A Study on Consumer Attitude towards the Replacement of Mobile Phones in Chennai City

Dr. M. Sakthivel Murugan
Principal
D.B. Jain College, Chennai – 600 097, Tamil Nadu, South India

ABSTRACT

Mobile phones have become a way of life and most basic need of Indian population. No one can imagine them without a mobile phone. In today’s consumer world this study has lucidly shown that the replacement has become order of the day and the foremost important reason for replacement of mobile handset is due to style, technology and status improvement where as sentiments does not play any role in the replacement decision. This research paper focus on create a model which may provide a relationship between different variables related to the consumer attitude towards the replacement of mobile phones.

INTRODUCTION

In the present world mobile phones have become a way of life and most basic need of Indian population. No one can imagine them without a mobile phone. Many scholars have tried to explain topics connected to the service providers and the usage of mobile phones. Much research work has not been done on the replacement of mobile handsets. The need was felt to comprehensively assess the satisfaction and attitudinal level of mobile phone users encompassing quality of technical factors, quality of operational aspects of gadgets, replacement attitude and socio psychological cost. This paper is an output of doctoral research with the aim to find out the reason for replacement, to know the brand switching attitude, to study consumer preference towards the mobile phones, purchase decision, product evaluation, sales promotion strategy and post purchase behavioral aspects of mobile phones. The researcher used descriptive-cum-diagnostic design.

OBJECTIVES OF THE STUDY

• To create a model which may provide a relationship between different variables related to the consumer attitude towards the replacement of mobile phones.

SAMPLE SIZE

The questionnaire was circulated among 675 respondents and 636 questionnaires were received and valid, the remaining 26 were not received and 13 questionnaires were invalid. The data has been used for statistical analysis. This gives the result of the study. The data is been collected in Chennai City based on the four zones given in detail as follows.

<table>
<thead>
<tr>
<th>Zone</th>
<th>Questionnaires Circulated</th>
<th>Questionnaires Obtained &amp; Valid</th>
<th>Questionnaires Invalid</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>175</td>
<td>169</td>
<td>04</td>
</tr>
<tr>
<td>South</td>
<td>225</td>
<td>209</td>
<td>06</td>
</tr>
<tr>
<td>West</td>
<td>175</td>
<td>167</td>
<td>03</td>
</tr>
<tr>
<td>Central</td>
<td>100</td>
<td>091</td>
<td>00</td>
</tr>
<tr>
<td>Total</td>
<td>675</td>
<td>636</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: Primary Data
STRUCTURAL EQUATION MODEL

The structural equation model which has been introduced in this study shows a clear link to the objectives of the study. This chapter has given a clear picture to the researcher to make the findings and thereby paved the way for good suggestions and a precise conclusion.

Structural Equation Model analysis is a methodology for representing, estimating and testing a theoretical network of (mostly) linear relations between variables. Usually it consists of three major steps.

Steps

Step 1: The schematic diagram of the theory

Step 2: Doing the confirmatory factor analysis for the variables which have been included in the schematic diagram

Step 3: Based on the results obtained in step 2 the structural equation model has to be developed.

STEP – 1

FIGURE - 2
LOGICAL PROGRESSION FRAMEWORK OF POST PURCHASE BEHAVIOUR AND ITS RELATED VARIABLES
The consumer preference factors such as technological features, augmentation features, sophistication features and external with the support of the sales promotion factors such as motivation and trustworthy leads to the product evaluation. The consumers after evaluating the product for their fullest satisfaction makes a decision to purchase the product. The purchase decision is done based on the positioning and cognitive factor. After making the purchase, the consumers experience with the product leads to a behavior known as post purchase behavior.

STEP-2

The confirmatory factor analysis for the variables consumer preference, sales promotional strategy, product evaluation, purchase decision and post purchase behavioral aspects has been done.

STEP 3: SEM ANALYSIS

Exogenous variables are treated as independent variables which are influenced by the other variables. Endogenous variables are dependent and are explained by the exogenous variables or by other endogenous variables. In this model, two un-observed exogenous variables are technological features (tech) and augmentation features (augum) of mobile preference. The six endogenous variables are product evaluation (evalu), motivation (motiva), warranty of sales promotional strategy, positioning (posit) “need based purchase decision” and post purchase behavior (post). The model is tested with maximum likelihood method. The structure of the SEM is shown in Figure 3.
TABLE - 2
MEASUREMENT OF GOODNESS OF FIT

<table>
<thead>
<tr>
<th>Fitting indices</th>
<th>Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-square value</td>
<td>1961.598</td>
</tr>
<tr>
<td>Chi-square value /df</td>
<td>1961.598/897=2.18</td>
</tr>
<tr>
<td>GFI &gt;0.90</td>
<td>0.92</td>
</tr>
<tr>
<td>RMSEA &lt;0.10</td>
<td>0.043</td>
</tr>
<tr>
<td>NFI&gt;0.90</td>
<td>0.907</td>
</tr>
<tr>
<td>CFI&gt;0.90</td>
<td>0.832</td>
</tr>
</tbody>
</table>

The results of a goodness of fit indices for a structural equation model are shown in the table 2. For a good model fit, the ratio chi-square value/df should be as smaller as possible. By convention, a ratio between 2 and 4 is indicative of a “good” or “acceptable” data model fit. In this study the researcher has obtained a ratio of 2.18. It infers that the overall model fit is adequate to interpret the data. The other goodness of fit indices is also around the specified/recommended value for a good model fit. Hence the above model has been accepted.

Since the respondents are classified as capricious consumers, self esteem consumers and consistent consumers based on the reasons for the replacement of mobiles, the above structured model is fitted separately for the three groups of respondents.

FIGURE – 4
SIMPLIFIED SEM ANALYSIS FOR CAPRICIOUS CONSUMERS
FIGURE – 5
SIMPLIFIED SEM ANALYSIS FOR SELF ESTEEM CONSUMERS

The dotted arrow indicates the indirect relationship of the selected variables with the post purchase behavior.

FIGURE – 6
SIMPLIFIED SEM ANALYSIS FOR CONSISTENT CONSUMERS
(The dotted arrow indicates the indirect relationship of the selected variables and post purchase behavior)

**FINDINGS PERTAINING TO STRUCTURE EQUATION MODEL**

- The capricious character consumers will purchase their mobiles based on the technological features, augmentation features and warranty status of the mobile and simply not based on the festival offers or free gifts.
- The post purchase behavior of the capricious consumers has been highly influenced by product evaluation aspects and need based purchase decision. The product evaluation aspects are highly influenced by the technological features of the mobile and warranty status of the mobile. Product evaluation has higher influence than need based purchase decision.
- Like capricious consumers the self esteem consumers also have higher preference on technological features, augmentation features and warranty status of the mobile.
- The post purchase behavior of the self esteem character consumers has not been influenced by any of the selected variables.
- The post purchase behaviors of the consistent consumer are influenced by technological features and motivational sales strategy in addition to the product evaluation.
- The three groups of consumers have high preference on latest technology such as colour screen, clarity, blue tooth, 3G, technical aspects and other innovative features.
- The factors which influence on endogenous variables such as product evaluation, purchase decision and post purchase behavior are different for the three groups of consumers.
- The post purchase behavior of the self esteem consumers is not related to any of the selected variables.
- In all the three groups of consumers, the augmentation features and positioning factor of purchase decision has no significant influence on the post purchase behavior.
- In general, the post purchase behavioral satisfaction mainly depends on the purchase based on need, price of the mobile, quality of the mobile and basic technological features namely camera, colour screen and warranty provided.

**CONCLUSION**

It has been concluded that brand management plays an important role and as such branding has been very successful in the mobile industry and this study clearly reveals that the brand strategy has emerged as a clear winner. The switching pattern of mobiles is one of the key findings in the study. This switching pattern has been influenced by the style, status and mobile handset brand presently used.

**REFERENCES:**