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DETERMINANTS PURCHASE DECISION OF
SMARTPHONE BASED ON MARKETING
PRODUCT

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APPROVAL

“I/We, hereby declared that I/We have read this thesis and in my/our opinion that this thesis is adequate in terms of scope and quality which fulfill the requirements for the Award of the Bachelor of Technology Management (High Technology Marketing) with Honours.”

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DETERMINANTS PURCHASE DECISION OF SMARTPHONE BASED ON
MARKETING PRODUCT

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DECLARATION

“I hereby declared that this project paper result of my independent work except the summary and citations that everything I have explained the source”

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DEDICATION

This thesis was fully dedicated to my beloved family especially to my father and mother who had always giving their moral and physical supports and also encouraged me along the whole journey of finishing this study; lecturer at UTeM especially for my supervisor Pn. Mislina Binti Atan @ Mohd Salleh, friends and those people who have guided and inspired me throughout my journey of education.

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ABSTRACT

The purpose of research was carried out to examine the determinants purchase decision of smartphone based on marketing product. The problem statement for this research is, what is the most significant factor of purchase decision that make by the consumers to purchase a smartphone? The research questions are developed to achieve the research objectives. The research objectives to examine the factors of marketing product for smartphone, to examine the relationship between determinants of marketing product and purchase decision, and to identify the most significant in determinants purchase decision of smartphone based on marketing product. There are five factors that had study in the purchase decision of smartphone. The factors involved brand, design, feature, quality, and warranty. This study was a descriptive research. Quantitative data collection method is used. Primary data is used to collect the data through survey by using questionnaire for this research purposes and secondary data is collected through Google Scholar and Library Opac provided by Universiti Teknikal Malaysia Melaka (UTeM). There are five hypotheses are developed. In addition, the major findings of this research were discussed in order to identify the significant factor of purchase decision of smartphone based on marketing product. After this research, the researcher admits that the factor is important in influencing the consumers make the decision to purchase a smartphone. Lastly, the limitations involved in this research will be addressed and recommendations will be developed to help future researcher in conducting these limitation.

Keywords: Smartphone, Purchase decision, Brand, Design, Feature, Quality,
Warranty

ABSTRAK

Tujuan penyelidikan dijalankan untuk mengkaji keputusan pembelian telefon pintar berdasarkan produk pemasaran. Pernyataan masalah untuk penyelidikan ini adalah, apakah faktor utama keputusan pembelian yang dibuat oleh pengguna untuk membeli telefon pintar? Soalan penyelidikan dibangunkan untuk mencapai matlamat penyelidikan. Objektif penyelidikan untuk mengkaji faktor-faktor produk pemasaran untuk telefon pintar, untuk mengkaji hubungan antara penentu produk pemasaran dan keputusan pembelian, dan untuk mengenal pasti yang paling penting dalam penentu keputusan membeli telefon pintar berdasarkan produk pemasaran. Terdapat lima faktor yang telah dikaji dalam keputusan membeli telefon pintar. Faktor-faktor yang melibatkan jenama, reka bentuk, ciri, kualiti, dan jaminan. Kajian ini adalah penyelidikan deskriptif. Kaedah pengumpulan data kuantitatif digunakan. Data primer digunakan untuk mengumpul data melalui tinjauan dengan menggunakan soal selidik untuk tujuan penyelidikan ini dan data sekunder dikumpulkan melalui Google Scholar dan Perpustakaan Opac yang disediakan oleh Universiti Teknikal Malaysia Melaka (UTeM). Terdapat lima hipotesis yang dibangunkan. Di samping itu, penemuan utama kajian ini telah dibincangkan untuk mengenal pasti faktor utama keputusan pembelian telefon pintar berdasarkan produk pemasaran. Selepas kajian ini, penyelidik mengakui bahawa faktor penting dalam mempengaruhi pengguna membuat keputusan untuk membeli telefon pintar. Akhir sekali, batasan-batasan yang terlibat dalam penyelidikan ini akan ditangani dan cadangan akan dibangunkan untuk membantu penyelidik masa depan dalam menjalankan batasan ini.

Kata kunci: Telefon pintar, Keputusan pembelian, Jenama, Reka bentuk, Ciri, Kualiti, Jaminan

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CHAPTER 1

INTRODUCTION

This research purpose remains to identify determinants purchase decision of smartphone based on marketing product. Due to finish this research paper, introduction begin in this study followed by background of study. Third subsection is problem statement. Then, research questions, research objectives, scope, limitation, and key assumptions, importance of study, and summary in this chapter.

1.1 Introduction

Today, smartphone consumes substantially come to be a living part device meant for publics all over the world. People custom their smartphone to connect to each other, retelling to another in place of emergency situations, sending messages, download and play the songs and the games, navigation, capturing photo, and install apps for social web sites and also can browse the Web. Smartphone develops capability in prepare, acquire, and tells private and community info. From side to side of these advantages, people be able to make visible interaction way practice, keep informed post, and interrelated to every one in every time and everywhere. Smartphone delivered welfares that combined by Personal Digital Assistant (PDA), that require wireless networks of integrating and mobiles device potential.

Smartphone's leading device that holding lead end and playing role worldwide successful workstation in the process of convergence. This was a great successful in the technology's field and for the requirement of people. From a point of view, smartphone is an essential device because it is an advanced capabilities and functionality like Personal Computer (PC). This is because users spend their time more on Internet through a smartphone than through personal computer.

Although the request use of smartphones trendy remains great towards consumers, here remains unmoving slow growths demand's market available specific region. Smartphone's company no need require desirable considerate the consumer's priorities toward have smartphones. Proper the cause of people doesn't need an obvious image in having smartphones, companies want confront the struggle of quick expansion on businesses and effort to enlarge businesses so fine meanwhile early children was the major focus sell among the consumers. Therefore, a deliberate acceptance off smartphone's device may grow into an important used the continuing evolution and expansion for businesses.

The foremost objective for the study is to identify determinants purchase decision of smartphone based on marketing product. In this research, purchase decision of smartphone based on marketing product, which include brand, design, feature, quality, and warranty. During this study, companies may require well accepting by what means consumers make decision towards purchasing smartphone.

1.2 Background of Study

Nowadays, almost of the mobile phones exist denominate equally 'Smartphone', since they afford new upgraded power of computing and connecting a newest mobile phone. Beside smartphones basic potentialities by making a call of voice, video, messages, smartphone need remained substituted by way of "latest information moderate" (May & Hearn, 2005). On related period, it similarly overview a smartphone resolve extra advanced competence contrasted toward a standard mobile phone where established equally Personal Digital Assistant (PDA) and in smartphones. Hence, the public takes leisurely stimulated their mobile phone purchase decisions towards smartphone (Min, et al., 2012).

Agreeing t Pei & Lionel (2006), as marketing strategy word of smartphone familiarized in market, touch on recent category of mobile phones gives the important service from interaction, running and mobile parts contain messaging, voice message, private information (PIM) functions and wireless transmission capability.

When the consumers want to purchase a smartphone, they will make the decision by observing at a few criteria that can make them satisfy with that product. In order to achieves the consumers satisfaction of purchasing a smartphone, the company is supposed to know what are in the consumers mind about the factor in making decision to purchase a smartphone. Some of the purchasers, they do a survey or ask their friends or family who had the experienced to purchase a smartphone.

Smartphones exact mutual to realize consumers typing their Facebook status, checking an email or another site of social network by use smartphone by continuous network link element currently. Thus, the customers remain protecting their own thru great anxiety by technologies power replace their devices starting period to period. Another expression, device may be simply stay substituted suitable to the quick step of progression in technologies. Later, smartphone exist a vital to identify determinants purchase decision of smartphone based on marketing product.

1.3 Problem Statement

Currently in international normally in west states, smartphone's demand has rising. Although, the sustain smartphone's frequency in Malaysia stands static down contrasting to another country like Singapore. Around 28.1 million of people and 36.6 million mobile phone data contribution in Malaysia. Nearby, only 14.21% of them are use smartphone where only 5.2 million from the 36.6 million of subscriptions. According to Anson (2012), stated that another 85.79% are utilizing simple mobile phones and feature phone which require the total of 31.4 million of subscriptions.

Today's smartphone becomes an important device regardless of age. However, not all the consumers have their same opinion and choice to purchase a smartphone. This research was undertaken because want to identify the determinants purchase decision of smartphone based on marketing product. There is a problem that needs to be gratified is, what is the most significant factor of purchase decision that make by the consumers to purchase a smartphone.

1.4 Research Questions

Research topic in the research problems lead to a number of research questions which intended to be answered in this research. The questions are:

- 1) What are the factors of marketing product for smartphone?
- 2) What are the relationship between determinants of marketing product and purchase decision?
- 3) What is the most significant factor in determinant purchase decision of smartphone based on marketing product?

1.5 Research Objectives

From research questions above, objective this study to identify determinants purchase decision of smartphone that based on marketing product. Throughout the study of this research aims to achieve the research objectives such follow:

- 1) To identify the factors of marketing product for smartphone.
- 2) To determine the relationship between determinants of marketing product and purchase decision.
- 3) To identify the most significant factor in determinants purchase decision of smartphone based on marketing product.

1.6 Scope, Limitation, and Key Assumptions of Study Scope

This part will illuminate more about the element that comprises in this sub-section of the research. The sub-section in this research is scope, limitation, and key assumptions of the study.

1.6.1 Scope

The objective of study to identify the determinants purchase decision of smartphone based on marketing product. The study focused on the factor purchase decision of smartphone based on marketing product. In this paper of research, be present to determine relationship between marketing product and purchase decision. From this study, the most significant in determinants purchase decision of smartphone based on marketing product will be identify. For this research, it involves 300 respondents on online survey to answers the questionnaire.

1.6.2 Limitation

Limitations exists impacts that researcher cannot manage. They stay inadequacies, environments or effects that cannot be managed by researcher. Study limitations are design or methodology traits that influenced/impacted the findings interpretation from research. Limitations be present the limit on generalizability, findings submissions to use and/value that are the effect of the methods in where researcher at the opening choose to plan the study or way used to create internal and external validity (Price, James H., and Judy Murnan, 2004).

1.6.3 Key Assumptions

The following assumptions are made on the topic of this study. Firstly, the instrument to be used for this research will elicit reliable responses. Second, the respondents will fully understand the questions that they will be asked. Then, the respondents will answer all survey questions honest expression of their knowledge and to be best of their capabilities.

1.7 Importance of Study

This study resolve considerably can give the advantage of improved idea for firms to realize well on determinants purchase decision of smartphone based on marketing product. Smartphone companies for example Apple, Samsung and HTC might get extra knowledge about factor that effect consumer to request a smartphone and comprehend features of smartphone that request by consumer such as colors, colors, design and price setting.

Companies be able to ensure a more approaches idea thru a correct info and confidence on customer. Determining the factor marketing product of smartphone affected purchase decision, in future research otherwise smartphone companies inside Malaysia be able to check to this study to figure out further anything expectation of people in Malaysia, the way to set off purchase decision and rise the sales among people in Malaysia. Consequently, smartphone can enhance an effort of inspiration to sustain the smartphone between people in Malaysia.

Next, the study can give benefits to the firm on thoughtful ways consumer to differentiate a product through knowledge's, previous experiences by using the same device, benefit, faith, and necessity (Lewis, 2012). Greater the chances are for its adoption, the better improvement is apparent to be steady with existing procedures, faith and value structures (Brummans, 2006). Users might have an optimistic impression regarding smartphone as firms have create to satisfy demand of market, as product stays contributing many advantages.

Besides, company might convenience to know what the significant factors that influenced the consumers to purchase a smartphone. Unfounded information is an essential chauffeur of consumer behavioral like the acceptance of the latest technologies product, opportunity to understand a show, or likings of which laptop or smartphone to buy. Smartphone possibly impact responsiveness inside particular situations, or choices in others (Godes & Mayzlin, 2004). Hence, the society not only can think on actual target market, but then may send memo to the comparative of consumer.

1.8 Conclusion

In conclusion, in this chapter presents a summary of entire research. For the background of study, here is an argument about determinants purchase decision that make by the consumers to purchase a smartphone. In addition, it state regarding the problem statement. Next, the research questions, research objectives, scope, limitations, and key assumptions for research study that spent to deliver supervision for correct direction of this study. Finally stands importance of study. The facts that assembled inside this chapter can be serving by way of preference for next chapter.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Chapter two is related thru review of literature also research framework of study. At the opening, presenting literature to understand and identified present developments and relationship between purchase decision and the marketing product (brand, design, feature, quality, and warranty). After that, structured of research framework has developed.

2.2 Review of Literature

The literature review's purpose in this study to appraisal the judgmental point latest knowledge consist of practical results as well as theory and methodology which subscribe to topic research. In another word, review of literature accepted as secondary sources, in writing previous research plus fix not expose a few newest research information.