

## A Study on Factors Affecting Brand Loyalty of Consumers towards Smartphones with Special Reference to NCR of India

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### Abstract

The aim of this research study is to examine the vital factors that affect the brand loyalty of consumers towards smartphones. In the present era of digitalisation and continuously developing information technology, smartphones have become an important necessity of everyone's life. The passion for gadgets amongst the consumers is increasing day by day and it is providing an opportunity to telecommunication marketers to frame their marketing policies and strategies accordingly to make an distinct brand image of their product.

Technology is so advance now that it has shortened the life span of smartphones. This research study is undertaken to study the key factors that influence the brand loyalty of consumers towards smartphones. To serve this purpose, primary data as well as secondary data has been used. A sample of 200 respondents from two NCR of India named Meerut and Noida city of Uttar Pradesh has been collected. The general information about the smartphone users was collected using a convenient sampling method. A structured questionnaire has been exclusively designed for collecting primary data besides some personal interview were also conducted in this regard. Existing literature has also been studied and used to to understand the previous research work in more depth. Conclusion derived from this research study reveals that brand trust, brand image, product quality, perceived benefits, brand trust and latest and advanced features etc. are the most significant factors that play an important role in creating and maintaining brand loyalty amongst smartphone users.

**Key Words:** Brand image, Brand loyalty, Smartphone users, Consumer satisfaction, loyal Consumers, brand awareness.

### PAPER/ARTICLE INFO

RECEIVED ON: 13/03/2022

ACCEPTED ON: 21/04/2022

Reference to this paper  
should be made as follows:

Bindal, Shuchi & Agarwal, Santram (2022), "A Study on Factors Affecting Brand Loyalty of Consumers towards Smartphones with Special Reference to NCR of India", *Int. J. of Trade and Commerce-IIARTC*, Vol. 11, No. 1, pp: 158-167

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DOI: 10.46333/ijtc/11/1/16

## **1. INTRODUCTION**

Consumer behaviour is always complex to understand. In the present scenario of cut throat competition all over the world, it has become so difficult to survive in the market. Continuous growth and development of information technology has made the consumers more aware about the product either they are considering to purchase or using currently.

In order to achieve the long-term goals and success in the market it has necessitated to have loyal consumers towards company's products. It depends not only on the customer relationship management but also on the products and related services they are offering to satisfy the needs of consumers.

### **1.1 Smartphones**

Everything is going to be smart now. Likewise, phones are also smart, they work smartly that's why called smartphone. Smartphone is a type of cellphone that allows a user to do more than making and answering calls and texting to others. Smartphone works like a computer. Besides its uses smartphones have become a status symbol nowadays.

### **1.2 Top 10 brands of Smartphones in India**

- |             |             |
|-------------|-------------|
| i. Apple    | ii. Samsung |
| iii. Google | iv. Huawei  |
| v. One Plus | vi. Xiaomi  |
| vii. LG     | viii. Oppo  |
| ix. Vivo    | x. Nokia    |

*Source- godigit.com*

### **1.3 Brand loyalty**

Brand loyalty is the tendency of buying same brand of goods by the consumer irrespective of price, quality or any other feature offering by the company's competitors. Understanding consumer behaviour is important to make loyal consumers towards company's brand.

Loyal consumers are emotionally and psychologically attached to the product, having trust in their brand, purchase the same brand repeatedly irrespective of increased price or any other features. Basically loyal consumers are much committed to the product. As the numbers of smartphone users are increasing around the world. Besides now a consumer has a huge options of choice when he is seeking for a smartphone.

Thus it has become essential to work on the customer satisfaction so that consumer can become loyal towards company's brand. Loyal consumers are always a target for any company to survive and grow in the intense competitions environment.

## **2. REVIEW OF LITERATURE**

This part outlines the theoretical background of earlier researches based on the similar topic of this research study-

In the present world of fastest growing and developing technology, having smartphone in hands has now become a fashion and status symbol to express yourself to the outside world. (Sultan and Rohm, 2005)

Based on the topic upon which this research study is conducted, it is observed that customer satisfaction plays an important role in building brand loyalty among consumers using smartphones.

Customer satisfaction and loyalty are the two important elements of any management views. It was found that customer satisfaction is positively associated with customer or brand loyalty. Several studies have shown the positive association between the effect of customer satisfaction on brand loyalty. Purchasing the same brand again and again, endorsing the product to relatives and friends are influences of brand loyalty. (Edward, M. , B.P. George, and S.K. Sarkar)

In his research study “ An analysis of the customer loyalty III telecom sector, special reference to Bharath Sanchar Nigam Limited, India” found that despite of the name and fame of BSNL and its cost effectiveness to consumers, it is losing it’s customer satisfaction and loyalty.

A Swedish study by Ahmed and Moosani (2013), gave significant contribution in measuring brand loyalty studying five elements viz. brand image, brand quality, brand experience, brand switching cost, and customer satisfaction. These five factors together account for brand loyalty.

‘Brand’ is described as a distinctive name, word, design, symbol, or a combination of all that distinct the product from its competitors. Nowadays consumers reflect their personality, level of faith in company’s brand and excellence with the brand. (Aaker, 1992).

Previous research studies in this regard also found that brand trust plays an important role in building brand loyalty. Loyal consumers are more willing to pay more for their brand due to perceived quality, functions and uniqueness they found. It was found that brand trust is a key factor that maintains the long-term relationship with the loyal consumers. (Wel et al., 2011)

### **3. OBJECTIVES OF THE STUDY**

- [i] The main purpose of this study is to explore and find out the factors which influence the brand loyalty of consumers to prefer a particular smartphone.
- [ii] To know about consumer awareness about the strategies of marketing utilised by the smartphone companies for attracting and retaining the customers for achieving the goals of the organisation.
- [iii] To concentrate on the level to which these marketing strategies have an impact on the brand loyalty of consumers towards smart phones.
- [iv] To assess the brand loyalty of smartphone users.

### **4. LIMITATIONS OF THIS STUDY**

This research study is restricted within the limits of two selected NCRs of India named Meerut and Noida city of Uttar Pradesh.

Primary data has been collected with the help of questionnaire so there is a chance of biased and incorrect information on the part of respondents.

This study examined the online and offline behaviour of consumers regarding their brand loyalty towards smart phones.

### **5. RESEARCH METHODOLOGY**

To serve the purpose of research study, a survey was conducted to understand the main factors that influence the consumers brand loyalty towards smart phones. Both primary as well as secondary data have been used primary data collection was carried out with the help of a

structured questionnaire. Secondary data was used for literature review and theoretical background and it was collected and used from different online and offline resources including various websites and databases, journals, research papers and articles. The sample population was selected using convenient sampling. The sample size was fixed at 200 and respondents were selected from two NCRs of India namely Meerut and Noida city of Uttar Pradesh all the data are properly classified and arranged in tabular form.

## 6. DATA ANALYSIS AND INTERPRETATION

This part includes analysis and Interpretation of collected data through primary method.

**Table: 1, Table Showing the Gender of the Respondents**

Gender	No. of Respondents	Percentage of Respondents
Male	120	60%
Female	80	40%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** From the above table it is clear that out of 200 respondents 60 percent are male and 40 percent are female.

**Table: 2, Table showing Educational Level of Respondents**

Education	No. of Respondents	Percentage of Respondents
Higher Secondary	16	8%
Under Graduate	40	20%
Post Graduate	104	52%
Other	40	20%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** From the above table it is clear that majority of respondents are post graduates that is 52 %.

**Table: 3, Table Showing Age of Respondents**

Age	No. of Respondents	Percentage of Respondents
<20	36	18%
21-35	116	58%
36-50	44	22%
>50	4	2%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** It is clear that 58 % of respondents fall under the age group of 21-35, followed by 22% that is age group of 36-50, least smartphone users f are 50 plus of age.

**Table: 4, Table Showing Profession of Respondents**

Profession	No. of Respondents	Percentage of Respondents
Student	40	20%
Business	60	30%
Service	90	45%
Others	10	5%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** It is clear from the above table that most of the service class respondents are smartphone users i.e. 45% ,followed by 30% business class respondents, 20% of them are students and remaining 5% fall under others category.

**Table: 5, Table Showing Monthly Income of Respondents**

Income	No. of Respondents	Percentage of Respondents
<20000	30	15%
21000-40000	70	35%
41000-80000	84	42%
Above 80000	16	8%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** In terms of monthly income 42% of respondents fall under the bracket of 41000-80000 followed by 35% in the range of 21000-40000, 15% fall in the range of <20000 income bracket and 8% fall above 80000.

**Table: 6, Table Showing Brand of Smartphone**

Brand	Percentage of Respondents	No. of Respondents
Samsung	64	32%
Apple	48	24%
Google	16	8%
Xiaomi	20	10%
Vivo	18	9%
One plus	22	11%
Others	12	6%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** The above table shows that majority of respondents are using Samsung brand i.e. 32% followed by Apple (24%), 11% of the sample respondents are using One Plus, 9% are using Vivo, 8% Google and 6% are using other brands of Smartphones.

**Table: 7, Table Showing the Period of Using Same Smartphones Brand**

Period	No. of Respondents	Percentage of Respondents
2019 and above	80	40%
2018	44	22%
2017	60	20%
2016	26	13%
2015 and below	10	5%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** It is cleared that 40% of respondents are using same smartphone brand 2019 and above followed by 22% using since 2018, 20% are using since 2017, 13% of respondents are using since 2016 and rest of 5% are using since 2015 and below.

**Table: 8, Table Showing Mode of Purchase of Smartphones**

Mode of purchase	No. of Respondents	Percentage of Respondents
Online	56	28%
Physical stores	130	65%
Directly from the Distributor	12	6%
Other sources	2	1%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** Above table shows that majority of respondents (65%) prefer offline mode to purchase smartphone that is they buy from physical stores followed by 28% of respondents who buy online, 6% buy directly from the distributor and remaining 1% buy from other sources.

**Table: 9, Table Showing Purpose of Using Smartphone**

Purpose	No. of Respondents	Percentage of Respondents
Educational	48	24%
Entertainment	80	40%
Business purpose	64	32%
Other	8	4%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** It is clear that 40% of sample respondents are using smartphones for fun and entertainment purposes followed by 32% who are using for business purpose, 24% are using for education and rest of 4% are using for other purposes.

**Table: 10, Table Showing Satisfaction Level of Smartphone Users with Brand and Associated Services**

Level	No. of Respondents	Percentage of Respondents
Very satisfied	112	56%
Somewhat satisfied	52	26%

Indifferent	18	9%
Not very satisfied	14	7%
Not satisfied at all	4	2%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** It is shown that 56% of respondents are highly satisfied with the brand and its associated services they are using followed by 26% who are somewhat satisfied whereas 9% are neutral, 7% are not very satisfied and rest of 2% of respondents are not satisfied at all.

**Table: 11, Table Showing Best Feature of Smartphone**

Feature	No. of Respondents	Percentage of Respondents
Latest features	72	36%
Clarity of Camera	54	27%
Battery backup	46	23%
Communication	20	10%
Others	8	4%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** It is evident from the above table that 36% of respondents consider that advanced and latest features is the best feature their brand is offering, 27% talked about camera clarity, 23% said for good battery backup, 10% go for communication and remaining 4% go with other features.

**Table: 12, Table Showing Repurchase Intention of the Same Brand**

Intention	No. of Respondents	Percentage of Respondents
Very high	136	68%
High	48	24%
Indifferent	8	4%
Low	6	3%
Very low	2	1%
<b>Total</b>	<b>200</b>	<b>100</b>

**Interpretation:** It is clear from the above table is that 92% of sample respondents are very likely or likely to purchase the same brand in future, whereas 4% are Indifferent about their brand loyalty and 4% of sample respondents are less or very less likely to purchase the same brand of smartphone in future.

**Table: 13, Table Showing Factors Affecting Brand Loyalty of Consumers towards Smartphones**

Factors	Strongly Disagree (1)	Disagree (2)	Indifferent (3)	Agree (4)	Strongly Agree (5)	Total (6) (1+2+3+4+5)	Total of Agree and Strongly Agree (7) (4 +5)	Rank (8) (On the basis of (7))
1. Brand Trust	0	0	4	34	62	100%	96	2
2. Brand Image	0	0	3	45	52	100%	97	1
3. Convenience	5	10	6	31	48	100%	79	7
4. After Sales Services	0	4	6	68	22	100%	90	4
5. Rewards	4	3	3	38	52	100%	90	4
6. Product Quality and Durability	0	0	3	47	50	100%	97	1
7. Celebrity Endorsement	5	3	12	42	38	100%	80	6
8. Past Experience	8	4	12	36	40	100%	76	8
9. Status Symbol	0	0	5	41	54	100%	95	3
10. Customer Service	5	3	7	65	20	100%	85	5
11 Meeting Expectations	0	6	3	37	60	100%	97	1
11. Advanced and latest technology	1	1	3	37	58	100%	95	3
12. Feedback	11	9	5	55	20	100%	75	9
13. Company Image	0	3	0	57	40	100%	97	1
14. Price	15	35	16	10	24	100%	34	10

**Interpretation:** Above table shows that brand image, product quality and durability, meeting consumer's expectations, company image in the market are the dominant factors that influence consumer's brand loyalty towards smartphones. Besides brand trust, advanced and latent features etc. Also play an important role in building brand loyalty.

## 7. RESULTS AND DISCUSSIONS

- [i] It can be concluded from the above city that sample respondents prefer Samsung brand in regard of smartphones followed by Apple, some respondents also preferring One Plus.



- [ii] Most of the sample respondents prefer buying smartphones from physical stores followed by online mode. Sample users least prefer buying directly from the distributor
- [iii] Majority of respondents are very satisfied with the smartphone brand they are using and they also have the intention to buy the same brand again in the future.
- [iv] Respondents preferred latest technological features, camera clarity and strong battery backup while buying a smartphone.
- [v] Brand image, product quality and durability, meeting consumer's expectations and company's image in the market are the key factors affecting consumer's brand loyalty towards smartphones in Meerut and Noida city of Uttar Pradesh. Respondents also get influenced by brand trust, advanced and latest features offered by company, quick after sales services and rewards.
- [vi] Respondents accepted that smartphones have become a basic necessity now. Though it can do multi tasks, smartphones have become a status symbol nowadays.

#### **8. FUTURE IMPLICATIONS AND SUGGESTIONS**

This research study will be helpful for marketers to understand the psychology and behaviour of consumers that can be helpful in building and maintaining brand loyalty towards smartphones so that they can frame their strategies as needed.

Considering the limitations of this research study following recommendations have been proposed to carry out future research to widen the scope of the study-

- [i] This research study can be extended to other cities also to understand the factors affecting brand loyalty of consumers towards smartphones more deeply.
- [ii] Other factors can also be examined by future researchers.

There is enough scope for further research study in this regard.

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