

A Comparative Analysis of Attitude of Customers during the Purchase of Samsung and iPhone in Mobile Communication Industry

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Abstract

The study indicates that the behavior of consumers while buying one product over the other is highly unpredictable. Mobile Communication industry is one of the fastest growing industries in the current market. While most consumers are confused while making a choice between iPhone and Samsung, this study suggests that consumers have a preference for iPhone over Samsung.

Even though the cost of iPhone is more than the cost of Samsung, the demand of iPhone remains steady. iPhone has become one of the globally valuable brand names. The consumer in India shows a preference towards the features it provides and the brand name association with an iPhone.

Keywords: Samsung, iPhone, Cost, Demand, Attitude, Consumer

Paper Type: Sample Survey

Introduction

Samsung India is the hub for Samsung's South West Asia Regional operations. The South West Asia Headquarters looks after the Samsung business in Nepal, Sri Lanka, Bangladesh, Maldives and Bhutan besides India. Samsung India which commenced its operations in India in December 1995. Headquartered in New Delhi, Samsung India has a network of 19 Branch Offices located all over the country. The Samsung manufacturing complex housing manufacturing facilities for Colors Televisions color Monitors and Washing Machines is located at Noida, near New Delhi. Samsung 'Made in India' products like Color Televisions, Color Monitors and Refrigerators are being exported to Middle East, CIS and SAARC countries from its Noida manufacturing complex. "Our aim is to gain technological leadership in the Indian marketplace even as our goal is to earn the love and respect of more and more of our Indian consumers," says the CEO of the company, Kwon Oh-hyun.

Apple's iPhone is a line of smart phones designed and marketed by the Company with their own iOS mobile operating system. The first generation iPhone was released on June 29, 2007; the most recent iPhone model is the iPhone 7, which was unveiled at a special event on September 7, 2016.

Apple's current vision statement was introduced by Tim Cook who is the current CEO of the company after Steve Jobs, states, "We believe that we are on the face of the earth to make great products and that's not changing. We are constantly focusing on innovating. We believe in the simple not the complex. We believe

that we need to own and control the primary technologies behind the products that we make, and participate only in markets where we can make a significant contribution. We believe in saying no to thousands of projects, so that we can really focus on the few that are truly important and meaningful to us. We believe in deep collaboration and cross-pollination of our groups, which allow us to innovate in a way that others cannot. And frankly, we don't settle for anything less than excellence in every group in the company, and we have the self-honesty to admit when we're wrong and the courage to change. And I think regardless of who is in what job, those values are so embedded in this company that Apple will do extremely well."

Framework of Study

Objectives of the Study

Primary Objectives

- To compare iPhone and Samsung Handsets on the basis of customers preference and satisfaction

Secondary Objectives

- To know the factors that affects the sales of Handsets.
- To know the need of customers.

Research Methodology

The research is a primary sample survey. Random sampling method was used for the study.

The sample size is 100 consumers.

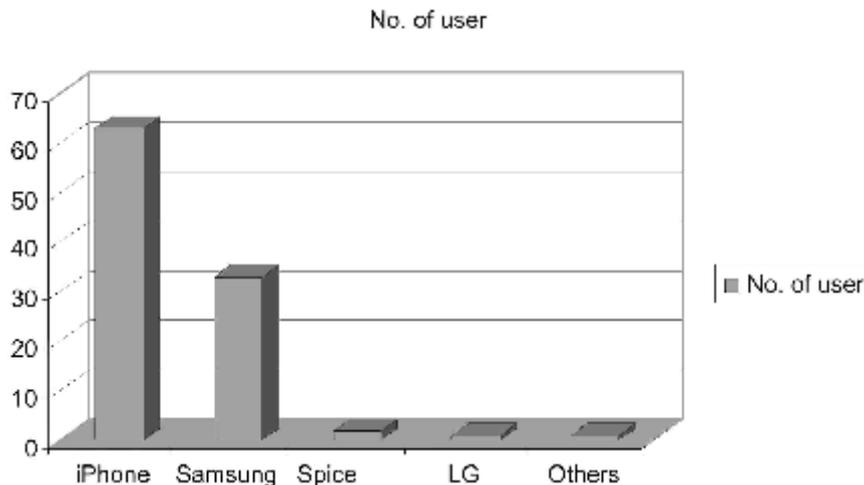
Analysis of The Questionnaire

Attribute Analysis by sample

Options	iPhone(63)	Samsung(33)
Good Looks	61	10
Better Sound and Nnetwork	30	61
Other	24	18
Light Weight	40	48
Easy Availability of Mobile Software	37	3
Good Quality of Battery	37	33

Q1. Which mobile phone does the consumer use?

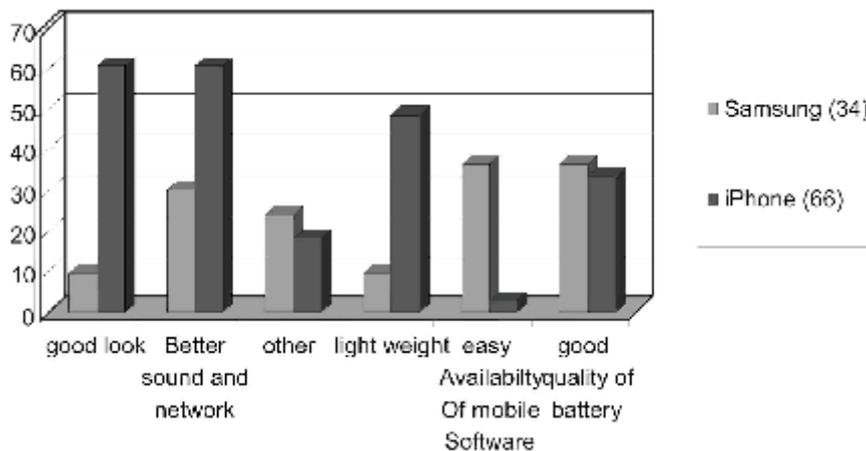
Mobile Brand	No. of User
iPhone	63
Samsung	33
Spice	2
LG	1
Others	1



Source: Primary Data

Interpretation: The number of consumers buying iPhone is higher than that of Samsung and other phones from the mobile communication industry.

Q2. What are the reasons for buying the iPhone/Samsung mobiles?



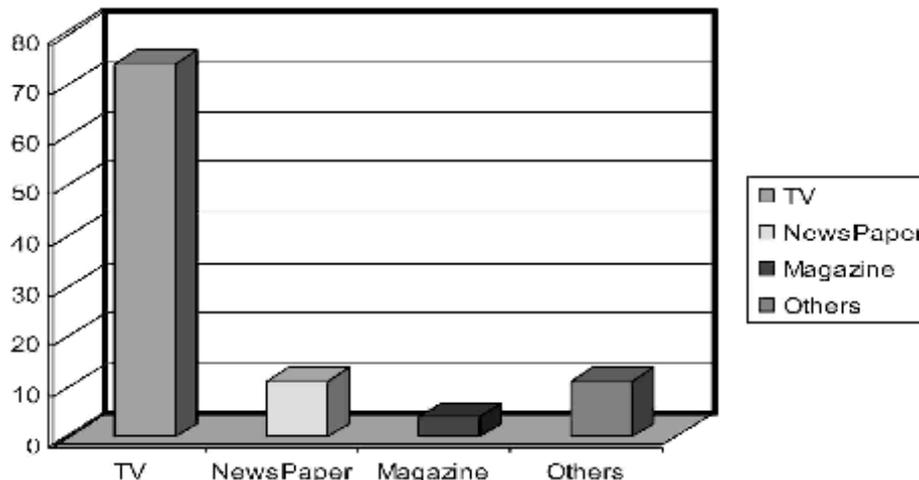
Source: Primary Data

Interpretation:

As per the data, consumers are clearly biased towards iPhone because of its appealing looks and better sound and network system along with its light weight and good quality. One of the major reasons of selecting iPhone over Samsung was its goodwill in the market.

Q3. Where did the consumers see the Advertisement?

Options	No. of user
TV	74
Newspaper	11
Magazine	4
Others	11



Source: Primary Data

Interpretation:

As per data analysis, iPhone initially only catered to the niche market but slowly and gradually it expanded its horizon and the advertisements of iPhone were too been seen on Television.

Q4. What kind of Promotion attracts you more?

Options	iPhone	Samsung
Event Promotion	10	12
Schemes	25	30
Festival Discount	24	12
Discount Offer	19	39
Proper Advertising	32	64

Source: Primary Data

Interpretation

For iPhone users – advertising, schemes & discounts attracts more customers.

For Samsung users- advertising was found to be more effective than other factor. This could be because of Aamir Khan who endorsed the brand was being shown as a common person in middle class family & not as celebrity.

Q5 General Impression on Price of iPhone/Samsung phones

Options	iPhone	Samsung
High	21	8
Reasonable	73	90
Low	2	6

Source: Primary Data

Interpretation:

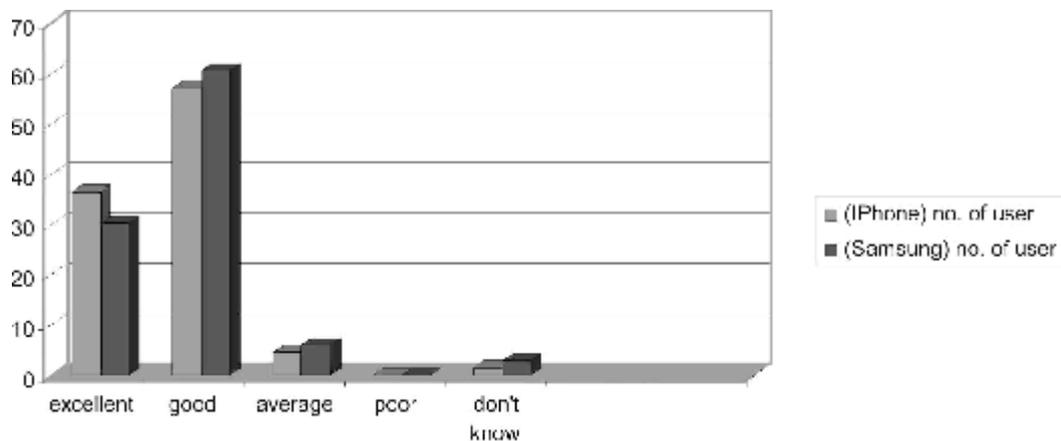
iPhone uses Skimming Pricing Strategy to capture the niche market first and then gradually capture the entire market by cutting down the price to its minimal extent.

On the other hand, Samsung has used Penetration Pricing Strategy to capture the lower middle income group initially and then slowly reaching out to the higher income group as well.

But, the strategy of iPhone has proved to be in its favor.

Q6. Consumers review on Network & Features of iPhone/Samsung as Compared to Samsung/iPhone.

Options	(iPhone) No of user	(Samsung) No of user
Excellent	37	30
Good	57	61
Average	5	6
Poor	0	0
Don't Know	2	3



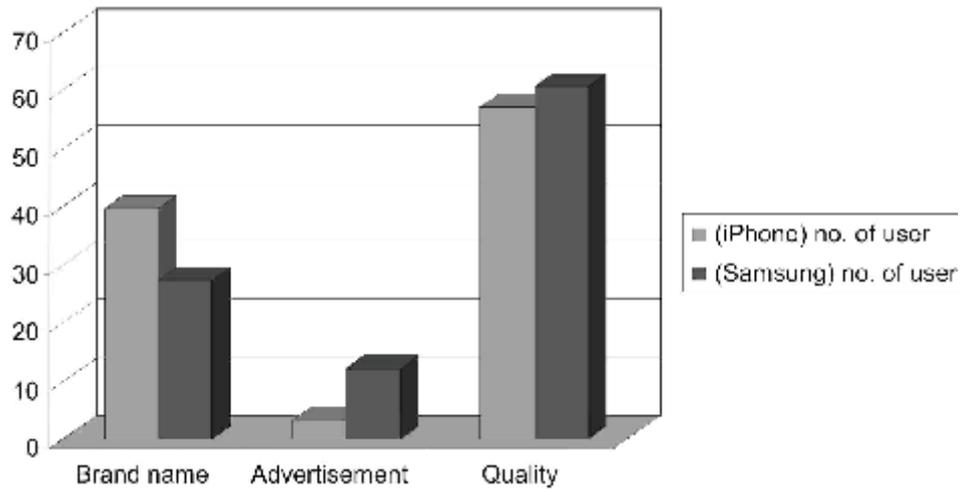
Source: Primary Data

Interpretation

iPhone users feel that network & features of phone are good & therefore this gives it an edge as a valuable brand.

Q7. What factors made you to buy iPhone handsets as compared to Samsung

Options	(iPhone) No of user	(Samsung) No of user
Brand Name	40	27
Advertisement	3	12
Quality	57	61



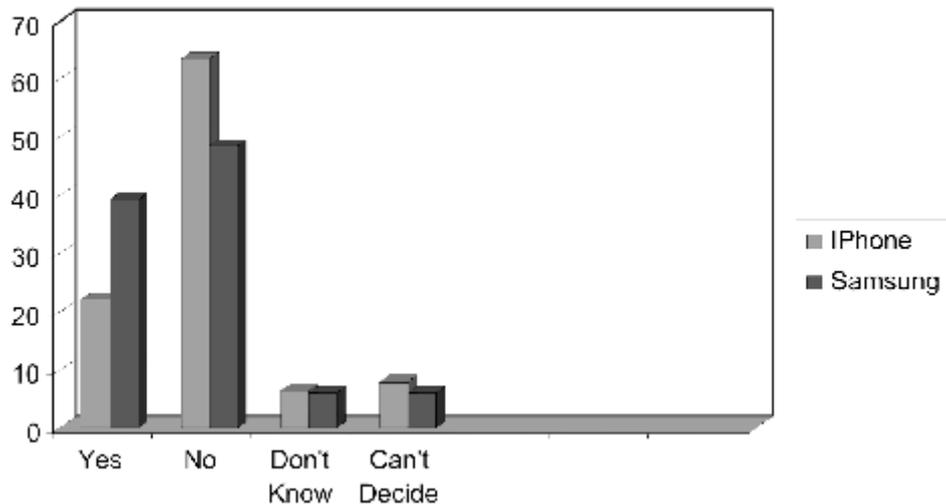
Source: Primary Data

Interpretation

iPhone users / Samsung users prefer their phones / handsets because of quality reasons & consider it more important than reputation of brand & Advertisement. Advertisement was not considered at all while choosing a handset.

Q8. If you want to switch to other brand than iPhone would you switch to Samsung or Vice Versa?

Options	iPhone	Samsung
Yes	22	39
No	63	48
Don't know	6	6
Can't decide	8	6



Source: Primary Data

Interpretation

iPhone users are very “brand loyal” which is seen in result since 63% users do not wish to change / switch to any other / Samsung handset. However percentage of Samsung users who are brand loyal is only 48%. And about 40% are willing to switch brands to iPhone if given a choice.

Observation & Findings

Out of 100 respondents 63 said iPhone, 33 said Samsung, 02 said Spice, 01 said LG and 01 said other. 61% of the respondents give the reason that they have purchased Samsung mobile because of good looks but 10% said that they have purchased iPhone because of good looks, 37% said iPhone has easy availability of software use in phones but 3% said that they have purchased Samsung because of easy availability of software use in phones, 37% said iPhone has good quality of battery but 33% said Samsung has good quality of battery.

74% of the respondents said that TV Advertising is more effective but 11% of the respondents said that Newspaper is more effective & 04% said that magazines are the most effective medium. 11% said that other is more effective. Samsung is advertising heavily as compared to iPhone. Since the iPhone is in the heart of customers due to its reliability no other company like Samsung or others can be set in their minds to motivate them.

For iPhone users – advertising, schemes & discounts attracts more customers.

For Samsung users- advertising was found to be more effective than other factor. This could be because of Aamir Khan, the brand ambassador was shown as a common person in a middle class family & not as a celebrity.

90% of iPhone users feel that price is a bit expensive but reasonable with all the features it provides which explains its leadership position. 73% of users of Samsung also feel price is reasonable as compared to other brands.

iPhone users feel that network & features of phone are good & therefore their choice of the brand is the best.

iPhone users / Samsung users prefer their phones / handsets because of Quality reasons & consider it more important than reputation of brand & Advertisement. Advertisement was not considered at all while choosing handset.

Conclusion

Most of the respondents are biased towards the iPhone because of its features and durability as compared to Samsung.

In spite of more margins given to the dealers and retailers Samsung is not able to sell more handsets than iPhone.

Customers are more satisfied with iPhone phones than Samsung phones.

iPhone has maintained their leadership position only because of their policy of “Customer Satisfaction” or “Customer is Emperor”.

