

Consumers' Behaviour on Sony Xperia: A Case Study on Bangladesh

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Abstract : *The market need for Sony Xperia Smartphone in Bangladesh is remarkably detonating. The preference of people is switching to other phones, especially to Samsung Galaxy and iPhone. A comprehensive survey of structured questionnaire is conducted at Dhaka city, the capital of Bangladesh that reflects while choosing a Smartphone brand, nowadays the most influencing factors are brand values which distinguish individual with prestige, and mobile performance. However, many prefer affordable local Smartphone brands like Walton or Symphony. Hence, planning along with implementing of effective and efficient strategies is a crying need for Sony Xperia to get back in the business.*

Keywords: *Bangladesh, Consumers' perception, Smartphone, Sony Xperia.*

I. Introduction

In today's life, having a smart phone has become more like a basic need. There are different Smartphone brands available in the world, so is in Bangladesh. Although there is handsome number of Smartphone brands in Bangladesh mobile phone market, a few of them are recognised as profitable and known as popular. Again the market situation is very fluctuating. Preferences of people and factors of choosing a Smartphone brand change every now and then. Popularity of a Smartphone brand in the market is quite uncertain. Yesterday's profitable brand can fall in today's failure brands' list.

The market situation of a well-known international brand, Sony Xperia is nothing different than this. Although this brand was one of the vital role players in smart phone market in Bangladesh few years back, now it is gradually losing its popularity. The recent scenario says that though people consider this brand as a trendy and stylish one, they prefer other brands to this. Reasons for this can be many or few. Furthermore, no research has been found precisely done in this regard. This research paper is mainly the reflection of the consumer's perception and behaviour on Sony Xperia in Bangladesh, especially in its metro city known as Dhaka. However, this study also illustrates different internal and external factors which affect Bangladeshi consumers' behaviour while choosing a smart phone.

II. Objective

The broad objective is to gather knowledge about the consumer behaviour and their perspective about Sony Xperia. Moreover, the whole study is completed on the basis of what people think about Xperia. Besides the specific objective of the study is to realize current market position of Xperia, understand the preference of people while choosing a Smartphone and identify the external and internal influences that motivate the customers purchase decision.

III. Methodology

This study has been prepared based on both primary and secondary sources of information. A survey has been conducted with a sample of 70 people; belong to Dhaka city of different backgrounds. These people from different age, class and qualification; have been selected randomly. The whole process of collecting information through convenient sampling and analysing results has been completed within six months; from January to June, 2015. Statistical techniques are used to analyse the collected information and afterwards they are presented graphically and in descriptive manner. Besides different articles, books, journals and websites have been used to make this research paper more resourceful and informative.

IV. Literature Review

Nowadays, a Smartphone is not only considered as a communication tool but also a perfect companion that can solve many problems. They are now something for connecting to the internet, taking photos, watching television, listening to music, sharing information, gaining knowledge, finding locations, paying the bills, and many other tasks and of course the simple phone calls. Almost all Smartphone brands provide the facilities mentioned above, but when people intent to buy them, there is something very special in selection and that is which operating system they are going to choose, which would be best for them. The main players in the

Smartphone market are three giants who offer the mobile operating systems: Apple with its IOS, Google with Android and Microsoft with Windows Phone. They fight for the market share is very intensely competitive. According to findings of some studies, there are three archetypes for the users: office practitioners with standard in center of attention (Windows users), Prestigious with brand in center of attention (Apple iOS fans), and technology driven with device in center of attention (Android users) [1].

A research says that, current Smartphone market is ruled by Apple's iPhone and Samsung. A study found that android and iOS are the most preferred OS, while Samsung is the highest preferred brand, to be selected for an android platform [2]. It also has been found that, Samsung has achieved the No. 1 position, in not only worldwide Smartphone sales but also overall mobile phone sales. In the fourth quarter of 2012, Samsung's overall Smartphone sales continued to accelerate totaling 64.5 million units, up 85.3 percent from the fourth quarter of 2011. In 2012, Samsung totaled 384.6 million mobile phones sales, of which 53.5 percent (up from 28 percent in 2011) were Smartphone sales. Apple's sales reached 43.5 million units in the fourth quarter of 2012, up 22.6 percent year-on-year. In 2012, Apple totaled 130 million Smartphone sales worldwide [3]. Still now, in 2015 these two popular brands are holding the giant share in smart phone market.

The reasons of preferring these two brands over others can be many. In a research, using conjoint analysis techniques and latent class skills to segment on consumer preferences, and then dividing the population into different categories, it has been found that, the three topmost attributes people consider are; mobile performance (accounting by 30% of the population), brand value (accounted by 25%) and price-sensitivity (accounted by 21%) [4]. Therefore, it definitely can be said, while choosing a Smartphone the performance and the brand value of that particular phone play a vital role. In this age of showing off, it is certain that, many people like standard, more than pure innovation, so they can ignore to use some new facilities to keep everything normal and in hand. The IOS users can be archetypes by "radical for brand" and "admirer of over-quality" who use Apple phone mostly for social prestige. The android users can be described as "technology-friendly users which are ready to change other things to be sync with their phones". They mostly show the tendency to change other software and apps they normally use in their PCs and other common devices or move from some current services to the new ones to being able to use the android as main axis of communications [1]. From our research in the Dhaka city, it has been found that, many believe, Samsung is the Android brand which reflects both quality and standard. However, because of the huge popularity of the Samsung, other high priced smartphone brands offering Android facing an unhealthy situation in the market, Xperia is on that list. In this age when customers are willing to pay more for the high-class brand and prefer to use user friendly Android operating system, they do not seem to prefer Xperia nowadays where once it was very popular in the country. Beside the price sensitive group of people prefer to choose the newly offered less expensive models of Samsung or different affordable Smartphone brands like Walton or Symphony to Xperia. Here, Xperia has been chosen as a reflector of all other expensive brands besides those popular two. Furthermore, no particular research work has been found in this regard. A lack of existing study that demonstrates the situation and solutions for the brands which are falling apart from the competition in Bangladesh mobile phone market is a motivation for such a research work. As a result, the purpose of the study is to find out the consumers' perception about Xperia and the reasons of its gloomy situation in the smartphone market of Bangladesh, especially in the capital, Dhaka city.

V. Current market trend of SONY Xperia

In Bangladesh, there are about a hundred Smartphone brands out there. However, in response with price smart phone brands can be divided into two types; the expensive ones and the affordable ones. iPhone, Samsung Galaxy, HTC, Microsoft Lumia, Sony Xperia, are well-known brands fall in the former type whereas Walton, Symphony, Maximus, Micromax, Huawei are common brand names which are comparatively less expensive in price. From the study of the consumers' nature and behavior lately, it can be said that today most of the people love to show off. As a result, no matter how expensive some brands are, customers are attracted to a particular brand if it can ensure them high class status and in some cases status with quality. It has been found from a research that, lately, Apple and Samsung dominate over half the smart phone market. These two brands are competing for the supremacy in global markets for smart phones [3]. IDC, market analysis firm, has said Samsung has been the leading Smartphone brand for the 2nd quarter of 2015 from April-June. The firm said, Samsung's market coverage rose 111.6% from the same time last year. Although Samsung sales were hurt by iPhone 6 release, still it managed to remain the top leader in the Smartphone market [5]. People's huge preference for iPhone and Galaxy phone left them with limited choices. Therefore, the other expensive brands, like Sony Xperia, are having hard time in the market.

Turning back to the history of Sony Xperia it can be said that, it has enjoyed massive success since the launch of its Smartphone lines all the way up to 2013. However, Sony's Smartphone division has been falling apart since 2014. Offering a high-end smart phone at the price of a mid-range one and a weak financial model perhaps killed of its margins. In this modern era where there are other Smartphone companies offering the

similar features at similar or lower prices, Sony failed keep up with its competitors. It struggled to stand out against in stores, backed up by limited marketing and highly localized sales. Sony has declared job cuts in its Smartphone. It can be noticed by any tech enthusiast that Sony releases new Smartphone on a yearly basis, as opposed to six months. The latest Smartphone, the Sony Xperia Z4, may not appear at the MWC event next month. The company's Smartphone returns are not sufficient, and will hence withdraw its pursuit of Smartphone [6]. Sony has reiterated that it will focus on areas of the business that are generating profits and have growth potential, and reduce risk and volatility. It might be assumed by many of Sony Xperia fans that Sony's exit is confirm from the Smartphone market during the coming year. However, in a recent investors' conference Sony's mobile division chief, Hiroki Totoki stated, "We're not aiming for size or market share but better profits." Hence it is quite clear from these comments that, that Sony is staying in the Smartphone business, but the focus is going to change. Rather than market share or gross sales numbers, the Xperia will focus on profits. In addition, Sony is expected to detail its future plans in more detail at the end of 2015 [7].

Similarly, in Bangladesh its popularity is declining and market situation is detonating. Almost 1-2 years ago it was quite a preferred Smartphone choice of many, especially among the youth but now the market situation and reputation of Xperia is not that admirable in our country. Most of the people of different classes and of different ages now prefer other Smartphone to it.

N.B.: The survey is conducted on common people and it is assumed that most of them are not highly aware of different changes in Smartphone market. Therefore, Nokia brand name has been used in the questionnaire instead of Microsoft, in the analysis too.

VI. Finding and Analysis

Table 7.1 represents the demographic profile and social class of respondents who participated in the survey to assess consumers' overall perception on Sony Xperia as a Smartphone. At the same time, it also exhibits the percentage of the respondent who prefers Sony Xperia in comparing to other mobile.

Table 1: Respondents' Descriptive Statistics

Gender			
Group	Ratio	Percentage	Preferred SONY Xperia most
Male	1.21	49%	62%
Female	0.77	51%	38%
Age			
Group	Ratio	Percentage	Preferred SONY Xperia most
Less than 15	2.5	2%	5%
16-25	1.22	53%	71%
26-35	0.77	18%	21%
36-45	0.71	7%	3%
Above 45	0.55	20%	2%
Education			
Group	Ratio	Percentage	Preferred SONY Xperia most
Post Graduate	0.83	36%	30%
Graduate/Undergraduate	1	40%	40%
HSC	0.82	17%	14%
SSC	0.66	3%	2%
Others	3.5	4%	14%
Occupation			
Group	Ratio	Percentage	Preferred SONY Xperia most
Student	1.08	60%	66%
Businessman	0.66	2%	7%
Government Employee	1	15%	2%
Private Employee	1	16%	15%
Others	0.33	6%	10%
Family Income			
Group	Ratio	Percentage	Preferred SONY Xperia most
Up to Tk.15000	0.66	3%	2%
Tk.15001-Tk.30000	1.23	13%	9%
Tk.30001-Tk.50000	0.91	23%	21%
More than Tk.50000	1	61%	68%

The results and analysis found from our survey conducted in Dhaka city to find out consumers' behavior while choosing a Smartphone brand and their perception about Sony Xperia as a Smartphone brand are presented below in graphical forms.

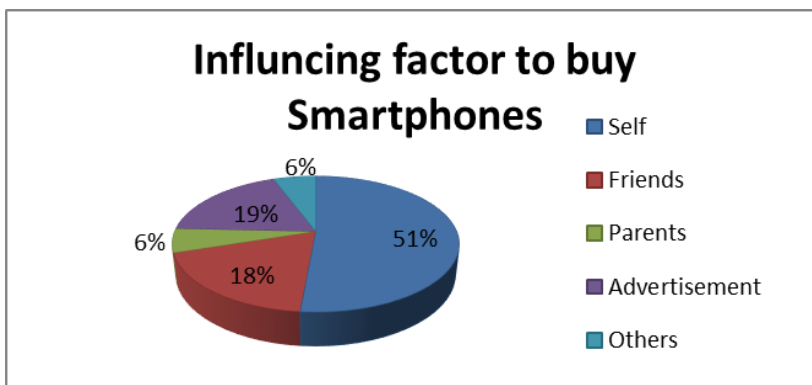


Figure 1: Purchase Influencing Factor

From the survey it has been found that most of the people in our country like to buy their Smartphone by themselves, not being influenced by others. The figure is 51%. However, marketing activities and words of their friends also influence them and their percentages are 19 and 18 respectively. Influence of other facts like influence of marketers or others has a very little effect on them, only 6% of people are influenced by these other factors.

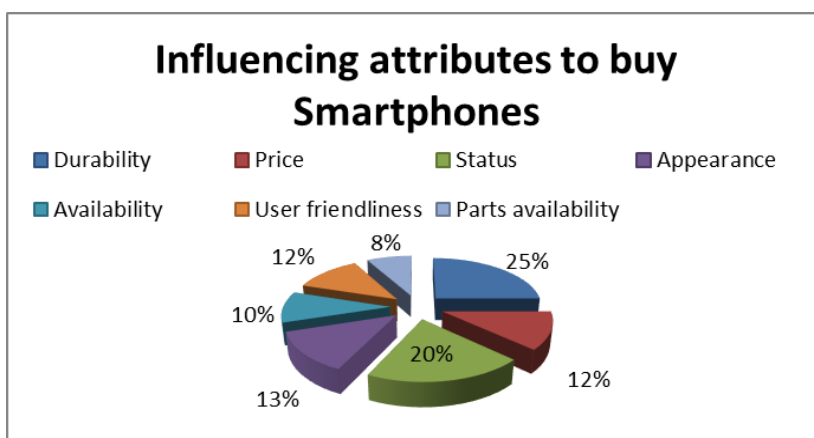


Figure 2: Purchase Influencing Attributes

The result says that 25% of randomly chosen people of Dhaka city believe durability is the most important while purchasing a Smartphone. Additionally, status has been weighted 20%, price 15%, User friendliness 15% and availability of essential parts of the mobile phone 15%. While purchasing a mobile phone, these people are not so much bother about the availability, only 10% of the surveyed people are concern about this fact.

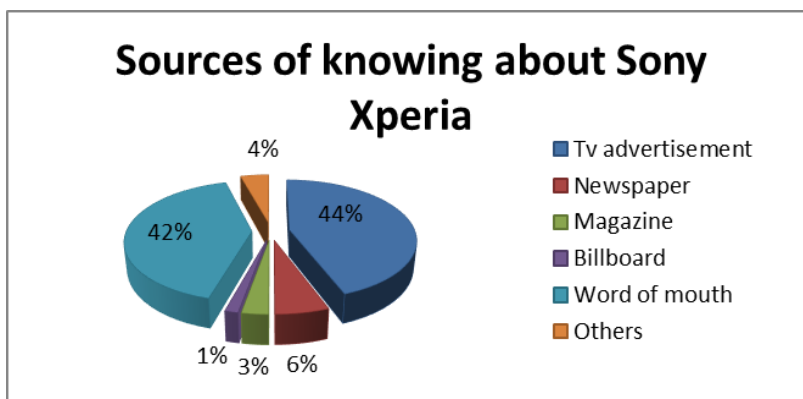


Figure 3: Information Sources of Xperia

From the graph it is certain that TV advertisement and word of mouth are two of the leading influencing sources which promote Sony Xperia brand. The figures are 44% and 42% successively. On the other hand, it can be said, there is more likely no role of billboard in this regard.

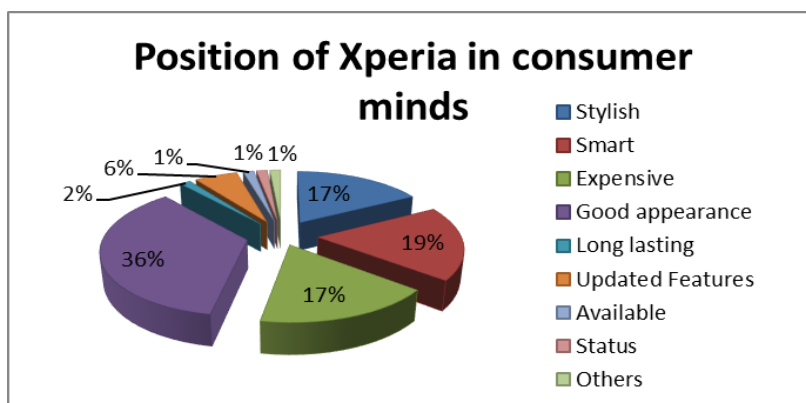


Figure 4: Positioning of Xperia in Customers' mind

Majority of people in the survey which is 36% have agreed that the brand name "Sony Xperia" reminds them of good appearance whereas only 6% has chosen updated feature and only 2% has gone with good quality. So it can be said that the brand itself is a reflection of smartness and trendiness in customers' mind in Bangladesh. Besides a 17% of people consider it as an expensive one.

Affective component is the feelings or emotional reactions of a customer towards a particular product or service. The overall evaluation may be simply a vague, general feeling developed without cognitive information or beliefs about the products.

Level of agreement of the people surveyed (sample no.-70). To better understand the finding, the level of agreement has been classified in five categories by assigning ranks: Strongly Agree (5), Agree (4), Neutral (3), Disagree (2), Strongly Disagree (1).

Table 2

I am satisfied with the appearance of "SONY XPERIA"	"SONY XPERIA" is overpriced	"SONY XPERIA" is increasing my status	I like "SONY XPERIA"
3.84	3.6	3.55	3.57

Survey results show that out of the four attributes, all of them are higher than the neutral value of 3. The surveyed people are satisfied with its appearance, they think that Xperia helps to enhance their status but also they also believe that Xperia is overpriced. Moreover, interesting fact of the given (above) result is, though majority of the people are nearly satisfied with Xperia, most of them prefer other Smartphone brands to this brand.

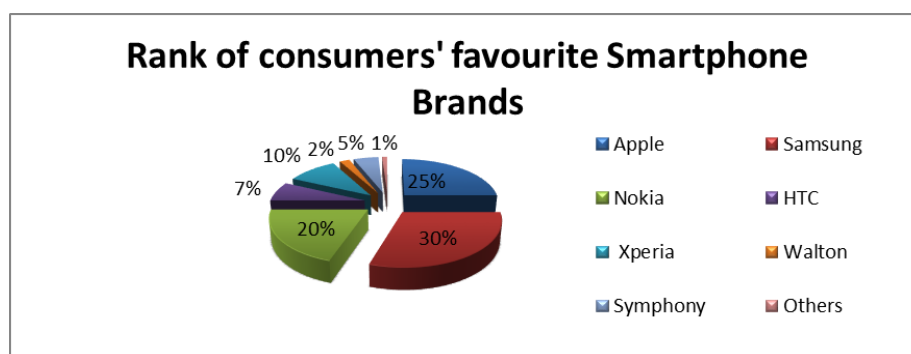


Figure 5: Popular Smartphone Ranking

Here, 30% of the people surveyed preferred Samsung to other brands. Additionally, 25% and 20% of them has chosen iPhone and Nokia successively. Besides, the chart indicates consumers' preference of those Smartphone brands with good status and high price over the easily affordable Smartphone brands (like Walton and Symphony) in Bangladesh. However, the position of Sony Xperia on the basis of the preference of people is not appreciable at all.

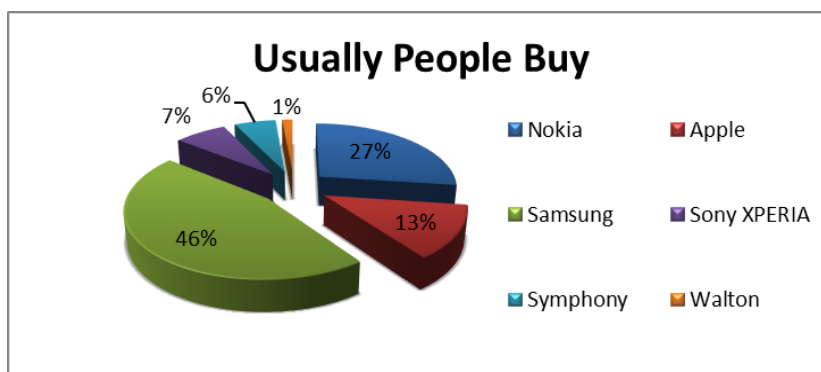


Figure 6 Customers' General-Smartphone-Preference

This graph indicates the high sales as well as the popularity Samsung as a Smartphone brand in Dhaka city. The figure is 46%. Besides Nokia and iPhone also have a comparatively good market position unlike Sony Xperia in Bangladesh.

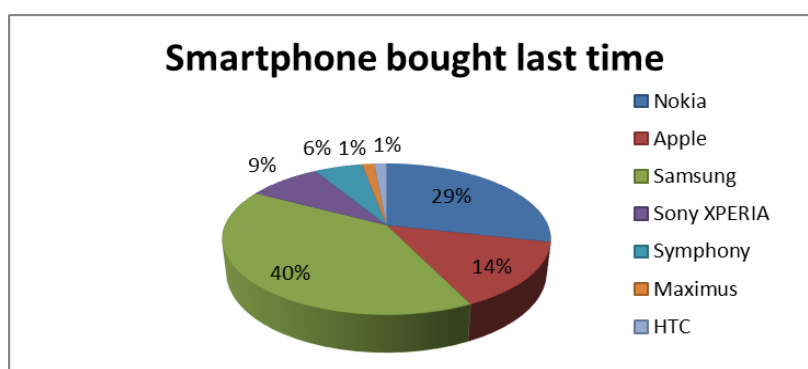


Figure 7 Latest Chosen Smartphone for Use

The Smartphone bought most by the surveyed people is Samsung. The figure is 40%. On the contrary, only 9% of the surveyed consumer, has bought Sony Xperia the last time which demonstrates the low popularity of this brand comparing to all expensive smart phones.

The cognitive component consists of the belief that people have towards different Smart phone. To measure the cognitive component towards 'Sony Xperia' consumers were asked to place their belief on best attributes of Smart phone and their ideal smart phone in a semantic scale. To evaluate it properly, they also have been asked to place their belief about both Sony Xperia and Samsung, as later is the mostly preferred smart phone brand and lately considered as the market leader.

Table 3: The importance of different attributes people desire in their ideal Smartphone

Attribute	Percentage
Durability	25%
Price	15%
Status	20%
Availability	10%
User friendliness	15%
Parts availability	15%

Table 4: Belief of different attributes of Sony Xperia

Total	237	277	268	265	225	205
Avg(A)	3.38	3.957	3.828	3.785	3.214	2.928
A-I	1.457	-0.65	0.457	0.585	1.457	1.414
I-A	1.46	0.66	0.46	0.59	1.46	1.41
Sum	6.04					
Weight	0.25	0.15	0.2	0.1	0.15	0.15
Weighted Avg	0.365	0.099	0.092	0.059	0.219	0.2115
Total Weighted Average	1.0455					

Table 5: Belief of different attributes of Samsung

Total	281	271	278	303	292	257
Avg(A)	4.014	3.87	3.97	4.343	4.11	3.6711
A-I	0.828	0.571	0.314	0.045	0.5	0.6711
 I-A 	0.83	0.57	0.31	0.04	0.5	0.67
Sum	2.92					
Weight	0.25	0.15	0.2	0.1	0.15	0.15
Weighted Avg	0.207	0.085	0.062	0.004	0.075	0.1005
Total Weighted Average	0.5345					

Through the comparisons, it has been found that the total weighted average of Samsung is much lower than that of Sony Xperia which indicates the healthier market position of Samsung than Sony Xperia.

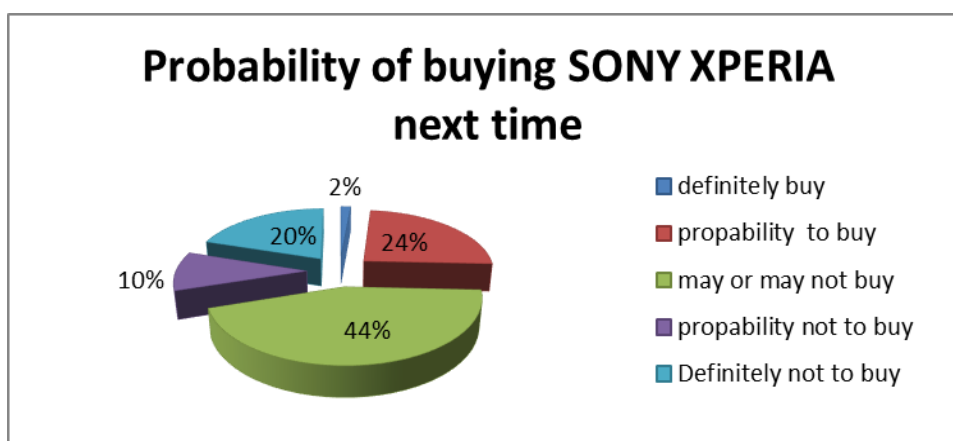


Figure 8: Customers' Xperia-Purchase-Probability

From the results above it can be said that 44% of the people surveyed are not sure about their buying decision with Sony Xperia in future. As mentioned earlier the preferences of people changes frequently. As people's behaviour towards Sony Xperia is neutral, there is still hope for Sony Xperia to increase its sale and enhance its profitability. Hence this is high time for SONY Xperia to build some strong reasons through bringing some new and different features or initiating some efficient-promotion-activities, so that people will definitely pick this phone as their preferred one.

VII. Recommendation

There is no doubt that the market position of Xperia in our country is very upsetting. Although in response to appearance, Sony Xperia has a good brand image; people do not think unlike Apple and Samsung, its quality is worth of such high price. Most of the people surveyed are dissatisfied with Sony Xperia's performance. At the same time, they believe that Xperia is not active enough to bring some new features which are different than other & useful simultaneously Hence, Sony Xperia has to improve its quality and marketing strategies to attract more consumers, to increase market share, and to build loyal customers. Furthermore, it needs to change the brand image in the Smartphone market in Bangladesh. Based on the conducted-survey-people's comments and the findings, it is believed that the following steps should be taken efficiently:

Advertisement

Sony Xperia needs to advertise more on billboards, magazines and popular websites where the target market visits. It should also advertise and/or promote its product on different social networking sites like face book or twitter. It must keep improving the quality, updating innovative features and ensuring availability of its product. Similarly, it should continuously try to inform the users about the change they are bringing to their product. Continuous informing i.e. maintenance rehearsal is very much important for a bright future.

Shifting users of major competitor smart phone

Sony Xperia should try to capture the consumers of Samsung. From our survey we found that consumers prefer Samsung (mostly) and other smart phone to Sony Xperia. Sony Xperia needs to show the consumers that why Sony Xperia is better than the other mobile phones out in the market and make them believe

this. Creating a new brand image with promotional strategies can be effective in this case. Besides, Sony Xperia has to focus on the cognitive component to change the people's attitude for its long run well-being.

Emphasizing a new Target market:

Sony Xperia can start focusing a new target market. It can launch some new less expensive Smartphone models targeting the middle and lower middle class people. In a developing country like Bangladesh where most of the people, belong to middle class group or are price sensitive; this strategy can help Sony Xperia to capture a good market share (direct competitors will be Walton, Symphony, Micromax and other comparatively less expensive Smartphone brands).

Provide after sales service and availability

The surveyed people think the quality of Sony Xperia is not as outstanding as Samsung or Apple. Therefore, to improve quality, Xperia can emphasize on after sales service; maintaining proper warranty; provide good service. Besides it needs to improve their availability of customer care service center in Bangladesh.

Focusing more on 16 – 25 age group

In the survey, majority of people who prefer and purchase Sony Xperia, are of 16-25-year-old-group. They chose it because of its good appearance that reflects trendiness and smartness. Sony Xperia needs to focus on attracting this specific age group. Different marketing and social activities like; sponsoring various programs in different reputed private and public universities, providing different scholarship to meritorious students as well as arranging some social awareness activities can create a path to directly and indirectly promote their brand to this age group people.

Moreover, currently there are many Smartphone manufacturers, but the companies which are strong are countable. It is helpful to the Smartphone manufacturers to capture and retain a good market share if they wisely find out their own strengths and weaknesses, understand their target segment, design products on that basis and make marketing work. A study [4] says that, to be successful and profitable, firstly, marketers should make phone brand planning and construction, to create a good brand image. The reason is, through studying customers' behavior it has found that while buying a Smartphone; the brand image is the most significant factor that consumers consider. Secondly, customers are concern on the quality and cost-effectiveness of mobile phone because Smartphone is already more than just a communication medium and not less than day to day work and entertainment partner; furthermore, they have lots of options to switch on. Lastly, according to the strength of enterprises, target markets need to be chosen wisely in order to survive and develop in the Smartphone market. Additionally, it will be helpful in planning strategies related to marketing activities to increase sales. Hence SONY Xperia should work on all of the aspects efficiently to get back in Bangladeshi Smartphone market and establish a favorable image in consumers' mind.

VIII. Conclusion

Sony Xperia has a high brand value in the mobile phone industry but people of our country have a concept that its high price is not worth of the quality. From the survey and analysis, it has been found that most people prefer other smart phone brands such as Samsung Apple and even Nokia up to a high extent. People believe that these brands reflect brand value and ensure good quality more profoundly than Sony Xperia. Moreover, some customers have become so loyal to some brands that they will not switch to Xperia unless it brings some innovative, useful and extraordinary features. Sony Xperia needs to overcome the flaws and inadequate as tactfully as possible and create a powerful position in customers' mind in order to achieve desired profit margin and increase its brand value in Bangladesh as well as in other developing countries.

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