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Analysis of Customer's Perception on Samsung Android Smart phones in Mangochi District, Republic of Malawi.

Dr. J. Robert E. Chester

Associate Professor & Head, Department of Management and Commerce, DMI-St John the Baptist University, Rep. of Malawi, Central Africa.
Corresponding Author Email Id: edwinshobha@gmail.com

Abstract

This study portrays the consumers usage on Samsung phone in Mangochi District, Republic of Malawi, is done keeping in mind the Samsung market trends in the district and also what drives the consumers to buy Samsung product in today's time. The aim of this research is the consumers' perception of the brand Samsung in Mangochi District. The main objective of the study is to explore the Samsung market trends in the district and to find its sustainability as an exclusive showroom, to bring out the factors from their perception of Samsung and finally the consumer's perception of the brand Samsung in the district. The analysis has come out with major findings in all aspects of the brand like buying behaviour with respect to age, occupation and educational qualification of the respondents. The analysis has also created a link between the various factors like cost, location, and comparison of Samsung with other company brands available in the market. With respect to the consumer perception, it has been found out that they have a positive feedback towards the brand and hence there is an ample scope for the sustainability of an exclusive shop in the district of Mangochi.

Keywords: Buying Behaviour, Perception about brand, Trend of Samsung Phone

Introduction

Samsung's phones are loved by a lot of people and its name is synonymous with reliability. It is one of the biggest brands in Telecommunications Industry globally. It has its presence in every segment of the market. It offers the cheapest of phones with the most basic features as well as high-end swanky phones with all the latest features. Prices of appliances of Samsung are usually competitor based, in such a way that, they try to have their cost a bit lower than those of the closest competitors, but not as low as the "smallest" competition as consumers do not mind paying some more money for the "extra quality" they will get a well known brand, such as Samsung.

From its inception as a small export business in Taegu, Korea, Samsung has grown to become one of the worlds leading electronics companies, especially in digital appliances and media, semiconductors, memory, and system integration. Today Samsung's innovation and high quality appliances and processes are recognized throughout the world. This timeline captures the major milestones in Samsung's history, showing how the company expanded its product varieties and reach, grew its revenue and market share, and has followed its mission of making life better for buyers around the world.

Selection of the Study Area

Mangochi is a district in the Southern Region of Malawi where the capital is Mangochi. The district covers an area of 6273 km and has a population of 610,239. The Mangochi District is a real hub of commerce. It is a transit point, with roads leading to all areas of Malawi and Mozambique to the east. It is fiercely hot in summer and ambient in winter. It is located on the flood-plain of Lake Malawi. The lake is the third largest and mostly southerly in the Rift Valley lake system being Lake Victoria and Lake Tanganika, and is unofficially known as the Lake of Stars. The lake was named by David Livingstone as he discovered it on September 18, 1959, for the effect of the reflection of the sun on the water’s surface.

Some of the key local government structures that exist in Mangochi district includes the office of the District Commissioner (DC): responsible for overall administration; The District Executive Committee (DEC): the technical advisory body to the District Council; Area Development Committees (ADCs): responsible for development of projects in traditional and sub- traditional authorities and for mobilizing community resources to implement them; Area Executive Committees (AECs): responsible for advising the ADCs and VDCs on all aspects of local development. The Village Development Committees (VDCs): a committee of community responsible for identifying needs and facilitating planning and development in local communities. The Village Health and Water Committees (VHWCs) and Water Point Committees (WPCs): committees of community volunteers responsible for water, sanitation and hygiene (WASH) at village level.

Brief Literature Survey

This part of the paper attempts to make a review of research articles in the related field of the study undertaken. A focused review of the available literature helped us to get in depth of the topic and to understand the contributions of others as well as to identify the research gap.

Bitta (2002) observes the term customer as typically used to refer to someone who regularly purchase from a particular store or company. The term, consumer, more generally refers to any one engaging, acquiring, using or disposing or goods and services.

According to a famous web portal (www.brint.com) the components of customer value are simple. Product quality, service quality, price and image, shape a customer's perception value. A firm's strategy and performance in these areas are integrated by customers' perception of value proposition. This is particularly important for first time customers. In this highly competitive business environment, the customers will compare the perceived value of competitive offerings. The ultimate 'winner' in the battle for the customers' pocketbook is the firm that delivers the 'best value' from the customer's perspective.

In the study by Gwin (2003), the Lancaster model of consumer demand is referred as the product attributes model to evaluate brand positioning. This model assumes that consumer choice is based on the characteristics of a brand.

According to Mason and Bequette (1998) perception of product performance are more important than actual performance. The authors opined that marketing managers should know the attributes that consumers expect in a product as positive or negative attributes help develop and promote a successful product. These articles provided insight to the topic and no significant research work is done in consumer perception of Samsung brand in Mangochi district.

Objectives

- To understand the demographic profile of the sample respondents Mangochi District, Rep. of Malawi, Central Africa.
- To evaluate the consumers general buying behaviour of cell phones.
- To assess consumer perception of Samsung brand.
- To understand the trend of Samsung market in Mangochi district.

Research Methodology

The present descriptive study aims to understand consumer perception of Samsung smart phone in Mangochi District of the Rep. of Malawi. Primary data for the study was collected by means of questionnaire survey conducted in Mangochi District. A total of 125 questionnaires were delivered to prospective respondents of which 112 questionnaires were returned with a response rate of 90 percent. Convenience and judgement sampling techniques were adopted to form the sample. The statistical techniques used to interpret the collected data were percentages, mean, standard deviation, correlation among. Likert five point scale, ranging from excellent to poor were used to get responses for some questions. The results help to understand the general perception on Samsung smart phones in Mangochi District and comparative position of Samsung and other brands.

Research Results

Personal profile

In this section the researcher analysed the age profile, educational profile and occupational profile of the respondents. Age profile shows that 40% of the respondents belong to the age of 30 -35 years, 34% of the respondents in the age group 25 – 30 years, which together accumulated three quarters of the total sample size. The average age of the sample respondents has been estimated as 30.1 years with a standard deviation of 4.39. The numerical value of standard deviation shows that there is not much variability of age across the number of samples. There is also general perception that people in the young age or middle age are more enthusiastic and involved in the usage of Samsung smart phones.

The educational background was done in order to find out how they perceive the product and whether it makes any impact on their buying judgement. The school students are not included in this particular research because of age factor. According to the survey majority of the respondents (82%) have a high educational background, with graduate and post graduate degree holders. The least 10% of the respondents are other category as diploma holders which include polytechnic, diploma in pharmacy and catering technology. Around 44% of the respondents belong to student category, pursuing graduation, post graduation and diploma courses in various institutions and 32% are working professionals. Only 24% of respondents are self employed. This shows that the perception and attitude of the respondents are dependable for deriving conclusions of the study.

General Buying Behaviour cell phones

After analysing the demographic profile of the respondents, this section deals with the second objective of the study. Regarding the buying trend of Samsung cell phones or the frequency of purchase it was found that 37% of the respondents buy cell phone once in three years on an average while 31% of the respondents buy once in two years. This is followed by 24% who prefer to change phone once in a year. The buying frequency is correlated with certain personal variables to understand its mutuality among certain variables. The correlation between age profile and buying frequency showed a negligible positive correlation 0.119. This might be due to the dominance of young and middle aged people in the chosen sample.

The cost factor plays important role in consumer buying decision. The results of the survey show that 50% of the respondents do not prefer buying costly cell phone. Around 30% of the mobile users are ready to buy costly phones occasionally, while only 16% go for it frequently and a negligible 4% do not mind purchasing costly phone very frequently. This clearly depicts that majority of the respondents' buying decision of cell phones is influenced by price. The correlation co-efficient of age and cost factor shows a negligible negative value (0.266) implying no significant association between these variables.

In Mangochi district most of the retail cell phone retail shops are located in long distance towns. Question was asked to find out the attitude of consumers to travel distances for purchasing cell phones. Of the total respondents, a major 60% would never go the distance to purchase their preferred model. Around 32% of the respondents afford to travel long distance for chosen brand sometimes. Only 8% do not mind covering distance stores and they frequently visit the long distance retail shops or showrooms to get value for the purchase decision. However the majority are not so keen to run around for the preferred model or brand.

Consumers look for different parameters while purchasing a cell phone. The respondents were asked on the various factors, that usually they look for when buying a phone such as comfort, style, price and availability. A major 56% of the users have rated comfort (ease of use) as the most important factor. The second important factor influencing buying decision is price as revealed by the respondents. Only 16% prefer style of the cell phones and give consideration to this factor. Very few of the respondents attach preference for the availability of cell phones.

Perception about the brand Samsung

The third objective of the study was to assess the consumer perception on the brand 'Samsung'. The respondents were asked how they would get information regarding the models of Samsung that were launched into the market. This also helped to analyse their perception on the brand of Samsung. A significant 40% of the respondents got new product information over the internet. This is followed by 30% of the respondents receiving information through television, followed by 16% through press, news papers, magazines, trade and technical journals etc. Very few depend on friends, relatives, salesmen and window display to get information on Samsung.

Samsung has variety of models, which has been a major reason for success in the global market. Respondents were asked about the comparative position of other common brands in the market. Around 37% of the respondents would prefer to buy Samsung cell phones because of different satisfied models. This is followed by 26% of the customers choosing Apple phones, another renowned cell phone. Sony was next preferred by 21% of the respondents. Only a small section 16% of respondents prefer to buy other brands (of Malawi and India) if preferred Samsung models are not available.

To understand the reasons for a large market share of Samsung, the respondents were asked to rate various attributes on a five point scale ranging from excellent to poor. The ratings were given as 1=excellent, 2=very good, 3=good, 4=average and 5=poor on brand name, durability, comfort, style and price.

Ranking	Attributes	Weighted Average
1	Brand Name	1.836
2	Durability	2.24
3	Comfort	2.46
4	Style	3.2
5	Price	3.7

The weighted arithmetic mean scores suggests that the prime reason for selecting Samsung is the brand name associated with it. The next in ranking is the durability of the product with a mean score 2.24 followed by comfort of the usage as the third preferred parameter of Samsung compared to other brands. Even if the price gets the least rank, the mean score of 3.7 for price shows majority of the respondents have given good to average rating for this aspect. This further implies that Samsung users are not highly satisfied with price factor of cell phones.

Trend of cell phone market in Mangochi District

This section deals with market trend of Samsung in the district chosen in the study and the opinion of the respondents regarding the suitability of launching an exclusive Samsung showroom in the district. Majority (40%) of the respondents are satisfied with the existing market trend of Samsung in the district. Another 30% of the respondents are highly satisfied with the growing market for Samsung. Very few are not satisfied with the market trend in the district. This clearly shows that a vast majority of the Samsung users are quite satisfied with the trend of Samsung market in the chosen district.

To analyse further the cell phone market trends in the district, respondents were enquired regarding various shopping possibilities or alternatives. People generally buy cell phones either from Samsung showrooms or the other cell phone shops. Of the total respondents a significant 66% prefer to buy cell phone from other mobile phone shops rather than an exclusive outlet of Samsung. This is followed by 20% who resort to second hand purchase. Only small group (14%) of respondents prefer purchasing Samsung cell phone from the exclusive showrooms. It can be noted that the district does not have sufficient exclusive Samsung showrooms.

One of the objectives of the study is to identify whether the consumers would prefer to have an exclusive showroom for Samsung. Majority of the respondents acknowledged the idea of an exclusive showroom in the district. According to the survey more than half (36% and 18% of them agree and strongly agree respectively to the idea) of the sample respondents welcome the notion of having exclusive show room for Samsung. Around 34% of the respondents disagree with it. This may be seen contradictory to their opinion of buying habit revealed in the previous section (majority buy from any retail outlet of cell phones). This is because presently they are not given much option from where to buy Samsung phones.

Conclusion

This study has brought about certain unexplored trends regarding Samsung cell phones in Mangochi district. Majority of the respondents are young adults pursuing academics or professional courses and technology courses. Most of them look for cell phones with reasonable price. Comfort plays a vital role in selecting a brand for cell phone. The data analysis establishes the brand superiority of Samsung, in relation to other brands. The respondents are quite satisfied with the durability, comfort and style of Samsung cell phones. There is a general positive outlook towards the availability of exclusive showroom of Samsung in the district. Samsung even though being a global giant still has not captured the complete Mangochi district market as of now. Hence the company should come out with better marketing strategies specially pricing strategies in order to update the customers more about the new models and exclusive features.

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Table 1: Personal profile

Age	**%**	**Qualification**	**%**	**Occupation**	**%**
20 – 25	10	School level	8	Students	44
25 – 30	34	Graduates UG & PG	82	Self Employed	24
30 – 35	40			Others	32
35 – 40	16	Others	10		

Table 2: General buying behaviour

Buying Trend	%	Costly phone	%	Long distance	%	Product Features	%
Twice in a year	8	Never	50	Never	60	Price	20
Once in a year	24	Occasionally	30	Occasionally	32	Comfort	56
Once in 2 years	31	Frequently	16	Frequently	4	Availability	8
Once in 3 years	37	Very frequently	4	Very frequently	4	Style	16

Table 3: Samsung market trend

Market trend	%	Buying Options	%	Exclusive Showroom	%
Highly unsatisfactory	Nil	Samsung Showroom	34	Strongly disagree	Nil
Unsatisfactory	20	Online	Nil	Disagree	34
Neutral	10	Other shops	66	Neutral	20
Satisfactory	40			Agree	36
Highly satisfactory	30			Strongly agree	10

Table 4: Perception

Knowledge	%	Alternatives	%
Internet	45	Sony	21
Television	30	Apple	26
Radio	5	Samsung	37
Press	16	Others	16
Others	4		