

Revealing Customer Behavior on Smartphones

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ABSTRACT

Recent development of mobile phones is very interesting as the new generation, known as “smart phones”, offer highly attractive features. The main advantage of smart phones is the ability to connect to the Internet from anywhere, consequently enabling them to remain continuously in touch with their social networks. This paper discusses how consumers in Brunei Darussalam (Brunei) responded to the survey of smart phones. A Theory of Reasoned Action Model is used to understand customers preference in choosing a specific product over the other. To assess the use of smart phones, the authors conducted surveys with consumers, stressing on product preferences, consumption behavior of smart phones, as well as opinions on the functionality of smart phones. The smart phone market in Brunei is dominated by the younger generation who is less sensitive towards price. In terms of usability, consumers prefer smart phones more than tablets or other mobile devices, the reason for their preference being the superior functional features which exist in smart phones.

Keywords: Android, Brunei, Customer Behaviour, Internet, iPhones, Reasoned Action Model (RAM), Smart Mobile Devices, Smart Phones, Web

1. INTRODUCTION

Recent advancements of information and communications technology on mobile communication has changed the way people interact, communicate and perform their daily activities. The so-called smart mobile devices or smart phones are replacing the old cell phones. The shift in favourability towards smart phones has caused major players of cell phones such as Nokia to lose market; new players such as

Apple (iPhones) and Samsung (Android phones) have come out victorious in this new battle in communications technology.

Smart phones are very handy. Although it cannot replace all the functionalities of desktops or laptops, most of the useful personal applications can be performed by smart phones. Unlike a desktop or a laptop, a smart phone can be carried around conveniently, either as a device for communication, recording, playing or to some extent manipulating sounds, images

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and videos, which are demanded by today's generation (Lee, 2014).

The main advantage of smart phones is the ability to connect to the Internet from anywhere, allowing users to perform work outside the bounds of physical offices (Weal, 2011). Smart phones enable their users to have a complete Internet experience, staying in touch with their families, friends and colleagues, checking personal or work emails, browsing the Internet for flight schedules or movie tickets, even for checking traffic conditions. Through broadband connections, access to the Internet can be fast and at a reasonable cost.

Another great advantage of smart phones is the availability of thousands of small applications called apps, which grow in number and variety everyday. Apps are offered in various platforms and can be easily downloaded from online stores. Some of these apps can enhance the use of smart phones, such as increase their efficiency. The size of the apps is usually relatively small. So normally a smart phone can have at least 20 apps. An example of a useful app for travelling is a digital map app (such as Google Maps). With a digital map app, finding a place is much simpler compared to conventional methods. It can help the user identify various useful locations such as ATM machines, restaurants, gas stations and others. Whilst traveling, a person with a smart phone can easily navigate his way through unfamiliar routes and keep in touch with family and friends through the use of social networking such as *Whatsapp* or *Telegram*.

The widespread adoption of mobile devices, especially smart phones, has created tremendous opportunities for business (Srivastava, Singh, & Srivastava, 2013). Consequently, the smart phone market is growing very rapidly as many useful applications can be easily found and used immediately. As such, the smart phone market is very profitable; both old and new players are competing in taking advantage of the growing market by offering their very own innovative products. Among those players are Apple, Nokia, LG Electronics, HTC, Samsung, Acer, BlackBerry, Sony, Motorola, Huawei and Google. Today, the largest player in the smart

phone market is Samsung, accounting for 32.6% of the market share, nearly doubling Apple's iPhone share, which is 16.9%. In 2012, Samsung filed - 172.8% growth year on year compared to Apple which grew only 27% year on year, although it is still a healthy rate (IDC, 2012).

So far, there has been no research published on the recent development of smart phones in Brunei, neither from vendors nor from the customers' perspectives. This paper addresses this gap. Our research is geared towards understanding customers' behaviour, especially on the use of smart phones in Brunei. This research is aimed to reveal: (a) the market share of smart phones, (b) the reason why people want to have smart phones, (c) monthly spending on smart phones, (d) the usage of smart phones, (e) the influence of smart phones on daily activities, (f) public opinions on whether smart phones have positive or negative effects, and (g) how parents control their childrens' use of smart phones.

A questionnaire, containing 36 questions was designed to gather data, through a survey of the general public in Brunei from February to March, 2012. There was a total of 430 respondents that participated in this survey. The data were designed to provide initial ideas and recommendations to the service providers, decision makers, and even policy makers on how to move forward with the fast adoption of smart phones.

We found that the smart phone market in Brunei is less sensitive to the price of new smart phones. This is because the younger generation dominates the usage of smart phones and for them, having the latest smart phone is a prestige regardless of price. In terms of usability, customers prefer smart phones than tablets or other mobile devices. The majority of the respondents use functional features to choose one product over the other when selecting a smart phone.

This paper is organized into five sections. In the next section, we will discuss the literature review on smart phones, the theory of action model and related information about Brunei. Methodology is presented in Section 3. Section 4 contains results and discussions. Finally, the conclusion is presented in Section 5.

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