.00 | 20.5  | 20.70 | 10.0. | 17.01 | 0.7,520  | V.=1V=     |
| and the basic services it offers was                         |       |       |       |       |       |          |            |
| the most important consideration                             |       |       |       |       |       |          |            |
| for purchase of a handset                                    | 58.49 | 27.36 | 5.66  | 7.55  | 0.94  | 119.75   | <.0001     |
| I preferred a mobile handset that                            |       |       |       |       |       |          |            |
| has extra utilities that do not                              |       |       |       |       |       |          |            |
| necessary attract extra charges                              | 43.4  | 26.42 | 23.58 | 4.72  | 1.89  | 61.642   | <.0001     |
| I considered the information                                 |       |       |       |       |       |          |            |
| provided by different media vehicles in the choice of mobile |       |       |       |       |       |          |            |
| handset  | 16.04 | 27.36 | 32.08 | 12.26 | 12.26 | 17.774   | 0.0014     |
| My choice of mobile phone                                    | 10.01 | 27.50 | 32.00 | 12.20 | 12.20 | 11.111   | 0.0011     |
| handset depended on after sales                              |       |       |       |       |       |          |            |
| services offered by the seller.                              | 24.53 | 27.36 | 19.81 | 18.87 | 9.43  | 9.9434   | 0.0414     |

Source: Research Data, 2016

Key: f = frequency, M=Mean, SA =Strongly Agree, A = Agree, N=Neutral, D = Disagree, SD= Strongly Disagree

Variables on Table 4.11 presents the descriptive statistics results of the choice of mobile phone. As shown in the table, the prime factor with the highest percentage value is the appearance of mobile phone and the basic services it offers was the most important consideration for purchase of a handset 58.49% followed by I compared the price of different mobile handsets in the process of determining the appropriate price visa vie quality 45.28%, I preferred a mobile handset that has extra utilities that do not necessarily attract extra charges 43.4% and my choice of mobile phone handset depended on after sales services offered by the seller 24.53%. The two variables with the least percentage score are I considered the information provided by different media vehicles in the choice of mobile handset 16.04% and the opinion of family, friends, relatives and peer group influenced my ultimate decision to buy a mobile handset 15.09% are considered as the least choice on the mobile phone handset. The chi square from table 4.11 was ( $\chi^2 = 76.83$ , 5.7925, 119.75, 61.642, 17.774, 9.9434).

#### 4.10 Correlation Results.

Correlation is a technique of assessing the relationship between variables. Price variation, social factors, Product features, Product image, Media influence and Post sales services with the choice of mobile phone. Thus the study analyzed the relationships that are inherent among the independent and dependent variables. The result regarding this were summarized and presented in table 4.12

**Table 4. 12: correlation statistics** 

|                       |                        | choice<br>of<br>mobile | Price |        | product<br>feature |       | media  | post sale<br>services |
|-----------------------|------------------------|------------------------|-------|--------|--------------------|-------|--------|-----------------------|
| choice<br>of          | Pearson<br>Correlation | 1                      |       |        |                    |       |        |                       |
| mobile                | Sig. (1-tailed)        |                        |       |        |                    |       |        |                       |
| Price                 | Pearson<br>Correlation | .173*                  | 1     |        |                    |       |        |                       |
|                       | Sig. (1-tailed)        | .038                   |       |        |                    |       |        |                       |
| social factors        | Pearson<br>Correlation | .372**                 | .069  | 1      |                    |       |        |                       |
|                       | Sig. (1-tailed)        | .000                   | .242  |        |                    |       |        |                       |
| product feature       | Pearson<br>Correlation | .185*                  | .165* | .100   | 1                  |       |        |                       |
|                       | Sig. (1-tailed)        | .029                   | .045  | .155   |                    |       |        |                       |
| product image         | Pearson<br>Correlation | .136                   | .133  | 004    | .169*              | 1     |        |                       |
|                       | Sig. (1-tailed)        | .082                   | .087  | .482   | .041               |       |        |                       |
| Media                 | Pearson<br>Correlation | .493**                 | .064  | .303** | .241**             | .169* | 1      |                       |
|                       | Sig. (1-tailed)        | .000                   | .257  | .001   | .007               | .041  |        |                       |
| post sale<br>services | Pearson<br>Correlation | .328**                 | .179* | .117   | .181*              | .161* | .264** | 1                     |
|                       | Sig. (1-tailed)        | .000                   | .034  | .117   | .032               | .049  | .003   |                       |
|                       | N                      | 106                    | 106   | 106    | 106                | 106   | 106    | 106                   |

<sup>\*.</sup> Correlation is significant at the 0.05 level (1-tailed).

From the findings as summarized in table 4.12, media influence was positively and significantly associated with choice of mobile phone(r=0.493, p<.000). Further, social

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (1-tailed).

factor was positively and significantly correlated to choice of mobile phone (r=0.375, p<.000). Moreover post sales service had a positive correlated with choice of mobile phone handset (r=0.328, p<0.00). Additionally, product features was indicated to be positively correlated with choice of mobile phone (r=0.185, p<0.05). Price variation was indicated to be positively correlated with choice of mobile phone (r=0.173, p<0.05) while product image did not have significant correlation with choice of mobile phone handset (r=0.136, P>0.05). This implies that price, social factor, product feature, post sales service and media influence are expected to have a significant relationship with the choice of mobile phone handset.

The correlation results show the largest beta coefficient of 0.493 on media influence and makes this variable the strongest unique contribution in explaining the dependent variable (choice of mobile phone). This suggests that one standard deviation increases in media influence is followed by a 0.493 standard deviation increase in choice of mobile phone handset.

# 4.11 Analysis of Variance

Analysis of Variance for multiple regression of price variation, social factor, product feature, product image, media influence and post sales service against choice of mobile handset was done and the results are shown in table 4.12.

Table 4. 13: Anova analysis

| Analysis of Variance   |     |                   |                |         |                      |  |  |  |
|------------------------|-----|-------------------|----------------|---------|----------------------|--|--|--|
| Source                 | DF  | Sum of<br>Squares | Mean<br>Square | F Value | <b>Pr</b> > <b>F</b> |  |  |  |
| Model                  | 6   | 458.90632         | 91.78126       | 9.34    | <.0001               |  |  |  |
| Error                  | 100 | 982.52764         | 9.82528        |         |                      |  |  |  |
| <b>Corrected Total</b> | 106 | 1441.43396        |                |         |                      |  |  |  |

The findings from table 4.12 showed that the regression model of the six predictors against choice of mobile phone handset was significant (F=9.34 and P<0.001).

# **Regression Model Summary**

Regression model summary for the predictor variables against choice of mobile phone handset was analyzed. The findings are shown in table 4.13.

**Table 4. 14: Regression model** 

| Model | R                 | R      | Adjusted | R | Std.     | Error | of | the |  |
|-------|-------------------|--------|----------|---|----------|-------|----|-----|--|
|       |                   | Square | Square   |   | Estimate |       |    |     |  |
| 1     | .586 <sup>a</sup> | .344   | .304     |   | 3.091    | 19    |    |     |  |

a. Predictors: (Constant), Price, Social factor, Product feature, Product image, Media influence, post sales services

The model summary in table 4.13 shows that 34.4% of choice of mobile handset can be explained by the six predictors (price variation, social factor, product feature, product image, media influence and post sales service) i.e.  $R^2 = 0.344$ . This shows that considering the six independent variable, there is a probability of choice of mobile phone handset by 34.4%.

## 4.12 Hypotheses Testing

Multiple regression analysis was conducted to determine the relationship between choice of mobile phone and the six variables: price variation, social factor, product feature, product image, media influence and post sales service. The findings are presented in table 4.14.

The rule thumb was applied in the interpretation of the variance inflation factor. From table 4.14, the VIF for all estimate parameters was found to be less than 4 which indicated the absence of muiticollinearity among the independent factors. Therefore, all the factors were included in the prediction model.

**Table 4. 15: Coefficient of Estimate** 

| Model |                    | Unstandardized<br>Coefficients |               | Standardized<br>Coefficients | Т     | Sig.  | Collinearity Statistics |       |
|-------|--------------------|--------------------------------|---------------|------------------------------|-------|-------|-------------------------|-------|
|       |                    | В                              | Std.<br>Error | Beta                         |       | C     | Tolerance               | VIF   |
|       | Constant           | 4.875                          | 2.882         |                              | 1.692 | 0.094 |                         |       |
|       | Price              | 0.131                          | 0.117         | 0.094                        | 1.126 | 0.263 | 0.94                    | 1.064 |
|       | Social factors     | 0.275                          | 0.101         | 0.234                        | 2.734 | 0.007 | 0.9                     | 1.112 |
|       | Product features   | 0.284                          | 0.087         | 0.284                        | 3.25  | 0.002 | 0.899                   | 1.113 |
|       | Product image      | 0.049                          | 0.133         | 0.031                        | 0.372 | 0.711 | 0.93                    | 1.075 |
|       | media<br>influence | 0.445                          | 0.112         | 0.357                        | 3.966 | 0.000 | 0.812                   | 1.232 |
|       | Post sale service  | 0.209                          | 0.1           | 0.181                        | 2.094 | 0.039 | 0.886                   | 1.129 |

# Source, survey Data (2016)

According to table 4.14, four of the predictor variables (Social factors, product features, media influence and post sales service) were significant, while price and product image were not significant. Therefore, the outcome of the research model can be summarized as follows:

CMPB= 4.875 +0.094P +0.234SF +0.284 PF+0.031PI+ 0.357MI + 0.181PS Where CMPB= Choice of mobile phone brand, P= price, SF= social factors, PF= product features, PI= product image, MI= Media influence, PS= Post sales service.

# $H_{01}$ : Price variation has no significant influence on mobile phone brand choice among university students.

The result of multiple regressions, as presented in table 4.13 revealed that price variation has no influence on the choice of mobile phone (t= 1.126,  $\beta_1$  =0.094, p> 0.05). Therefore, the findings failed to reject the null hypothesis that price variation has no significant influence on mobile phone brand choice among university students. Also, the influence of price was stated by the t test value=1.126 which implies that the standard error associated with the parameter is less than the effect of the parameter.

# $H_{02}$ : Social factors have no significant influence on mobile phone brand choice among university students.

The result in table 4.13 showed that the social factors were positively and significantly associated with choice of mobile phone brand among university students; (t=2.734,  $\beta$  =0.234, p< 0.05). Therefore, the null hypothesis that Social factors have no significant influence on mobile phone brand choice among university students was rejected. The findings show that for each unit change in social factors, there is a 0.234 unit increase in choice of mobile phone. Also, the influence of social factor was stated by the t test value=2.734 which implies that the standard error associated with the parameter is less than the effect of the parameter.

# $H_{03}$ : Product features have no significant influence on mobile phone brand choice among university students.

The findings from table 4.14 showed that there was a statistically significant difference in influence of product features on choice of mobile phone brand among university students; t = 3.25, p< .05, and  $\beta = 0.284$ . Therefore, the null hypothesis that product features have no significant influence on mobile phone brand choice among university students was rejected. The data therefore has evidence to support the claim that product features influence university students purchase choice of mobile phone.

# $H_{04}$ : Product image has no significant influence on mobile phone brand choice among university students.

Findings from table 4.13 (t= 0.711,  $\beta$ = 0.031, P>0.05) showed that there was no significant influence of product image on purchase choice of mobile phone brand among university students. Therefore, the researcher failed to reject the null hypothesis that product image has no significant influence on purchase choice of

mobile phone brand among university students. The t test implies that the standard error associated with the parameter is less than the effect of the parameter.

# Ho<sub>5</sub>: Media has no significant influence on mobile phone brand choice among university students.

The result from the table 4.13 shows that media has a positive and significant influence on purchase choice of mobile phone brand (t=3.966,  $\beta$ =0.357, p<0.000) among university students. Therefore, the researcher reject the null hypothesis and conclude that media influence has a significant relationship with purchase choice of mobile phone brand. The effect of media influence in the t-test value of 3.966 surpasses that of the error.

# Ho<sub>6</sub>: Post sales services have no significant influence on mobile phone brand choice among university students.

Finally, as evidenced in table 4.14, (t=2.094,  $\beta$ = 0.181, p<0.05), there was a statistically significant difference in influence of post sales service on purchase choice of mobile phone brand. Therefore, the researcher rejects the null hypothesis that post sales services have no significant influence on mobile phone brand choice among university students.

#### **CHAPTER FIVE**

### SUMMMARY DISCUSSION CONCLUSION AND RECOMMENDATIONS

#### 5.1 Introduction

Based on the result obtained from the study, major findings, conclusion and recommendations are presented in this chapter. The research focused on studying the determinants of choice of mobile phone brand among university students in Kenya. The specific objectives were to establish the effect of price variation on choice of mobile phone brand among university students, to examine the effect of social factors on choice of mobile phone brand among university students, to analyze the effect of product features on choice of mobile phone brand among university students, to analyze the effect of product image on the choice of mobile phone brand among university students, to establish the effect of media promotion influence on the choice of mobile brand among university students and to establish the effect of post sales services on the choice of mobile brand among university students.

### 5.2 Summary of the findings and discussion

The results on the factors that determine mobile phone choice are summarized in the subsections that follow.

# 5.2.1 Influence of price variation on choice of mobile phone

The findings from the study showed that price variation has no significant influence on mobile phone brand choice among university students. The findings are in agreement with the study conducted by Yusuf and et al. (2015) who reported that price was not significant to the choice of mobile phone because price, which comes hand in hand with brand, is also considered having a strong relationship with brand. Consumers with high brand loyalty are willing to pay a premium price for their favored brand, thus, their purchase intention is not easily affected by price (Yee and Sidek, 2008). In addition, Mesay (2013) study on consumer buying behavior of mobile phone device had the same findings that price was not significant to the purchase choice. Similarly, Safiek Mokhlis and Azizul Yadi Yaakop (2012), on their research on consumer choice criteria in Mobile Phone Selection concluded that price does not have significant effect consumers' choice for a mobile phone. Dziwornu (2013) findings on factors affecting mobile phone purchase in the Greater Accra Region of Ghana was that price and access to phone accessories are the factors that do not significantly affect mobile phone purchase decision. The findings of this study

equally found support from Karjaluoto et al. (2005), who concluded that price, brand, interface, and properties tend to be influential factors affecting the actual choice amongst mobile phone brands.

#### 5.2.2 Influence of social factors on the choice of mobile phone.

Social factors had a positive and significant effect on choice of mobile phone among university students. This study findings are supported by those of a research on students in East Malaysia by Norazah (2013) who reported that social and cultural influence extensively affected students purchasing decision of smart phone. Another research on students revealed that they purchased their first smart phone by influence from friends (Heryiati, 2011). Additionally the findings of this study received further support as indicated by Moschis (1976) that the final purchasing decision are normally influenced by social groups on whether to buy a specific product and which brand or model to choose among competing alternatives.

## 5.2.3 Influence of product features on the choice of mobile phone.

Product features had a significant influence on choice of mobile phone brand among university students. The results concur with those of Liu, 2002; Karjaluoto 2005; Mack and Sharples, 2009, who concluded that product's innovative features are very important in the student selection of mobile phones. This is possibly related to mobile phones which have now been widely accepted as part of fashion accessories, especially among the youngsters. Thus, innovation in mobile phone features and design does appear on top of the list in consumers' choice of mobile phones. Further support of the results from this study is by Yang, and Lee (2007) found out that phone design and appearance are significant factors in purchasing a mobile phone. Therefore, paying attention to product features by marketers is a strategic and competitive move.

# 5.2.4 Influence of product image on the choice of mobile phone.

The result from the study show that product image has no significant influence on choice of mobile phone. This result is in agreement with the result of Mohammed Ismuli (2012), on the study of factor affecting mobile phone brand preference, who found out that product image is not of significant importance when purchasing mobile handset, but other researchers Muhammad Ehsan Mali (2013), showed a significant influence of brand image on the purchasing of mobile phones. (Karjaluoto et al., 2005,) found significant association between innovative features, portability, image

factors and age of consumers. This shows that various researches done have not been conclusive on image as a significant factor on mobile phone choice.

# 5.2.5 Influence of media on the choice of mobile phone.

The result shows that media influence has a positive and significant influence on mobile phone brand choice among university students. In support of the study, Erdem and Keane (1996) highlighted the influence of user experience and advertising content on the brand choice, especially when the consumers are forward-looking and concluded media had a significant effect on choice of mobile phone brand. Additionally, Muhammad Ehsan Mali (2013) agrees that advertising has a positive impact in the present times and that advertisement creates a stronger impression in the mind. This shows that the result from the finding of the study agree with other research findings.

## 5.2.6 Influence of post sales services on the choice of mobile phone.

Furthermore, post sales service has a positive and significant influence on mobile phone. Accordingly, Shahzad Khan (2013) study investigating the factors affecting youth brand choice for mobile phones purchase among private university students of Peshawar agree with the findings of this study that post sales service has a positive influence on mobile phone purchase.

#### 5.3 Conclusions

The following are conclusions based on the findings from the study.

#### 5.3.1 Price on brand choice

The findings of the study are indicative of insignificant relation between price variations and choice of mobile phone. Despite the fact that price is seen as an important factor to choice of mobile phone, the findings present a negative relationship between price and choice of mobile phone. Price may not have been a strong consideration by students as most of them may have been financed by their parents. This study therefore add new insight into the existing literature on choice of mobile phone. This shows a gap and would therefore be prudent for scholars to conduct replication studies to ascertain whether the above findings hold.

#### 5.3.2 Social factors on brand choice

The study found a positive and significant relationship between social factors and choice of mobile phone. It is therefore concluded that other people's influence was

found to have a positive influence on student's purchase choice of new mobile phones. Mostly, parent's families, and friend's influence through word-of-mouth has a bearing on purchase choice of mobile phone among university students. Social factors improve the choice of mobile phone, thus, final purchasing decision is normally influenced by social groups on whether to buy a specific product and which brand or model to choose among competing alternatives. Furthermore, trend in community regarding the usage of particular brands may play an important influential role in consumer choice mobile phone among university students.

#### 5.3.3 Product features on brand choice

The findings of the study are indicative of significant relationship between product features and choice of mobile phone. It is fact that product feature is seen as an important factor to choice of mobile phone such as different phone characteristics with connectivity of wireless, installation of application programs, a system of file management, presentation of multi-media programs, camera, picture, video quality and mobile memory are important when you are purchasing.

## 5.3.4 Product image on brand choice

The study showed that product image has no significant relationship on the choice of mobile phone among university students. Despite the fact that product image is seen as overall image or impression of a brand in customers' mind that is created from different sources, brand image actually reflects the overall brand content which includes brand name, reputation, functionality and overall value. The implication of the findings is that students do not consider the image of the phones they purchase, instead phone features take an upper hand.

#### 5.3.5 Media influence on brand choice

Media influence positively and significantly influenced the choice of mobile phone among university students. It is therefore important for marketers to focus on understanding their customers in particular, university students and identifying their unique needs. Utility of media tools like internet, TV, radio and Facebook can be strategically used to popularize the different brands that appeal to students. This way media becomes an important tool for students when purchasing their handset as a major information source.

#### 5.3.6 Post sale services on brand choice

The study established that post sales service has a positive and significant effect on the purchase of mobile phone. It is concluded that students take cognizance of post sales service when purchasing mobile phone handset. They consider the warranty or guarantee package offered to the customers based on the periodic or required maintenance or repair of the equipment (product) by its manufacturer during the time period of warranty. Marketers should be keen on after-sale services as one of the strategies through which they can enhance the customer perception of mobile handsets, particularly among university students.

#### **5.4 Recommendations**

The following are recommendation to practitioners and academia.

## 5.4.1 Recommendation to practitioners

Social factors had a significant relationship with the choice of mobile phone. It is recommended that sales persons should provide enough information to the customers on the kind of mobile handset to purchase. In addition marketers of mobile phone handsets, in particular salespeople should reach out to students, determine their needs in regard to purchase of mobile phones and recommend mobile phones that suite individual needs. The peers, friends and family members should equally exercise care in recommending the type of mobile handset for their friends and family members.

Product features had a significant influence on choice of mobile phone handsets. It is therefore recommended that marketers and manufacturers of mobile phones should focus on the features like camera, color screen, voice-activated dialing, Internet browsing, and wireless connectivity to predict users' (student) satisfaction level.

Media influence had a significant influence on choice of mobile phone handsets. It is therefore recommended that marketers should come up with mobile phone adverts on social media targeting students. Some of the adverts in social media for instance the use of well-chosen celebrities that attract student to choose mobile handset can be used to increase market share of the sales of mobile phones among university students.

Post sales services had a significant influence on choice of mobile phone handset. Warranties and guarantees are what attract students to purchase mobile phone handset. Marketers should consider providing mobile phone handset that can be replaced, repaired and have warranty to the students.

Nokia had the highest percentage in terms of ownership and utility. This places it as the most popular brand among students. It is therefore recommended that marketers of other brands should consider digging deeper to establish what makes Nokia brand attract majority of students and modify their brands accordingly to gain competitive advantage.

#### 5.4.2 Recommendations to Academia

This study did not find significant influence on price and product image on choice of mobile phone. From the result there are study that were in agreement with this result. However literature also shows that there are studies which found a significant influence of price, product feature and product image. This implies that research on this variables is not conclusive. It is therefore recommended that more study be done particularly in educational institution to shade more light on the influence of price, product feature and product image on the choice of mobile phone.

#### 5.4.3 Contribution of the study to Knowledge

Having undertaken and completing this study, the researcher has enabled academicians, as well as providing useful tips to mobile phone manufacturers, to have a better understanding in knowing the factors that drive a consumer to purchase that particular brand of mobile phone over some other brands, at present and in future.

#### 5.5 Suggestion for further research.

Future research that extends sampling beyond a university environment would allow for a more representative assessment of factors influencing consumers' choice of phone in general society.

Future studies should take into account wider geographical distributions of respondents, as well as covering larger population size and sampling (higher number of respondents). Lastly to have varied category such as including urban and rural population as well.

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#### **APPENDICES**

### Appendix I: Introduction letter

Delphine Juma Kabarak University PO.BOX Private Bag- 20157 Kabarak TO WHOM IT MAY CONCERN

Dear Respondent,

**REF: MBA RESEARCH STUDY** 

I am a student pursuing a Master's degree in marketing at the Kabarak University. I am conducting an academic research on determinants of choice of mobile phone brand among university students in Kenya. This questionnaire is aimed at obtaining more information about your opinions, perceptions and experiences.

I kindly request your assistance by availing time to respond to the questionnaire. The information given will be treated with utmost confidentiality for the purpose of this study only. Your assistance will be highly appreciated.

Thank you in advance.

Yours faithfully Delphine Juma Researcher

# **Appendix 2: Questionnaire**

The information provided here will only be used for academic purposes and will be treated with maximum confidentiality

# PART A: Personal background of respondent

| Demographic applicable.          | information.    | Please   | tick  | the  | app   | ropriate | ansv    | ver   | in the  | box    | when   | :e |
|----------------------------------|-----------------|----------|-------|------|-------|----------|---------|-------|---------|--------|--------|----|
| 1. Gender:                       |                 | Male     | e( )  |      |       |          |         |       |         | Fen    | nale ( | )  |
| 2. Age:<br>Above 40 (            | )               | 18-2     | 24    | ( )  |       | 25-31    | ( )     | )     | 32- 39  | 9 (    | )      |    |
| 3. Indicate the a tick in the ap |                 | _        | none  | hand | sets  | you ow   | n or u  | ise c | current | ly by  | puttin | ıg |
|                                  |                 |          | On    | e    |       |          |         |       |         |        |        |    |
|                                  | Two             |          |       |      |       |          |         |       |         |        |        |    |
|                                  | Three           |          |       |      |       |          |         |       |         |        |        |    |
| 4. Indicate typ                  | es / brand of p | ohone yo | ou us | e by | putti | ng a tic | k in tl | he aj | opropr  | iate b | ox     |    |
|                                  | Nokia           |          |       |      |       |          |         |       |         |        |        |    |
|                                  | Samsung         |          |       |      |       |          |         |       |         |        |        |    |
|                                  | Tecno           |          |       |      |       |          |         |       |         |        |        |    |
|                                  | Alcatel         |          |       |      |       |          |         |       |         |        |        |    |
|                                  | Infinix         |          |       |      |       |          |         |       |         |        |        |    |
| Other specify                    |                 |          |       |      |       |          |         |       |         |        |        |    |

| 5. Indicate the Subscribers you use by putting a   | ı tick | in the | appro  | priate bo | X      |        |
|--|--------|--------|--------|-----------|--------|--------|
| Safaricom  |        |        |        |           |        |        |
| Airtel   |        |        |        |           |        |        |
| Yu   |        |        |        |           |        |        |
| Orange   |        |        |        |           |        |        |
| PART B: Factors that influence individual purchase   | ıl cor | ısume  | er cho | ice of n  | 10bile | phone  |
| This section contains the factors that influen   | ice th | e cho  | ice of | mobile p  | hone.  |        |
| (a) Price variation  |        |        |        |           |        |        |
| The following are statements on pricing of notice best option that express your level of agree Strongly Agree = 5, Agree = 4, Neutral = 3, D | eeable | eness  | on ea  | ach state | ement  | where; |
| Statements   | 5      | 4      | 3      | 2         | 1      |        |
| I prefer handset that are highly priced than those that are cheap  |        |        |        |           |        |        |
| I consider the price according to the quality of the mobile handset  |        |        |        |           |        |        |
| My purchase decision depends on special offers and price discounts on offer for mobile handsets  |        |        |        |           |        |        |
| I prefer mobile handsets that have alternative mode of payment e.g. bonga  |        |        |        |           |        |        |

points plus cash top up

#### (b)Social factors

The following are statements on social factors on purchase of mobile phone handsets. Kindly tick the best option that express your level of agreeableness on each statement where; Strongly Agree =5, Agree = 4, Neutral =3, Disagree=2, Strongly Disagree=1.

| Statements  | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| I normally listen to recommendation from family         |   |   |   |   |   |
| members on the mobile handset to consider for           |   |   |   |   |   |
| purchase  |   |   |   |   |   |
| Salesperson play a role in providing information and    |   |   |   |   |   |
| recommendation on mobile phone handset during           |   |   |   |   |   |
| purchase decision.                                      |   |   |   |   |   |
| I consider the opinion of friends regarding the mobile  |   |   |   |   |   |
| handset to purchase.                                    |   |   |   |   |   |
| In the decision to purchase a mobile handset I consider |   |   |   |   |   |
| one that is similar to what my friends have.            |   |   |   |   |   |

#### (c) Product features

The following are statements on product features considered when purchasing a mobile phone handset. Kindly tick the best option that express your level of agreeableness on each statement where; Strongly Agree =5, Agree = 4, Neutral =3, Disagree=2, Strongly Disagree=1.

| Statements   | 5 | 4 | 3 | 2 | 1 |
|--|---|---|---|---|---|
| Color display is an important feature that I consider in |   |   |   |   |   |
| selecting a mobile handset                               |   |   |   |   |   |
| Memory capacity influences the type of mobile handset    |   |   |   |   |   |
| to consider in a purchase                                |   |   |   |   |   |
| The appearance of the phone size and weight influences   |   |   |   |   |   |
| my decision to select a mobile phone                     |   |   |   |   |   |

| I prefer mobile phone that has a touch screen than those |  |  |  |
|--|--|--|--|
| that have keypads  |  |  |  |
| Web access speed and Bluetooth facility influences my    |  |  |  |
| decision to choose a mobile handset                      |  |  |  |
| Dual sim mobile handset are more attractive than single  |  |  |  |
| sim handset  |  |  |  |
| Presence of camera and video facilities is important for |  |  |  |
| choice of mobile handset                                 |  |  |  |

### (d) Product image.

The following are statements on product image of mobile phone handsets. Kindly tick the best option that express your level of agreeableness on each statement where Strongly Agree = 5, Agree = 4, Neutral = 3, Disagree = 2, Strongly Disagree = 1.

| Statements                                    | 5 | 4 | 3 | 2 | 1 |
|---|---|---|---|---|---|
| In the purchasing of mobile handset I would   |   |   |   |   |   |
| consider the latest brand edition existing in |   |   |   |   |   |
| the market.                                   |   |   |   |   |   |
| Extra accessories/services contained in the   |   |   |   |   |   |
| mobile phone handset influences my            |   |   |   |   |   |
| purchase decision                             |   |   |   |   |   |
| The higher the price of mobile handset the    |   |   |   |   |   |
| better the quality.                           |   |   |   |   |   |

#### (e) Media influence

The following are statements on media influence on purchase of mobile phone handsets. Kindly tick the best option that express your level of agreeableness on each statement where; Strongly Agree =5, Agree = 4, Neutral =3, Disagree=2, Strongly Disagree=1.

| Statements   | 5 | 4 | 3 | 2 | 1 |
|--|---|---|---|---|---|
| Advertisement on TV provides the visual appearance of the mobile handset and its usage enhances its recognition in the market.             |   |   |   |   |   |
| Radio advertisement provide the facts and figures regarding the features of mobile handset building customer's comprehension/understanding |   |   |   |   |   |
| Internet advertising provide both visual and comprehension effect and allows repetitive free access to advert.                             |   |   |   |   |   |
| Positive review in Facebook influence the purchase of mobile phone handset.  |   |   |   |   |   |

## (f) Post sales services

The following are statements on post sales services on the purchase of mobile phone handsets. Kindly tick against the best option that express your level of agreeableness on each statement where; Strongly Agree =5, Agree = 4, Neutral =3, Disagree=2, Strongly Disagree=1.

| Statements   | 5 | 4 | 3 | 2 | 1 |
|--|---|---|---|---|---|
| I consider guarantee/ warrantee when purchasing            |   |   |   |   |   |
| mobile phone handsets.                                     |   |   |   |   |   |
| Existence of repair and maintenance services is crucial    |   |   |   |   |   |
| in selecting a mobile handset.                             |   |   |   |   |   |
| I would only consider mobile handset whose spare           |   |   |   |   |   |
| parts are readily available in the market.                 |   |   |   |   |   |
| I expect the mobile handset seller to install all relevant |   |   |   |   |   |
| applications in the mobile handset.                        |   |   |   |   |   |
| Initial training and instructions on the use should be     |   |   |   |   |   |
| carried out by mobile handset vendors/dealers after        |   |   |   |   |   |
| purchase.  |   |   |   |   |   |

## g) Choice of mobile phone

The following are statements concerning your final choice of mobile phone handset. Kindly tick the best option that express your level of agreeableness on each statement where; strongly Agree =5, Agree = 4, Neutral =3, Disagree=2, strongly Disagree=1.

| Statements   | 5 | 4 | 3 | 2 | 1 |
|--|---|---|---|---|---|
| I compared the price of different mobile handsets in the process of determining the appropriate price visa vie quality         |   |   |   |   |   |
| The opinion of family, friends, relatives and peer group influenced my ultimate decision to buy a mobile handset               |   |   |   |   |   |
| The appearance of mobile phone and the basic services it offers was the most important consideration for purchase of a handset |   |   |   |   |   |
| I preferred a mobile handset that has extra utilities that do not necessary attract extra charges                              |   |   |   |   |   |
| I considered the information provided by different media vehicles in the choice of mobile handset                              |   |   |   |   |   |
| My choice of mobile phone handset depended on after sales services offered by the seller.                                      |   |   |   |   |   |