

COMPARATIVE STUDY OF CELL PHONES- MARKET SEGMENTATION

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ABSTRACT

Market segmentation is one of the most interesting and useful tools in marketing management. It is the reality of market situation. The behavior of the consumers may be identical in certain respect but not exactly the same on account of demographic and socio economic and cultural differences. When a study is conducted on a large numbers of buyers, homogeneous groups of buyers having identical needs and wants can be created. Segmentation of market is the subdivision of total market on some common characteristics of the buyers. Purpose of market segmentation is to determine the differences among purchasers which may affect the choice of marketing area or marketing methods. Market segmentation increases the understanding of real needs of the target consumers and results in maximization of their satisfaction. Thus market segmentation strategy is a customer oriented philosophy.

PROPOSED RESEARCH WORK

Whenever, one makes a decision, the objective is to maximize the benefit and minimize the risk associated with the problem. Consumer interest and market segmentation are the kingpins of marketing decisions. Market and its environment are very complex. There are various factors which affect the consumer buying decisions and further increase the complexity of market.

The market has now shifted from product oriented market to consumer oriented market. Today's consumer does not buy what the seller wants to sell rather the seller has to produce what the buyer wants to purchase. This change has made it mandatory for the seller to do an investigative study before making a decision. Changing patterns of consumers, consumer behavior as well as geographical, cultural, and religious differences presents an additional challenge to marketing. Consumer is the focal point of marketing. Knowledge of consumer is important in making effective marketing decisions. This knowledge can be gained through marketing research. In the modern era, Consumer is the king. Consumer research is must to seek answers to a variety of questions in respect of consumer characteristics and behavior.

The aim of this study is to develop an understanding of various factors which effects the market segmentation of mobile phones. What is the need of mobile phone, what are the expectations of the consumers regarding the phone, which is the ideal model, which is the ideal brand etc. the

determination of demographic characteristics of consumers, identification of consumer needs and product expectation level are matters of investigation under this study.

INTRODUCTION

Marketing is a pervasive phenomenon in the present day world. All of us use word marketing in our daily life in one way or the other. Different persons understood the meaning of marketing differently, depending on their ability need and environment. Consumers consider it as shopping, sellers treat it as selling, advertisers treat it as advertising, and managers as retailing. On one side marketing is a most popular word commonly used by most of us in the street but it is a word which is mostly misunderstood by most of us. It is a comprehensive term, it includes all resources and set of business activities necessary to direct and facilitate the flow of goods and services from producers to consumers. Thus, it is the performance of business activities that direct the flow of goods and services through producers to consumers or users¹. This definition can be reproduced as under--

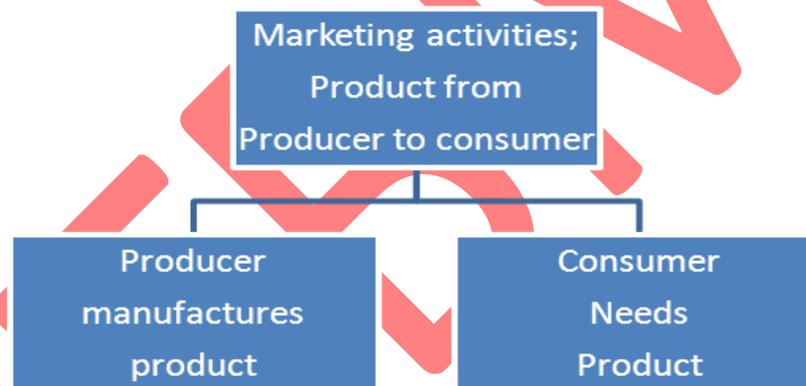


Fig No. - 2.1 Marketing

Every consumer has endless needs, wants and demands which can be satisfied by different products. These desires can be fulfilled by exchange of goods and services. Market is a place where these exchanges can take place. Thus marketing can be defined as a social process by which individuals and groups obtain what they need through creating and exchanging products and values with others². The concept of marketing can further be explained as:

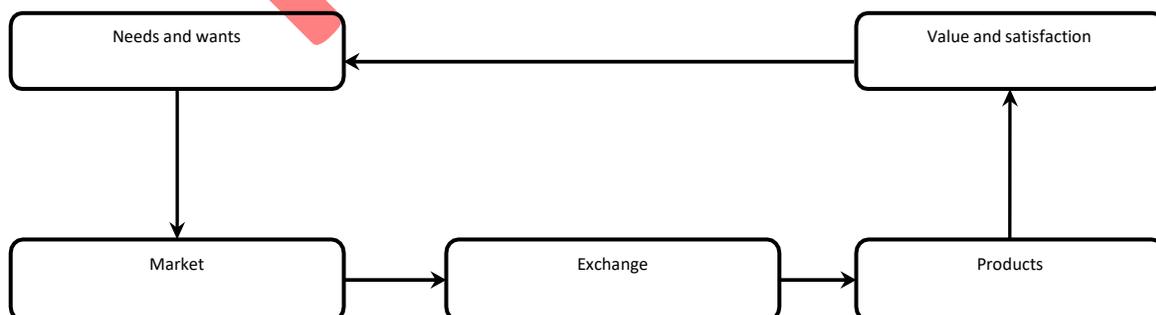


Fig No.-2.2 Concept of Marketing

Marketing deals with the creation of place, time and possession utilities. It includes activities involved in the transfer of goods from production sector to consumption sector. In short, marketing is providing the right goods and services or offering and exchanging products of values with others.

MARKETING CONCEPT: Marketing concept is a way of thinking which determines the course of action about marketing function. The concept of marketing is related to the thinking on one hand and doing practical on the other hand. The marketing concept is a corporate state of mind that insists on the integration and coordination of all marketing functions.³ Marketing concept is consumer oriented backed by integrated marketing aimed at generating customer satisfaction as the key to satisfying organizational goals. Marketing can be explained through the two popular concepts --- the old and the new.

- **Old Concept of Marketing:** In old times more and more emphasis was laid on the production of commodities. It was based on the idea that consumer will buy what the seller produces. It is old concept of marketing. It is based on the assumption that product, whatever it be, will be acceptable to the consumer. The producer is concerned only with the production of goods without taking in to account the need, choice or behavior of the consumer. According to this concept, Marketing consists of merely the buying and selling activities that affect the transfer of ownership of goods and services. Marketing comprises both buying and selling activities⁴The above explanation draws the characteristics of this concept of marketing like, buying and selling activities, product oriented concept maximization of profit and ignorance of consumer satisfaction, after sale service and social responsibility. This concept of marketing can be illustrated as follows--

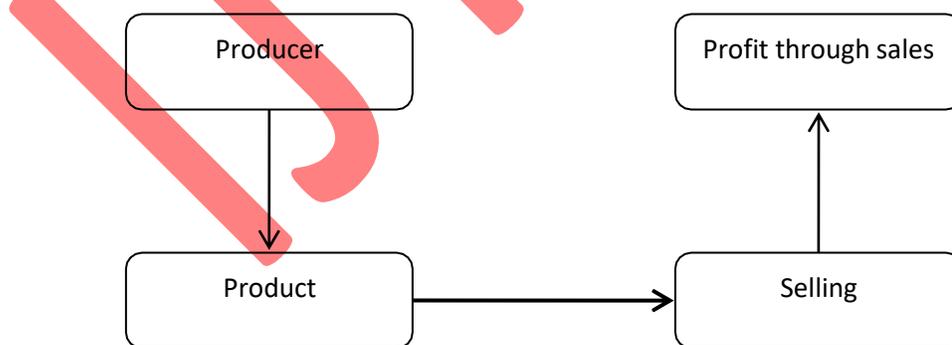


Fig. No.- 2.3 Old concept of Marketing

The old concept is a product oriented concept. It pays no attention to the likings, needs and desires of the consumers, rather it focuses only on production, buying and selling activities. It ignores after sale services. It does not give any emphasis on the consumer research. Due to these drawbacks the old concept has now changed in to new concept –a consumer oriented concept.

➤ **New Concept of Marketing:** It considers customer as the king. It stresses on profit earning by providing consumer with the desired product. It is called new concept of marketing. This concept emphasizes on the satisfaction of the consumer. Only those products are brought forward which can satisfy the wants and tastes of the consumers. A marketer who cannot satisfy the consumers cannot run the business with success. Consumer satisfaction is the main stay of the modern marketing concept. It believes, it can win consumers' loyalty and confidence by satisfying their wants. Modern concept accepts the sovereignty of the consumer and considers consumer 'the King'. Thus The marketing concept is consumer oriented backed by integrated marketing aimed at generating customer satisfaction as the key to satisfying organizational goals.⁵ The features of new concept of marketing can be recognition of consumer supremacy, enhancing the standard of living of society, profit through satisfied consumers and conversion of business organization in to the marketing organization .Marketing concept as a consumer oriented marketing strategy has the following four fundamental pillars of new marketing concept.

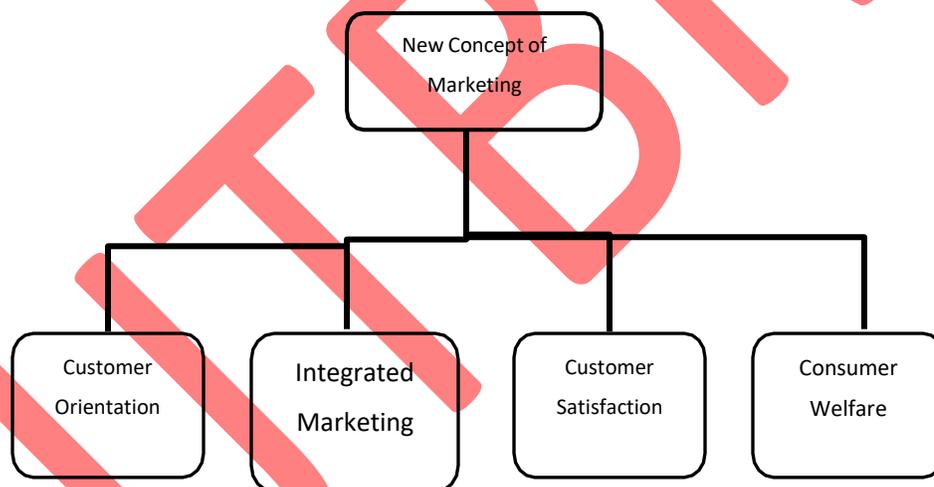


Fig No.-2.4 New Concept of Marketing

Whenever, one makes a decision, the objective is to maximize the benefit and minimize the risk associated with the problem. Consumer interest and market segmentation are the kingpins of marketing decisions. Market and its environment are very complex. There are various factors which affect the consumer buying decisions and further increase the complexity of market.

REVIEW OF THE STUDIES

Research Design

Research design is the master plan for conducting investigation. It involves decision relating to sources and techniques of data size, and composition of sample, amount of time and money to be spent, design of Interview Schedule etc. so researcher takes in to consideration the main issues involved in a research design:-

- The universe and sample.
- Research instrument.
- Pilot study.
- Collection of data.
- Processing and analysis of data.

CONCLUSION

Analysis and interpretation of the collected data using tables, figures and percentage have enabled the researcher to enlist the findings of the study as under:

Most of the respondents in the different age group prefer Nokia than any other brand. Nokia is the most preferred brand in every age group. A large number of male and female buyers prefer Nokia than Motorola and other brands. Percentage of male buyers is 60% whereas percentage of female buyers is 50%.

It is found that Nokia is the most popular brand among students. The percentage of student buyers of Nokia is higher than Motorola. Self employed buyers preferred Nokia and Other brands rather than Motorola. It is also found that private serviceman buyers are more interested in Motorola than any other brand. Whereas, Govt employees show their interest in buying Nokia. This shows that Nokia is most preferred and Motorola is the least preferred by the Govt. serviceman.

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