

Review Article

A Study on Perception of Mobile Phone User's of Bhubaneswar Towards Chinese Mobile Phone's Quality

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Abstract - With the advancement of technology and people becoming tech-savvy, the Bhubaneswar market has become cosmopolitan as far as electronic gadgets are concerned. People have become exposed to the cyber-environment and have become more and more risk-takers and early adapters. The buying behavior is so dynamic that people are least bothered about the price if they get all the features they want. The Internet has educated the consumers to such an extent that they don't wait for the promotion. Proactively they look for the products to be released in the near future. But in spite of all these, quality is a buzzword in today's world, and companies cannot ignore this important factor. Consumers in the today's world measure value for money, and that is crucial for every investment of the consumer in buying a product. Research on consumer perception and buying behavior has spanned over three decades after India implemented an "Open door policy" by inviting companies abroad to come to India and set up their manufacturing facilities. Immediately after LPG, many American, Canadian, French, Chinese companies had invested in this vast Indian market which consists of more than 700 million middle class with purchasing power. Barring Chinese companies, almost all other companies have won the confidence of the consumers in India. But there is a notion about the Chinese products of not being durable and cheap. The study, therefore, aims to examine the perceptions of the consumers of Bhubaneswar towards the quality of Chinese mobiles.

Keywords - quality, affordability, durability, consumer satisfaction, value, country-of-origin

I. INTRODUCTION

Globalization has contributed a lot to the availability of different products and the presence of foreign companies in India. History of globalization traces back to the ancient civilization when foreign invaders had brought culture,

language, commodities to India. Thanks to the political will and determination of erstwhile Prime Minister Late P.V. Narasimha Rao, India accepted adapted and implemented liberalization, privatization, and globalization in the year 1991. That paved the way for the foreign companies from countries like America, France, and China to come and invest in India.

The history of the relationship between China and India dates back to the 2nd century BC, and today in the 21st century, it has attained a business of 85 billion dollars. Today India and China are the two Asian giants of growing and bulging economies with a market size worth more than 2 billion middle-class population. To enhance the bilateral relationship, both the countries have set up some modalities in the dialogue process as far as economic, political issues are concerned. Exports to China have risen manyfold, and Indian companies like Adani, Dr. Reddy, Jindal steel, BHEL, BEM Ltd have opened their branches in China. Similarly, the trade surplus is heavily tilted in favor of China, with Chinese exports to India rising by 45 times. The imports include machinery equipments, iron & steel, metals, and textiles.

India's telecom market is the second-largest in the world in terms of the number of telephones (both landline and mobile) subscribers. Liberalization of telecommunication was started way back in 1980 when the then Prime Minister Indira Gandhi had allowed the French company Alcatel CIT to sign a contract with state-owned Indian Telephone Industry (ITI). Post-1991 Govt of India established the Telecom Regulatory Authority of India (TRAI) to monitor the operation of private telecom companies like Vodafone, Hutch, Virgin Mobiles, Airtel, Uninor, etc. Today India has become the smartphone manufacturer's universe as the people's appetite for these electronic gadgets of different



brands with varied features has grown in leaps and bounds despite the global slowdown.

The entry and success of Chinese mobiles in India are largely due to the failure of Indian brands like Micromax, Intex, Karbonn, Lava, etc. There was a time when these two brands Micromax, Intex were ruling with more than 54% of the Indian Market, which today is less than 10%. Shenzhen-based Gionee was the first china brand to enter into India. Later Gionee was sold to Karbonn mobiles of India. If we look back, in the few years, the Chinese mobiles have dominated the Indian market by overpowering the brands like Nokia, Samsung, etc. Today four of the top five Smartphone brands are from china like Xiaomi, Oppo, Vivo, Realme, Lenovo, etc.

Top 5 Smartphone Brands in India Q3 2019: (Source:- <https://candytech.in/smartphone-market-share-india/>)

1. Xiaomi – Market Share – 26%
2. Samsung – Market Share – 20%
3. Vivo – Market Share – 17%
4. Realme – Market Share – 16%
5. Oppo – Market Share – 8%
6. Others (Apple, LG, Huawei, Asus, Google, Lenovo, Motorola, etc.) – Market Share – 13%

Today Chinese mobiles are presumed to be popular in India, and our survey about the perception of people, users of Bhubaneswar, capital of the state of Odisha with a population of about 1 million, would add to that presumption.

II. LITERATURE REVIEW

The purchase intentions of the consumers buying mobile phones are very complex. Their search is limited to a specific country, or the mobile is a matter of research. Because sometimes country-of-origin dominates the brand of mobile. But quality is so important in attracting and retaining the customers that the marketer has to ensure it before selling to the customers. (Lai Chi Choy, 2015)

The perception of the buyers before buying a Chinese product is also important because as it is the “cheap” image of these products that are already haunting in the market.(Abdullah Sarwar, S.M. Ferdous Azam, Ahasanul Haque, et al, 2013)

The term “Made in” is an important phrase in the perception of a product as far as brand is concerned. (Nagashima, 1970).

Past research on the factor of pricing has revealed that people buy a specific brand that is of value and the performance worth of money. That makes the consumers very price-conscious, and they try to get the best deal worth of their money (Sternquist, Byun and Jin, 2004).

III. OBJECTIVES

- 1) To study about the important factors of buying decision of consumers in Bhubaneswar
- 2) To know the association between various factors such as price and quality; durability and quality; price and durability.

IV. RESEARCH METHODOLOGY

The study was based on primary data, which was collected through a structured questionnaire (the questions are closed-ended with multiple choices). A sample of 113 respondents was taken on the basis of convenience. Attempt has been made to find out whether the factors such as price, quality, durability, country of origin, reliability, ease of use affect the buying decision of consumers in Bhubaneswar. Also, whether there is an association between price and quality, quality and durability, and price and durability have been tested using chi-square analysis.

A. Chi-square test:

Chi-square test formula = $\sum ((\text{Observed frequency} - \text{expected frequency})^2 / \text{Expected frequency})$
The computer calculates a Chi-square (pronounced Ki-square) value. If the actual data and expected data (if no difference) are identical, the Chi-square value is 0. Greater differences between expected and actual data produce a larger Chi-square value. The larger the Chi-square value, the greater the probability that there really is a significant difference. The Chi-square test is carried out by using Excel 2007.

V. ANALYSIS AND INTERPRETATION

The questionnaire has been developed to know about the consumers of Bhubaneswar city in detail. Data analysis enables us to know different patterns and associations between the variables. 113 respondents were taken, and it was observed that 60% of respondents were female and 40% of respondents were male. 80% of respondents were in the age group of (21-30). 92% of the respondents were unmarried. 81% of respondents were students. Figure 1 shows a pie chart that represents the percentage of respondents favoring country of origin before buying a mobile phone. It shows that 42% of the respondents want to buy a mobile that is manufactured in India.

Consumer ethnocentrism is a major aspect of buying products, but sometimes it differs from consumer to consumer based on individual perception. But somewhere in the mind of the consumer, there is a link between the country-of-origin and quality of products because people have a perception that products from developed countries are better than the developing countries as far as quality is concerned. (Wang & Lamb, 1983). But this also has limited takers in places like Bhubaneswar in Odisha.

Table 1.

Country of Origin Affecting Buying Decision	
Yes	47 (42%)
No	66 (58%)

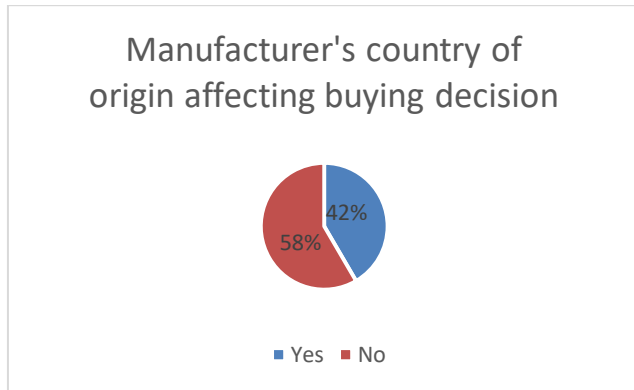
**Fig. 1**

Fig. 2 depicts the preferred country of origin of Bhubaneswar consumers. It is shown in the bar graph that out of 113 respondents, 52 respondents prefer China as the preferred country of origin, followed by 51 respondents who prefer India as the preferred country of origin.

Table 2.

Preferred Country of Origin	
China	52
India	51
America	10

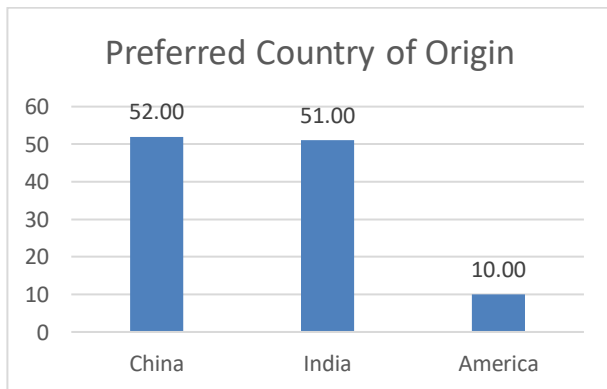
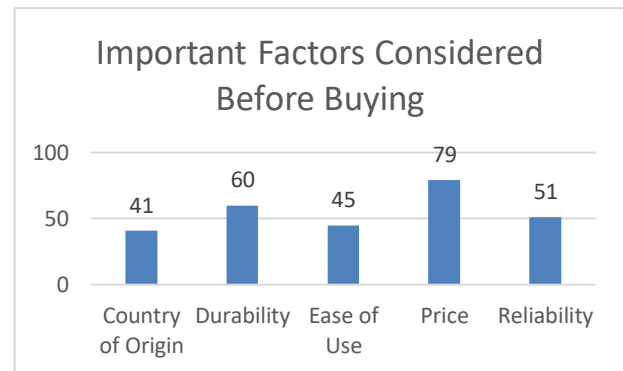
**Fig. 2**

Fig. 3 shows a bar chart that represents factors that consumers of Bhubaneswar consider before buying a mobile. In the Bar chart below, it is shown that 79 respondents out of 113 respondents consider Price as an important factor, followed by 60 respondents who consider durability as an important factor. 41 respondents consider the country of origin as an important factor.

Table 3.

Factors Considering Before Buying	
Country of Origin	41
Durability	60
Ease of Use	45
Price	79
Reliability	51

**Fig. 3**

A. Price and Quality

H0: There is no association between price and quality

H1: Price and quality are correlated

Table 4 shows a cross-tabulation of price (inexpensive) and quality (good quality) which are the observed values. Opinions of respondents have been collected on a 5 point scale (1: Strongly disagree and 5: Strongly agree). Table 5 shows a cross table for expected frequencies for the same factors price and quality along with the p-value of a chi-square test. It is shown in table 5 that the p-value is 0.07, which is > 0.05 . Hence it is not significant. That means H0 is accepted. Hence it can be concluded that there is no association between price and quality. Consumers of Bhubaneswar don't think that high price indicates that the quality is also good or low price indicates the quality is bad.

Table 4.

Count of Respondent	Good quality					
Inexpensive	Agree	Disagree	Neutral	Strongly Agree	Strongly Disagree	Grand Total
Agree	12	2	5	3	1	23
Disagree	3	4	6	1	3	17
Neutral	17	4	23	2	2	48
Strongly Agree	8	-	4	4	1	17
Strongly Disagree	2	2	2	-	2	8
Grand Total	42	12	40	10	9	113

Table 5.

Count of Respondent	Good quality					
Inexpensive	Agree	Disagree	Neutral	Strongly Agree	Strongly Disagree	Grand Total
Agree	8.55	2.44	8.14	2.04	1.83	23
Disagree	6.32	1.81	6.02	1.50	1.35	17
Neutral	17.84	5.10	16.99	4.25	3.82	48
Strongly Agree	6.32	1.81	6.02	1.50	1.35	17
Strongly Disagree	2.97	0.85	2.83	0.71	0.64	8
Grand Total	42	12	40	10	9	113
P =	0.0706					

B. Durability and Quality

H0: There is no association between durability and quality

H1: Durability and quality are correlated

Table 6 shows a cross-tabulation of durability and quality (good quality), which are the observed values. Opinions of respondents have been collected on a 5 point scale (1: Strongly disagree and 5: Strongly agree). Table 7 shows a cross table for expected frequencies for the same factors, durability, and quality along with the p-value of a chi-square test. It is shown in table 7 that the p-value is 9.6E-16, which is < 0.05 . Hence it is significant. That means H0 is rejected. Hence it can be concluded that there is an association between durability and quality. Consumers of Bhubaneswar think that a mobile which will last long is of good quality.

Table 6.

Count of Respondent	Good quality					
Durability	Agree	Disagree	Neutral	Strongly Agree	Strongly Disagree	Grand Total
Agree	23	-	14	2	1	40
Disagree	1	4	3	-	1	9
Neutral	12	7	21	-	1	41
Strongly Agree	6	-	1	8	-	15
Strongly Disagree	-	1	1	-	6	8
Grand Total	42	12	40	10	9	113

Table 7.

Count of Respondent	Good quality					
Durability	Agree	Disagree	Neutral	Strongly Agree	Strongly Disagree	Grand Total
Agree	14.87	4.25	14.16	3.54	3.19	40
Disagree	3.35	0.96	3.19	0.80	0.72	9
Neutral	15.24	4.35	14.51	3.63	3.27	41
Strongly Agree	5.58	1.59	5.31	1.33	1.19	15
Strongly Disagree	2.97	0.85	2.83	0.71	0.64	8
Grand Total	42	12	40	10	9	113
	P =	9.6E-16				

C. Price and Durability

H0: There is no association between price and durability

H1: Price and Durability are correlated

Table 8 shows a cross-tabulation of price(inexpensive) and durability, which are the observed values. Opinions of respondents have been collected on a 5 point scale (1: Strongly disagree and 5: Strongly agree). Table 9 shows a cross table for expected frequencies for the same factors, price, and durability along with the p-value of a chi-square test. It is shown in table 9 that the p-value is 0.1, which is > 0.05 . Hence it is not significant. That means H0 is accepted. Hence it can be concluded that there is no association between price and durability. Consumers of Bhubaneswar think that a mobile that is more expensive is also durable or lasts long.

Table 8.

Count of Respondent	Durability					
Inexpensive	Agree	Disagree	Neutral	Strongly Agree	Strongly Disagree	Grand Total
Agree	9	2	8	3	1	23
Disagree	6	3	5	1	2	17
Neutral	18	1	23	4	2	48
Strongly Agree	6	1	4	5	1	17
Strongly Disagree	1	2	1	2	2	8
Grand Total	40	9	41	15	8	113

Table 9.

Count of Respondent	Durability					
Inexpensive	Agree	Disagree	Neutral	Strongly Agree	Strongly Disagree	Grand Total
Agree	8.14	1.83	8.35	3.05	1.63	23
Disagree	6.02	1.35	6.17	2.26	1.20	17
Neutral	16.99	3.82	17.42	6.37	3.40	48
Strongly Agree	6.02	1.35	6.17	2.26	1.20	17
Strongly Disagree	2.83	0.64	2.90	1.06	0.57	8
Grand Total	40	9	41	15	8	113
	P =	0.1076				

CONCLUSION

The findings of this literature are mainly identifying the factors that influence the Bhubaneswar consumers buying decisions regarding the mobile phones, whether there is a concern for country of origin before buying mobile phones. Which country of origin is preferred most. Whether there is a relationship between price, quality, and durability, it was observed that 60% of respondents were female, and 40% of respondents were male. Most of the respondents are young. It is found that 80% of respondents were in the age group of (21-30). 92% of the respondents were unmarried. 81% of respondents were students. The percentage of respondents looking for India as a manufacturing country of origin before buying a mobile phone is 42%. Most of the respondents prefer to buy a Chinese mobile phone. Most of the respondents opted for the price as the most important factor for buying a mobile phone, followed by durability. Consumers of Bhubaneswar don't think that high price indicates that the quality is also good or low price indicates the quality is bad. It can also be concluded that there is an association between durability and quality. Consumers of Bhubaneswar think that a mobile that will last long is of good quality, and a mobile that is more expensive is also durable and lasts long.

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