THE INFLUENCE OF CONSUMERS’ PERCEPTION ON BUYER BEHAVIOR: A CASE STUDY IN SELECTION OF MOBILE DEVICES AMONG USIU STUDENTS

BY
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UNITED STATES INTERNATIONAL UNIVERSITY - AFRICA

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STUDENTS

BY
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STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University in Nairobi for academic credit.

Signed: ___________________________    Date: ___________________________

Scolastica Nyatetu Gitonga (Student ID 632612)

This project has been presented for examination with my approval as the appointed supervisor.

Signed: ___________________________    Date: ___________________________

Timothy Okech, PhD

Signed: ___________________________    Date: ___________________________

Dean, Chandaria School of Business
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ABSTRACT

The purpose of the study was to determine the influence of consumer perception on buyer behavior in phone selection. The research was guided by fulfilling the following objectives: to investigate socio-environmental stimuli affecting buyer behavior; to evaluate the psychological stimuli impact on buyer behavior; and, to examine the market mix stimuli affecting purchase decisions among USIU-Africa students. Descriptive research design was used in the study, targeting a population of 6774 students in the spring semester, at USIU institution. The population technique employed was stratified random sampling, in order to select the target sample of 198 students. In addition, structured questionnaires were developed to collect data, which generated the descriptive and inferential statistics used in the analysis. Tables and figures presented the data, which included correlation and regression analysis.

In terms of the first objective under socio-environmental stimuli, established that aspects within the stimuli could be correlated to other factors as income, family and social background. Most respondents agreed education, gender, age and social status had an impact in consumer behavior while determining the kind of phone one is likely to select. Majority of the respondents disagreed on the choice of putting people’s needs before theirs, having an impact on their choice of phone. The study confirmed that there was a positive relationship between socio-environmental stimuli and phone selection and these factors could potentially have an in impact on consumers’ decisions. Regarding objective two, the study revealed that perceptual biasness towards extrinsic factors is based on price, quality and content of a product as critical marketing drives to gaining consumer attention. Knowledge based on experience had a positive impact on phone selection process with regards to a consumer’s accumulated experience over time. Memory was subjected to how well respondents recall advertisements and been over familiar with a product as a cause likely to affect their choices, hence resulting to loyalty or retention within brands. In addition, motivational needs critical to a consumer, showed phone performance was defined as most important in the hierarchy of needs, in terms of ease of use, speed and basic phone functionalities. The study revealed psychological stimuli to having a positive relationship with phone selection. Finally, the study show that perceived price, perceived quality, perceived value and perceived risk have a relatively weak influence on buyer behavior. The study provides evidence of a negative relationship
between market mix stimuli and phone selection, as areas of research have illustrated there is a huge gap between the natures of these variables. The study found that perception of market mix elements are farfetched from reality of the consumer, thus without consistent monitoring of consumer perception it has proven quite difficult to use uni-dimensional scales to receive sufficient results, that prove existence of a relationship between market mix stimuli and phone selection.

The study concluded that consumer perception had a positive impact on phone selection. Different mobile companies should be able to assess their target markets well based on variables within the socio-environmental stimuli and work to deliver consumer expectations. Through incorporating psychological marketing tools, it should lead to optimization of phone brand selection and also companies are able to make informed decisions based on performance of their products. The concept of perceived versus objective reality creates a need for establishing the difference between managerial perception and consumers perception. The study recommended that phone companies should adopt features that reflect their target markets to enhance sales. Firms should look into manipulation techniques that give credit to their products, as well as positively affect the consumers’ behavior. Similarly, by identifying the gap between perception and reality, among companies and its consumers, would help reduce consumer retention and deliver expectations. This requires the understanding of the companies’ strategies by making careful executions; businesses could influence perceptions of consumers while fostering profitable consumer behaviors, which make it difficult for competitors to poach consumers.
ACKNOWLEDGEMENT

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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

Perception is a dynamic concept that has become an increasingly important business aspect in marketing today, for organizations and non-profit organizations. In order to find out approaches to increase the level of service, firms need to be aware of the perception of consumers. In the global economy competition is quite stiff and any business requires to attract and retain consumers while making profits as the end goal for the business, this being so, building a positive consumer perception in a company’s products and services is crucial (Shanthi & Kannaiah, 2015).

Consumer perception determines the consumers’ behavior and the way they interact with a company. People engage with products and services so often that companies use this knowledge and experience to develop strategies as a way to manipulate ones’ perception. Brands build effective marketing management principles by first understanding how consumers act on their perception. Based on the information consumers retain on a company’s offerings, firms begin to understand the nature of perceptions that their consumers have created as a result of their social environment, psychological understanding and the perceptual thoughts consumers build between the actual product attributes and objective imagination of the products or services (Malik, Ghafoor, & Iqbal, 2014).

The process of consumer perception is deeply linked to buyer behavior, as individuals are likely to select products and services that reflect their self-image and reject the ones that are not consistent. Brands emphasize in putting a personal touch based on the target market in a way that consumers can see themselves, their evaluations and how the product or service describes them, while portraying the ideal image of who they are or want to become. Consumer assess other important features’ that determine their purchase intention, the brand offerings give assurance to the consumer when the individual assesses the risk, product, pricing, place, promotional activities, benefits, brand image, in-relation to their perception. People generally relate to a brand based on their exposure, experience, and interpretation (Malik et al., 2014).
The basic principles of perception began in the 1900s prior to World War I, psychologist from Germany and United States, had most influential works on perception by developing the theoretical school of thought known as “Gestalt School of Psychology”. This theory has a significant impact in understanding the perceptual process and how it applies to two-dimensional figures, which makes it critical for marketing stimulus. The theory provides evidence that humans are quite bias and see specific forms of objects even when they see certain irregularities (Vainikka, 2015).

Among all the human senses, the visual aspect is considered most important to marketers in every form, visual element is converted to different messages; color been the best example can be related to several meaning and emotions. Color is generally used to attract customers; people assign certain values and cultural aspects to various colors. Similarly, certain colors are considered gender oriented, males are bound to prefer bold colors and women gentle colors such as pink. Sound can also affect a consumer’s behavior, instances when one walks into a store and there is background music playing to calm customers during their visit which can encourage them to take longer while shopping (Shrestha, 2016).

There are quite a number of phone models in the market today, with the significant upgrade in technology; phones have now been designed to ease navigation, with the replacement of physical keyboards to multi-touch sensors. Touch is an important receptor which accounts for human perception, people are also continuously valuing hedonistic features such as games, music, camera and applications in mobile handsets. Looking at the mobile revolution from the 19th century to date, telephony has changed the way of communication; new models have been introduced to meet the ever-constant changing needs of consumers. Since the 1940s telephones have then become supplemented by mobile devices and have becoming an integral part of one’s personal life (Cerdeno, 2013).

Cerdeno (2013) expounded landlines were more common and widespread amongst developing countries such as America and Europe, however consumers perceived they were of a limited class of people, very expensive, too large and heavy to use. Martin Cooper the executive of Motorola in 1980, launched the first 1G phone, however the remarks and perception of the people was the same as it was heavy, expensive and its battery only lasted thirty minutes when one needed to charge it for about ten hours. The launch of the second generations came about in the 1990s, they appeared smaller, light and inexpensive to
consumers, so the mobile industry has since revolutionized in the year 2000 for countries like China, India and Brazil, which saw an increase in the use of mobile devices and became an integrated part of business world.

In the year 2000 Sub-Saharan Africa mobile penetration has increased over decades, with countries like: Uganda, Tanzania, Ghana, South Africa and Kenya having high access to cell phone use, an estimation of one in ten people acquiring mobile phones. Today cellphones have become quite common especially with the access to Internet, mobile messages and mobile payments systems. In 2014 Kenya had a total population of 67% using cell phones, 15% using smartphones and 18% had no cell phones. Today the mobile penetration rate of smartphones has grown exponentially to 60% with a penetration rate of 88% (Communications Authority of Kenya (CAK), 2018).

Kenya’s growing mobile coverage is due the affordable use of cellular phones, the cheaper the phone the more likely its market share grows. Kenyans tend to be price sensitive and the view of American brands versus China brands has contributed to the purchase decisions. China mobile phones are perceived to be cheap and of standard quality while American brands considered expensive and high standards, however because they serve the same purpose we find that three quarter the population in Kenya relies on Chinese brands even with the average standard quality (Omulo, 2017).

Kenyan mobile consumers prefer phones with features such as: messaging and payment systems. Studies conducted have emphasized on socio-environmental characteristics as primary contributors in phone decisions. Research shows that the more educated one is, the more likely they are to own a phone. Age is also a contributing factor to the usage of smartphone features, with the younger generation preferring smartphones that have access to messages, taking pictures and social media, however differing among age brackets. The perception of different brands has an impact in Kenya as mobile phones usage is growing, and affordable brands are set to cover most of the market (Pew Research Center, 2015).

The most common device used in Kenya as of 2017 is smartphones under the price of 15,000 shillings, which include; Infinix, Samsung and techno. Infinix is the most common smartphone holding a market share of 11.1%, followed by Samsung with 2.1% and Techno at 4.5%. Chinese brands have taken over most part of the market share featuring three top
brandid; the reason why most people are inclined to buy these brands is due to the significant reduction in price. The perceived price of premium brands coupled with the low-income level population, has cost Apple a low market share therefore making the company to strategically place their products among high-end consumers (Maina, 2017).

The thesis combines various socio-environmental, psychological and marketing stimuli concepts that affect consumer behavior. Consumer behavior provides a general sense of how every aspect of our lives revolves around consumption of goods or services. Lumen Learning (2017) illustrates the subjective nature of perception is vital in determining buyer behavior, as ones’ stimulus response is dependent on the range of elements within the buyer’s mind. Consumer perception covers a wide stretch field on buyer behavior. In order to compress the subject into specific fields, a division was selected in accordance with areas of interest, which is consumer psychology. By understanding consumer stimuli response, it helps map out rational factors that individuals go through when making purchase decisions. The “Black box model” illustrates how socio-environmental, psychological and marketing stimuli are core factors that shape consumer choices and their response to different circumstances. Together these factors represent the decision process, which so often marketers assume that consumers make irrational and emotional purchase decisions. For this reason, consumer behavior remains a mystery, as what drives peoples choices is often unpredictable and difficult for businesses to understand (Lumen Learning, 2017).

1.2 Statement of the Problem

Africa is considered one of the fastest growing mobile markets with an expectation of more than half a billion owning mobile devices in the year 2020. Smartphones have doubled since 2016 and the adoption of cheap and second-hand devices has increased tremendously taking up a huge percent of the market share from competing brands. With the increase in awareness of price perception of premium brands compared to smart or feature phones, it has become challenging for premium brands like Apple to acquire a significant place in the Kenyan market (GSMA Corporate, 2017).

The market is saturated with different brands that offer different conveniences for consumers thus making competition among mobile manufacturer providers stiff, with the cluttered environment, mobile manufacturers are forced to understand the consumers needs by learning how the perception of the brand is affecting the performance of the company. Consumers
generally assess the brand attributes or reputation with whether or not there is a chance of buying the particular product. Companies need to be aware of how their brands portray itself in terms of its products, services, risks and benefits associated with the firm. Mobile firms well know Kenya’s mobile market is not subsidized to avoid certain barriers such as issues of pricing, therefore in an uncontrollable environment different brands carry different prices, innovation, promotions as well as other factors that might affect how one associates with a particular brand (Deloitte, 2016).

The nature of perception is quite difficult to understand as companies often have a problem executing what consumers expect. Customer expectations are often derived from the beliefs and assumptions of firms’ products and services will actually be like. These ideas are based on the advertisements, websites and public perception of the firm. Other influences such as consumers’ personal choice, lifestyle and their background often play a role in expectations. Consumer perception is created when the consumer has a certain experience with the firms offerings, several emotions and physicality’s determine their experiences; these includes, brand image, credibility, reliability and product or service attributes. Evidently consumer experiences at times do not match up their expectations, hence creating a gap between the consumer expectation and firms’ perception (ttiglobal, 2017).

The firms’ perception fails to meet consumer needs because of assuming this is what the consumer desires and only by interacting with the consumer the company begins to understand what the customer values. Ttiglobal (2017) explains instances where the management can fail to accurately grasp what consumers want and become ineffective to meet expectations, this lack of clarity on consumer standards can cause a problem in product and service delivery. The most common problem among mobile industries, is when companies boost consumer expectations only to leave them disappointed and less likely to buy the product again, thus delivering over promising factors can leave consumers demotivated.

The study attempted to bridge the knowledge gap between consumer perception and consumer expectation by seeking solutions to issues within consumer behavior. Firms need to be aware of socio-environmental, psychological and marketing issues creating a gap between the company and consumers, which then influences buyer behavior. The managements’
perception is not always the reality of the consumer and by tailoring these issues to achieve a scenario where consumer perception aligns or surpass their expectation, builds a reputable perception of the company (ttiglobal, 2017).

1.3 General Objective
The general objective of the study was to evaluate consumer perception influence in consumer buyer decisions and underlying reasons that result to handset selection among university students.

1.4 Specific Objectives
The study was guided by the following research objectives:

1.4.1 To investigate socio-environmental stimuli impact on consumer choice of mobile handset.

1.4.2 To identify psychological stimuli affecting consumer choice of mobile device.

1.4.3 To explore market-mix stimuli impact on consumer choice of mobile handset.

1.5 Importance of Study

1.5.1 Phone Manufacturing Companies
The study contributes to knowledge regarding consumer perception on its influence in buying behavior, thus been efficient to phone companies to fill in the knowledge gap, by understanding consumer needs in the mobile phone market and learning the underlying factors that influence purchase decisions. Therefor analyzing a consumer’s perceptual interpretation of different phones and also bridging the gap between expectations and reality.

1.5.2 Kenya Mobile Industry
The study will assist Kenyan mobile vendors to improve on any prevailing weaknesses in the organization, by assessing factors as to why key players in the industry hold a higher market share compared to their organizations, thus making changes and improvements. The research will also provide a way forward with information that the perception of a consumer is particularly important in determining the performance of a company.
1.5.3 Researchers
Fellow researchers and academicians who will uptake further research will also contribute to the present study and be a source for reference material on related subjects of consumer perception for upcoming researchers.

1.6 Scope of the Study
The research study focused on United States International University Students of Kenya centering on the effect of consumer perception as a determinant in buyer behavior. It consisted of a variety of students from undergraduate to graduate level because of the diverse population and information collected was sufficient to support the study. The study involved collecting knowledge based on the research objectives through questionnaires distributed during Spring Semester session, in the month of March 2018.

1.7 Definition of Terms
1.7.1 Consumer Perception
A consumer’s impression, exposure and consciousness regarding a firm’s offerings (Shanthi & Kannaiah, 2015).

1.7.2 Buyer Behavior
This is a systematic approach consumer’s follow when making a purchase decision (Solomon, Russell-Bennett, & Previte, 2013).

1.7.3 Socio-environmental Stimuli
These are conditions that alter ones’ perception within the boundary of their environment (Miniard, Blackwell, & Engel, 2006).

1.7.4 Psychological Stimuli
This is the conditioning of a sensory stimuli based on a particular response in the mind that influences ones’ behavior (Miniard, Blackwell, & Engel, 2006).

1.7.5 Market-mix Stimuli
These are tools used to influence a consumer’ cognitive, affective and behavioral responses, that represent a set of stimuli created by a company (Professional Academy, 2017).
1.8 Chapter Summary

The chapter was an introduction of the study, highlighting how consumer perception can affect buyer behavior. It portrayed the statement of the problem, purpose of study, research objective, importance of study while citing the content users. The following chapter fixated on the literature review, and various theories concerning consumer perception that can be used in the study. The third chapter highlighted on the methodology used in the study, in terms of research design, target population, sample size, sampling procedures, tools, data collection methods and data analysis procedures. Chapter four presented the results and findings of the study and ultimately, chapter five specified the discussion, conclusion and recommendation of the study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter presented a review of particular brand attributes that can be considered important when choosing a mobile handset. The chapter was guided by the specific objectives as in chapter one, which include assessing the socio-environmental stimuli that influence buyer behavior; psychological stimuli that are likely to influence a consumer’s behavior and market mix stimuli that contribute to influencing the mobile device handset among United States International University students. The focus of the study was to connect all the three objectives by explaining how effective they are in terms of product and service delivery to the companies and consumers.

2.2 Socio-environmental Stimuli Affecting Consumer Behavior

2.2.1 Cultural Factors

Marketers closely relate consumer behavior to culture as a crucial corner stone in the perception of marketing. By understanding this subject, it provides an advantage for a marketer to understand the cultural myths, rituals, laws, languages, religion and values that are transmitted from one generation to the next. Culture puts a significant impact on how one behaves, as children grow up exposed to different perceptions, preferences and behaviors through the process of socialization with families and other key institutions (Durmaçoğlu, 2014).

Culture differences can lead to misunderstandings; for instance, simple gestures can be perceived as positive or negative depending on the community and the way the communication is received. This so happens to companies when launching products in parts of the world that are cross-cultural only to realize firms should take careful consideration of cultural aspects. With the increase in international brands, it is crucial to understand that consumer perception and marketing strategies are still culturally bound (Kastanakis & Voyer, 2012). Cultural differences account for variations in the way consumers react when making decisions, including perception of advertising, branding and evaluation of services. However, in spite of that, cross-cultural consumer psychology research is still in its early stages in
several critical domains and because of the considerable lack of knowledge it has led to investigation into identifying differences and similarities of consumers across states, so as to understand their origin. Observing various cultural behaviors will help understand the differences and similarities in consumer behavior thus evaluating how perception and cognition play a role in human experiences. Studies have contributed on cross cultural consumer psychology by illustrating how different perceptions can fuel different cognitive behavior which both shape behavior. Culture creates individual perception and cognition by providing the set of expectations, values and needs, these tends to affect an individuals’ sensory perception as it shapes how people think and react to their life views. For instance, the western culture considers white as color of purity, different from people in Eastern culture where white signifies death. Culture affects perception and cognition at an individual and society level (Kastanakis et al., 2012).

Significantly the culture of a particular region should be aligned with the cultural values of a company; huge successful companies like Apple take critical approach in building their beliefs amongst a society. Successful firms tend to take in peoples’ beliefs and turn them into reality, despite the indirect link between culture and how it affects the consumers choice, Apple has managed to create a positive shared belief between the brand offerings and the consumers needs, by providing the needed experience, quality products and services which has been their main goal in establishing an exquisite brand. The company has over decades of studying its consumers’ behavior while working on creating a culture of trust, confidence and shared beliefs motivating people to buy goods from the company (Zoeller, 2017).

Kenya is deeply embedded in its cultural values and people generally appreciate brands that support the values and heritage of the communities. Culture is a way of life in the country and with over 40 ethnic groups, most people relate on a cultural level by speaking the same language, having similar values and beliefs, which have not been so often used in Mobile brands to advertise their products and services. Based on the findings of the study, culture and mobile phones can contradict to an extent, as there is no direct link and other stimulus have over powered culture as an aspect to influence perception hence buyer behavior. Therefore, it is necessary that culture be viewed as a socially integrated stimulant (Mohammad, 2012).
2.2.2 Demographic Factors

Demography contributes heavily to consumer behavior; today's world decision-making is related to the proper understanding of demographics such as education, age, gender, income, occupation, and education. Demographics are the most fundamental individual level differences within an extensive population. The theory of optimum stimulation level helps in determining the most primal stimulations each individual prefers to receive from an environment. Individual constantly adjust their behavior to different complexities of their environmental stimulation, to their primal level. Therefore, demographics determine a person's tendency to start or continue certain behaviors (Jha & Ye, 2016). Demography has been used in studies to predict consumer behavior especially in consumption of products and services. Several studies have shown the link between demography and technology user behavior, for instance age and gender tend to influence mobile phone users to switch from their current brand to a different mobile phone brand. Age and gender has also shown to affect people's choice in use of social media and messaging, also individuals with high level of education tends to have an interest towards technology innovations (Jha et al., 2016).

People within the same age cohorts tend to undergo similar experiences and share same memories of historic and cultural events. Marketers’ often target people of similar age cohorts and believe that same products and services may not be appealing to people of different ages, nor will the language and pictures used to reach their target market (Singh J., 2009). Individuals make transitions from childhood to adult hood and so does their perception vary. Interests change over time and so do marketing conditions change too (Mohan, 2014).

In addition, the level of formal schooling has an impact on behavior. Michael (1975) explains the link between higher education and higher wages, thus with a consistent wage one is able to afford more needs. The study also enhances on how one is likely to spend time deciding cost and personal benefits as oppose to making rush decisions without understanding the knowledge behind the product, emphasis is layered on less educated people to making impulsive decisions. Educated families have greater capability in assessing information, so when mobile brands claim certain attributes the consumer will use the knowledge efficiently while evaluating their perception when making a purchase decision. Education has been seen to affect consumer behavior as people generally weigh their options carefully based on the level of formal schooling they have gone through and how it affects their view of everything around (Michael, 1975).
Similar to an individual’s marital status, people who are single have a high tendency to purchase trendy or expensive items, as they have no economic obligations. Married people have to prioritize their economic obligations, by considering their partner or children, what they will perceive of them buying a particular phone brand. Gender is also critical as men and women have different needs due to the fact that both genders have different attitudes towards products and services. So far in marketing, gender segmentation has been linked to clothing, hairstyles, cosmetics etc. In regards to the mobile industry sexuality is a nonprime factor that has yet to be fully incorporated, maybe in terms of the phone design, color and shape; different genders can base their decision on those views (Larsen, 2010).

In addition, young consumers have been shown to have different needs from older consumers. The young generation age between 18-30 considers core technical features and they base the selection of a particular phone brand from friends, word of mouth or buy a different brand from their peers. In perspective of ones’ gender, marketers have found that females tend to favor phone brands that offer a variety of models that match their look and style (Juwaheer & Pudaruth, 2013).

**2.2.3 Social Factors**

Social factors are particularly important because individuals are connected to people that can influence their decisions. Important social factors include: social status, family and reference groups. Every person fits into a particular group, the consumers group is referred to as membership group, the second group is known as reference group which influences the self image and behavior of consumers. This kind of group provides comparison between consumers, family, friends and work mates. Other individuals are referred to as smaller reference groups (Lautiainen, 2015).

Personal needs is also a huge influence in smart phone choice, females have been found to be more considerate of others around them while males are self-focused, with respect to cognitive processes the significant differences between male and female personal needs rely on efficiency of the technology and ease of use. Males prominently rely on new software and innovation; females determine their choices based on how easy it is to incorporate the product into their daily routine while considering its implications on others (Singh, 2009).
Social class of a consumer is identified by a complex set of variables, which includes: income, profession, wealth, education and family background. It constitutes a group of people sharing very much alike social and economic condition. Different product and services are perceived by customers to be appropriate for certain social classes, research shows that each individual status has an influence in their consumption behavior. Society can be classified into five different groups as; upper class, upper middle class, middle class, working class and lower class (Nagarkoti, 2012). Individuals from upper class tend to consume more products or services while people from lower class tend to be more careful on their spending habits. Countries like India believe in status symbol, one is judged based on income, education and family background. The increase in Kenyan economy has led to creation of jobs and business opportunities as seen more mobile brands are entering the market. Considering majority of the population lies between middle to lower class, cheaper and affordable brands thrive better in the market.

Reference group consists of people who have significant relevance on the individual’s behaviors and ambitions. Research states that reference groups have become increasingly important in determining ones’ satisfaction and happiness, depending on what one achieves in comparison to others (Lubrano & Xun, 2012). Reference group influences consumers in several ways. These influences are informational, utilitarian, and value expressive.

Informational influence is typically how individuals make decisions based on the information they receive. This kind of influence generally works when the consumer has little to no knowledge or experience about the product or service, while the potential of them accepting the information they receive from reference group members is higher. They perceive the information as credible and take it into consideration when making a purchase decision.

Utilitarian influence is more of indulging into buying a product or service so as to satisfy individuals from the group, psychologically the individual will expect to receive praise instead of resistance from the group. People are more willing to conform to group answers and from a marketing perspective, advertisements have shown one can obtain social approval and acceptance by buying a specific commodity or in turn show how one can be rejected by refusing to use the specific product (Lubrano et al., 2012).

Value expressive influence is when a person decides to put more value in the beliefs and rules of social groups. A good example is when Sony launched a mobile phone advertisement and
implying people who use the same mobile device have the same characteristics with the
group, by using celebrity roles to play the successful part and showing individuals the values
of the specific group (Mohammad, 2012). Marketers often assess consumers by confirming
responses when asked which group they see themselves fitting into. This concept has been
widely applied to show the consumptions in products in social situations.

In addition, family is one of the most important reference groups among others. Children
learn consumption skills by observing their parents and older siblings. For children, parents
function as their role models. Family plays a great role in decision-making process like:
influencer (children), initiators (children/parents), information gatherers (children/parents),
deciders (children/parents), buyers (parents), users such as children and parents (Shrestha,
2016).

Children tend to acquire from their parents an attitude towards religion, economics and
ambitions, which has a significant influence continuously throughout life, even though buyers
rarely interact with their parents. Shrestha (2016) expounds on how family usually creates the
first perception towards brands and products or services they offer. For instance, consumers
who have had certain brand perceptions since they were young will turn out to carry the same
brand selections throughout life without even realizing their families influenced these
choices. Most urban population family members tend to have a mobile device while for the
rural part of the nation the head of the family; normally the father has a smartphone.

2.3 Psychological Stimuli Affecting Consumer Behavior

2.3.1 Perception
Perception is a vast topic, which can be subdivided into visual perception, auditory
perception, olfactory perception, haptic perception (touch) and gustatory perception (taste).
However, for the purposes of this study the focus will be on visual and auditory perception
since they have the most influence in the mobile market (Zeithaml, 2014).

Notice when looking at a product or object the first thing one sees is the shape, design or
color, and immediately acquire information about the objects functions. Cognitive processes
enable us to perceive an objects state of function, which brings into question how far
perception is related to sensation and the reasoning capability of an individual. Psychologists
such as James Gibson argue on how people acquire information about a product through
The initial reaction of sensory organs. The process of how individuals acquire cognitive information is known as the perceptual process (Solomon, Russell-Bennett, & Previte, 2013).

### Figure 2.1 Perceptual Process

**Source:** Vainikka (2015)

The figure above illustrates how stimuli creates the sensation causing attention, which in this case can be a mobile handset with features that are attractive to an individual, they then interpret it in their own view and interests to give it meaning, therefore creating a perception.

The core importance of the study is to understand how consumers attach meaning to sensory information they receive. This may seem more than usual as every day consumers view objects, people, patterns and events, which is not an achievement because it happens daily. However, in marketing the purpose of a brand would be to inflict a positive perception without possible errors that the consumer could perceive as negative or somewhat not meaningful in their lives and associate it with the brand hence affecting their purchase intention (Solomon et al., 2013).

There perceptual process insinuates exposure occurs when an individual comes into contact with environmental stimuli either by mistake or intentional, however not every stimulus gets recognized. Individuals tend to be selective in the way we decide what consciously affects us, not everyone pays attention to every advert or every product and services within a mall; consumers decide where to allocate their attention (Solomon & Bamossy, 2006).
Sensory input is received through the five senses; individuals visualize while shopping and see collectively different product in various shades, designs, brands and this is what they first associate with when examining products for purchase. Vainikka (2015) illustrates sensory abilities are important for companies in enabling them to differentiate themselves from their rivals, hence achieving an increase in sales. Research estimates about 80% of what individuals receive from the environment is through vision, as largely physical attractiveness of a brand should appeal to consumers. The most obvious visual element is color. Color helps attract attention; many phone companies are providing a range of phone colors and not only does it create attention but has an impact on the consumer’s emotions. Colors such as red symbolize love and black associated with death, in many cases color is associated with cultural values. The creative use of color determines whether a consumer can reject or accept a product (Vainikka, 2015).

Similar to sound which is an important marketing tool, from commercials, presentations, sound systems and music. Research shows there is a positive correlation between music related products, stores and sales, as these is a multi-billion-dollar industry (Hanna & Wozniak, 2017). Auditory like visual perception has the ability to impact emotions, because music can be used to create a mood or push through a message, this is especially true for commercial advertisements when advertising their products background music tends to have either a negative or positive effect on the consumer perception. Noise on the other hand is negatively correlated to sales and can largely affect consumers’ emotions by increasing stress levels thus affecting their evaluation of the particular brand. The whole essence is to create an environment where consumers feel comfortable shopping and can take their time thus creating a positive perception (Hanna et al., 2017).

Company logos are example of visual elements recognizable to a consumer, as they are one of the core factors a consumer is likely to first interact with. Mobile brands such as: Life’s Good (LG) and Apple have shown how the brand logo is an asset to the company. LG company logo represents a person’s face with the L in between the G colored in red, this is so to create a warm and welcoming perception to its consumers, however people tend to miss that (Churcher, 2014). As for Apple their brand logo has changed since 1998, Steve jobs intended the new color of the Apple logo to be simple and sleek so that consumers could keep in mind the apple shape, which proved to be more effective response from consumers. The
new logo has shown to stimulate the consumers’ brain and made people more creative based on the exposure (Zoeller, 2017).

As consumers are confronted every day with different stimuli from the environment, people tend to be selective in what they expose themselves to or give attention. Consciously our brains tend to filter information based on ones’ interests. Contrary to that, consumers will engage in perceptual defense as a way to block anything causing a threat, in order to protect their self-image (Teixeira, 2014). Once a stimulus gains a consumers’ attention individuals process the information by selective interpretation, where consumers revisit their memories or previous experiences and combine it with their expectations to create relevance. Businesses highly avoid distorting consumers’ perception by creating products that are meaningful or incase of instances of public atrocity from advertisements or failed products, firms tend to withdraw the product, to avoid controversy (Hanna & Wozniak, 2017). In 2016 Samsung mobile company went through a public outcry when owners of phone model Note 7 experienced fire damage caused by the phone in their homes. This went to the extent of the phone been banned in many airlines and consumers been angry as no replacement costs were placed for the damaged items in their homes.

The human perceptual process generally affects consumer behavior. The correlation between perception and behavior is of a great deal to marketers as the first encounter can generate consumer retention or loyalty towards a brand (Zeithaml, 2014).

2.3.2 Learning

Learning is about permanent change in ones’ actions based on their experiences, it could affect a consumer directly or indirectly. Individuals learn by witnessing events or been present in the situation as it happens, learning can also be unintentional. Just like the concept of perception, learning is a continuous process and the knowledge consumers accumulate is constantly revised as individuals are exposed to different stimuli and gather information that affects consumer’s behavior (Miniard, Blackwell, & Engel, 2006).

The concept of learning ranges in variety when it comes to businesses, from simple exposure to stimulus such as; company logo, to understanding cognitive processes that affect consumer behavior. Several theories have been formulated to explain the learning process and the importance of these theories to marketers, to understand the basic learning principles as key
to impacting purchase decisions. Several studies explore different theories that explain learning in association with emotions, events and products that are critical aspects of consumer behavior (Solomon & Bamossy, 2006).

Looking into behavioral learning theories, psychologists describe learning happens as a result of external events that affect the individual. The mind is described as a ‘black box’ and observable aspects of behavior, consist of stimuli or events perceived from the surrounding environment, in which cause a reaction that come out of the box, as responses to the particular stimuli or event. The theory emphasizes that there are two approaches to learning, which are: classical conditioning and instrumental conditioning (Frontczak & Hartley, 2015). Consumers’ experiences are shaped by the feedback they get through out life, and they tend to respond to brand names or marketing stimuli in reference to what they have learnt overtime. People will generally use what they have learned to similar situation in the future, they come across. Consumers who are pleased about a particular product will be more likely to buy the same brand again, while those that get unpleasant experiences, will less likely buy the product in the future (Frontczak et al., 2015).

Classical conditioning approach is when a stimulus that provides a response is paired with another stimulus that cannot provide a response on its own. The basic idea of pairing two stimuli began with testing dog behavior (Haskings-Winner, Collishaw, Kritzer, & Warecki, 2011). Ivan Pavlov, Russian psychologists paired a neutral stimulus, which was a bell in this case, and a stimulus, which causes salivation in dogs. He then used dried powdered meat because it would naturally cause salivation in dogs and with time he conditioned the dogs to associate the bell with the dried meat, so the animals learned to associate the sound of the bell only with the meat, hence causing salivation. The response from the dogs was a conditioned response and the essence of the test was to focus on visual and olfactory cues to create a sense of hunger and arousal (McLeod, 2014).

Evidently a similar effect is experienced when consumers walk into a store and purchase a product through a credit card. The credit card becomes the conditioned cue that causes a spending habit; people are likely to make large or expensive purchases using credit cards. Alshurideh (2015) expounds on advertisements from credit card companies that remind consumers not to leave their homes without the cards, which then acts as the unconditional cue and once paired with the conditioned cue, stimulus response is likely to grow. Ivan
Pavlov studies show that dogs will also react to sounds similar with the bell, in the same way people are likely to react to similar stimuli that they initially responded to before, companies apply look alike tactics, such as Chinese brands imitation of various American brands. Similar colors, shapes and designs are attributes firms imitate hence causing consumers likeliness to purchase a similar phone as the original one (Alshurideh, 2015).

Instrumental conditioning occurs when individuals perform a behavior that results in a positive outcome, while avoiding a negative outcome. The purpose of the theory is to obtain a goal, which in this case would be to reward behavior and creating a positive memory for the consumer (Haskings et al., 2011). Shop owners’ award gifts or prizes to consumers for just walking into the store, and in hopes the consumers will come back and turn out to buy something. This way a consumer’ is conditioned to learn the response they undertake is rewarded. However instrumental conditioning can occur in three ways; positive reinforcement by rewarding appropriate behavior, negative reinforcement which is mostly used in advertisements, in this case could be a man sitting alone at a night club, because he does not have the latest phone model and only if he had it, then people would stop avoiding him, and ultimately, punishment; this mostly occurs when a response brings out an unpleasant outcome such as been mocked by friends and family for having a particular phone model (WoofGang, 2015).

Cognitive learning theory is all about the mental process of an individual and how they solve issues by using the information gathered. The theory particularly stresses on whether people are aware of their learning processes. This school of thought argues that the consumer develops a hypothesis and then carries out an action. Contrary to that, there is evidence showing people are actually aware and can process at least some information unknowingly, which is referred to as mindlessness. For instance, in advertisements a man can rate a phone as superior based on the characteristics, while probably in the advertisement a seductive woman was used to showcase the phone, even though the man might not believe the woman’s presence can actually have some influence, it does play a role in influencing his thoughts (Sincero, 2011).

Another learning process is known as observational learning where people are keen on others actions and what they receive for their behavior. Through this kind of learning people form memories an accumulate knowledge to guide their own actions. For instance, a guy shopping
for a new phone and remembers the kind of reaction his friend received with purchasing the same brand (Sincero, 2011). Observational learning applies only when the consumer pays attention to the stimuli that is desired, he or she has to remember anything that has been mentioned before about the product, the consumer then converts this information to action and he or she must have some kind of incentive to perform the action.

The way learning principles apply to marketing is quite important, after all strategic decisions are based on the hypothesis of the consumer, by acquiring information about products and services. Another critical way of influence is when consumers’ can also be taught to put preference to alternative products and services (Schiffman, O'Cass, Paladino, & Carlson, 2014). Marketers can take advantage-using repetition by playing an advertisement over and over again. Research shows that playing more than three plays of advertisement is a waste as the first advert creates awareness, the second advert provides relevance to consumers and the third acts as a reminder of the product and its accompaniments. However, repetition is still necessary to make sure consumers are actually exposed, nonetheless too much of something can also cause consumers to ignore or focus their attention on something else while the advert is playing (Solomon et al., 2006).

2.3.3 Memory
Memory is a process whereby individuals get information and store them over time so they can use it later on. The mind is described as similar to a computer where there is input of data, data is then processed and an output is achieved for future purposes, same way the computer encodes the data in a way the system will understand, it then stores it in the memory slot and the information can be accessed when needed, similar to a human mind. Why memory is important for marketers is because consumers retain information about a product or service and apply it when making purchase decisions. Humans tend to maintain memories and recall from their experiences, in instances where one has used a product or service and evaluated it in terms of the individuals’ expectations (Ward, Duke, Gneezy, & Bos, 2017).

There are several kinds of memories that bring about a sense of familiarity when a consumer is exposed to a stimulus. People tend to retain memories based on events that happened in their lives and such memories are often triggered by a stimulus. For instance, a couple is likely to remember their first date when they hear a song that played during that occasion, this
mostly referred to as episodic memories. Ward et al. (2017) claims information we receive from our senses also allows individuals to store information. Storage may be temporary but sufficient enough for a consumer to decide whether to pursue a certain objective or move on. In instances where an individual walks outside a phone shop and sees a flashy advertisement, the person can decide to walk in the store and explore further or ignore it. Short term memories are also stored for a limited amount of time, it could be information a person is currently processing, as for long term memory, a person’s mind tends to retain information for a longer period. In instances where short-term memory is converted into long-term memory, elaborative rehearsal is needed, this could be thinking about what a particular stimulus meant and combining it to the information that the individual already knows (Sarro, 2017).

An important aspect of consumer memory is to understand how individuals can retrieve information and the factors that influence this process. People can better recall a situation if their internal state is similar at the time of recall, when information was acquired. La tour et al. (2013) clarifies a consumer will likely remember an advertisement if the mood at the time they were exposed is the same to that while as the individual was shopping. This is defined as state dependent retrieval process. Marketers also engage in keeping their products and services out there, by making sure people are still aware of them. Once a consumer has experience with a product, the better they can use the product and keep information about the product. By this the consumer gets to be more familiar with a product and whenever they are exposed to the same brand they purchased they can recall their experience. However, some studies show been over familiar with a product can result to consumer retention, over time consumers tend to believe not much information can be acquired hence the incentive of learning about the product becomes inferior to the consumer (La tour, Braun, & Pickrell, 2013).

In addition, people are inclined to recall a stimulus that is unique from the environment, as such stimulus commands attention and increases the likeliness to be recalled. A product with a distinctive packaging will enhance brand recall. There is also the aspect of visual memory where companies use pictures instead of verbal cues to ensure people can recall the ad based on what is seen. Visual imagery is effective when combined with verbal cues, as consumers acquire information while recalling the ad in their minds (Forbes, 2012).
In spite of that, consumers also forget and memories tend to fade over time. Reason for forgetting is simply due to replacement of earlier information. A stimulus response can be forgotten when a consumer learns new responses to the same stimuli or what he or she learned can be interfered with by new knowledge. These two aspects are often referred as retroactive interference and proactive interference. Studies have shown individuals’ chances of forgetting increase when a particular advert is played with ten adverts from different brands. Sometimes people tend to be biased and memory lapses can also be unintentional (Kahney, 2013).

2.3.4 Motivation
Motivation is often driven by particular needs depending on the individual priorities. Maslow, an American psychologist came up with hierarchy of needs that are important to an individual. Maslow argues that people need to fulfill basic survival needs before they can attend to higher needs. He identifies psychological needs such as; food, water and sleep, then states an individual moves on to safety needs, once those are satisfied. Nonetheless, this could vary for every individual. The most basic safety need would be to have a safe household. Social needs also must be fulfilled, as humans require to feel loved and accepted by people. Esteem needs are crucial as gaining respect from others gives one a sense of accomplishment and finally, self-actualization needs is when an individual realizes their full potential and are able to execute it (Shrestha, 2016).

Crackberrys’ hierarchy of need is quite similar, when looking at mobile consumers needs, in terms of what is expected from a particular brand. This is no different from Maslow’s theory, as basic phone needs have to be prioritized so that other needs can be considered. As seen in Figure 2.2
Figure 2.2 Hierarchy of Smart Phone Needs

Source: Kevin (2009)

Michaluk, founder of Crackberry hierarchy of needs explains the strength and weakness of a mobile device to consumers. The basic level of needs, which is quite adequate for any consumer, would be to have connectivity, compatibility and security. He highlights these needs as core to providing an incentive on whether or not a consumer will purchase a particular brand and further claims that features such as; Wi-Fi as essential in increasing consumer attraction despite the phone design. An individual is less likely to buy a phone that does not have connectivity (Rahim, 2015).

The second level of need is usability and performance, this core features creates attachment between the consumer and the smartphone, whereby it is now considered as a personal need. Consumers will likely choose a phone that has a longer battery life, easy to navigate and reliable. Communication and productivity is at third level of hierarchy of needs, where in this stage the consumer will look into the core features of the mobile phone (Salif, Razzaq, Amad, & Gul, 2012). Consumers tend to focus on brands capability to offer data browsing, voice and speaker quality, and how far the provided features substitute other needs. At this stage the consumer is likely to assess the phone on whether it has an alarm clock, camera, calculator, video and media player; attributes he can get on a single cellular device instead of purchasing different items. The peak of the hierarchy, assess whether the smartphone can support different apps, more so the ones that are crucial to the consumer, this could vary from apps that improve lifestyle, entertainment and even support studies (Michaluk, 2009).
2.4 Market-mix Stimuli Affecting Consumer Behavior

2.4.1 Perceived Price

Price refers to the amount of money charged in exchange for a particular product or service. Price is the money a consumer is willing to pay for, if the individual thinks the brand offerings are of value. Price is a key factor in selling any product or services. Price is also classified into two parts, which are: objective price and perceived price. Objective price is the actual price of a product or service while the perceived price is individual belief of the price in relation to the quality of the product (Gizaw, 2014).

Consumer perception in relation to price can have a negative or positive influence on buyer behavior, because of the low-income levels in Kenya, consumers have become price conscious and shifted to using medium to less expensive phones that offer basic features such as communication and messaging, contrary to an expensive brand that offers better phone features. Consumers can associate low price with low quality, such individuals think price is an indicator of quality. Their view is that the higher the price, the better the quality, however many companies reduce the quality of a product to minimize costs and make it more affordable for consumers. Studies have shown there is a relationship between price, quality and self-esteem. Studies show the increase in quality and high prices has a positive correlation with an individual’s self-esteem (Juha, 2008).

Contrary to that, price and quality is rendered obsolete in instances where; consumer perception is influenced by an advertisement or the brand reputation. Second, when the consumer is not aware of the price and they do not use price as a quality reference. Thirdly, consumers who have little to no information about the quality of product, tend to rely on pricing, name of brand and packaging design to decide on the purchase. Fourth, consumers associate price with quality, but in case of price variation in different products, consumers are likely to choose the cheaper product. The price of a brand is perceived to be appropriate by the target market, which will reflect in sales, as the products are likely to sell efficiently. A marketer might have to ask questions to different consumer groups to understand how individuals respond to price related stimuli (Gizaw, 2014).

In addition, objective price, is referred to the actual price of product and perceived price is the price encoded by the consumer. Consumers notice the exact prices of a phone; however, most
consumers remember price either as expensive or cheap and others may not even recall the price at all. Giwaz (2014) supports that consumers rarely remember the actual price instead most of them associate meaning to the product. Depending on ones’ awareness, attention and knowledge of prices, it is likely that an individual will have an accurate reference to prices of many products. People are less price conscious on cheaper items compared to expensive ones. Research emphasizes that there is a gap between actual and perceived price. With tendencies for the same brands to be priced distinctively across shopping malls or rather products of the same brand to have price differences, making it difficult for the consumer to recall (Zeithaml, 2014).

2.4.2 Perceived Quality

Quality is defined in superiority of the product and whether it meets the standard of the consumer. Research claims that quality is measurable, while in different school of thoughts quality cannot be measured. Kandasamy (2014) exemplifies quality is purely divided into two approaches; objective of quality, when a consumer evaluates a product based on its physical features and perception of quality, when the consumer evaluates a product based on previous judgment of key attributes. These key attributes include: intrinsic and extrinsic factors. Intrinsic features are the products physical characteristics such as; color, size, shape while extrinsic features are attributes which are related to the product or service such as; packaging, price and influence from peers. Consumers are more familiar with extrinsic features, because it easier to evaluate a products quality based on those attributes (Kandasamy, 2014).

Perceived quality of consumers has a great impact towards increasing customer loyalty of a brand and ensuring the success of a company. It creates a warm relationship and builds trust between the consumer and company; this will in turn keep consumers from brand switching and commit to the particular brand. Once a consumer has knowledge about a particular product they can then apply it when making a purchase by assessing the attributes they have come into contact with before (Chattha, 2016).

Singh (2016) differentiates between perceived quality and real quality. He argues that when consumers have a negative experience, they carry that bad image and erase what they thought before about the product. Eventually in the future the consumer will not have the same belief about the product, which brings the aspect of the real quality of the product. Consumers will
base their purchase decisions from subjective judgment, based on a bad experience they encountered when acquiring the product (Singh, 2016).

Objective quality is based on what the company perceive as important and put out the specifications for the consumer to read and perceived quality is the consumers judgment on superiority of the product. Studies reveal a consumer’s judgment usually take place when comparing a set of products, the consumers set the level of superior products and not the company. Consumer assessment of a products quality is particularly different from that of a company’s view (Zeithaml, 2014). In addition, ninety research studies have been created to test on the whether quality and price are positively related. Evidence from studies show there is no relationship. Both elements are assumed to be too general and cannot be tested; statistically there is no significant relationship. On the contrary other research shows price is weakly correlated with objective quality rather than perceived quality (Anderson-Hjorth, 1984).

2.4.3 Perceived Risk
Risk is associated to the consumers doubt about the decisions an individual is about to make. The degree of risk is crucial in influencing the decision of the consumer, if the benefits are outweigh the risk, consumers are more likely to purchase the product. Risk encounters tend to have an impact on the behavior of consumers, in case of a negative/risky encounter the consumer is more likely to have a negative perception. To avoid risky encounters consumers, choose to buy cheaper products instead of expensive ones. Risk is also conceived in two different terms, uncertainty and consequences, which are associated with a consumer’s actions, the results may be pleasant or unpleasant. Perceived risk can also influence consumers’ early stages of the buyer process, companies work on reducing the risks for the consumer in the purchase decision process (Yee & San, 2011).

Whenever a consumer buys a product they tend to expose themselves to different kinds of risk; financial risk, which implies that the product is not worth the cost, functional risk, infers that the product will not perform as required, physical risk, suggests the risk to self and others that the product may pose and social risk, means the product may bruise a consumer’s ego. In spite of those risks there are ways consumers can avoid risks. Consumers can seek
information, consumers also tend to buy the most expensive models to avoid risk and seek reassurance from the product provider or people with close relations (Gizaw, 2014).

Studies show in order for companies to reduce uncertainties’ in consumers, they should ensure transparency, reveal more information to the consumers’ and safety measures undertaken incase of a tragedy. Perceived risk correlates with price and quality, the more consumers believe a company offers product of good quality in respect to pricing, the less perceived risk one has in a brand (Naami, Rahimi, & Ghandvar, 2017).

2.4.4 Perceived Value
Objective value is used to refer to judgments made by the consumer, while perceived value is the overall assessment after utilizing the product and making judgments’. Value is mostly associated with product functions and how it performs, in terms of quality and delivery issues. Value can also be determined by the consumers’ own understanding, it could be the individual values low prices or high prices. Value is whatever the consumer expects to get versus what he or she receives (Chowdhury, 2002).

There is evidence of a relationship between perceived value, price, quality and risk. Consumers use price to assess the quality of a product, thus creating a relationship between price and quality. Different prices tend to create different values, as the price of a product or services increases; perception of value will increase to an extent. On the other hand, studies show perception of value will decrease once the price is beyond the price range of the consumer. For consumers who think price is an indicator of quality, they might think it is risky to purchase low quality and low-priced products (Gizaw, 2014).

Consumer perception of price, quality, value portrays a positive correlation, as oppose to perceived risk which is negative amongst the elements. A high price perception indicates a high perceived quality and low perceived risk, while a lower perceived price and quality reveals a high level of perceived risk. A higher perception of value and price shows a positive impact on perceived value of a product. Consumers tend to think when the price is high the better value of product and vice versa (Kukar-Kinney, Ridgway, & Monroe, 2012).
Research shows that value is defined within different criteria’s as; low price, the product specifications, equal to the price payment or what is convenient for the consumer. Mobile phones companies try to create value by giving consumers what they need to feel satisfied. The perception of value has essentially been linked to price first then quality second (Chattha, 2016). The less price conscious individuals, find value in proximity of store even if the cost vary highly, since it saves time and effort which they perceive as costlier. Value and quality vary inversely in instances where the phone is of high quality but the consumer cannot afford it or opts not to spend the money. The products may not necessarily be perceived as high quality as that of low-quality products, with affordable prices. The value may significantly reduce or increase depending on the consumers’ perception (Zeithaml, 2014).

2.5 Chapter Summary

This chapter covered the literature and variables concerning the study of consumer perception and how it affects behaviors. The chapter defined and explained the socio-environmental; psychological and market mix stimuli that cover an in-depth understanding of the literature, relevant for the study that has been done. The chapter linked all the variables that explain the relationship between dependent and independent variable. The following chapter presented the research methodology used for the study.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This chapter presented the elements of research design and methodology that were applied in
the study. The chapter first provided the population of the study, sample size and sampling
procedure used to justify the research. The chapter further explained data collection methods
and instruments, the procedure for data collection and analysis of the data. Subsequently, the
reliability and validity were provided to ensure the data collected was related to the study.

3.2 Research Design
A research design goes in line with the nature of the problem identified and the objectives to
be addressed. The stated objectives within this research are exploratory and aim to describe
and affirm how consumer perception affects consumer behavior in Kenya, as well as explain
the diverse socio-environmental, psychological and marketing stimuli affecting the choice of
the mobile device purchases (Ogwang, 2017).

The research design for the analysis was descriptive research design, whereby data was
collected on a group of people under the specified study. The study employed a self-
administered survey using questionnaires as an instrument to gather data on consumer
perception in buyer behavior on smartphone selection in Kenya. Thus, the study addressed
both descriptive and exploratory orientation of the research (Mohan, 2014).

3.3 Population and Sample Design

3.3.1 Population
Population is defined as a research conducted based on an entire population before a specific
sample size is derived (Vosloo, 2014). For the purpose of the study, the parameter was United
States International University, currently having a total population of 6774 students (USIU-
Africa, 2018). The study focused on undergraduate and graduate learners. This is because of
the ease of accessibility and regular interactions with the students.
Table 3.1 Population Distribution

<table>
<thead>
<tr>
<th>Target Population Categories</th>
<th>Number of Students</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Masters</td>
<td>1780</td>
<td>26%</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>4994</td>
<td>74%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6774</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: USIU-Africa (2018)

3.3.2 Sample Design

3.3.2.1 Sample Frame
Sample frame is information used to provide a vivid description to identify the sample population for statistical analysis (Mugenda & Mugenda, 2003). The sample frame comprises of the list of the students that are covered under the population of study. The study focused on student pursuing different majors under masters and undergraduate studies. The following students were chosen because efficient information can be collected to support the study and deliver expected results. The sample frame was representative of the population without any biasness so as to achieve valid and reliable findings (Ogwang, 2017).

3.3.2.2 Sample Technique
A sample technique refers to using a selected sample to represent the whole population, which is done by applying probability sampling, where by each individual has an equal chance of selection and non-probability sampling, whereby the population chance of selection is uncertain. For the purpose of the study stratified random sampling technique was employed, where the selected students were sent the questionnaires (Rahi, 2017).

3.3.2.3 Sample Size
A sample size of a study is the number of selected elements from an entire population (Creswell, 2014). From the target population of 6772, Yamane provides a formula used to calculate sample size, for the purpose of the study the level of precision will be represented by .7% value and the level of confidence is stated at approximately 93% out of a hundred samples (Yamane, 1967). This has provided the true population value within the specified precision of the study.

\[ n = \frac{N}{(1 + N \times e^2)} \]

Where:

\[ n = \text{Sample size} \]
N = Population size
E = the error of sampling

This study allowed the error of sampling as 0.07. Thus, by substituting the formula the sample size will be as obtained follows:

\[
\frac{6774}{(1 + 6774 (0.07)^2)} = \frac{6774}{6774 (0.0049)} = 198
\]

Sample size = 198. This is representative of the target population.

### Table 3.2 Sample Size

<table>
<thead>
<tr>
<th>Population Categories</th>
<th>Sample size</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Masters</td>
<td>153</td>
<td>77</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>45</td>
<td>23</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>198</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

#### 3.4 Data Collection Methods

Data collection is a method of gathering and measuring information from a variety of sources to gain accurate information on a particular topic of interest (Mafuwane, 2012). The study used quantitative data, which highlighted the numerical values that form a basis for analysis. Primary data was collected using structured questionnaires, which was administered through an online platform known as Google forms. The Google form was directed to students within the sample size of 198. The Google form had 48 questions, each with five sections that evaluated the consumers’ general knowledge, which reflected on questions of gender, age, education level, whether they own a phone and spending preference. The next section consisted of socio-environmental stimuli, focusing on factors affecting consumer behavior, which was then followed by psychological factors affecting buyer behavior, taking a more cognitive perspective and the next section provided the market mix stimuli likely to affect decision-making and lastly, the section for non-mobile owners and their future preferences. The questions were presented in a 5-likert scale, where the respondents read and chose the appropriate answers.

#### 3.5 Research procedures

Research procedure gives the researcher a better understanding of the specific phenomena’s (Ogwang, 2017). A pretest was administered to 15 people via the online Google forms, to
confirm the validity and reliability. The feedback from the questionnaires was noted and corrections were performed on the data collection tool. The questions were strategically mapped to reflect the objectives and its relation to consumer perception. Administering of the questionnaires was done via emails within 10 days duration with follow-ups conducted to ensure the response rate was adequate. Challenges faced was lack of timely response by respondents and complaints of the questionnaire been too long, hence this required constant monitoring and simplifying the questions, otherwise majority of the respondents had a clue on how to access the Google forms on phone and computer devices.

3.5.1 Validity and Reliability
Validity refers to the extent to which a phenomenon is accurately measured in a quantitative study and reliability refers to the consistency of a measure, meaning the measures should have the same exact responses each time a test is presented to the respondent (Heala, 2015). A pilot study to pretest validity and reliability was carried out; this was done on the USIU-Africa students based in Nairobi, Kasarani area. The gathered results from the questionnaire were tested using Cronbach’s alpha to determine the reliability, whereby Cronbach coefficient having a high value of 0.7 or higher as seen in Table 3.3, is considered adequate for quantitative research thus proving the instrument reliable for the research. As for validity of the study, questions were adopted from related studies that have provided theoretical evidence, when a certain behavior is similar to theoretical propositions of the construct measured in the instrument.

Table 3.3 Reliability Test

<table>
<thead>
<tr>
<th>Scale</th>
<th>Scale Mean if Item Deleted</th>
<th>Scale Variance if Item Deleted</th>
<th>Corrected Item-Total Correlation</th>
<th>Cronbach's Alpha if Item Deleted</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Information</td>
<td>93.56</td>
<td>206.31</td>
<td>0.15</td>
<td>0.72</td>
</tr>
<tr>
<td>Socio-environmental Stimuli</td>
<td>91.21</td>
<td>200.46</td>
<td>0.28</td>
<td>0.72</td>
</tr>
<tr>
<td>Psychological Stimuli</td>
<td>93.54</td>
<td>210.65</td>
<td>0.11</td>
<td>0.73</td>
</tr>
<tr>
<td>Market mix stimuli</td>
<td>91.66</td>
<td>203.9844167</td>
<td>0.21</td>
<td>0.72</td>
</tr>
</tbody>
</table>
3.6 Data Analysis Methods

Data analysis is the way the study is organized and structured to provide meaning. Quantitative approach is an engaging process where the researcher will be required to be active in the process. As a researcher the approach was to comprehend, sift the data to make sense and turn the description into original source of information (Langen, 2009).

The quantitative analysis applied descriptive statistics that was used to summarize a collection of data in a clear and understandable way. The data collected was checked through for accuracy then coded before employing the Statistical Program for Social Scientist (SPSS). The SPSS test was used for analysis of frequency tables, graphs, percentages and correlation analysis, which were used to determine the relationship among variables. Anova analysis was used to evaluate the mean among different group variables.

3.7 Chapter Summary

This chapter depicted the research methodology, which covered the research design, target population, sample size, sampling procedures, data collection tools, procedures and methods of analysis. The chapter provided the research design and sample size that presented information, by using the designated method to collect data and analyze the information. The following chapters focused on the results, where outcomes and interpretation of data was provided. Based on the results, a discussion, conclusion and recommendation of the study findings were drawn.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction
The chapter presented results of the findings of data collected from the questionnaire. The first section of the study discussed the general information, followed by results from socio-environmental factors affecting buyer behavior then; psychological and market mix stimuli influencing consumer purchase process. The questions focused on assessing aspects within the specific factors under consumer perception in selection of mobile devices. The results helped to establish the relationship between perception and causal consumer behavioral factors as well as the challenges faced in consumer selection of product or services in mobile industry.

4.2 Response Rate and Background

4.2.1 Response Rate
From selected sample size of 198 an online questionnaire was generated via Google forms, which were administered to the respondents within USIU institution. The response rate from the questionnaires was 93% successful and 7% unsuccessful; collectively the results were favorable for the study. The main target was to collect 198 responses from the quantitative data, however responses summed up to 185, see Table 4.1.

Table 4.1 Response Rate

<table>
<thead>
<tr>
<th>Questionnaires</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondents</td>
<td>185</td>
<td>93</td>
</tr>
<tr>
<td>Non-respondents</td>
<td>13</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td>198</td>
<td>100</td>
</tr>
</tbody>
</table>

4.2.2 Background Information
The following subsection provided the general information of the research study. These were guided by identifying the gender, age, marital status, level of education, phone ownership status, current and previous phone models and lastly phone expenditure of the respondents.
4.2.2.1 Gender of Respondents

Gender of the respondents was necessary for the study and from the data collected, male respondents were higher than female respondents. The findings indicate 62% of the respondents were male and 38% of the respondents were female, that took part in the study, see Figure 4.1 below.

![Figure 4.1 Gender](image)

4.2.2.2 Age of Respondents

Figure 4.2 indicates the age brackets of the respondents, where 60% of the respondents covered majority of the age bracket between 25-30, 28% constituted age bracket between 20-25, 11% constituted the age bracket between 30-35 and 1% were in the age bracket above 45.

![Figure 4.2 Age of Respondents](image)
4.2.2.3 Marital Status

The respondents were asked to indicate their marital status and findings presented in Figure 4.3 indicates among the respondents 94% were single, 6% were married and 1% divorced.

![Marital Status of Respondents](image)

4.2.2.4 Level of Education

Figure 4.4 indicates the education level of the respondents, 83% of the respondents who constituted majority of the portion were pursuing masters’ degree, and 17% of the respondents were pursuing undergraduate degree.

![Education Level of Respondents](image)

4.2.2.5 Phone Ownership

Respondents were asked to indicate whether they possessed a phone or not. From the table
below it shows that 83% of masters and 17% of undergraduate students had possession of a mobile phone.

Figure 4.5: Phone Ownership

4.2.2.6 Previous Phone Ownership

Respondents were asked to indicate their previous phone selection. Figure 4.6 specifies 39% of masters’ students previously own a Samsung phone and 7% of undergraduates previously owned an Iphone.
Figure 4.6 Previous Phone Model

4.2.2.7 Current Phone Ownership

Respondents were required to provide the brand of their current phone. Findings indicate 29% of masters’ students currently own Samsung and 5% of undergraduates currently own an Infinix phone. Thus revealing that majority of the students have switched brands from their previous phone selection.
4.2.2.8 Phone Expenditure

Figure 4.8 indicates the likely hood respondents are to spend on a phone. Findings indicate 24% of masters’ students constitute between 20000-30000 shillings and 8% of undergraduates constitute between 0-10000 shillings.
4.3 Socio-environmental Stimuli Influencing Buyer Behavior

The study sought to find the effects of socio-environmental stimuli on buyer behavior. The ordinal scale was used to provide the extent to which respondents perceive variables within demographic and social factors, affect consumer behavior. A likert scale was used ranging from 1-strongly agree to 5-strongly disagree.

Table 4.2: Socio-environmental Stimuli under Study

<table>
<thead>
<tr>
<th></th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Total %</th>
</tr>
</thead>
<tbody>
<tr>
<td>My education level is capable of affecting my choice of phone</td>
<td>41%</td>
<td>30%</td>
<td>8%</td>
<td>3%</td>
<td>17%</td>
<td>100</td>
</tr>
<tr>
<td>Been aware of my gender orientation, I am more likely to select phone choice that reflects a feminine or masculine nature</td>
<td>39%</td>
<td>29%</td>
<td>9%</td>
<td>17%</td>
<td>7%</td>
<td>100</td>
</tr>
<tr>
<td>As I get older I am more sure of the choices I make when selecting a phone handset</td>
<td>52%</td>
<td>30%</td>
<td>12%</td>
<td>4%</td>
<td>2%</td>
<td>100</td>
</tr>
<tr>
<td>I am willing to buy a mobile phone to satisfy my personal needs without making an impression on other people</td>
<td>58%</td>
<td>25%</td>
<td>3%</td>
<td>11%</td>
<td>3%</td>
<td>100</td>
</tr>
<tr>
<td>I will buy a mobile handset that reflects my social status in society (Upper/Low class)</td>
<td>7%</td>
<td>9%</td>
<td>37%</td>
<td>17%</td>
<td>30%</td>
<td>100</td>
</tr>
<tr>
<td>If I have little to no information about a particular product, I will buy it based on information I get from others</td>
<td>9%</td>
<td>27%</td>
<td>7%</td>
<td>17%</td>
<td>41%</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3.1 Correlation Analysis

Socio-environmental variables were analyzed against previous and current phone selection (dependent variable), which revealed a positive relationship among previous phone selection and few variable selections among current phone choice. The table below shows that previous phone selection is correlated to socio-environmental variables as; education level (r=0.043, p<0.01) gender orientation (r=0.054, p<0.01) older choices (r=0.111, p<0.01) personal needs (r=0.099, p<0.01) social status (r=0.167, p<0.01), however, there was a negative correlation under information (r=0.105, P<0.01).
The table also showed current phone selection to be positively correlated among variables as; Previous phone (r=0.408, p<0.001) older choices (r=0.021, p<0.01) and social status (r=0.061, p<0.01). This indicated that the positive variables have a significant impact on previous and current phone decision process.

Table 4.3 Socio-environmental Stimuli Correlation Analysis

<table>
<thead>
<tr>
<th>Previous phone</th>
<th>Pearson correlation</th>
<th>Sig 2 Tailed</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>185</td>
</tr>
<tr>
<td>Current phone</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.3.2 Socio-environmental Stimuli Regression Analysis

Table 4.4 Model Summary of Socio-environmental Stimuli and Phone Selection

<table>
<thead>
<tr>
<th>Model Summary</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
<td>R</td>
<td>R Square</td>
<td>Adjusted R Square</td>
<td>Std. Error of the Estimate</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>.711a</td>
<td>.505</td>
<td>.489</td>
<td>3.596</td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Socio-environmental stimuli

The R2 of the model was 0.505 meaning that 50.5% of the variations in phone selection are as a result of variables form socio-environmental stimuli. The 49.5% difference was because of elements not predicted in the model as seen in the error estimate.

The ANOVA table determines the statistically significant relationship between the dependent and independent variable. From the analysis table 4.5 provides p-value of 0.000 indicating that the null hypothesis is true, meaning there is a significant relationship between phone selection and socio-environmental factors. The F value of 30.296, which is high, reveals that the model is sufficiently fit for predicting the influence of socio-environmental variables on consumer behavior.
Table 4.5 Socio-environmental Stimuli and Phone Selection ANOVA Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1924.362</td>
<td>6</td>
<td>320.727</td>
<td>30.296</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>1884.373</td>
<td>178</td>
<td>10.586</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3808.735</td>
<td>184</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Phone selection  
b. Predictors: (Constant), socio-environmental stimuli

The t statistics and significance is relative to coefficients that are critical. For the study, t =12.690 and p=0.000 which highlighted that socio-environmental stimuli has a significant effect on phone selection.

Table 4.6 Socio-environmental Stimuli and Phone Selection Coefficient Variation

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1          (Constant)</td>
<td>17.958</td>
<td>1.415</td>
<td>12.690</td>
<td>.000</td>
</tr>
<tr>
<td>Socio-environmental stimuli</td>
<td>.701</td>
<td>.066</td>
<td>.615</td>
<td>10.559</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Phone selection

The study used a linear regression model to assess the relationship among socio-environmental factors and phone selection. The linear model states as Y= β0 (constant) + β1x1 + β2x2 + β3x3 (independent variables). Thus, phone selection is represented as: Y=17.958+0.615X1+ε. This revealed that a unit increase in variables from socio-environmental stimuli would lead to a 0.615 increase in phone selection.
4.4 Psychological Stimuli Influencing Buyer Behavior

4.4.1 Perception

An ordinal scale was used to measure the extent to which phone qualities affected the respondents’ perception, by identifying the attributes that attract their attention. A likert scale was used that ranged from 1-not likely to 5-very likely and phone attributes were ranked in order. Quality, content and price among the top three revealed likely to attract attention.

Table 4.7 Perceptual Phone Attributes

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Very likely</th>
<th>Likely</th>
<th>Neutral</th>
<th>Least likely</th>
<th>Not likely</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>54%</td>
<td>31%</td>
<td>12%</td>
<td>1%</td>
<td>2%</td>
<td>3</td>
</tr>
<tr>
<td>Shape</td>
<td>45%</td>
<td>34%</td>
<td>18%</td>
<td>1%</td>
<td>2%</td>
<td>4</td>
</tr>
<tr>
<td>Color</td>
<td>22%</td>
<td>43%</td>
<td>31%</td>
<td>3%</td>
<td>2%</td>
<td>7</td>
</tr>
<tr>
<td>Quality</td>
<td>69%</td>
<td>22%</td>
<td>9%</td>
<td>0%</td>
<td>1%</td>
<td>1</td>
</tr>
<tr>
<td>Company logo</td>
<td>42%</td>
<td>32%</td>
<td>16%</td>
<td>4%</td>
<td>7%</td>
<td>6</td>
</tr>
<tr>
<td>Discount offers</td>
<td>45%</td>
<td>35%</td>
<td>16%</td>
<td>2%</td>
<td>2%</td>
<td>5</td>
</tr>
<tr>
<td>High quality content</td>
<td>61%</td>
<td>28%</td>
<td>10%</td>
<td>1%</td>
<td>1%</td>
<td>2</td>
</tr>
<tr>
<td>Packaging</td>
<td>8%</td>
<td>37%</td>
<td>28%</td>
<td>10%</td>
<td>18%</td>
<td>8</td>
</tr>
</tbody>
</table>

4.4.2 Correlation Analysis

Perception variables analyzed against previous and current phone selection (dependent variable) revealed there exists a positive and negative relationship. The table below shows previous phone selection has a positive correlation to perception variables as; shape ($r=0.042, p<0.01$) quality ($r=0.160, p<0.01$) discount offers ($r=0.192, p<0.01$) high quality content ($r=0.145, p<0.01$) and current phone selection is positively correlated to color ($r=0.183, p<0.01$), all other attributes barely contribute to handset choice.

Table 4.8 Perceptual Variables in Phone Selection Correlation Analysis

<table>
<thead>
<tr>
<th></th>
<th>Previous phone</th>
<th>Current phone</th>
<th>Price</th>
<th>Color</th>
<th>Shape</th>
<th>Quality</th>
<th>Company Logo</th>
<th>Discount offers</th>
<th>High quality content</th>
<th>Packaging</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Previous phone</strong></td>
<td>Pearson correlation</td>
<td>1</td>
<td>.408</td>
<td>.074</td>
<td>.003</td>
<td>.042</td>
<td>.160</td>
<td>.061</td>
<td>.192</td>
<td>.145</td>
</tr>
<tr>
<td>Sig 2 Tailed</td>
<td>.000</td>
<td>.314</td>
<td>.970</td>
<td>.566</td>
<td>.030</td>
<td>.411</td>
<td>.009</td>
<td>.049</td>
<td>.712</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
</tr>
<tr>
<td><strong>Current phone</strong></td>
<td>Pearson correlation</td>
<td>.408</td>
<td>1</td>
<td>.131</td>
<td>.183</td>
<td>.096</td>
<td>.033</td>
<td>.150</td>
<td>.139</td>
<td>.011</td>
</tr>
<tr>
<td>Sig 2 Tailed</td>
<td>.000</td>
<td>.076</td>
<td>.12</td>
<td>.196</td>
<td>.655</td>
<td>.041</td>
<td>.059</td>
<td>.879</td>
<td>.028</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
</tr>
</tbody>
</table>
4.4.3 Learning

To measure the respondents’ knowledge use in product purchase, a variety of aspects were used to provide a relationship between learning and buyer behavior. The ordinal scale of measure was provided, ranging from 1-not likely to 5-very likely. Among the learning variables two aspect had a higher impact, 55% of respondents are likely to use the knowledge they have acquired and 44% of respondents are likely to return and make a purchase after been rewarded.

Table 4.9 Learning Variables under Perception

<table>
<thead>
<tr>
<th>Learning Variables</th>
<th>Very likely</th>
<th>Likely</th>
<th>Neutral</th>
<th>Least likely</th>
<th>Not likely</th>
<th>Total %</th>
</tr>
</thead>
<tbody>
<tr>
<td>How likely are you to switch brands, if your friends mocked you for having a particular brand</td>
<td>1%</td>
<td>4%</td>
<td>14%</td>
<td>29%</td>
<td>52%</td>
<td>100</td>
</tr>
<tr>
<td>How likely are you to use the knowledge you have acquired overtime, to make a purchase decision</td>
<td>55%</td>
<td>30%</td>
<td>11%</td>
<td>2%</td>
<td>2%</td>
<td>100</td>
</tr>
<tr>
<td>If you received a reward for making a purchase, how likely are you to come back and make another purchase</td>
<td>44%</td>
<td>34%</td>
<td>17%</td>
<td>3%</td>
<td>3%</td>
<td>100</td>
</tr>
<tr>
<td>How likely are you to make large purchases using credit card compared to using cash</td>
<td>28%</td>
<td>11%</td>
<td>12%</td>
<td>18%</td>
<td>31%</td>
<td>100</td>
</tr>
</tbody>
</table>

Learning Frequency

Respondents were required to indicate how many times they are likely to recall various consumer aspects. Findings indicate that 40% of the respondents are able to recall an advertisement once they saw it twice, 3% were able to recall it after watching four times and 9% are least likely to recall the advert while watching.

Table 4.10 Consumer advertisement learning frequency

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once</td>
<td>50</td>
</tr>
<tr>
<td>Twice</td>
<td>74</td>
</tr>
<tr>
<td>Thrice</td>
<td>27</td>
</tr>
<tr>
<td>Four</td>
<td>5</td>
</tr>
<tr>
<td>Above four</td>
<td>13</td>
</tr>
<tr>
<td>None of the above</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>185</td>
</tr>
</tbody>
</table>
4.4.4 Correlation Analysis

The learning variables analyzed against phone selection revealed there exists a positive and negative relationship. The table below showed, learning and previous phone selection are significantly correlated among variables as: advert learning (r=0.06, p< 0.01), knowledge acquired (r=0.255, p<0.01) and current phone selection portrayed a positive correlation with advert learning (r=0.193, p<0.01) and knowledge acquired (r=0.121, p<0.01). This suggested that previous and current phone selection was associated with the positively correlated elements in determining choice of phone.

Table 4.11 Learning and Phone Selection correlation Analysis

<table>
<thead>
<tr>
<th></th>
<th>Previous phone</th>
<th>Current Phone</th>
<th>Advert learning</th>
<th>Mocked by friends</th>
<th>Knowledge acquired</th>
<th>Reward</th>
<th>Credit card</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous phone</td>
<td>Pearson correlation</td>
<td>1</td>
<td>.408</td>
<td>.060</td>
<td>-216</td>
<td>.255</td>
<td>.005</td>
</tr>
<tr>
<td></td>
<td>Sig. 2 tailed</td>
<td>.000</td>
<td>.414</td>
<td>.003</td>
<td>.000</td>
<td>.942</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
</tr>
<tr>
<td>Current phone</td>
<td>Pearson correlation</td>
<td>.408</td>
<td>1</td>
<td>.193</td>
<td>-0.34</td>
<td>.121</td>
<td>-1.81</td>
</tr>
<tr>
<td></td>
<td>Sig. 2 tailed</td>
<td>.000</td>
<td>.008</td>
<td>.642</td>
<td>.100</td>
<td>.014</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
</tr>
</tbody>
</table>

4.4.5 Memory

Table 4.4 provided an assessment of the extent to which a consumer is likely to recall various aspects in regards to their level of exposure. A five likert scale was used that provided options ranging from 1-almost never to 5-almost always.
Table 4.12: Memory Recall

<table>
<thead>
<tr>
<th></th>
<th>Almost always</th>
<th>Often</th>
<th>Sometimes</th>
<th>Rarely</th>
<th>Almost never</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>How often do you end up discontinuing buying the same product</td>
<td>9%</td>
<td>16%</td>
<td>30%</td>
<td>43%</td>
<td>2%</td>
<td>100</td>
</tr>
<tr>
<td>How often do you remember unique products as opposed to basic ones</td>
<td>42%</td>
<td>36%</td>
<td>17%</td>
<td>3%</td>
<td>3%</td>
<td>100</td>
</tr>
<tr>
<td>How often do you recall TV advertisements compared to radio advertisements</td>
<td>36%</td>
<td>33%</td>
<td>21%</td>
<td>8%</td>
<td>3%</td>
<td>100</td>
</tr>
<tr>
<td>How often do you remember an advert that is followed up by ten other different advertisements</td>
<td>6%</td>
<td>15%</td>
<td>42%</td>
<td>32%</td>
<td>5%</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.6 Motivation

Table 4.5 illustrates the motivation factors affecting ones’ perception. The findings revealed 62% of the respondents viewed phone performance as the most important stimulus and only about 1% are likely to be motivated by phone features.

![Motivation](image)

Figure 4.9: Hierarchy of Phone Needs

4.4.7 Correlation Analysis

Memory variables and motivation were evaluated against phone selection. Table 4.13 revealed there exist a negative relationship among previous phone and memory variables, as for current phone selection there exist a positive relationship among variables as:
discontinue buying (r=0.151, p<0.01), advert follow-up (r=0.043, p<0.01) and motivation (r=0.01, p<0.01). This implied that consumer previous selection was not associated with any of the variables and current phone selection; the positive variables had an influence in choice of handset.

**Table 4.13 Memory and Motivation Correlation Analysis**

<table>
<thead>
<tr>
<th>Previous phone</th>
<th>Current phone</th>
<th>Discontinue buying</th>
<th>Unique brands</th>
<th>TV adverts</th>
<th>Advert Follow up</th>
<th>Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson correlation</td>
<td>1</td>
<td>.408</td>
<td>-.021</td>
<td>-.059</td>
<td>-.012</td>
<td>-.149</td>
</tr>
<tr>
<td>Sig. 2 tailed</td>
<td>.000</td>
<td>.777</td>
<td>.424</td>
<td>.875</td>
<td>.044</td>
<td>.103</td>
</tr>
<tr>
<td>N</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current phone</th>
<th>Previous phone</th>
<th>Current phone</th>
<th>Discontinue buying</th>
<th>Unique brands</th>
<th>TV adverts</th>
<th>Advert Follow up</th>
<th>Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson correlation</td>
<td>.408</td>
<td>1</td>
<td>.151</td>
<td>-.080</td>
<td>.043</td>
<td>.010</td>
<td></td>
</tr>
<tr>
<td>Sig. 2 tailed</td>
<td>.000</td>
<td>.041</td>
<td>.282</td>
<td>.361</td>
<td>.563</td>
<td>.896</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td></td>
</tr>
</tbody>
</table>

4.4.8 Psychological Stimuli Regression Analysis

The regression analysis sought to determine psychological stimuli impact on phone selection among USIU students. The results were presented as shown in Table 4.14.

**Table 4.14 Model Summary of Psychological Stimuli and Phone Selection**

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>.872&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.760</td>
<td>.758</td>
<td>2.237</td>
</tr>
<tr>
<td>a. Predictors: (Constant), psychological stimuli</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The R2 of the model was 0.758 indicating that 75.8% of phone selection variations were as a result of psychological stimuli. The 24.2% difference was due to factor not within the model. The ANOVA analysis in table 4.15 stated there was a statistically significant relationship between psychological stimuli and phone selection.
Table 4.15 Psychological Stimuli ANOVA Analysis

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>2893.359</td>
<td>1</td>
<td>2893.359</td>
<td>578.434</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>915.376</td>
<td>183</td>
<td>5.002</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3808.735</td>
<td>184</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Phone selection

b. Predictors: (Constant), Psychological stimuli

From the ANOVA table it showed that $F=578.434$, $p=0.000$, which indicated that the model was a good fit and since the p value is 0.000 meant that the null hypothesis should be rejected, therefore concluding that there a significant relationship between psychological stimuli and phone selection.

In addition, the study employed linear regression model to test the relationship between psychological stimuli and phone selection, as seen in Table 4.16.

Table 4.16 Psychological Stimuli and Phone Selection Coefficient Variation

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>B: -5.873</td>
<td>Std. Error: 1.610</td>
<td>-3.649</td>
<td>.000</td>
</tr>
<tr>
<td>Psychological stimuli</td>
<td>.620</td>
<td>.026</td>
<td>.872</td>
<td>24.051</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Phone selection

The linear model states as $Y= \beta_0$ (constant) + $\beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3$ (independent variables). Thus, phone selection is represented as:

$Y= -5.873+0.872X_1+\epsilon$. This revealed that a unit increase in variables from psychological stimuli would lead to a 0.872 increase in phone selection.

4.5 Market-mix Stimuli Influence on Buyer Behavior

The study sought to measure the extent to which market mix variables affect consumer perception. To assess the respondents measure on pricing, quality, risk and value factors when purchasing a mobile phone. An ordinal scale was provided to measure these aspects, ranging form 1-strongly agree to 5-strongly disagree, as seen in below;
4.5.1 Perceived Price

Respondents were asked to indicate if price was an important criterion when selecting a phone. 49% of students agreed to price been a key factor in the selection process and 3% disagreed on price as an important factor.

![Price is an important criterion](image1)

**Figure 4.10: Price Criteria**

Respondents were evaluated as to whether having high priced phone increases ones’ self-esteem. Findings indicate 39% of the respondents were neutral and 45% agreed as to having a high-priced phone predominantly increases ones self-esteem.

![High priced phone, increases ones self-esteem](image2)

**Figure 4.11 High Price-High Self Esteem**
From the relative question, respondents had to indicate whether relying on price, when an individual lacks necessary information was a good choice. Figure 4.12 revealed 38% disagree on price as an influence to phone selection and 31% of respondents were neutral or would likely consider price when no information is available.

**Figure 4.12: Rely on Price**

Respondents were asked to evaluate in instances where different phones had varying prices, the best option would be to select a cheap brand. Figure 4.13 indicates 43% disagreed and 3% of the respondents agreed on selecting a cheap phone.

**Figure 4.13 Varying Prices**
4.5.2 Perceived Quality

Findings indicated that 65% of respondents agree to quality been an important factor when selecting a phone and 10% disagree on quality been critical in the phone selection process.

![Quality is an important criterion](image)

**Figure 4.14 Quality Criteria**

Respondents indicated whether a high-quality phone, increases ones’ self-esteem. From the findings 38% of students agree and 30% were neutral on whether selecting a high-quality phone builds their self-worth.

![A high quality phone increases ones self-esteem](image)

**Figure 4.15: High Quality-High Esteem**
Respondents were evaluated as to whether they agree or disagree on whether selecting high priced phones meant the phone is of high quality. Findings disclosed that 66% of the students generally agree on those factors been inversely related.

**Figure 4.16: High Price-High Quality**

4.5.3 Perceived Risk

From the findings, many respondents assess the risk when selecting a phone model. Respondents were asked whether they could avoid risks by buying cheaper brands, 42% disagreed and 32% of respondents were likely to consider selecting a cheap phone so as to avoid certain risks.

**Figure 4.17: Avoid Risk-Cheap Phone**
Respondents were asked to indicate whether buying an expensive phone or brand was less risky, 36% strongly disagreed.

![Survey Results Graph](image1.png)

**Figure 4.18: Expensive-Less Risk**

### 4.5.4 Perceived Value

From the findings 36% of respondents are likely or not likely to consider selecting a phone that is over-priced beyond the individuals value and 45% agree that once a phone is beyond their price capability, the value reduces.

![Survey Results Graph](image2.png)

**Figure 4.19 High Price Less Value**

Respondents were asked to indicate whether they ensure they get the best value for money when selecting a phone. Figure 4.20 indicates 50% of respondents agree on the money they agree to pay is of value as per the selected phone.
4.5.5 Avoiding Risk

A measure was taken to assess the efficient ways one could avoid risk when purchasing a phone. Among the decisions provided, 49% suggest seeking information as an effective choice and 2% suggest buying from similar brands.

Table 4.17: Consumer Perspective in Avoiding Risk

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seek Information</td>
<td>91</td>
<td>49%</td>
</tr>
<tr>
<td>Buying from similar brands</td>
<td>4</td>
<td>2%</td>
</tr>
<tr>
<td>Gain assurance from service provider</td>
<td>12</td>
<td>7%</td>
</tr>
<tr>
<td>Ask opinion from friend and family</td>
<td>25</td>
<td>14%</td>
</tr>
<tr>
<td>All of the above</td>
<td>47</td>
<td>25%</td>
</tr>
<tr>
<td>None of the above</td>
<td>6</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>185</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.5.6 Risks Undergone

Respondents were asked to assess which phone risks they have gone through. Figure 4.18 illustrates 49% of respondents encountered no risks, 37% encountered functional risks and 2% experienced physical and social risks.
Table 4.18: Consumer Phone Risks

<table>
<thead>
<tr>
<th>Risk Description</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>No risks come to mind</td>
<td>90</td>
<td>49%</td>
</tr>
<tr>
<td>Financial risk (phone is not worth the price)</td>
<td>20</td>
<td>11%</td>
</tr>
<tr>
<td>Functional risk (Phone does not perform as required)</td>
<td>68</td>
<td>37%</td>
</tr>
<tr>
<td>Physical risk (Phone poses a risk to self and others)</td>
<td>4</td>
<td>2%</td>
</tr>
<tr>
<td>Social risk (Affects your self-esteem/ego)</td>
<td>3</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>185</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.7 Correlation Analysis
The marketing mix variables examined against phone selection revealed a negative correlation between the variables. The table below showed that previous phone selection positively correlates to price criteria ($r=0.169$, $p<0.01$), quality criteria ($r=0.321$, $p<0.01$), risk/cheap brand ($r=0.054$, $p<0.01$) and value for money ($r=0.064$, $p<0.01$). As for current phone selection there exist a positive correlation within quality criteria ($r=0.097$, $p<0.01$), risk/cheap brand ($r=0.045$, $p<0.01$), risks undergone ($r=0.027$, $p<0.01$) and value reduces ($r=0.060$, $p<0.01$).

This implied that previous phone choice was as a result of price criteria, quality criteria, buy cheap brand to avoid risk and acquiring value for money. Current phone choice was associated with quality criteria, buy cheap phone to avoid risk, risk consumer has undergone and value reduces significantly when price is high.
Table 4.19: Market-Mix Stimuli Correlation Analysis

<table>
<thead>
<tr>
<th>Previous phone Pearson correlation</th>
<th>Previous phone</th>
<th>Current phone</th>
<th>Price criterion</th>
<th>No information</th>
<th>Different prices cheap phone</th>
<th>Quality criterion</th>
<th>High price high quality</th>
<th>Risk cheap brand</th>
<th>Expensive less risk</th>
<th>Value reduces</th>
<th>Value for money</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sig 2 Tailed</td>
<td>.000</td>
<td>.022</td>
<td>.979</td>
<td>.061</td>
<td>.000</td>
<td>.249</td>
<td>.468</td>
<td>.372</td>
<td>.251</td>
<td>.390</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td></td>
</tr>
<tr>
<td>Current phone Pearson correlation</td>
<td>.408</td>
<td>1</td>
<td>-.069</td>
<td>-.046</td>
<td>-.045</td>
<td>.097</td>
<td>-.198</td>
<td>-.045</td>
<td>-.207</td>
<td>-.060</td>
<td>-.057</td>
</tr>
<tr>
<td>Sig 2 Tailed</td>
<td>.000</td>
<td>.353</td>
<td>.536</td>
<td>.544</td>
<td>.188</td>
<td>.007</td>
<td>.544</td>
<td>.005</td>
<td>.420</td>
<td>.442</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td>185</td>
<td></td>
</tr>
</tbody>
</table>

4.5.8 Regression analysis for market mix stimuli

The regression model provided evidence of a relationship between market mix stimuli and phone selection among USIU students.

Table 4.20: Model Summary of Market Mix Stimuli and Phone Selection

<table>
<thead>
<tr>
<th>Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Market mix stimuli
The R² of the model indicates 0.511, revealing that 51.1% of the variations in phone selection was as a result of market mix stimuli. The 48.9% difference was as a result of other untested factors in the model. The ANOVA findings below portray a significant relationship between market mix stimuli and phone selection.

**Table 4.21: Market-mix Stimuli ANOVA Results**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>1947.777</td>
<td>4</td>
<td>486.944</td>
<td>47.099</td>
<td>.000p</td>
</tr>
<tr>
<td>Residual</td>
<td>1860.958</td>
<td>180</td>
<td>10.339</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>3808.735</td>
<td>184</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Phone selection  
b. Predictors: (Constant), Market mix stimuli

Table 4.21 showed an F value of 47.099, p=0.000, which portrayed a high value and confirmed the model was fit for the study. The P value highlighted that on the null hypothesis to be rejected, as there exist a significant relationship between market-mix stimuli and phone selection.

**Table 4.22: Market-mix Stimuli Coefficient Variation**

<table>
<thead>
<tr>
<th>Coefficientsa</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>41.114</td>
<td>2.187</td>
<td>18.803</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Market mix stimuli</td>
<td>-.219</td>
<td>.056</td>
<td>-.278</td>
<td>-3.919</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Phone selection

The linear model states as $Y = \beta_0 (constant) + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3$ (independent variables). Thus, phone selection was represented as:

$Y = 41.114 - 0.278x_1 + \epsilon$. This revealed that a unit increase in variables from market mix stimuli would lead to a 0.278 decrease in phone selection.
4.6 Chapter Summary

The chapter provided an analysis and interpretation of the findings, with the purpose to establish a correlation between phone selections and socio-environmental, Psychological and market mix stimuli. The variables were presented in the questionnaires distributed amongst the five sections that were used to gather data. The first part highlighted on general information, as the following sections focused on the objectives of the study. The following chapter reviewed into the discussion, conclusion and recommendations of the study.
CHAPTER FIVE
5.0 DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
The chapter presented the summary, discussion of the findings, conclusion and recommendations of the study. The discussion comprised of similar studies used to reaffirm the study findings. The conclusion provided the judgments based on the research objectives and recommendations were assessed based on the outcome from the discussion and conclusion of the analysis.

5.2 Summary
The study sought to measure the elements of consumer perception affecting consumer behavior, more so, when selecting a mobile brand of one’s choice. The studies main goal was to establish the extent to which socio-environmental, psychological and market mix variables affected consumer behavior in mobile selection. The research was carried out in the month of March 2018, which consisted of questionnaires delivered to the students within USIU Kenya.

The research design for the study was descriptive so as to explore the relationship between perception and buyer behavior of mobile users. The dependent variable was phone selection and independent variables were under three aspects of consumer perception: psychological, socio-environmental and market mix variables. For the study, the parameter was USIU students. The institution has a total of 6774, of which the study focused on graduate and undergraduate students pursuing various degrees. Among the population, 198 students were selected by using stratified random sampling for collection of quantitative and qualitative data. In the descriptive study a sample error of .7% level of significance was used, for the selected sample size. In addition, the collected data was analyzed using descriptive statistics, SPSS and inferential statistics as, correlation and regression analysis, were then presented in tables and figures.

The findings sought to reveal socio-environmental stimuli; education, social status, gender, age and lifestyle impact on consumer behavior. These were proven evident as beta value for socio-environmental stimuli was at 0.615, which showed a positive
relationship with phone selection. Specifically, the analysis showed education level as a contributing factor to choice of phone and gender orientation as a significant consideration in phone decision-making process. Also, respondent recommended to making better phone choices, as one gets older while also considering personal above social needs. On the contrary, social status as an influencing factor was not critical consideration and making decisions based on others opinions, proved to be significantly weak when selecting a phone.

The second objective focused on psychological stimuli affecting buyer behavior, which revealed that aspects of perception, learning, memory and motivation contribute to influencing buyer behavior. A positive relationship between psychological stimuli and phone selection was confirmed with a beta value of 0.872. Majority of the respondents understood how these elements play a role in influencing their decisions consciously and unconsciously. Aspects as quality of phone and content displayed were considered to create the most attention given other marketing variables. Under learning 83% exhibit-making choices by reflecting what they have learnt over time and the chances of discontinuing to buy the same phone over time had a low affirmation. Motivation revealed that 62% rate a phone by its performance in terms of battery life, speed and ease of use.

The third objective on market mix stimuli had less influence on buyer behavior. The stimuli portrayed a Beta value of -2.78 indicating a negative relationship between phone selection and market mix stimuli. Specifically, the data revealed market mix stimuli has minimal effect in phone selection, as the statistical evidence of lack of a positive relationship explains perception of price, quality, value and risk is often a mere reality to consumers, that often changes during the actual selection process. On the contrary 60% of respondents consider quality as important in selection and 45% agreed to consider price as part of phone selection process. These two aspects are considered important among other market mix variables, in influencing phone decisions.
5.3 Discussion

5.3.1 Socio-environmental Stimuli Affecting Buyer Behavior

From the analysis of the objective it can be drawn that education level is an important aspects of consumer perception thus having a significant effect on decisions. From the consumer perception survey undertaken, majority of respondents agree that education level suggests the kind of phone one is likely to buy. Michael (1975) research reported the level of formal schooling has an impact on behavior. The study further links education level to wages having an inverse relationship, therefore meaning the higher the education level, higher wages thus one can afford more needs. Education level may represent an individual with a good career and flexibility to afford a certain lifestyle. In addition, more educated people possess phones that range from medium to high-level price and more software enhanced.

Gender has significant influence on ones perception and looking into the findings majority of the respondents agreed, whether one is masculine or feminine it does have the capability of affecting ones behavior, hence the decision making process. Men and women tend to think differently on technological improvements. UKEssay (2018) reports that women tend to associate products they possess, to their lifestyle while men rely more on technology interests. The attributes females prefer in a cell phone is different from males, the research provides emphasis on phone choice as a result of males been drawn to innovative technology and females interests based on the quality of the product and whether or not it relates to their sexuality is more of an indirect link to behavior as the research emphasizes on how one relates to a product for different reasons.

Singh (2009) found that young consumers are more stylish and trendy in products they purchase compared to older consumers. Younger consumers are more receptive to new products and are information oriented, as for older consumers, research findings reveal that they are wealthier and form most of the part of the consumption system. To question how ones’ age affects their perception as they get older, generally relies upon the stage of life one is in, findings indicate as one grows older the better the phone choice, as one assess a phone by their experience. The older consumer is the more luxury oriented and are willing to spend their money compared to young consumers, but only if the product works in their convenience. In other word a young person perceives been fashion forward
and finding excitement in trying new products as a way of life while older consumers perceive innovations should provide exclusive benefits.

Regarding social influence on consumer behavior, from the analysis social status had a neutral response, personal needs over making an impression on others was strongly emphasized and relying on others information regarding a particular phone choice was not favorable choice by respondents. However, individuals base their choice on other people’s opinions and evidently, they try to represent their status in society. Nagarkoti (2012) research reported, social status is a growing aspect in consumer behavior and a smartphone is considered as a status symbol within different communities, more so status relies on the position one plays in a group. Being a manager in a society holds more status in the society than the role of father or husband. Therefore keeping in mind how ones’ status reflects on others, affects their perception hence buying decisions, smartphone vary from prices and possessing an expensive one generally reflects to an individual’s status, it could mean the person has a good income source or even highly educated. The analysis generally assess respondents are likely to consider their status when selecting a handset.

The study also found out that putting personal needs above others has an impact on phone selection. Singh (2009) enhances on how women are conscious of their surrounding and people around them compared to men. The study states women are more selfless and the difference in male and female in terms of technology selection is purely on different choices. Women are more lifestyle oriented and men focus on the efficiency of the technology, the phone provides. Mohammed (2012) found that consumer psychology could be altered by the information one receives from others. On the contrary, the findings prove that there is a less likely chance one should conform to group information. The study further mentions information from friends and family is more credible, however from implications of the analysis, when selecting a phone, the consumer will not likely accept the information they receive.

5.3.2 Psychological Stimuli Affecting Buyer Behavior
The study found a positive relationship between psychological stimuli and phone selection. Psychological stimuli contributes to purchase decisions by influencing phone selection process as visual elements as; price, quality and superiority of content evidently
show these elements capture ones attention compared to other marketing variables. Similarly, Teixeira (2014) found that attention has been referred as one of the main ingredients of advertising that is why many brands promote different prices. Studies further highlight the core understanding of attention is to allocate sources that capture the mental, visual and cognitive state of an individual, reason for this is that before a consumer can begin to evaluate a product they need to first give it attention. Brands generally consider the content they put out and factors of persuasion such as pricing discounts for high quality phones, thus converting the attention into a purchase behavior. However, consumer tend to control what they give attention to, which is why phone brands need to be conscious in the price they display, where they display it from, quality of product even if price is high. Quality can persuade a consumer to overcome the price and superiority of content mindset focus, which prove to be compelling enough such that consumers actively seek out the product (Solomon & Bamossy, 2006).

Mobile phone choice has an extended history of dynamic changes, from consumer needs adapting to various trends. Alshurideh (2015) found that when a consumer has accumulated experience with a phone, they are able to translate that knowledge by applying it to current product selection. The analysis embarked on a situation where a friend would mock another for owning a particular brand, indicating majority of respondents disagreed to that affecting their purchase decisions. Stores rewarding consumers who spend a significant amount of money buying products shows a positive indication that many respondents are likely to repurchase from the same store. The use of credit card in making large purchases is drawn out of proportion as most individuals disagreed on it as a conditional cue, limiting their purchase option to cash mostly. Solomon and Bamossy (2006) affirmed that experiences develop mutual consequences, as individuals are able to learn from them and behavior takes effects in apparently similar situations, thus these information build-ups ones’ knowledge. In instances where a consumer was satisfied using a particular phone or brand, he or she subconsciously relates to that experience and it becomes a credible source of influence in future buying decisions. Through the learning process, encounters with similar phone companies indicate the effect on the behavior of the consumer while making a purchase decision.

Memory in relation to consumer behavior was determined by focusing on how well individuals are likely to remember other variances over others. Majority of respondents
would not discontinue using the same brand even with over familiarity of the product. Research findings prove that, the more trust and familiarity a brand builds with it consumers the less the consumer retention. Sarro (2017) concurs that consumers continuously buy products they are familiar with as a way of showing their loyalty, by repeatedly purchasing items from the same brand. Individuals also like making an impression on others by having a brand that is identifiable to those around them and consciously one gains a peace of mind, not worrying about other issues of quality or damages while using the product.

Consumers will also generally remember TV advertisements, reason for this is individuals’ memories tend to retain information that is visually seen, better than hearing it on a radio advertisement, as seen in the analysis majority agree to the phenomena. Memory can be explicit and implicit; often interactions trigger these memories over time. Explicit information may include; benefits of using a particular phone and website address while implicit memory is triggered by external factors, when one recalls an advertisement. However, memory tends to be enhanced depending on certain conditions, whether the individual has a favorable or unfavorable memory (Kahney, 2013). Schrock (2007) explained the Samsung scenario where phones were exploding and the IPhone 6 issue where the phone was bending in excessive heat. People will likely recall such Internet viral situations and implement it into their future purchase process. However, TV advertisement industry is clouded and various adverts play in sequences. Majority of respondents averagely recall when an advert is played among other adverts over the same time frame.

Forbes (2012) concluded that individuals tend to remember commercials that have funny effects, for example apple YouTube commercial on how Siri application is an effective tool in time management with meetings and business. The celebrity endorsement made it even more favorable as he is linked to having a funny and positive character. In a competitive angle with Samsung, Apple has managed to score 6 million subscribers compared to Samsung, which holds 2 million subscribers (Apple, 2017). Kahney (2013) stated that a consumer is likely to remember two or more adverts playing at the same time, relies on the distinct features the brands focus on, so far Apple has focused on app features that brings out a perception of how an individual can stand out from owning their products.
Motivational factors generally contribute to consumer behavior. From the analysis other factors appear to be ranked more important than others. The mobile market is highly saturated by technology features thus different people will adhere to different incentives. Product features such as phone performance, applications and data coverage are major features respondents were drawn to. Smartphones nowadays are featured to enhance wireless connectivity with efficient inbuilt systems that can do multiple tasks. Rahim (2015) concludes that majority of college students’ focus on the phones physical appearance, size and internal organization but contradicting studies show consumers generally focus on software more than the hardware. Shrestha (2016) stated under Maslow’s theory, people want to feel a sense of actualization, belonging, safety and esteem by owning a particular product. One’s perception increases when an individual fulfills their deepest desires. When a person perceives that owning a brand will increase their self-esteem and create a sense of belonging, through personal improvement the individual performs to meet their needs, at the companies benefit.

5.3.3 Market-mix Stimuli Affecting Buyer Behavior
The study confirmed that market mix elements show a negative correlation to phone purchase decisions. The consumer perspective in reference to price, quality, risk and value proves to be statistically difficult to test. Zeithaml (2014) found that perceived price is difficult for a consumer to interpret as price is often defined under variable names; as cheap or expensive, which makes it hard to recall an exact phone pricing. On the contrary findings have shown people consider pricing as an important criterion, however findings from the study suggest otherwise that a majority of consumer cannot encode pricing at all. Further studies mention perceived price and quality as having no significant relationship, however respondent generally associate price with quality, as seen in the analysis. There is an identification of no clear relationship, as both concepts are too wide and despite the multitude experiments on the studies there is no clear evidence to conclude the relationship between perceived price and quality.

Zeithaml (2014) further states that quality is interpreted in many forms, depending on the consumer. The study further points out the difference between objective and perceived quality and revealed that consumers’ perception of quality usually takes place when they see the actual product rather than assessing it from the company’s view, based on
advertisements. On the contrary Anderson-Hjorth (1984) found that uni-dimensional scales are rendered irrelevant when interpreting quality, the study bases the concept of quality as having multi-dimensions. Quality should then be measured under scales with conceptual definitions of quality to allow individual differences across the subject.

From the analysis majority of respondents associated value with money and once a product is overpriced the value of the product decreases. Giwaz (2014) found that there is a significant relationship between price, quality and risk. The studies suggested that when perceived price and quality are high and risk is low, perceived value tends to be high and inversely when perceived price and quality is low and risk is high, perceived value of a product will then be low. From the analysis of the study value has been linked to price, suggesting that a consumer expects to get the value on what they pay for. On the contrary, Zeithaml (2014) found that perceived value is based on what is received and given, thus the consumer assesses the product based on its utilization. Kukar-Kinney et al. (2012) found that perceived value increases with perceived price; nonetheless, the analysis proves that a consumers’ value is likely to reduce, if the perceived price is beyond their capability.

In addition, the findings of the study showed perceived risk contributing to phone selection process. It is the goal of any mobile company to reduce risks when a consumer purchases a phone. Giwaz (2014) concurs that consumers are likely to encounter functional, physical, social and financial risks. The findings reveal that majority had not encountered any of the risk, however a number were succumbed to functional risks implying that this is likely to affect their future phone decisions. Naami et al (2017) found that perceived risk is linked to perceived price, findings reveal that investing in a cheaper mobile brand does not reduce the risk perception, however majority agree investing in an expensive phone potentially reduces ones’ risks.

5.4 Conclusion

5.4.1 Socio-environmental Stimuli Influence on Buyer Behavior
Based on the analysis, it can be concluded that socio-environmental stimuli based on education level, age, gender and personal needs, give more insight in the phone selection process. Culture is a non-contributing factor as it is difficult to test, therefore having a less significant effect in phone choice. Social status is a definite contributing factor as
certain societies consider it critical to represent oneself through achievements. In mobile selection process credibility of source of information is necessary, even though having a less significant effect on phone selection among other socio-environmental elements.

5.4.2 Psychological Stimuli Influence on Buyer Behavior
The study concludes that there exists a positive relationship among psychological stimuli variables. From the analysis it signifies perception, learning, memory and motivation contribute in the purchase decision process. Knowledge acquired through experiences is a critical insight used by consumers to make decisions. Memory on the other hand creates consumer interest by filtering information relevant to the consumer. Motivation entirely depends on ones’ stage in life and the needs important to them at that particular time.

5.4.3 Market-mix Stimuli Influence on Buyer Behavior
The study concludes phone selection presents a negative relationship with market mix stimuli, as having no significant impact on one’s behavior. Price, quality, value and risk are considered important variables when it comes to decision-making, however the perceived marketing elements are rendered as statistically weak in correlation to buyer behavior. This showed that perceived price, quality, risk and value are weak or have no significance in influencing phone selection process, as there is a huge gap between perceived and objective reality of the variables among consumers.

5.5 Recommendations

5.5.1 Recommendation for Improvement
In this subsection recommendation for improvements and suggestions for the research are provided. The recommendations are based on each objective, in reference to the research conducted.

5.5.1.1 Socio-environmental Stimuli Influence on Buyer Behavior
It is recommended that phone brands should be mindful of socio-environmental factors, as they can increase or decrease a need for any product. As new target markets develop and change, the key importance of any company is to identify the socio-environmental stimuli that directly affect people’s perception and in turn the performance of the business. By understanding the nature of those stimuli, phone brands can begin to comprehend deeply embedded factors and hence create a positive perception, thus
increasing consumer interest towards their brands, by keeping tabs on the ever-changing dynamics of socio-environments factors within the target markets.

5.5.1.2 Psychological Stimuli Influence on Consumer Behavior
Major phone brands within Kenya should use perception manipulation techniques to inhibit ones’ sensations, stimulate ones learning process, create fond memories and give a sense of incentive fulfillment, to consumers willing to purchase from a certain brands. Companies should work on creating a more authentic perception of their products, to improve the optical ideas in the human mind that the product is in line with what the consumer seeks to have in their lives and will make them feel whole in their mind.

5.5.1.3 Market mix Stimuli Influence on Buyer Behavior
As much as price, quality, value and risk are critical factors in buyer behavior. Companies need to understand the dynamic nature of market mix elements by defining the gap between perception and reality. Firms must learn to track perception over time so as to align product and services with any changes of views. The key for organizations is to reframe certain aspects as pricing that can change the consumers value and quality perception, however firms should be careful not to overstate the term reframing as this is just a way of manipulating the consumer that they are getting the same product for the same value and quality, at a less costly price and less risky investment.

5.5.2 Recommendations for Further Studies
The study brought out the underlying elements that can be considered within consumer perception. However, from the findings socio-environmental and psychological stimuli were closely linked to buyer behavior. Therefore, there is a need to determine whether other companies can find a correlation between market mix stimuli as directly affecting consumer behavior. Due to the limited research, the study also recommends that research should be done in another institution or industry to identify certain commonalities and differences of consumer perception in buyer behavior.
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APPENDICES

APPENDIX I: COVER LETTER

Dear Respondent,

My name is Scolastica Nyatetu Gitonga, an MBA (Marketing) student at United States International University- Africa (USIU).

I am undertaking a research on The Influence of consumer perception on buyer behavior: A case study in selection of mobile devices among USIU-A students. Kindly accept my invitation for your participation in this research by sparing some time to fill the questionnaire.

This questionnaire is being administered for research purposes and any information provided will be used purely for academic purposes and will be treated with confidentiality.

Thank you.
APPENDIX II: DATA COLLECTION QUESTIONNAIRE

Please complete the questionnaire in the manner and format given. If there is any need for clarification on the questions, please do not hesitate to inquire. Ensure that all questions are answered appropriately as prescribed.

SECTION A: GENERAL INFORMATION

Kindly answer all the questions either by ticking in the boxes or writing in the spaces provided.

1. What is your age group?
   - 20-25 [ ]
   - 25-30 [ ]
   - 30-35 [ ]
   - 35-40 [ ]
   - 40-45 [ ]
   - Above 45 [ ]

2. What is your gender?
   - Male [ ]
   - Female [ ]

3. What is your education level?
   - Undergraduate [ ]
   - Masters [ ]
   - Doctorate [ ]

4. What is your marital status?
   - Married [ ]
   - Single [ ]
   - Widowed [ ]
   - Divorce [ ]

5. Do you own a mobile phone? If yes kindly proceed by filling in the questions below with a tick or written answer; if No proceed to final page and answer the questions as stated.

6. Which mobile brand did you previously use?
   - Samsung [ ]
   - Infinix [ ]
   - Tecno [ ]
   - IPhone [ ]
   - Huawei [ ]
   - Other [ ]

7. What is your current mobile brand?
   - Samsung [ ]
   - Infinix [ ]
   - Tecno [ ]
   - IPhone [ ]
   - Huawei [ ]
   - Other [ ]

8. On average how much are you likely to spend when purchasing a phone?
   - 0-10000 [ ]
   - 10000-20000 [ ]
   - 20000-30000 [ ]
   - 30000-40000 [ ]
   - 40000-50000 [ ]
   - Above 50000 [ ]

SECTION B: SOCIO-ENVIRONMENTAL STIMULUS

Indicate the extent to which you agree on the following socio-environmental stimuli affecting buyer behavior (Please indicate as appropriate where; 1 - strongly disagree, 2 - disagree, 3 - neutral, 4 - agree, 5 - strongly agree)

a) My education level is capable of affecting my choice of phone? {  }

b) Been aware of my gender orientation, I am more likely to select phone choice that reflects a feminine or masculine nature? {  }
c) As I get older I am more sure of the choices I make when selecting a phone handset? {   }
d) I am willing to buy a mobile phone to satisfy my personal needs without making an impression on other people? {   }
e) I will buy a mobile handset that reflects my social status in society (Upper/Low class)? {   }
f) If I have little to no information about a particular product, I will buy it based on information I get from others? {   }

SECTION C: PSYCHOLOGICAL STIMULUS
Indicate the extent to which you agree on the following psychological stimuli as attracting attention hence influencing buyer behavior (Please indicate as appropriate where; 1-not likely, 2-least likely, 3-Neutral, 4-likely, 5-very likely)

a) Price{   }
b) Color{   }
c) Shape{   }
d) Quality{   }
e) Company Logo{   }
f) Discount offers{   }
g) High quality content{   }
h) Packaging {   }

9. How likely are you to switch brands, if your friends mocked you for having a particular brand? {   }
10. How likely are you to use the knowledge you have acquired overtime, to make a purchase decision? {   }
11. If you received a reward for making a purchase, how likely are you to come back and make another purchase? {   }
12. How likely are you to make large purchases using credit card compared to using cash? {   }
13. How many times would an advert be required to play before you learn something about the advertised Brand?
Once [ ] twice thrice [ ] four times [ ] above four times [ ] none of the above [ ]

Indicate the extent to which you agree on the following internal stimuli affecting perception (Please indicate as appropriate where; 1-almost never, 2-rarely, 3-sometimes, 4-often, 5-almost always)

14. Once you are familiar with a mobile brand product over time, how often do you end up discontinuing buying the same product? {   }
15. How often do you remember unique products as opposed to basic ones?{   }
16. How often do you recall TV advertisements compared to radio advertisements?
{   }
17. How often do you remember an advert that is followed up by ten other different advertisements? {   }
18. Which particular need is necessary to motivate you, when selecting a phone?
   a) Connection and security (data coverage)   {   }
   b) Phone performance (Battery life, speed, easy to use){   }
   c) Communication and productivity (emails, SMS)   {   }
   d) Features (GPS, Media Player, Calculator, Alarm Clock)   {   }
   e) Applications to enhance your life   {   }

SECTION D: MARKET MIX STIMULUS

Indicate the extent to which you agree on the following market mix stimuli affecting perception (Please indicate as appropriate where; 1-strongly disagree, 2-disagree,3-Neutral,4-agree,5-strongly agree)

19. I think price is an important criterion when selecting a phone?   {   }
20. Having a high priced phone, increases ones self-esteem?   {   }
21. If I have no information about a product, one should rely on the price to make a purchase decision?   {   }
22. When presented with different phone brands, with varying prices, one should select the cheaper brand?   {   }
23. I think quality is an important criterion when selecting a phone?   {   }
24. A high quality phone increases ones self-esteem?   {   }
25. Price is associated with quality, high price means high quality and Vice versa?
26. To avoid risk one should consider buying a cheaper phone brand?
27. In my opinion the more expensive a phone is the less risk is associated with it?
28. Once a product is over priced beyond my capability, its value to me reduces significantly?
29. I always check prices at the shops to ensure I acquire the best value for money?
30. Which ways prove efficient in avoiding risk, when selecting a phone?
   a) Seek Information
   b) Gain Assurance from service provider
   c) Ask opinions from friend/family
   d) Buying from similar brands
   e) None of the above
   f) All of the above
31. Based on your current phone selection, which risks have you undergone?
   a) Financial risk (phone is not worth the price)
   b) Functional risk (Phone does not perform as required)
   c) Physical risk (Phone poses a risk to self and others)
   d) Social risk (Affects your self-esteem/ego)
   e) No risks come to mind

SECTION E: Non-Mobile users
If you do not have a mobile handset, please complete this section otherwise hand in the questionnaire as it is.

32. What is the reason for not having a mobile handset? Please explain.
33. Would you consider buying a phone? If yes which model/brand
34. Which key factors would you look into while making your decision?