

The Influencing Factors that Impact the Buying Intention of Malaysian Students towards Samsung Smartphones



Anas Abudaqa, Hasan AlMujaini, Dr. Mohd Hilmi

Abstract: Present study aims to review the factors that have an affect over the buying intention of Malaysian students towards Samsung smartphones. Key purpose is to review the effect of factors like reliability, price, product features and brand recognition on the intention of buying among students in Malaysia with respect to Samsung smartphones. To acquire the data needed to carry out the research, an empirical study was done using the quantitative research approach. An online questionnaire was created that includes combination of close ended and 5 point likert scale questions. The questionnaire was dispersed to 200 respondents from a research sample that was created by adopting simple random method of sampling. Data for this study that obtained from sample was then processed and analyzed using statistical tests in SPSS. The findings were discussed and conclusions were drawn.

Keywords: Purchase Intention, Samsung smartphone, Malaysian Students, Influencing Factors

I. INTRODUCTION

Across the globe, there is significant rise in smartphone demand, and more and more people are shifting from conventional mobile phones to using smartphones (Katz, 2008). In countries like Malaysia, the use of smartphones among students is growing at a steady pace. Presently, there are around 36.6 million mobile phone subscribers in Malaysia and 15% of them are smartphone users [13]. This signifies that there are six million smartphone users in the country and from the six million users of smartphones, more than half of them come within the ages 19-30. This figure is growing and an increasing number of young Malaysians are starting to use smartphones. As established in the discussion above, one particular consumer segment that is starting to use smartphones more extensively is the student segment in Malaysia.

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Research by [27] found that students are the major portion of smartphone users in the Malaysia. These students are keen on purchasing a smartphone because they realize the potential of smartphones in enhancing their communicative abilities in their social environment and also in their academic life [22], [40].

In another research done by [4], it was found that majority of the smartphone users in the country come from the youth population and this signifies that that this population are likely to accept these mobile devices much faster than members of the older generation [13].

The student segment is an increasingly important segment that has yet to be targeted effectively by smartphone companies like Samsung. Hence, the potential of this particular segment has yet to be fully exploited [4]. Many of the marketing communications of companies like Samsung presently do not address the needs of students very well because their marketing efforts are not properly focused on satisfying the student market [13]. Its promotion activities are very generic in nature and do not focus on the all important student market. Since, it is established that students are a primary consumer of smartphones in Malaysia, it is important that companies like Samsung initiated to shift its marketing tactics with a motive to cater better needs of the mentioned segment. It also needs to alter the features of its products to ensure that it is able to deliver better value to students [16]. Most of all, it is essential that in their marketing campaigns, Samsung highlights the benefits of its smartphones to students, in particular. Presently, there is no evidence of their marketing campaigns being targeted to students [24]. Because of this, it is unable to fully tap into the student market and enjoy the benefits of catering to this segment [4]. By learning regarding the element that can affect the buying intention of students in Malaysia, Samsung would be able to target students more effectively in its marketing campaign and ensure that its marketing strategy is able to attract students to purchase it smartphones, thereby enabling the company to tap into this potentially lucrative market [24]. This would help Samsung enhance its sales, growth and competitive advantage in Malaysia [25]. In this research, the aim will be to help Samsung identify the factors that are able to motivate young students in Malaysia to purchase Samsung smartphones.





II. LITERATURE REVIEW

A. Consumer Buying Intention

As per [30], buyer behavior involves the decision process and acts of people that are associated in buying and using products. There are a number of phases in buying decision process and these are typically encountered when the consumer is making a decision purchasing a new product [17], [11], [18]. Engel, Blackwell and Kollat created a consumer buying decision process model that comprised of five stages and these are the identification of problem, reviewing alternatives, buying the best alternatives and assessing the behavior post purchase [7], [29], [30].

- Need Recognition: The process of recognition of needs is the foremost stage in buying procedure. If the consumer does not have a need, then there would not be any reason to make a purchase. The need recognition would take place when there is a gap identified between the real situation facing the consumer and the desired state [30]. It must be recognized that not every need is translated into consumer buying behavior and what is required is for the gap between both the situations to be of importance to the consumer. If the need is important, then it is likely that the consumer to continue the purchase decision process [29].
- Information Search: When the need is identified, it would then become important for the consumer to look for information about the likely solutions to the problem which the consumer is facing [11]. At this step in the process, the consumer would start looking for information based on the complexity of the decision which is to be made. After having collected enough information about the smartphone, the consumer would then start to form opinions that would help him or her in the decision-making process [29]. This information can be internal or external information.
- Evaluation of Alternatives: Post collecting relevant information, a buyer has the ability to make an evaluation of the different alternatives which are being offer to him or her; to make an evaluation of the most suitable option that is able to satisfy his or her needs, and to select the option that is the best [8].
- Purchase Decision: After the consumer has made an evaluation of the different products that are available and which are able to satisfy his or her needs, they would then select the brand which can satisfy their needs the best [28]. After that, the consumer would commence to make the purchase. During this phase, the consumer's decision is dependent greatly on the information available about the products in the market [12], [17].
- Post-purchase Behavior: When the product is purchased, the consumer would make an assessment of the adequacy of the purchase with consumer's original needs, which are the needs that had made the consumer to display such buying behavior in the first place [2]. At this point of stage in the process that a consumer would decide whether he or she has made the right choice [3]. The consumer would either feel

satisfied with the purchase if it has met the expectations of the consumer, or the consumer would feel disappointed if the product did not meet his or her expectations [29]. This phase is important because it would have an influence over the consumer's future buying behavior in relation to the product in question

B. Literature Review on the Independent Variable: Factors Influencing Purchase Intention

As noted above, buyer decision making process is comprised of five main stages [18].

Reliability: Reliability is a very important attribute of a smartphone and it is a factor that is greatly valued by smartphone users [18], [20]. For many consumers, the smartphone is somewhat of a replacement for desktop and laptop computers and presently, many students are using smartphones to send out important emails or to make important academic-related or business-related communications [20].

Price: The next factor that is claimed to have a very crucial impact over the buying motive of smartphone users is the price of the smartphones [43], [44], [13], [19], [21], [23], [16], [24]. Price is considered as the amount that been charged against the offering of products [29].

A corroborates with the research by [5] who finds that there are many consumers who want the highest quality yet the lowest possible prices for the smartphones. In a research done on young adults by [45], it was found that many young consumers do not have the budget to go after highly priced smartphones and are wiling to forego high quality and instead preferring smartphones of moderate quality but priced affordably.

Product Features: In a wealth of research that was done [6], [8], [9], [10], [14], [26], it was indicated that product features are a factor that possess crucial impact on the buying intention of the smartphone user. All good smartphones in the market have advanced features like touch screen functionality, Wi-Fi connectivity, high-resolution displays and audio and video functionality [8].

Brand Recognition: Another factor that is crucial in affecting buying intention of smartphones users is brand recognition among the consumers [34], [38], [40]-[42].

C. Research Framework

The research framework is presented below





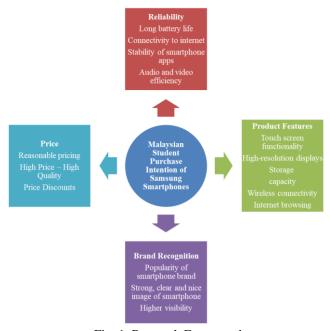


Fig. 1. Research Framework

III. RESEARCH METHODOLOGY

A. Population and Sampling

The research population is defined the population that is of interest to the researcher and which is capable of providing the researcher with the information that is needed to satisfy the research objectives [1]. For present study, population includes students who are studying in Malaysia and who use smartphones.

Considering this, the research sample consisted of 200 students in Malaysia who were smartphone users that were 18 years and above

B. Main Findings

Regression Test Findings on the impact of the Reliability Variable on the buying Intention of Students towards Samsung Smartphones

Table I: Model summary for regression test findings on reliability and purchase intention

Model S	Summary			
Model	R	R Square	Adjusted R	Std. Error of
			Square	the Estimate
1	.952a	.907	.906	.14488
a. Predic	ctors: (Const	ant), Reliabili	ty	I

The R square value in this analysis is 0.907 and this means that a 90% variation in the buying motive of students towards Samsung smartphones occurs because of reliability of the smartphones.

Table II: Coefficient summary for regression test findings on reliability and purchase intention

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		В	Std. Error	Beta		
1	(Constant)	124	.109		-1.138	.257
	Reliability	1.022	.023	.952	43.830	.000

The beta value 0.952 would suggest that an increase in reliability of the smartphones would cause equivalent increase in the purchase intention of students towards

Samsung smartphones [24], [6], [8]-[10].

Regression Test Findings on the Effect of the Price Variable on the Buying Intention of Students towards Samsung Smartphones

Table III: Model summary for regression test findings on price and purchase intention

Model S	Summary			
Model	R	R Square	Adjusted R	Std. Error of
			Square	the Estimate
1	.905a	.819	.818	.20178
a. Predi	ctors: (Cons	stant), Price		

This analysis, the R2 value was found 0.819 and this signifies an 81% variation in the purchase intention of students towards Samsung smartphones occurs because of price of the smartphones.

Table IV: Coefficient summary for regression test findings on price and purchase intention

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta			
1	(Constant)	.102	.152		.672	.503
	Price	.978	.033	.905	29.908	.000

The beta value 0.905 would suggest that an increase in affordability of price of the smartphones would cause an equivalent increase in the purchase intention of students towards Samsung smartphones [24]. [6].

Regression Test Findings on the Impact of the Product Features Variable on Buying Intention of Students towards Samsung Smartphones

Table V: Model summary for regression test findings on product features and buying intention

Model S	Summary				
Model	R	R Square	Adjusted	R	Std. Error of
			Square		the Estimate
1	.925a	.856	.856		.17968
a. Predic	ctors: (Const	ant), Product I	Features		

The analysis shows R2 is 0.856 which reflects 85% variation in the buying motive of students towards Samsung smartphones occurs because of the product features of the smartphones.

Table VI: Coefficient summary for regression test findings on product features and buying intention

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		В	Std. Error	Beta	1	
1	(Constant)	-8.799E-5	.135		001	.999
	Product Features	.999	.029	.925	34.346	.000

The beta value 0.925 would suggest that an increase in good product features of the smartphones would cause an equivalent increase in the purchase intention of students towards Samsung smartphones [8]-[10].

Regression Test Findings on the Impact of the Brand Recognition





Variable on Buying Motive of Students towards Samsung Smartphones

Table VII: Model summary for regression test findings on brand recognition and buying intention

Model S	lummary			
Model	R	R Square	Adjusted R	Std. Error of
			Square	the Estimate
1	.819a	.670	.669	.27218
a. Predic	tors: (Consta	nt), Brand Re	ecognition	

The analysis signifies R2 is 0.670 and this signifies 67% variation in the buying motive towards Samsung smartphones occurs because of the brand recognition of the smartphones.

Table VIII: Coefficient summary for regression test findings on brand recognition and purchase intention

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		В	Std. Error	Beta		
1	(Constant)	.268	.218		1.232	.219
	Brand Recognition	.944	.047	.819	20.061	.000

The beta value 0.819 would suggest that an increase in brand recognition of the smartphones would cause an equivalent increase in the purchase intention of students towards Samsung smartphones [14], [26], [34].

Analysis of the Relationship between Reliability and Buying Intention of Students towards Samsung Smartphones

Table IX: Correlation between Reliability and buying intention

		Purchase Intention	Reliability
Purchase Intention	Pearson Correlation	1	.952**
	Sig. (2-tailed)		.000
	N	200	200
Reliability	Pearson Correlation	.952**	1
	Sig. (2-tailed)	.000	
	N	200	200

Correlation coefficient value for this test was 0.952. This value is very close to 1 which signifies that there reliability and buying intention possess a positive relationship. The main implication of this finding the high reliability of Samsung smartphones is capable of strongly influencing the buying intention of students in favor of Samsung smartphones [8], [9].

Analysis of the Correlation between Price and Buying Intention with respect to Samsung Smartphones

Table X: Correlation tests results for relationship between price and buying intention

		Purchase Intention	Price
Purchase Intention	Pearson Correlation	1	.905**
	Sig. (2-tailed)		.000
	N	200	200
Price	Pearson Correlation	.905**	1
	Sig. (2-tailed)	.000	
	N	200	200

Correlation coefficient value for this test was 0.905. This value is very close to 1 and this means that there signifies that

price and buying intention possess a positive relationship. The main implication of this finding is that the affordability of price of Samsung smartphones is capable of strongly affects buying intention of students towards Samsung mobile phones [41], [42], [35].

Analysis of the Correlation between Product Features and Buying Motive of Students towards Samsung Smartphones Table XI: Correlation Between product features and purchase intention

		Purchase Intention	Product Features
Purchase Intention	Pearson Correlation	1	.925**
	Sig. (2-tailed)		.000
	N	200	200
Product Features	Pearson Correlation	.925**	1
	Sig. (2-tailed)	.000	
	N	200	200

Correlation coefficient value for this test was 0.925. This value is very close to 1 and what this means is that there is a strong and positive correlation between product features and purchase intention. The main implication of this finding is that the good product features of Samsung smartphones are able to strongly influence the buying intention of students towards Samsung smartphones [10].

Analysis of the Correlation between Brand Recognition and Buying Intention of Students towards Samsung Smartphones

Table XII: Correlation between brand recognition and purchase intention

		Purchase Intention	Brand Recognition
Purchase Intention	Pearson Correlation	1	.819**
	Sig. (2-tailed)		.000
	N	200	200
Brand Recognition	Pearson Correlation	.819**	1
	Sig. (2-tailed)	.000	
	N	200	200

Correlation coefficient value for this test was 0.819. This value is too near to one and what this reflects that brand recognition and purchase intention possess positive relationship. The main implication of this finding the high brand recognition of Samsung smartphones has a strong impact on the buying intention of students with respect to Samsung smartphones [35], [39].

IV. CONCLUSION

From past research that was done, it is observed that there does not seem to any past research that has addressed the issue of Malaysian student's purchase behavior towards Samsung smartphones.

The research data was collected and then processed using SPSS. Many important statistical tests are conducted on the collected data and these tests helped to produce very important findings that were very helpful to the researcher.

From the findings that were made, the researcher was able to address all research questions and address the objectives.





Through this study, the researcher managed to show that a strong and positive relationship was present among reliability and the purchase intention, price and buying intention; product features and buying intention; brand recognition and buying intention of students in Malaysia towards Samsung smartphones.

In conclusion, the study that was carried out here was very successful and would be able to serve as a comprehensive guide to Samsung's marketing managers and to inform them regarding elements that can influence the buying motive of Malaysian students with respect to Samsung smartphones. With knowledge about these factors, Samsung will be able to focus on these factors when designing their marketing strategies and plans, and to ensure that they are able to target students more effectively. This would be very important to ensure that Samsung are able to continue their domination of the smartphone industry in Malaysia and to increase their market share over the long term.

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