



**An Analysis of Changing Customer Attitude Towards  
Smartphones, Considering Whether a Technological Plateau Has  
Been Reached**

**Research Focusing on Comparison of Romanian and British Customers**

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## Introduction

The aim of this research is to analyse the attitude of consumers towards high-tech products focusing on smartphones while making a comparison between Romanian and British consumers, looking at buying patterns and consumer behaviour. In supporting this aim, four objectives have been drafted focusing on analysing past and future behaviour of both British and Romanian consumers, look at the influences of brand reputation and other psychological factors, analyse the role played by the country of origin, in any, and find out if a technological plateau has been reached. This work is structured into 3 main parts: literature review, methodology, and findings and analysis.

The literature review is aiming to provide a theoretical background for the objectives that have been set. Since this analysis tries to find out how consumers behave and what their attitude towards high-tech devices is, the literature review will set a supportive background and starting point for this research. It will cover the consumer behaviour and decision-making process along-side the factors that are influencing the decision-making process. Since the aim is to find out how two different nationalities behave on this regard, the literature review will also provide the basis for culture and country of origin. Furthermore, the literature review will look at the smartphone market including a brief history of smartphones evolution. The final part of the literature review will be focus on the last objective, more precisely, whether a technological plateau has been reached. In this part, the author aims to compare and contrast various opinions and theories regarding the technological plateau.

The next part is the methodology that starts by laying out the 4 research questions. The methodology will introduce the research variables and a clarification of the research design. Data collection will be outlined in this part along the data collection instrument.

The final part of this project will be the analysis of the findings and a comparison between Romanian and British consumers and any possible differences or similarities between the two groups. This part will also look at whether the country of origin plays an important role in relation to consumer decision-making process. This part will end with the conclusion as well as limitations and recommendations for future research.

## **Aim and Objectives**

The aim of this research is to analyse the attitude of customers towards high-tech products with a focus on mobile phones/smartphones. This analysis will try to make a comparison between British customers and Romanian customers looking at the buying patterns and behaviour. To achieve this aim, the following objectives are necessary:

1. To analyse past and future buying behaviour of Romanians and British regarding high-tech smartphones.
2. To examine, if brand reputation influences customer attitude and what other psychological factors influences Romanian and British consumers.
3. To decide the role played by the country of origin and the differences in consumer behaviour between Romanian and British consumers.
4. To find out if a technological plateau has been reached and what do consumers from Romania and United Kingdom think of the technological development.

## **Literature Review**

Literature review is considered essential by Kim (2015) since it appraises and encapsulates while comparing and contrasting various books, research articles and relevant sources related to the topic of research. Kim (2015) mentions a few advantages of literature review starting with the rapport it creates with the audience. This rapport increases the audiences trust in the research paper. A literature review also helps avoiding incidental plagiarism and it can sharpen the research focus by condensing and evaluating various sources. The literature review sets a starting basis or a platform for the current undertaking research while providing a solid background. It also provides the understanding needed to facilitate the discussion of findings, conclusions or recommendations (Krathwohl, 1998).

Firstly, the literature review will focus on purchase behaviour and division of factors of consumer behaviour from perspective of different authors, afterwards some of the factors, which are considered more relevant to the research topic, will be explored. This will be followed by part talking about brand reputation. In the end the smartphone industry and its current position and level of technological development will be researched.

## **Introduction to Consumer Behaviour and Decision-Making Process**

According to Blackwell et al. (2006), the consumer undertakes a process every time s/he wants to make a purchase. This process involves recognition, search, information, evaluation and purchase. In most cases, there is a final step that involves feedback.

Looking at consumer behaviour allows a better understanding of customer attitude and the decisions a person makes when it comes to buying a product. Consumer behaviour is defined by Hoyer et al. (2013) as a series of human decision-making units regarding acquisition and consumption of goods or services. This is agreed upon by Solomon (2009). Hawkins et al. (2001) defines it as a “study of individuals, groups or organisations” and similarly to definition by Hoyer et al.(2013), it looks at the process a consumer or a group of consumers undertake to “select, secure, use and dispose” products. Furthermore, Satish et al. (2004) states that consumer behaviour is a mental and emotional process. The authors conclude that consumer behaviour is complex and includes several factors and variables.

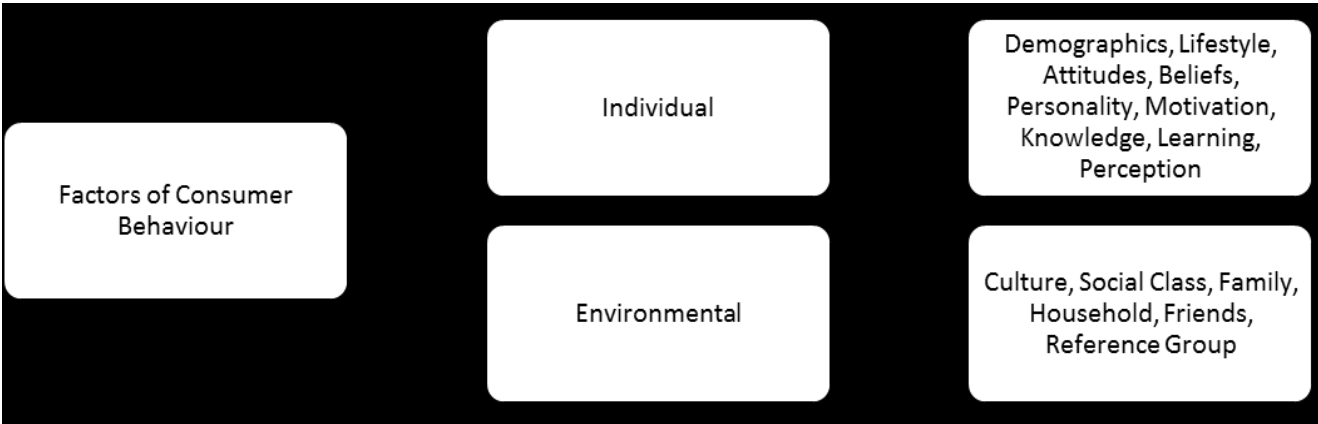
When it comes to making the decision, consumers use the available information to create beliefs and identify if a product will satisfy a specific need according to Hagerty and

Aaker (1984). According to Kumar (2014a), consumer behaviour is in a constant state of flux and it changes in every situation. This makes the consumer the main point of focus of all marketing activities. Trying to understand the consumer’s behaviour and activities is a very essential aspect of every company, based on Kumar (2014a). Consumers buy goods and services to satisfy needs. However, Kumar (2014a) says that these needs can be unlimited and vary from “time to time, place to place and man to man”.

**Division of Factors of Consumer Behaviour from Perspective of Different Authors**

Based on Sata (2013), there are two major groups of factors that influence consumer behaviour; individual and environmental (Figure 1). The individual factors influencing the consumer behaviour include demographics, life style, attitude towards a particular product or brand, beliefs, personality, motivation, knowledge, learning and perception (Sata, 2013).

Moving on, the environmental factors can be defined as outside sources that influence the individual and the decision-making process. Sata (2013) mentions most common environmental factors. They are defined as culture, social class, and more closely influence of family, household and the circle of friends or the reference group.



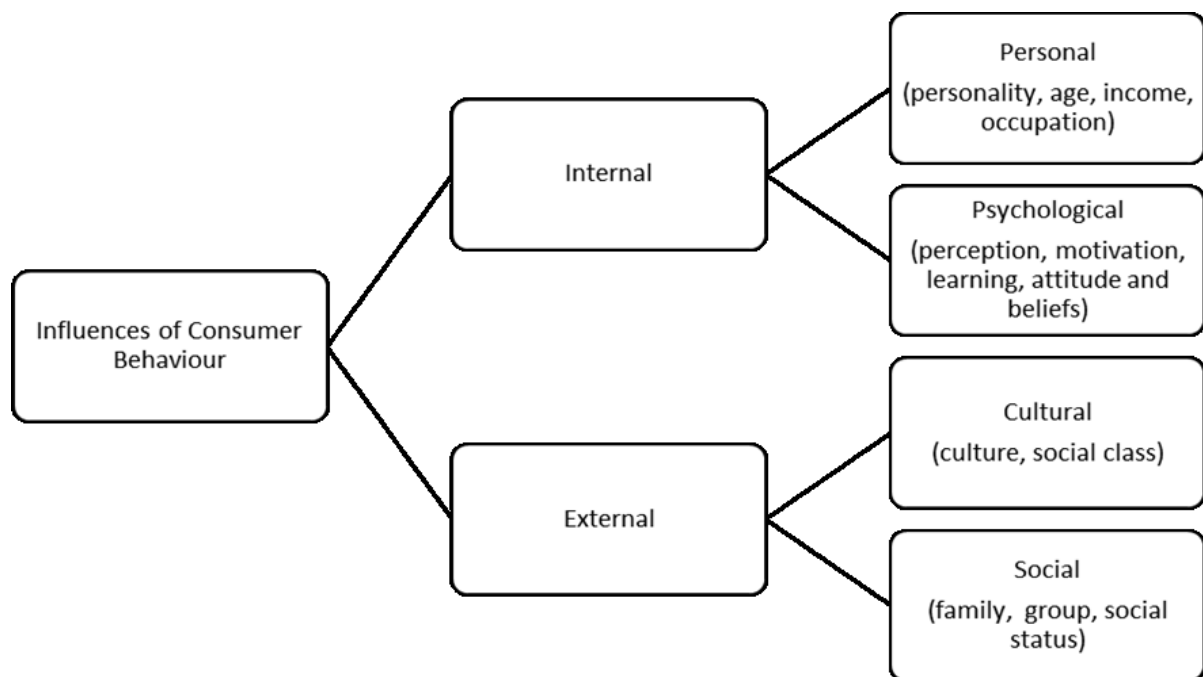
**Figure 1 Division of Factors Influencing Consumer Behaviour by Sata (2013)**

Manish (2014) splits the influences on consumer behaviour in two categories, internal and external (Figure 2). Furthermore, each category is split into two more. Internal influences can be split into personal factors such as personality, age, income, life style and occupation, and psychological factors such as perception, motivation, learning, attitude and beliefs. The

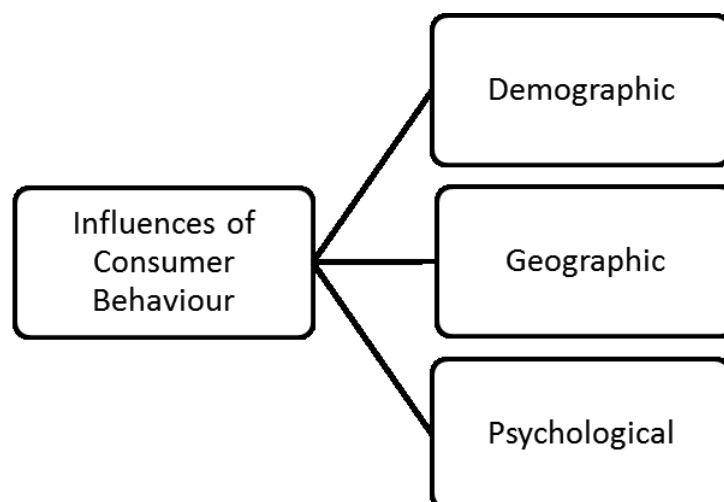
external influences mentioned by Manish (2014) are cultural factors such as culture and social class, and social factors including family, group and the social status.

Kumar (2014a) is in agreement with Manish (2014) when it comes to factors affecting consumer behaviour (Figure 3). He splits the factors in three groups: demographic, geographic and psychological.

The following section will explore each of the group of factors from perspective of Sata (2013).



**Figure 2 Division of Factors Influencing Consumer Behaviour by Manish (2014)**



**Figure 3 Division of Factors Influencing Consumer Behaviour by Kumar (2014a)**

## **Individual Factors of Consumer Behaviour Explained**

### **Gender, Age, Marital Status, Sexuality**

Starting with demographic factors, the gender of a consumer can influence the decision-making process. Using a more traditional approach, Kumar (2014a) states that for example, women purchase most of the household goods while men stick to purchases involving automobiles, refrigerators and so on. Furthermore, Kumar (2014a) states that with age, the needs and desires of consumers change. This change is also influenced by marital status and according to Kumar (2014a) the shopping habits of a single person vary greatly compared to a married person. On the other hand, Solomon (2002) contradicts Kumar (2014a) stating that a person's biological gender does not necessarily determine if the individual will express "sex-typed" traits. This is also influenced by a consumer's subjective feeling towards sexuality. Even though marketers do not follow a particular traditional strategy and try to adapt to a period in time where a woman's sex role has changed, according to Solomon (2002), stereotypical approaches are still being used. The same approach applies to men as well, men being perceived as "tough, aggressive and muscular" enjoying "manly" activities and buying "manly products" but based on Solomon (2002), there is a noticeable shift towards men being more compassionate and friendly, enjoying their friendship with other men.

### **Personality and Lifestyle**

Moving on, the next factor on the list is personality. Solomon (2002) describes it as a unique psychological makeup for each individual and its influences on how a person reacts to his or her environment. Solomon (2002) mentions an idea developed by Sigmund Freud and is explained as a conflict between an individual's necessity to satisfy his or her physical need and also function as a normal member of society. This author also points out three Freudian systems; id, superego and ego. The "id" is explained by Solomon (2002) as a focus towards gratification, a desire to avoid pain and maximise pleasure. The "id" is defined as illogical and selfish. On the opposite end of the "id" is the "superego", defined by Solomon (2002) as a conscience and it prevents the "id" from seeking selfish gratification. Finally, Solomon (2002) mentions the "ego" as a mediator between the previous two. The "ego" can be perceived as a balancer, a referee between "temptation and virtue". Applying the Freudian system to consumer behaviour, Solomon (2002) mentions that consumers tend not to tell their real motivation for buying a product of service even though marketers find "sensitive ways" to ask

them. Solomon (2002) believes that there is a connection between the motivation of owning a product and the symbolism of that product in the eyes of the consumer.

Based on this, Solomon et al. (2002), notice that the decision to buy a product or service is based on a battle among id, superego and ego, with the ego trying to compromise between the “demands of the id and the prohibitions of the superego”. The outcome of this battle is a decision to buy the product or service that can be considered socially acceptable but will also allow the individual to enjoy it. This theory is similar to Festinger’s (1957) cognitive dissonance theory where a person seeks consistency among his/her cognitions. An incompatibility between beliefs and actions will result in dissonance. Reducing the conflict beliefs, acquiring new beliefs, or removing the conflicting attitude or behaviour will eliminate dissonance. This theory is especially relevant when it comes to decision making. Decision making is based on solving a problem by trying to find alternatives, choosing options, and evaluating the outcomes of the choice made (Mowen and Minor, 2001).

Since personality has been defined in various ways, Mann and Rawat (2016) mention the “Big five” personality traits based on Goldberg (1990) and Norman (1963) as important in a marketing context. According to Goldberg (1990), the Big Five (Table 1) are not the only traits but they tend to explain a large part in the variation in personalities.

<b>Trait</b>	<b>Description</b>
Openness	Curios, Original, Intellectual, Creative, Open to new ideas
Conscientiousness	Organised, Systematic, Punctual, Achievement orientated and Dependable
Extraversion	Outgoing, Talkative, Sociable
Agreeableness	Affable, Tolerant, Sensitive, Trusting, Kind and Warm
Neuroticism	Anxious, Irritable, Temperamental and Moody

**Table 1 "Big Five" Personality Traits, Adapted from Goldberg (1990)**

Based on Goldberg (1990), every individual is different with a different personality, but the personality cannot be considered stable since it changes with age, social status, life experiences, success, failures and other life events. According to Roberts (2006), personality changes over long periods of time with individuals' openness to new experience declining with age, being replaced with a more social dominant, organised and dependable approach.

A factor that is closely linked with personality is lifestyle. Solomon (2002) define lifestyle as ways or choices in regard to spending time and money showing how the values and tastes of an individual are reflected in the usage of products and services. This allows marketers and companies to design products that will suit various lifestyles often achieved by segmenting the consumer groups based on their life style including activities, interests and opinions according to Solomon (2002).

### **Income**

Moving on to income, Kumar (2014a) states that the level of income determines up to a certain level the types of products and services an individual will buy. Individuals with low income are forced to prioritise and buy essential products and services to satisfy basic needs. This includes purchases of food, accommodation and other essentials. People in this category will always have to decide between the products they are interested in buying and their daily essentials.

As their income grows and their situation changes, according to Kumar (2014a), there is a tendency to purchase other items that can be considered non-essential and are of a higher quality. To be able to purchase an item that can be considered non-essential, individuals need discretionary income. Solomon (2002) defines it as an amount of money that is available to an individual over the amount required for a comfortable standard of living. As an example, an individual with an income that covers only his essentials, will not have the disposable income to purchase an expensive smartphone retailing at £600+ even though he or she might want it and if for that particular case a smartphone is a necessity he or she will try to orientate at a cheaper alternative that will satisfy the need but if there is an increase in income, the £600+ smartphone can "get back on the radar".

A consumer's buying behaviour is also linked to income expectations with these expectations being able to influence a decision. If an individual expects a raise or other form of income increase in the future, there is a tendency to spend more money on purchases of non-essential goods and services. On the opposite end, if the income is expected to fall, certain purchases will be put on hold according to Schiffman and Kanuk, (2004).

### **Perception**

Another important factor that can influence a purchase decision is perception, which is defined by Schiffman and Kanuk (2004) as a process "...by which an individual select, organises and interprets stimuli into a meaningful and coherent picture of the world" or simply, how does an individual see the world around him or her. According to Solomon (2002) and Schiffman and Kanuk (2004), humans tend to perceive whatever they desire most and the stronger and higher that need gets, the greater the tendency to ignore parts of the environment. An example can be a student who wants or needs a new smartphone. While his focus is directed towards the newest iPhone, he will fail to notice other options or alternatives that are available, just as a person that is hungry will notice more advertisements for food over anything else.

Based on Schiffman and Kanuk (2004), an individual's perception can be distorted and influenced by different variables. Physical appearance plays an important role. According to this theory, people tend to attribute certain qualities they associate with other people to products or services or even other people. According to Schiffman and Kanuk (2004), attractive models are more persuasive and possess a higher level of influence on the consumer and attractive men are seen as more successful in a business position than less attractive men. This way, a consumer will link the product with attractiveness or success, thinking that by purchasing it, the image they have formed about the product will be transferred to them (Solomon, 2002).

Stereotypes can also influence the perception of consumers since individuals use stereotypes to serve as expectations or outcome of a specific situation, events or people according to Schiffman and Kanuk (2004).

Another factor that can influence perception can be caused by jumping to conclusions. The authors say that most consumers tend to jump to conclusions before analysing all the relevant information. An example given by Schiffman and Kanuk (2004) shows that

consumers tend not to check the volume information on food packaging and instead buy the package that they think contains more. This jumping to conclusions is based on the size and shape of packaging alone.

First impressions can also distort perception since they tend to last for quite a large period of time. Customers can be influenced by a newly launched product that was not perfected and refuse to acknowledge a better and newer version of the product, even though it shows clear advantages but based on their first impressions, the advantages of the new product will be negated by the memory of its previous bad performance (Schiffman and Kanuk, 2004, Solomon et al., 2012).

The final factor that can influence consumer's perception is the halo effect, defined by Schiffman and Kanuk (2004) as an evaluation of an object or person on a series of dimensions without taking all dimensions in considerations. Using the halo effect, manufacturers tend to associate their products with a well-known name or brand hoping they will acquire recognition a status for their products. From the customer's point of view a simpler way to look at halo effect is as a bias shown by an individual towards a range of products only because of a pleasant experience with other products made by the same company.

#### Role of Country of Origin

According to Rajagopal (2010), globalisation plays a major role in influencing consumer's decisions and it is "deeply intervened" in consumer cultures slowly changing traditional values.

According to Kalicharan (2014), country of origin is closely linked with perceived quality and based on Katsanis and Thakor (1997), consumers see the country of origin as a product attribute and most customers use it as a deciding alternative between products. This is supported by Saeed (1994) stating that the country of origin is associated with the product of brand. Kalicharan (2014) states that many consumers prefer brands and products from developed economies, including most European countries or the US, assuming they are of a higher quality. This belief that a developed country would automatically make higher quality products is based on the image that the country has in the eyes of consumers.

On the other hand, according to Baker and Ballington (2002), the raise of powerful global brands is diminishing the effect that country of origin has on consumer perception.

Even so, many consumers tend to see the greater values in products that are made in countries that in some regards might not have a premium image but refuse to buy them because of negative past experiences according to Kalicharan (2014).

### **Motivation**

Motivation is another factor that can influence consumer behaviour and according to Solomon (2002), it refers to a series of processes that causes people's behaviour and it is active when there are needs that the consumer wishes to satisfy. Motivation can also be seen as the driving force that forces consumers to act. According to Schiffman and Kanuk (2004), motivation can be created and influenced by needs or goals.

Since every human being has needs, Schiffman and Kanuk (2004) splits the needs into two: innate needs which are physiological such as the need for food, water accommodation and acquired needs or secondary needs. The secondary needs are psychological; they are subjective and can result from interaction with other people. As an example, the need for a smartphone, today, it can be considered an innate need but the kind of phone an individual will purchase is influenced by secondary needs since a person might want particular functions or features on their smartphone. Whichever the decision, the purchase of a smartphone in this example will satisfy both innate and secondary needs but according to Schiffman and Kanuk (2004), new needs will emerge once a previous need has been satisfied. Solomon (2002) mentions that once a need has been satisfied a higher order need will arise turning needs into a hierarchy with the individual always seeking higher and higher needs to satisfy.

Talking about goals, Schiffman and Kanuk (2004) say that they are the result of motivated behaviour. Goals can be generic or product-specific with individuals setting goals based on their based on their values and choosing a goal will depend on the individual's previous experiences, culture, values or personal capacity to achieve the goal according to Solomon et al. (2012).

### **Learning**

Learning is another factor that influences consumer behaviour. It is defined by Solomon (2002) as a change in behaviour. In most cases this change is permanently caused by a previous experience. Learning is also an ongoing process because human knowledge is being refreshed constantly when humans are exposed to new stimuli. According to Solomon (2002), consumers "learn" connections between products and memories making them more

susceptible to brand loyalty. Learning, as a concept is very wide and can range from a simple association between a product (e.g.: iPhone) and a response (revolutionary, improvement, design) to a more complicated and complex series of “cognitive activities” as mentioned by Solomon (2002).

Learning is closely linked with memory, memory being the storage for the learned information. From a marketing point of view, memory helps at creating nostalgia for consumers. Marketers can take advantage of nostalgia when planning to advertise certain products for different categories of people. Nostalgia can be enhanced by products or adverts that are being used as “retrieval clues”. According to Solomon (2002), visual art and photos are two of the most prized possessions valued by consumers since they can bring back memories of the past thus creating emotional response making the consumer like the product more and trying to identify with it. This is used by mobile phone manufacturers to advertise the camera quality on the devices and their cloud storage, promoting it as a “creator of memories” and the cloud offering security for all your personal photos.

### **Attitude and Beliefs**

The last psychological factors mentioned are attitude and beliefs. Wright (2006) defines attitude as a set of beliefs and feelings that a human being will develop over time through interacting and learning regarding other people, goods, events and issues. An attitude, according to Wright (2006) is composed of behaviour, beliefs and emotions. Solomon (2002), mentions that attitudes have different functions such as utilitarian function, knowledge function, ego-defensive function and value-expressive function. These functions are determined by individual motives. According to Solomon (2002), an attitude serves more than one function but most of the time there will be a dominant one.

When advertisements target a dominant function, it receives favourable thoughts from the target individual (Solomon, 2002). The strength of an attitude is closely linked with beliefs. Attitudes are getting stronger proportionally with beliefs. Beliefs are mostly based on knowledge and information with consumers; having beliefs about certain products or companies based on information from various sources such as friends, own experiences or media.

In regard to emotions, consumers are influenced by advertisements that link a particular set of emotions to a product. As an example, an advert for a high-end smartphone

can create emotions for consumers by linking the smartphone with style, luxury, success or another person's envy. The behaviour is how a consumer reacts to a stimulus based on the strength of his emotions and beliefs. Depending on the intensity and complexion of emotions and beliefs a consumer could simply discuss a product and buy it.

Other factors that influence consumer behaviour and attitude are ethnocentrism, national identity, and cosmopolitanism according to Zeugner-Roth et al. (2016). Shimp and Sharma (1987) introduce the concept of consumer ethnocentrism and is described as beliefs about the morality and appropriateness of buying foreign products. According to Blank and Schmidt (2003,), national identity refers to "...the importance of national affiliations well as the subjective significance of an inner bond with that nation." National identity is closely linked with ethnocentrism since both theories are looking at consumers preferring "home" products. Consumer cosmopolitanism looks at consumer open-mindedness towards foreign countries, cultures, and products according to Riefler and Diamantopoulos (2012).

## **Environmental Factors of Consumer Behaviour Explained**

### **Culture**

Yakup et al. (2011), defines culture as a very important concept used to understand consumer behaviour and is based on beliefs of human societies alongside their roles, behaviour, values, traditions and customs. According to Chaudhry (2014), a person's wants and behaviour is heavily influenced by that person's culture, sub-culture and social classes. Based on this it can be seen that the behaviour of consumers changes across different cultures based on different values, language, demographics and non-verbal communication.

According to Mooij (2004), culture is based on certain habits acquired by individuals as members of a society including knowledge, beliefs, morals and customs. Furthermore, Solomon et al. (2006) adds ideas, values and ethics as part of the culture and influenced by it and even cars, food, clothing and art. Aaker et al. (2000) mentions that culture influences almost everything an individual does, including processes and behaviours and especially the way that an individual makes decisions. Based on this, an assumption can be made that culture is acquired and not inherited. According to Choudhry (2014), desirability is based on cultural values and these values affect an individual's behaviour through norms that will lead to a range of response for various situations, including purchases. According to

Money et al. (1998), consumers from different cultures differ when it comes to foreign products, advertising and sources of information (Gurhan-Gnani et al., 2000).

According to Barak (2001), certain cultures are more youth oriented resulting in them being more liberal and individualistic and according to Fattah (2001), people are working harder which results in a higher chance to spend more when it comes to a purchase. According to Choudhry (2014) and Mooij (2004), the level of diversity within a culture also affects the consumer behaviour, since a diverse culture covers a wide range of personal behaviours and attitudes, increasing variety when it comes to purchasing products and services. This is agreed by Solomon et al. (2006) who states that the choices of consumers cannot be understood outside of a cultural context stating that culture can be perceived as a “prism” through which consumers see the products or services. Solomon et al. (2006) define culture as a “collective memory of a society”, something that defines a human community and the individuals and societies within.

Taking it one step further, Solomon et al. (2006) state that the effects of culture when it comes to consumer behaviour are very powerful and that the importance of culture is difficult to grasp or appreciate. Solomon et al. (2006), accentuate that culture plays a very important role in determining the success or failure of certain products and services. When it comes to the consumer, culture determines his or her priorities related to the buying process. Solomon et al. (2006) link consumer behaviour and culture and defines it as a two-way street with products and services that identify themselves with the culture and having a higher chance of being accepted by the consumers and also new products or services that have been developed to fit a dominant culture in any given period.

Furthermore, Solomon et al. (2006) mention that culture is not static; on the contrary it keeps evolving and combining new ideas with old ones. Even though cultures adapt new ideas and life styles, they are very different amongst each other. Solomon et al. (2006) identify two different types of cultures, individual culture with a focus on personal goals and collectivist where the goals are closely linked with the group.

### **Influence of Reference Groups**

Solomon et al. (2013) mention that most decisions are heavily influenced by the opinions of relatives and friends. These opinions contain useful information regarding the purchase, use and even avoidance of certain brands.

According to the authors, the recent growth of social media facilitated the appearance of consumption communities, most of them specialised in certain product categories such as mobile phones or cars. Being part of an online community, can sometimes result in creating bonds with the other members since most of them will use similar products and share the same experience. According to Solomon et al. (2013), this results in pressure for each member to buy products that will help them to fit in the community and gain the acceptance of the group. Sometimes, by not conforming to the group, consumers feel rejected or embarrassed.

### **Role of a Brand Reputation in Consumer Behaviour**

According to Zhang (2015), the brand image is recognised as the driving force of the brand asset and its performance. The brand image is identified by Karjaluto et al. (2005) alongside price as being one of the most important factors that drive a sale. Cretu et al. (2005) find that in the context of branding linked with buying behaviour of consumers, the meaning of the brand plays a major role. Berry (2000), mentions that the reputation of a company plays a vital role in the decision-making process regarding purchases.

### **Smartphone Market and Factors Influencing Purchase of Smartphone from Point of View of Different Authors**

According to Thomes (2015), the mobile phone and smartphone market is highly competitive with major players facing competition between them and from the regional players or smaller companies. With more than 120 established phone manufacturers according to statistics from Phone Arena (2017), it can be seen that, indeed, the market is very competitive.

When it comes to choosing a mobile phone or a smartphone, Mack et al. (2009) state that usability is one of the most important variables in the decision-making process, shortly followed by aesthetics and cost. Controversy, Kumar (2012) finds that price, quality and style are influential when it comes to decision making towards a purchase. Kumar (2012) is agreed upon by Saif (2016) who also mentions price as a determinant when it comes to purchases of mobile phones and also includes size, brand name and new technological features. Saif (2012) considers price the most important variable that influences the decision of consumers in regard to mobile phones over the new technological features. Contradictory, Eric et al. (2008)

finds that reliability and quality are the most important factors closely followed by user friendliness of the device.

When it comes to young consumers, Das (2012) identifies that brand reputation, design and features are important factors when it comes to decision making. All the above statements are supported in different points by Pakola et al. (2010) who mentions price of the device and features as important factors. Based on this, Sata (2013) identifies the six most important factors that are influencing the decision of a consumer starting with price, social factors such as family and group influence, durability, brand name, features and lastly aftersales service.

Moving on from the factors, it can be noted that the mobile phones and smartphones industry plays an important economic role in a global context. Based on the Statistics Portal (2017), the global revenue from smartphone sales grew from 330 billion U.S dollars to 428 in 2016 and if one looks at it from a number of sales based on the same source, in 2007 the global sales were 122 million units that kept on growing to 1.495 trillion in 2016. This massive growth points out that there is a high level of interest among consumers when it comes to smartphones, which in current times is becoming indispensable.

When it comes to brands, according to Mintel (2016) Samsung and Apple each own on average 30% of the market and the rest of the 40% of the market is covered by Google, LG, Sony, and other brands which own smaller percentages. When it comes to operating systems, Mintel (2016) reports that Android predominates the market with 55% followed by iOS at 30% and Windows mobile with 11%. According to Mintel (2016) a shift towards smartphones with larger screens can be noticed with 42% of smartphones having a display between 3.5 and 4.9 inches and 34% between 5 and 6 inches. The latter category includes what are considered flagship phones such as the iPhone 7 Plus and the new Galaxy range from Samsung.

Mintel (2016) also looks at future intentions where a drop-in market size for devices with screens smaller than 3.5 inches, from 15% in 2016 to 4% in the near future. This is closely linked with a forecast of growth in devices with screens between 5 to 6 inches, from 34% in 2016 to 43% in the near future. Based on this it is safe to assume that the smartphones market is still growing and the market share of premium or high-end devices with large screens is planned to grow as well. However, this research is based on data collected from

international internet users and does not focus on certain nationalities or categories of consumers thus making it limited up to a certain level.

Looking at mobile phones technology today, it can be assumed that consumers are “spoiled” when it comes to options but this was not always the case. Less than 60 years ago, the simple idea of a portable device that can wirelessly make calls would have been considered science fiction but in 1973 the first prototype of a mobile phone was launched by Motorola (Motorola Official Website, 2017). This prototype was bulky, heavy, with very short battery life and quite on the expensive side while only offering one single function: calls. Since the invention of mobile phones, technology advanced at an increased rate moving from a “brick” sized mobile phone to devices that weigh less than 150 grams, are slim, attractive and very easy to carry around. According to Mudrakola (2016), the evolution of mobile phones could be the one of the fastest advancements of humanity. Mobile phones underwent massive improvements in productivity, security, connectivity and multimedia over the last few decades. They received improvements in regard to voice quality and the network area which expanded.

Furthermore, the addition of internet, Wi-Fi, Bluetooth, GPS and many more turned a mobile phone from a simple device used for calls to a mini portable computer. A smartphone today has also increased security since massive amount of data are transferred thorough mobile devices. According to the Telegraph (2016), a research company called Statcounter tracks internet usage across 2.5 million websites and 51.3% of that usage went through mobile devices, surpassing laptops and traditional desktops. According to Titcomb (2016), this is attributed to the growth of high speed mobile networks across the planet, more powerful smartphones being launched at an accelerated rate and an increase in sales in emerging markets. This caused smartphones to become the most important computer for majority of people.

According to Statcounter (2016), in Britain the spending on mobile advertising surpassed desktop advertising, with PC sales falling for eight quarters and according to Titcomb (2016), this is the longest decline in the history of desktop industry. Statcounter (2016) mentions that in matured markets such as UK and USA, the desktops still account for the majority but the gap between them and mobile devices is shrinking while on developing economies such as India, mobile usage account for over 75% of usage. Another reason for the

fast growth and advancements of mobile devices is an increase in productivity. With smartphones allowing their users to do most tasks a PC can do while being fully portable and light, they are slowly replacing navigation units with the increase in usage of Google Maps (Google, 2016) and other third-party apps.

### **Opinions on Level of Technological Plateau of Smartphones**

Looking at weather smartphones have reached a technological plateau, there are various opinions. Weinberger (2016), writing for Business Insider believes that this is the case, that smartphones have reached a plateau and the boom is over. He considers the launch of the original iPhone in 2007 as the source for the smartphones “boom”, setting a predominate design that will shape the way smartphones look even a decade later. The analyst firm IDC, quoted by Weinberger (2016) noticed a serious drop in sales for smartphones, with a growth from 2015 to 2016 of only 1.6% compared to the previous year where the growth was 10.6%. This is caused by the fact that consumers are happy with the current devices they own and are not very keen in buying a new device that is very similar with what they have.

Scantlin (2015) mentions that today’s smartphones are very similar in looks or performance. It is noticeable that most smartphone are using the same design and shape, most of them offer good performance and good cameras. Scantlin (2015) agrees in the fact that smartphones have got to the point where they are all good, using modern technology but this makes them less exciting. They are basically tune-ups of the previous model, with a slightly larger screen, or slightly better camera or slightly better functions compared to the outgoing model but it is not revolutionary or new or something that will have an element of surprise for the consumers.

On the other hand, there are people that, according to Poh (2017) believe that there is still room for innovation. The addition of new technologies to future smartphones could give the impression that innovation is still there and smartphones did not reach a plateau. Augmented reality (AR) and virtual reality (VR) are now features that make their way into smartphones. Gibbs (2017), writing for The Guardian predicts a battle Apple and Google in regard to augmented reality. According to Gibbs (2017), augmented reality is already in work in progress, being developed by Google for the upcoming flagship models of Android smartphones but also Apple, which is expected to reveal augmented reality in their new iPhones. This idea is also strengthened by Heisler (2017) who after having an interview with

Tim Cook, CEO of Apple reports that Tim Cook hinted that launch of augmented reality is as close as the launch of the new iPhone in the last quarter of 2017.

Augmented reality is not the only new technology that will make its way into smartphones. According to the Telegraph (2016), flexible smartphone screens are a reality, with Lenovo displaying a smartphone that can be bent around the wrist. However, this technology is still in development stage and it will not make its way to actual devices in the coming months. According to the Telegraph (2016), Samsung also works on a similar technology for their future smartphones. Up to a certain point, this technology can change the way smartphones look, maybe creating a new radical innovation for future smartphones and moving away from the standard that Apple introduced with their iPhone in 2007 (Apple, 2017). According to Poh (2017), future smartphones could have built-in projectors, 3D screens or they could even be capable of displaying holograms. This, if feasible, will create a shift from the traditional smartphone as it is known today but at the moment according to Poh (2017) most of the technologies and features are still in development stage.

Even with all the new technologies that are coming, most likely smartphones will keep a similar shape and size as the current offerings on the market and some people might wonder if the coming technologies are just incremental innovation to an already established product or they will be able to create radical innovation, this way taking the smartphone idea as it is known today to new heights.

## **Methodology**

This part of the project will focus on research methodology. Kumar (2014b) defines methodology as a chronological description of methods, procedures and techniques that were adapted while performing a research project. Hart (1998) says that the main aim of methodology is to describe why techniques adapted in the research are relevant for this particular research. Ghauri and Grønhaug (2005) see methodology as a description of problem-solving process which leads to answering the research question(s). All mentioned authors agree that choice and justification of research methods are essential for validity of research results.

Kumar (2011) recommends to structure research methodology into following sections: description and explanation of research design, data collection process including research instrument description, sample choice, time frame, ethics, and finally data analysis process. This structure will be used throughout this report.

## **Research Overview**

According to Kumar (2014b) defining the research problem is the first step of the research process which leads to determination of the research design. According to Bryman and Bell (2007) research questions are considered crucial as they help to maintain focus in all the important steps conducted while working on a research project as well as they need to be answered at the end (Cohen et al., 2000). Research questions for this analysis are:

1. What are the past and present consumer buying behaviour patterns of Romanians and British in regards to high-tech smartphones?
2. What psychological factors of consumer behaviour are the most important for British and Romanians when purchasing a smartphone? Does brand reputation play an important role?
3. What is the difference in consumer behaviour regarding high-tech smartphone purchases between Romanians and British consumers? Hence what role plays factor of country of origin in decision making process?
4. What is the current attitude of Romanians and British consumers towards high-tech smartphones market? What do the consumers both from Romania and Britain think about technological development of smartphones?

Specific objectives have already been stated at the beginning of the report. However, for better understanding of the methodology the following paragraph below the research focus.

This research aims to find common factors affecting consumer behaviour of buyers in Romania and in the United Kingdom towards high-tech smartphones, and therefore tries to identify if nationality, country of residence, and culture in general play any role in purchase behaviour. The purpose of this research is also to find out the possible differences in buying behaviour patterns between Romanians and British customers in relation to high end mobile phones and smartphones. It will focus on the frequency of purchases and attempt to find any similar buying patterns and factors affecting consumer behaviour based on internal influences of consumer behaviour such as age, income, occupation, motivation, perception, beliefs and attitudes. Attention will be given to brand reputation. The research will try to examine if the buying behaviour has changed over time. On top of that it aims to find what attitude the customers take towards current smartphone market, whether the technological plateau has been reached and the visual design development prevails technological improvement, and if the innovation is radical or just incremental.

The wording of research questions and objectives, as well as identification of research variables including other factors define the nature of research undertaken (Flick, 2015). Research design is further described in the following parts.

## **Research Design**

Kerlinger (1986, p. 279) says:

“A research design is a plan, structure and strategy of investigation so conceived as to obtain answers to research questions or problems. The plan is the complete scheme or programme of the research. It includes an outline of what the investigator will do from writing the hypotheses and their operational implications to the final analysis of data.”

Other authors, such as Ragin (1994) and Kumar (2014b), agree with this definition and generally say that research design is a plan which defines how, where and from whom the data needed for answering the research questions, will be collected and how they will be analysed. Cohen et al. (2000) adds that research design needs to be descriptive and with an attention to detail in order for the research to be consistent, controllable, observable and

replicable which all improves its validity (Cohen et al, 2011). The authors say that the determined research purpose, its objectives, questions and research variables are the main indicators of the research design. Research variables are the only indicators which haven't yet been introduced.

### **Introducing Research Variables**

According to Kumar (2014b) in all causal relations there are at least 4 variables. Independent, dependent, extraneous, and chance variables. In most cases the research tries to eliminate the impact of extraneous variables in order to receive the most valid results. This is achieved by either introduction of homogenous sample or control groups. However, as explained further on, this is not the case.

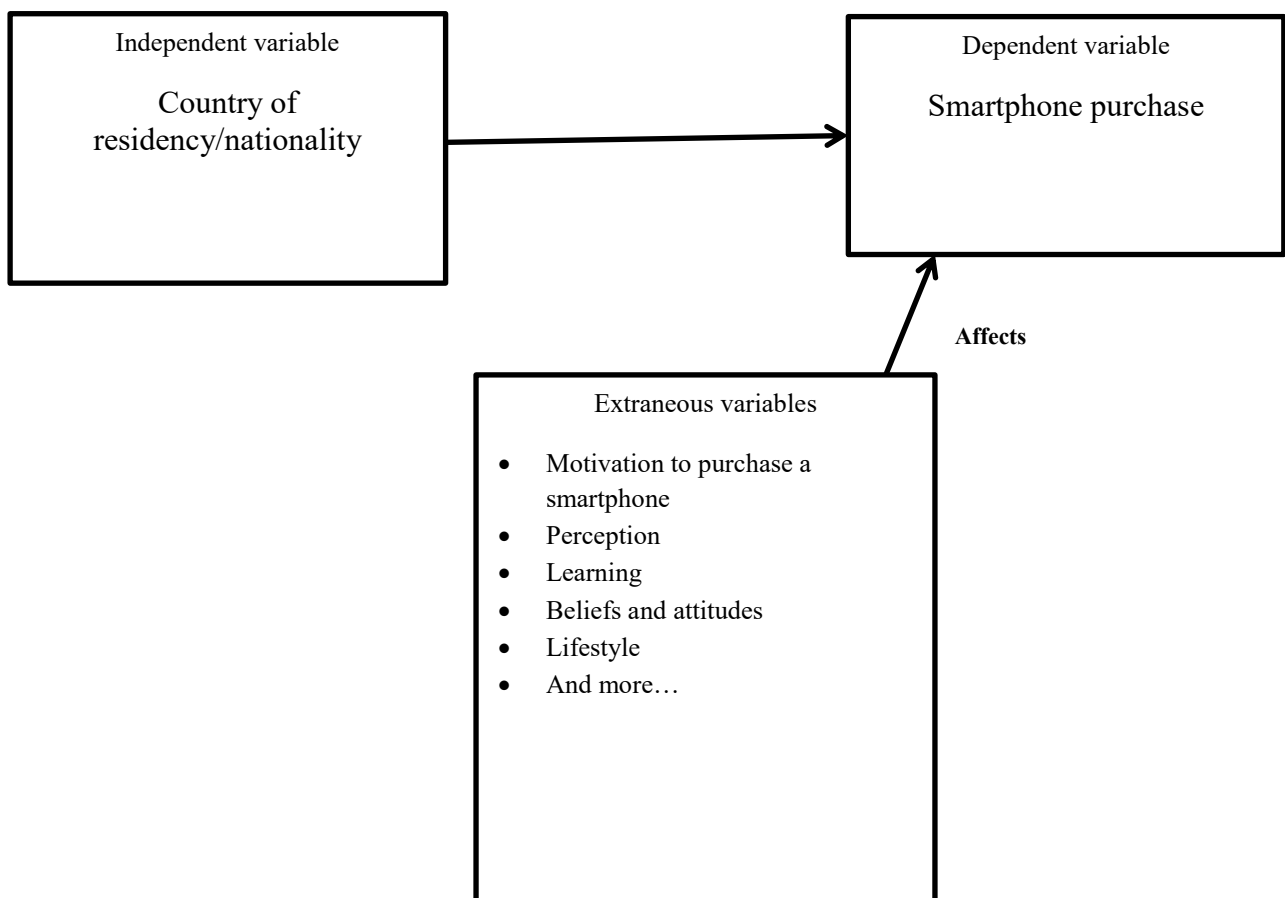
The variables of this study are indicated in the Figure 4. They are important because unlike concepts, they are measurable. The type of measurement scale used is an indicator of the research analysis. In this study, three types of variables are identified. Kumar (2011) suggest avoiding chance variables when drawing a random sample. An independent variable identified for this study is country of residence/ nationality (Romania, United Kingdom). Dependent variable is purchase of smartphone. This variable considers purchase frequency, value of money spent and type of a smartphone, and type of purchase decision. In short that means that this study researches if country of residency has an influence on how often the consumers buy, how much they spend on a new smartphone and if the country of residency influences the type of purchase decision, whether it is rather logical, emotional or impulsive.

However, it is important to realise that country of residency does not have to be the only factor influencing purchase decision and this is where extraneous variables come in place. Extraneous (Kumar, 2014b) or external (Flick, 2015) variables are all the other factors that can affect purchase decision. The author is aware that consumer behaviour is a very complex topic and therefore other factors have to be considered and studied. Revising the research questions and objectives, it can be noted that the research focuses on identification of psychological factors of consumer behaviour that influence smartphone purchase behaviour. These factors include motivation, perception, learning, beliefs and attitudes.

Flick (2015) says that in order to control the influence of external research variables it is advised to pick a homogenous research sample. However, a disadvantage of one

homogenous sample is that the results will only be applicable to people meeting the sample's criteria. The idea of a homogenous sample or a control group is also not applicable in this research as firstly it is very unlikely to find enough respondents from 2 different European countries that are very similar to each other in all other aspects but nationality. Secondly, a control group cannot be introduced as the independent variable which in this case is nationality cannot be modified by the researcher. Third reason is that one of the objectives of the study is actually considering extraneous variables and their influence and aims to research them. In this case Bryman and Bell (2007) advise to implement the extraneous variable into research design.

Flick (2015) also advises to control external variable by introduction of the consistent data collection method. Only one data collection instrument will be issued in this study.



**Figure 4 Research Variables**

## **Classification of Research Design**

According to Flick (2015), the research strategy and type of data collected needs to be established before naming the study design per se as recommended by Kumar (2011). In this order, the research is identified as a quantitative study using mainly primary data which will be supported by use of secondary data as suggested by Stewart and Kamins (1993). It is identified as quantitative because it is specifically structured and it aims to research common consumer behaviour patterns, and regularities of 2 nations that can be then quantified and generalised and compared. It aims to test whether nationality has an impact on purchase behaviour rather than to generate new theories. However, the research will also contain some components of qualitative research mainly when trying to explore attitudes towards the current smartphone market.

### **Classification Based on Number of Contacts**

Based on typology of quantitative study designs by Kumar (2011) this research identifies as a cross-sectional study based on number of contacts. According to Bryman and Bell (2007) cross-sectional design is most commonly used to collect data from numerous cases in order to study relationships between two or more variables. These relationships can then be examined and patterns can be detected. This is essentially what this research aims to do, to establish smartphone purchase behaviour of British and Romanian consumers and identify patterns that are similar across one nationality. It also identifies as a cross-sectional study because the measurement will be identifying prevalent consumer behaviour of randomly selected sample of respondents from 2 countries as it is now in 2017. The research instrument will be issued only once. This is because the time frame given to carry out this study is not sufficient to observe any changes. This can be one of the negatives of this study approach. Bryman and Bell (2007) also say that this type of study lacks internal validity as the certainty of assumed cause having a major impact is low. Babbie (1989) lists advantages of this design and that is its simplicity, ease of analysis and low expenses.

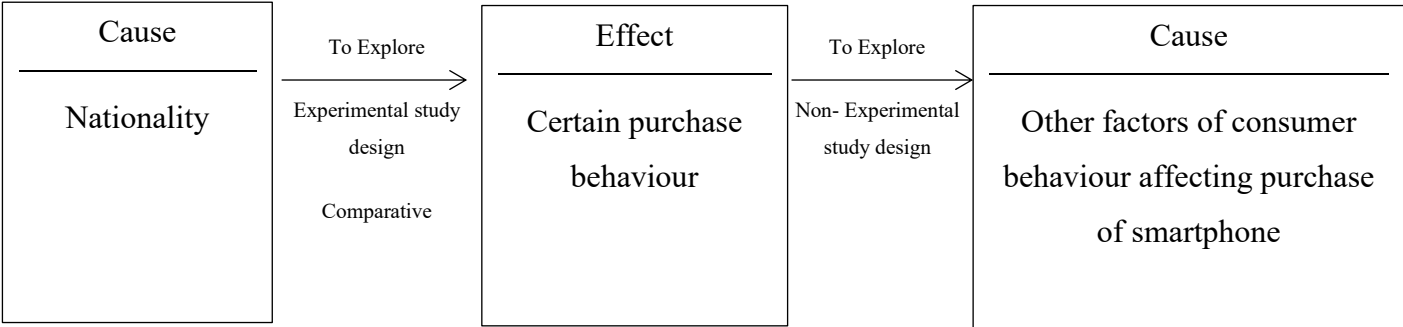
### **Classification Based on Reference Period**

Reader can notice that one of the research objectives aims to analyse past and present consumer behaviour and its differences. As previously explained, longitudinal study cannot be introduced in this case, that is why elements of retrospective study will be introduced (Flick, 2015). This means that questions about past consumer behaviour will be implemented in the

research instrument. This is why in regard to reference period the study design identifies as retrospective- prospective or so called trend study. The research therefore aims to find past consumer behaviour patterns and the current ones, applicable in the near future.

**Classification Based on Nature of Investigation**

Based on nature of investigation this study identifies as semi-experimental with comparative perspective. This relation is depicted at Figure 5. Essentially, it is because at first the research has introduced a country of residence to be assumed a cause of certain purchase behaviour. In this step comparative perspective applies because research aims to compare the results of Romanian and British consumers, to find differences and similarities. Hantrais and Mangen (1996) call this type of study Cross-national research. However, Bryman and Bell (2007) oppose that in this comparative study design, culture is considered a major independent variable which is supposed to have the greatest influence and that is often not the case and due to nature of consumer behaviour the author does not expect it. Bryman and Bell (2007) say that causal inference can be drawn yet the extent of impact of nationality to purchase behaviour cannot be measured. They also say that In many cases nationality is used as a surrogate for culture, therefore differences may be assigned to culture even though they could be related to national situation which results in ambiguity. This might be the case in this study.



**Figure 5 Classification of the Study Design Based on the Nature of Investigation**

Another disadvantage is difficulty of finding homogenous research sample (McDonald, 2000) and impracticability of introduction of a control group in order to minimise influence of extraneous variables and increase impact of the independent (Kumar,2005).

Thus, a different approach has to be implemented. This is the case where other influences have to be taken into consideration and the extent of their impact has to be measured.

This is why the non- experimental study design was adapted. The reason for this approach is the natural environment of the study where independent variable cannot be modified by the researcher (Bryman and Bell 2007). In this phase, the research examines what other factors of consumer behaviour influence the purchase of smart-phone. The need for this was also expressed when doubting about internal validity of cross-sectional research. In the non-experimental part of study, the impact which is smartphone purchase behaviour is known but the cause has to be studied. In order to achieve this, questions aiming at identification of influential factors of consumer behaviour will be placed in the research instrument. It was previously mentioned that this research will mainly focus on internal factors of consumer behaviour.

### **Data Collection**

#### **Research Sample**

This research is quantitative in nature and therefore it aims to find general patterns of consumer behaviour that could be applied to all the studied population (Kumar, 2014b). This means that the research sample should try to represent all sorts of variables in order to avoid bias (Kumar, 2014b). The study population for this research is considered all the people who live in the country of their Citizenship. In this case it considers all Romanians living in Romania and all British living in the United Kingdom who are over 18 years of age and own or have ever owned a smartphone. The method in this research will be simple random sampling. This essentially means that due to lack of financial resources and possibilities of reaching a vast variety of respondents, the researcher will start collecting data from his closest and ask them to share the questionnaire as well as using social media to ask people in different groups to fill it out. Cohen et al (2000) say that the minimum sample size in this study type is considered 30 respondents. However, there are many factors that influence the sample size, for example the study population size and its heterogeneity (Bailey, 1978) and generally the higher these numbers are the bigger the research sample. Therefore, the researcher will be aiming to gain as many responses as possible. The respondents will ideally represent different age, gender, and income group. However, the final sample size depends on the will of people to fill the survey and on the skills of the researcher to find the respondents.

Due to researcher's approach of the respondents, the sample could potentially become homogenous and not representing the whole population rather the group of people that have common traits and interests with the researcher. This could create inaccuracy when generalising the results and affect external validity (Cohen et al. 2011). However, the researcher has not identified any better solution for approaching the respondents.

McDonald (2000) mentions some constraints that need to be considered when carrying out a cross-national study. He says that it is important to remember that people of one nationality, living in the same country do not have to have the same cultural background. This is mainly the case of United Kingdom rather than Romania. However, the researcher has concluded that it would be too complicated to distinguish the impacts of different cultural backgrounds within one country. This is why the cultural background of respondents is not considered separately but involved in the meaning of the word 'nationality'. Language barrier could represent another issue faced. Since the research instrument is created in English, the researcher needs to be aware of constraints that the Romanian respondents could face. Therefore, it is essential that the respondents can speak English or there is somebody, who could assist them. This could, however, cause misinterpretation of research questions not only because of inexact translation but also because of different understanding of words. Last but not least there is a lower chance of the questionnaire being filled out by the elderly due to its online presence and language limitations.

### **Data Collection Instrument**

The researcher has decided to collect mainly primary data. A self-administered online questionnaire will be created in Google Forms. This allows for easier analysis but also a simple design, where majority of responses will be just ticked. Bryman and Bell (2007) say that this type of instrument is mostly used while conducting a cross-sectional study. This method is cheap and less time-consuming than interviews Saunders et al. (2016) and offers greater anonymity (Kumar, 2005). Its online presence will also help to reach respondents that live far from reach of the researcher, especially those living in Romania.

Cohen et al (2011) say it is unlikely that a survey would cover all investigated issues in depth due to length needs and lack of motivation of respondents. However, Bryman and Bell (2007), Cohen et al. (2011), and Kumar (2014b) agree that all the researched areas should be covered proportionally in the same amount. They also say that the researcher has to

ensure that the questions asked in the survey will answer the predetermined research questions. These two latter conditions should increase the content validity of the instrument. In order to test instrument's reliability, the survey should be tested several times in the same way with the same or different results (Cohen et al, 2011). This will not be possible due to time-scale of the project.

While creating the questionnaire, researcher has to be aware of language barrier (Bryman and Bell, 2007) that is imposed on the study design choice. Therefore, the language of the instrument will try to avoid all technological terms so it is easy to understand and translate by respondents from Romania. The researcher will translate the created instrument to Romanian language in order to see if there are any language nuances that could lead to ambiguity. This will, however, only serve the researcher's purposes and will not be officially used. The researcher will also aim to create the questionnaire so it is easy to fill in and follow. For example, when there is a question focusing on the income of a respondent the answer choices will be stated in both national currencies of equivalent value. Before the questionnaire is officially launched the questionnaire will be tested.

At the beginning of the questionnaire the researcher will write an explanation of its aim and purpose as well as statement relating to confidentiality and data protection (Fink and Kosecoff, 1985).

The questionnaire will be using both, closed and a few open-ended questions. Cohen et al. (2000) states that the bigger the sample the better the use of structured questionnaire as it generates frequencies and statistical data which are needed. These data can then be compared across groups in the sample (Oppenheim, 1992). However, the close-ended questions are not that deep in variety and may represent respondent's agreement with the researcher rather than personal opinion. Option 'other, please specify' will always be included. The researcher has decided to include all 3 types of closed questions listed by Cohen et al. (2000) that is; dichotomous, multiple choice with one and more possible answers and attitudinal rating scales (Likert scale only). Open-ended questions will be used towards the end of the questionnaire in order to find more about respondent's opinions, attitudes and perceptions (Kumar, 2005) towards smartphone market. A possible disadvantage of these questions is that respondents will not want to express themselves or offer information irrelevant to the research topic. However, these questions can minimise researcher's bias.

While posing the questions, analyst will avoid using ambiguous, double-barrelled, and leading questions. No presumptions will be made (Kumar, 2005). This means that the researcher will find out before asking to fill in the survey that the researcher fits the studied population and has ever owned a smartphone.

Cohen et al (2000) gives a glance of how to structure the questions. The authors suggest starting with factual questions which will provide researcher with nominal data about age, gender, occupation. Then closed- ended questions considering the research topic such as buying patterns and factors influencing purchase should be explored by closed-ended questions, and in the end either closed or open-ended questions seeking opinions, attitude and reasoning should be used. The researcher has decided to implement this approach.

Now, when the clues for the questionnaire creation have been introduced, it is essential to outline the content of questions asked. (Kumar, 2005, p.139) defines 4 steps the researcher should follow. These steps were adapted in the Table 2 and the final form of questionnaire for this research is in Appendix 2.

Research Questions	Associated Questions	Information Required	Questions in the Questionnaire
1) What are the past and present consumer buying behaviour patterns of Romanians and British in regard to high-tech smartphones?	<ul style="list-style-type: none"> <li>- How do Romanians and British decide on what smartphone to buy?</li> <li>-Why do they buy smartphones?</li> <li>-How often do they buy smartphones?</li> <li>-How much do they spend on smartphones?</li> <li>-What are they looking for when deciding on what smartphone to buy?</li> <li>-What do they use their phones for?</li> <li>- How did Romanians and British decide on what smartphone to buy before?</li> <li>-What was important for them in the past?</li> </ul>	<ul style="list-style-type: none"> <li>- reason to buy a smartphone</li> <li>- frequency of purchase</li> <li>- amount of money spent</li> <li>- Features influencing purchase choice</li> <li>- difference from the past</li> </ul>	<ul style="list-style-type: none"> <li>Q:6</li> <li>Q:7</li> <li>Q:8</li> <li>Q:9</li> <li>Q:10</li> <li>Q:13</li> <li>Q:15</li> <li>Q:16</li> <li>Q:19</li> <li>Q:20</li> <li>Q:25</li> <li>Q:26</li> <li>Q:28</li> <li>Q:37</li> </ul>

<p>2) What psychological factors of consumer behaviour are the most important for British and Romanians when purchasing a smartphone? Does brand reputation play an important role?</p>	<ul style="list-style-type: none"> <li>- What is the motivation to buy a smartphone?</li> <li>- What is the impact of brand reputation, recommendations, experience</li> <li>- What do the customers prefer</li> </ul>	<ul style="list-style-type: none"> <li>-Sources of motivation</li> <li>- importance of brand reputation, experience, recommendations</li> <li>- customer preferences</li> </ul>	<p>Q:9 Q:10 Q:11 Q:12 Q:14 Q:15 Q:16 Q:17 Q:18 Q:21 Q:22 Q:23 Q:24 Q:27 Q:37</p>
<p>3) What is the difference in consumer behaviour regarding high-tech smartphone purchases between Romanians and British consumers? Hence what role plays factor of country of origin in decision making process?</p>	<p>This question aims to compare findings from the previous question</p>		<p>Q:1 Q:2 Q:3 Q:4 Q:5</p>
<p>4) What is the current attitude of Romanians and British consumers towards high-tech smartphones market? What do the consumers both from Romania and Britain think about technological development of smartphones?</p>	<ul style="list-style-type: none"> <li>- Do the consumers think the smartphone market has nothing new to offer?</li> <li>- Do the customers think the smartphone industry is focusing more on quantity, rather than quality?</li> <li>- What would the customers want?</li> <li>- What wouldn't they want?</li> </ul>	<ul style="list-style-type: none"> <li>- Attitudes towards smartphone market regarding innovation, quality</li> <li>- needs, preferences</li> </ul>	<p>Q:29 Q:30 Q:31 Q:32 Q:33 Q:34 Q:35 Q:36 Q:37</p>

**Table 2 Creation of the Research Instrument**

### **Data Collection Process**

Data will be collected using the online survey for a period of 2.5 months (see Table 3). The survey will be created in Google Forms. The link for this survey will be issued to potential respondents from the UK and Romania via applications such as Messenger and WhatsApp, and posted on Facebook 'wall'. The researcher will also ask respondents directly

while at work or during social activities. In this case the researcher can either send the link to the respondent or offer him/her his/her personal device. Each of the respondents will be asked to forward the questionnaire to their friends and relatives of the same nationality living in the country and share it on their social media with alert that it only considers certain nationalities. The survey is self-administered; however, respondents can query by messaging the researcher at any time. Nobody will be forced to answer and everyone will be introduced the research purpose.

Time Frame/ Period	Activity/Objective	Notes
April 1 <sup>st</sup> -April 20 <sup>th</sup>	-Design Questionnaire	-Ask Dissertation Tutor for advice and questionnaire quality
April 20 <sup>th</sup> - May 1 <sup>st</sup>	-Run a sample of the questionnaire on up to 10 people to assess the ease of filling in, simplicity and unambiguity of the questions	- On this period, the aim will be to get feedback on the questionnaire and tweak it in such a way to make it easier for someone to fill in and not be time consuming
May 1 <sup>st</sup> - Mid July	-Gain primary research using the questionnaire.  -Develop the other parts of the research project such as literature review and methodology	-Aiming for a sample of 70 filled in questionnaires
Mid July-Mid August	- Analyse primary research  - Secondary research  -Prepare the final form of the research project	-Meeting with the tutor,

**Table 3 Time Plan**

The researcher will also support the primary data analysis while reviewing relevant secondary data sources. This is highly suggested by Bryman and Bell (2007) mainly when data from primary research are not considered sufficient. This type of analysis can bring further insights and a comparative element, to the research which can also be used as a test of primary data results reliability (Flick, 2015). These secondary data tend to be high- quality (Ghuri and Grønhaug, 2005). However, their original purpose might have focused on

studying different variables and using different sampling method. Sometimes the secondary data can be very complex, offering vast variety of data (Bryman and Bell, 2007). Therefore, the researcher needs to be aware of sort of information s/he is looking for. In this case this will be information related to smartphone purchases, demographic of buyers, motivations, perceptions, but also attitudes of members or public and specialists concerning technological plateau. The secondary resources used for this research will involve journals and data collected by organisations that are available online for free and also online resources provided by the university. The researcher will aim to access such data that have been collected for cross-national study.

## **Ethics**

Gaiser and Schreiner (2009) list issues that need consideration while carrying out an online survey. Firstly, all the filled questionnaires will be anonymous, confidential and no personal data that are needed for respondent's recognition such as contact details will be required. All the answers in the questionnaire, even though anonymous will not be shared outside the academic field. Nobody, not even the researcher will know who has truly participated, unless the participant tells him/ her so. Researcher will also not be able to track back the participant based on his/her answers since there are no such personal details that could indicate the identity. Only the researcher will have access to the collected data protected by password. After the data will be introduced into an Excel database, any physical or virtual copy of the questionnaire or result will be deleted. The answers will be used to discuss and analyse the topic of this research project.

The questionnaire will only be available to be filled in by adults (18 years and over in both countries) who have Romanian or British Citizenship. Before filling the questionnaire all the potential respondents will be informed about its content, aim and types of questions asked. This will be included in the message asking the respondents to fill out the survey online. The description will also be written at the beginning of the survey. Nobody will be forced to fill out the survey. This all is considered ethical by Kumar (2014b) and Flick (2015). Moreover, the researcher will adhere to ethical reporting which means that s/he will not try to hide or change findings that are not up to his/her expectations and will be as objective as possible when analysing the data. Secondary resources will be adequately referenced and not misinterpreted in order to fit research purpose.

## **Data Analysis:**

When the data have been collected, they need to be edited, coded and analysed (Cohen et al., 2011 and Kumar, 2014b). The fact the information for this research has been collected using Google Forms, the researcher does not have to code the data and create a spreadsheet manually, because they are all already gathered in one Microsoft Excel spreadsheet ready for analysis once the research is over. These data are not coded per se which means that separate answers are not replaced by numbers which reduces the size of data (Cohen et al. 2011) but contain the actual words of the answer of each respondent. The researcher has been aware of this fact when creating the survey, therefore the closed- ended answers were created to appear short, usually one word. The researcher does not consider this to be a problem since s/he is using Microsoft Excel for the data analysis and can use its functions, so the majority of text is not representing any inconvenience. This spreadsheet lists separate questions in columns and answers by individual respondents in rows. These data have to be controlled for missing data and inconsistencies before the analysis. This will be done controlling each row of the spreadsheet (all answers collected by one respondent). If any of the data appears missing or incorrect the researcher cannot identify and complete the missing information in this case as s/he was not present when the survey was being filled out. These answers will be removed from the spreadsheet.

The researcher has obtained two types of data from this questionnaire, quantitative and qualitative from open-ended questions. Content analysis will be performed in order to analyse the qualitative data (Kumar, 2014b). The main theme(s) of these data will be established or separate answers will be used in order to support arguments of the researcher. Quantitative data will be analysed based on frequency distribution and converted into charts and tables. Cross-tabulations will be also carried out in order to find relationships between variables (Bryman and Bell, 2007).

Once the data has been checked and cleared, they will be divided based on respondents' nationality into 2 group; Romanians and British. These 2 groups will then be analysed separately. Firstly, each of the questions of the questionnaire will be analysed separately based on frequencies of answers. This essentially means that the researcher will find how many women or men participated in the survey, what are proportionally the most common reasons to buy a smartphone, how much they are usually willing to spend and so on.

Once this has been done, the researcher will be able to answer research question number one. That is to find buying behaviour patterns of Romanians and British now and in the past. This will be done by reviewing results of questions from the questionnaire that aimed at finding this information. Once this has been done the researcher can look whether there are any major differences within subgroups and variables of one nationality.

Research question number 2 will be answered in a same way as research question number 1. This means that the frequencies of answers aiming to find what psychological factors affect the purchase behaviour within specific nationality will be analysed. Then the nuances if any within subgroups will be looked up and finally these results will be compared between British and Romanians.

After doing so, the researcher will be able to answer the research question 3. In this step, the results to research question 1 and 2 will be compared between Romanian and British consumers and conclusion if nationality affects smartphone purchase decision can be drawn.

The last research question, concerning attitudes towards technological plateau will be supported by secondary research mentioned the literature review and qualitative data from the questionnaire.

## Findings and Analysis

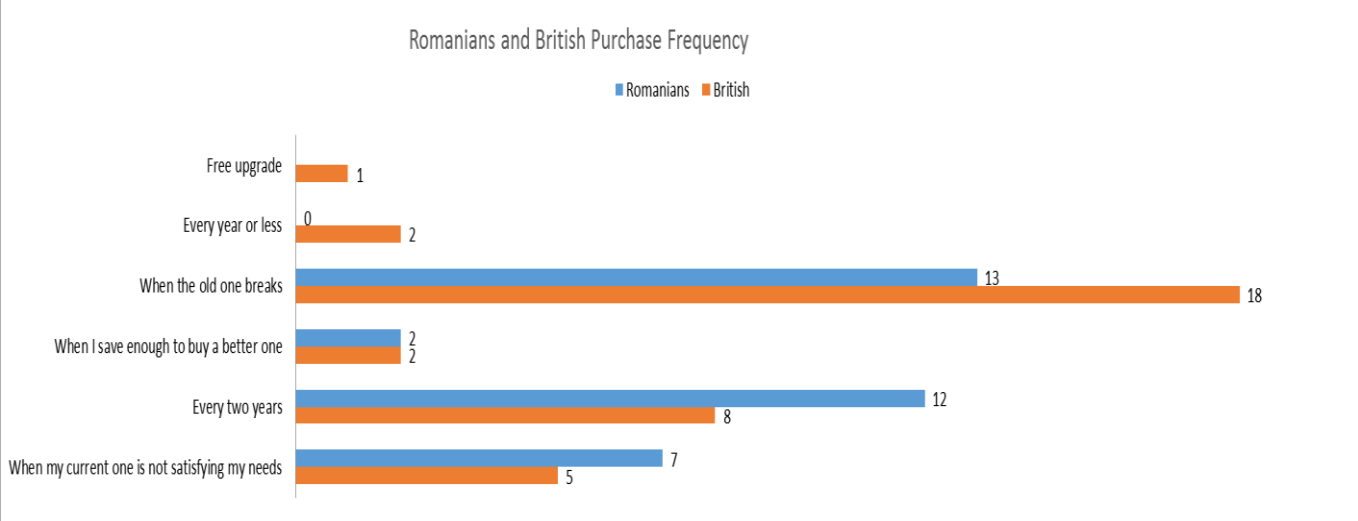
### Data Analysis and Findings Related to the First Research Question

As mentioned in the methodology, the questionnaire was run on British and Romanian people. Overall, 70 individuals filled in the questionnaire with the gender and nationality variables being quite balanced with 57% of the respondents being female and 43% male. Regarding the nationality, 53% were British and 47% Romanian. This allows for an even sample on both sides. The analysis will be structured into four sections, each correlating to one of the research questions as mentioned above. The analysis will be based on the main data collected from the questionnaire which will be split into three parts: the main data, including both Romanian and British respondents, and data that was separated between Romanian and British respondents to allow a better comparison between the two. Regarding the age of interviewees, 88% are between 18-25 years old and 10% between 26-34 with only less than 2% being between 35-46. Income wise, 46% of respondents earn less than £5000, 26% earn between £5000-£10.000 and 17% earn between £10.000-£18.000. Respondents that earn more between £18.000-£26.000 are less than 6% with an even smaller percentage of only 4% that are earning over £26.000.

The main part will look at past and present consumer behaviour patterns for both British and Romanian regarding high-tech smartphones. Starting by looking at how often an individual does buy a smartphone. Overall, 44% respondents claim to change their smartphone when the old one breaks (Appendix 1, Q6) followed by 28% who say that they replace it every two years and 17% replaces their device when the current one is not satisfying their needs anymore. These findings are also in sync with research done by Business Insider (2016) which reports that consumers are waiting more than two years to upgrade their devices. Looking at individual fronts, 35% of Romanian respondents replace their smartphone every two years with another 38% replacing it when the old one breaks and 21% replacing it whenever the old one does not satisfy the owner's needs. (Figure 6).

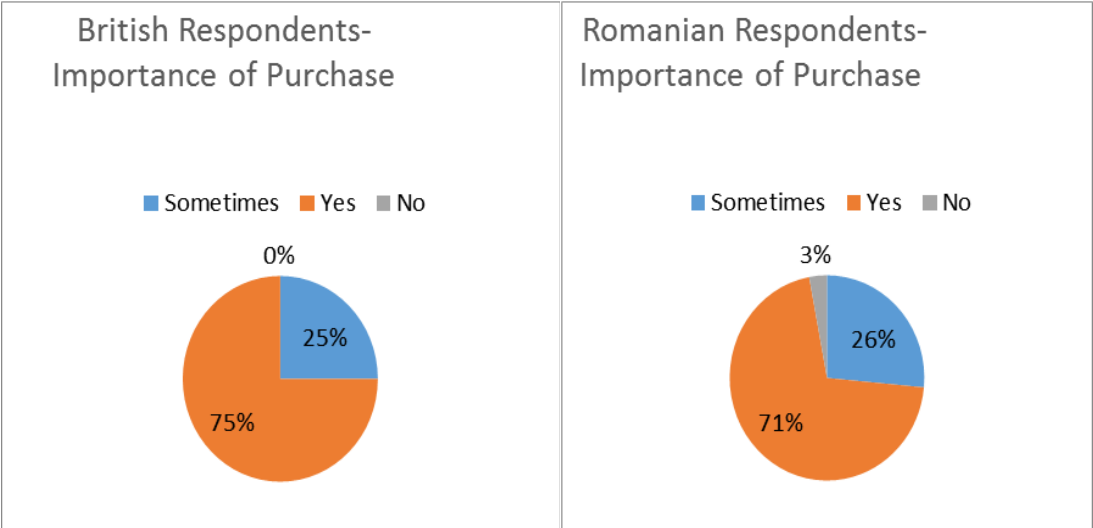
Looking at British consumers, 50% of respondents prefer to replace their smartphone when the old one breaks and 22% replace it every two years (Figure 6). The results are similar for both parties with a larger percentage of British respondents who prefer to replace it when it breaks rather than before or after two years, assuming the life of a smartphone is longer than two years. It can be concluded that British consumers prefer to hang on to their devices longer

than Romanians do. There is a difference, with 6% of British respondents preferring to change their device every year or less, whereas Romanians did not consider the option. There is another similarity, regarding smartphone purchase decision between both nationalities. 5-6% of respondents have answered they buy a new device when they have saved enough money.



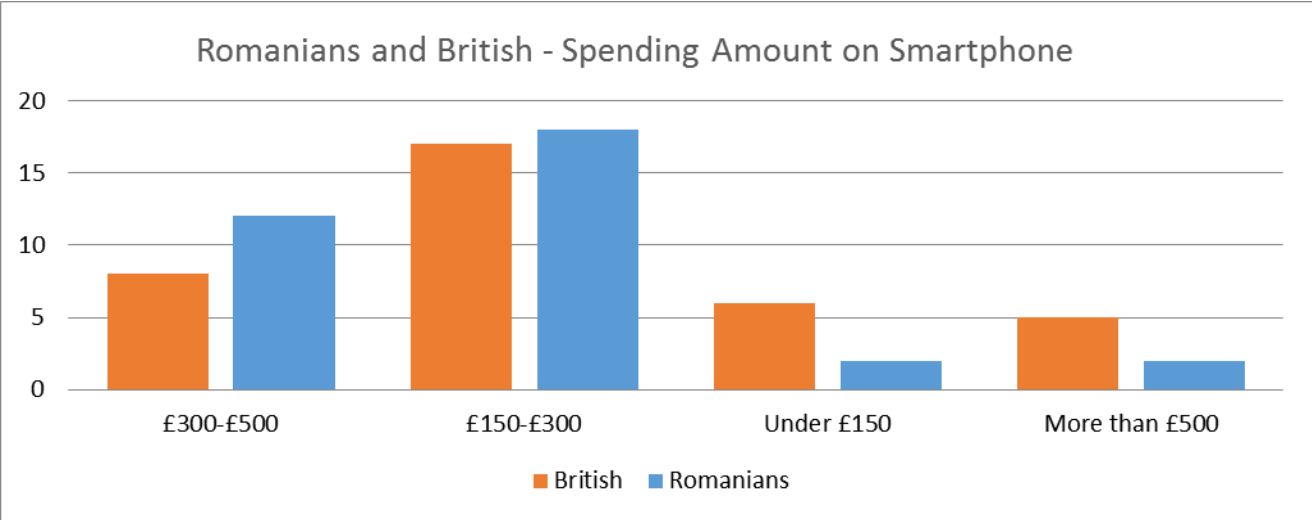
**Figure 6 Purchase of Smartphone Frequency**

Judging by Figure 7, both British and Romanian consider purchase of a smartphone an important purchase decision with over 70% (71% and 75% respectively) agreeing with this. Similarities appear within the next option “Sometimes”, where 25% and 26% of respondents believe that sometimes a smartphone is an important purchase decision.



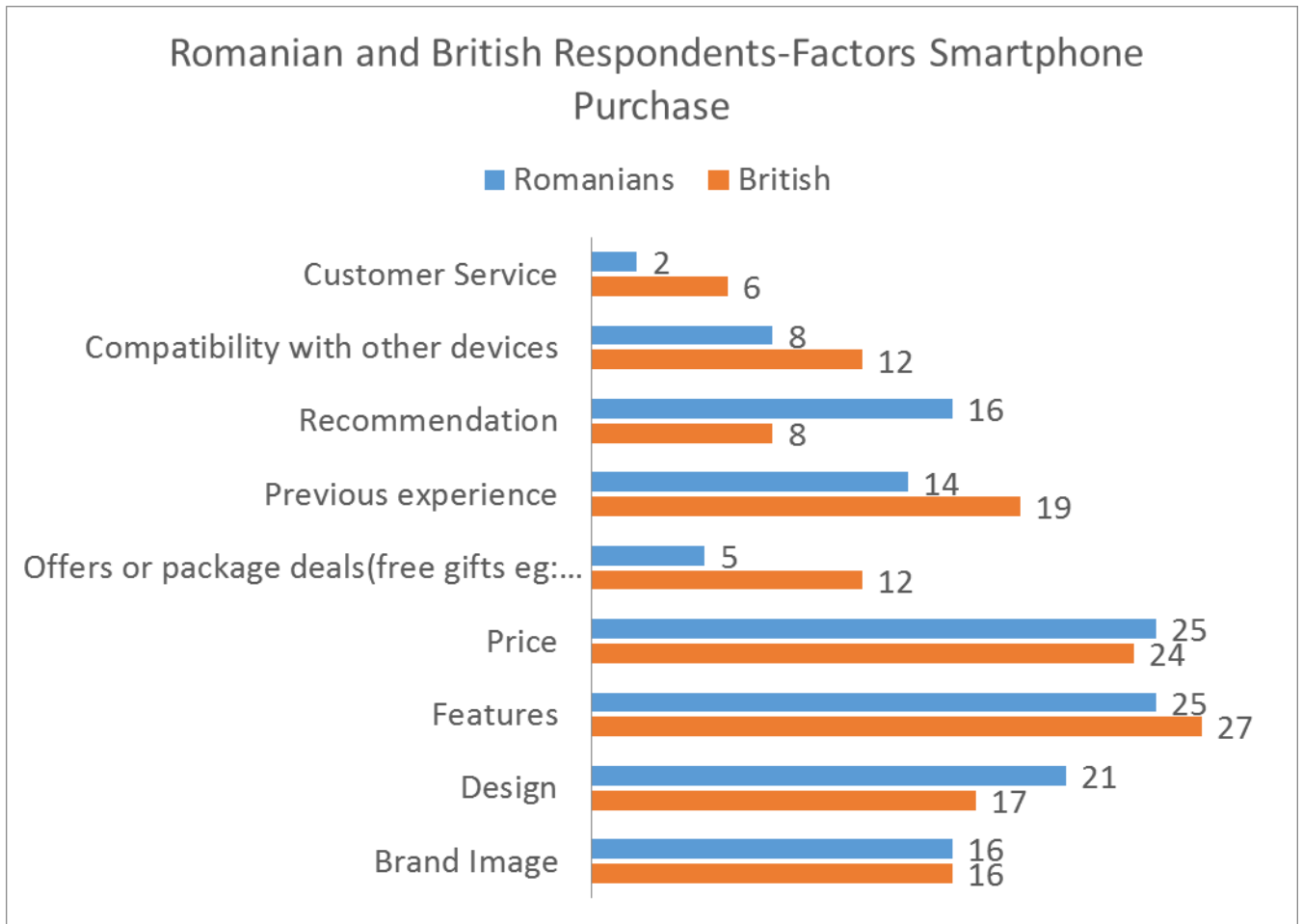
**Figure 7 Importance to Romanian and British Customers**

Moving on to the amount of money that consumers are willing to invest in a new smartphone, overall 50% of interviewees consider an amount of £150- £300 to be the “sweet spot” and 29% prefer a device between £300-£500. On the extremes, 11% prefer a device under £150 while 10% prefer a device over £500. Individually, for the better part of it, there is an agreement regarding the amount spent. 47% of British (Figure 8) and 53% of Romanian consumers (Figure 8) prefer to spend £150-£300 on a new device. Even though the percentage for Romanian consumers is slightly higher, overall it still is around half. A sizeable difference can be noticed at the £300-£500 mark, where 35% of Romanians prefer their device compared to only 22% British. This is surprising since according to the European Union official website (2017) the average wage in Romania is significantly lower compared to the United Kingdom. One possible explanation could be the fact that Romanians might prefer the brand image or certain features while British consumers prefer the usability of a device without breaking the bank. On the other hand, looking at devices over £500, 14% of British consumers are willing to purchase them compared to only 6% Romanians.



**Figure 8 Amount of Money British and Romanians Are Willing to Spend on a Smartphone**

When it comes to factors that influence the purchase decision, interviewees could choose more than one factor. The two highest percentages are price with 70% of choices and features with 74% (Appendix 1, Q9), shortly followed by design with 54%, brand image with 45% and previous experience with 47%. Separately, for British consumers features are more important than price (Figure 9) while for Romanians price and features are both of equal importance.

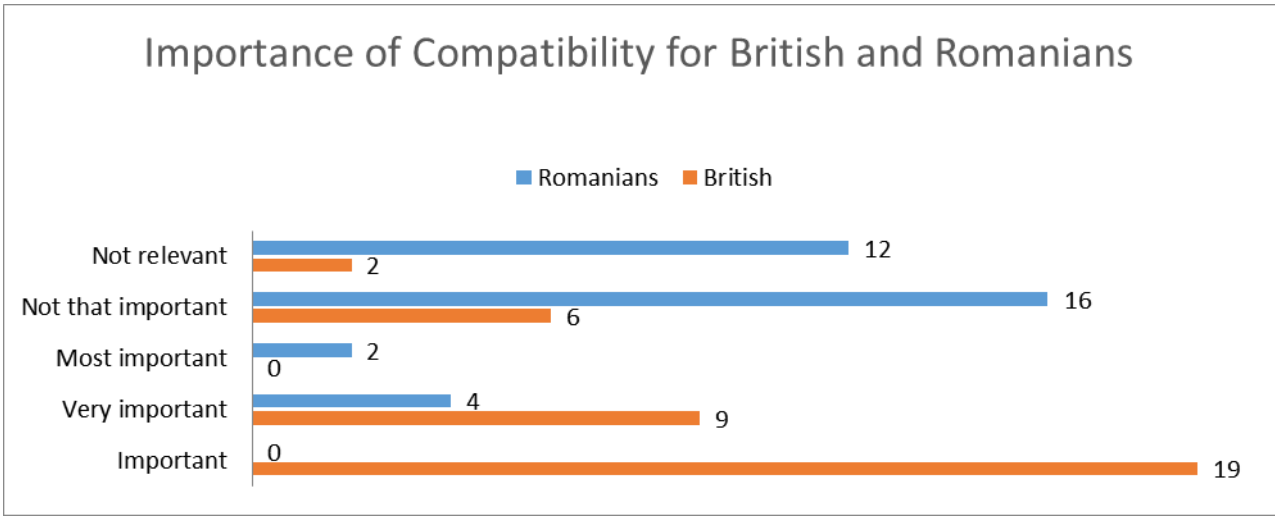


**Figure 9 Factors Influencing Smartphone Purchase and Their Importance**

In the next question, the author has tried to identify what a consumer looks for when buying a phone. One of the questions asked was importance of compatibility between a smartphone and other devices. Overall, 51% of respondents said that compatibility is important and 16% said it is very important. This question is important since most consumers tend to use their smartphone in tandem with another device, such as headphones, speakers, car built in head unit and so on. Being able to keep the same functionality after replacing a smartphone could be a priority for certain consumers. For British consumers, compatibility is more important (Figure 10) than it is for Romanian consumers (Figure 10) but when it comes to people who do not find it important there are some differences. Quite a large number of Romanians do not find compatibility important while only a few British consumers agree with them in that regard. As can be seen more British consumers find compatibility important or very important compared to Romanians. This could mean British consumers prefer to use their smartphones to their full extent taking advantage of every function available while for

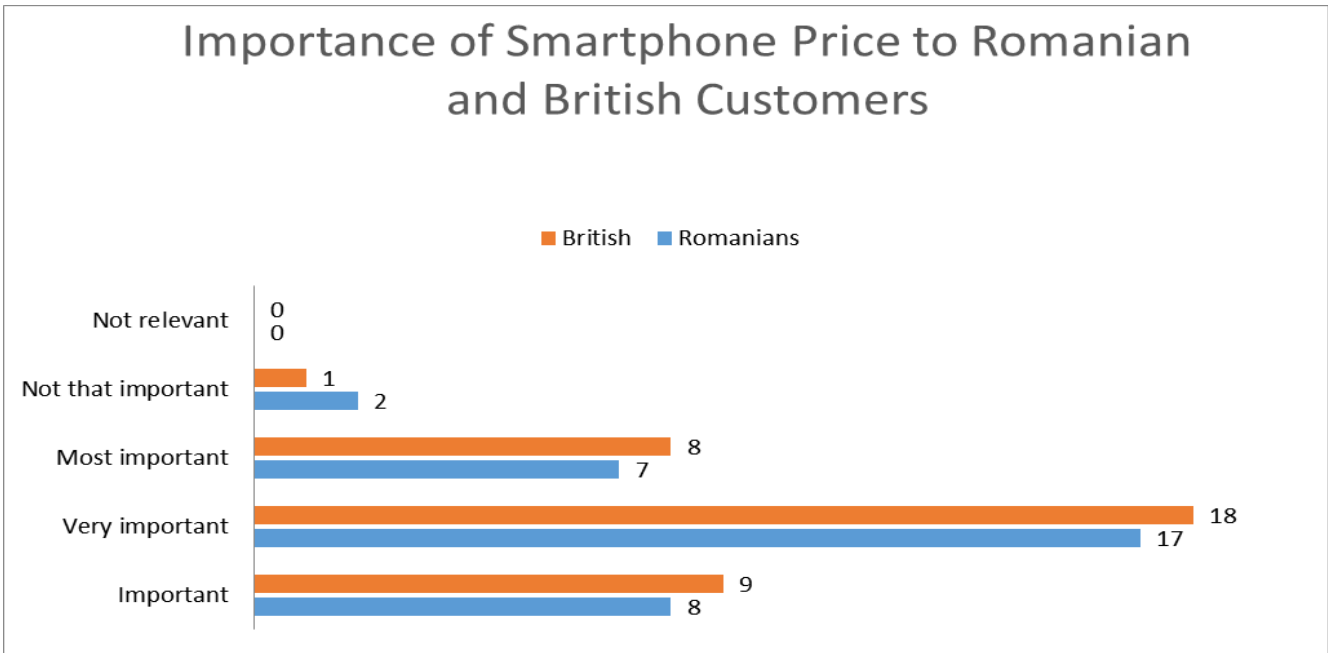
Romanians that is not very important. Overall, compatibility plays a major role when it comes to buying a device, be it UK or Romania.

Moving on to probably one of the most relevant factors, the next part will focus on price and its importance. Looking at the responses (Appendix 1, Q13), 50% of interviewees consider price as a very important factor and an additional 24% consider it important. To strengthen the importance of it, 21% of respondents consider price as the most important variable and only 4% consider that price is not relevant.



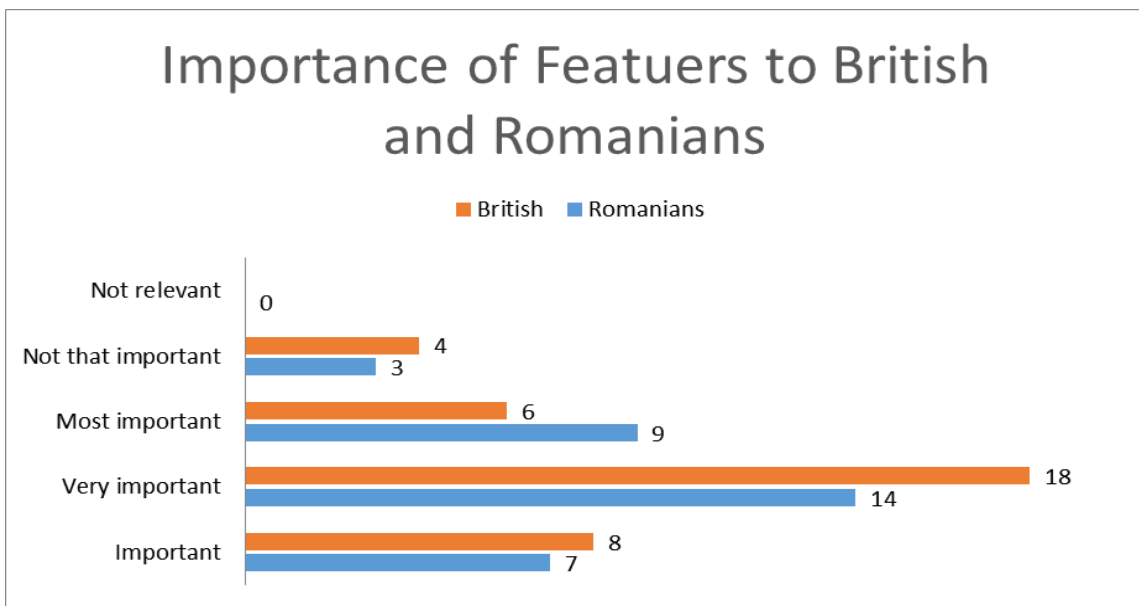
**Figure 10 Importance of Compatibility to Romanian and British Customers**

Looking at the individual groups, the changes are barely noticeable. For both groups, price is a very important factor in the decision-making process as can be seen in Figure 11. According to The Telegraph (2017), smartphones are getting more expensive with each generation thus forcing consumers to put an emphasis on price every time they are on the market for a new device. Price is also important since there are new entrants on the market that are trying to gain market share such as Huawei which offer their smartphones at lower prices than the market leaders in order to gain consumers. Overall, both British and Romanian consumers put an emphasis on price making them very similar in this regard.



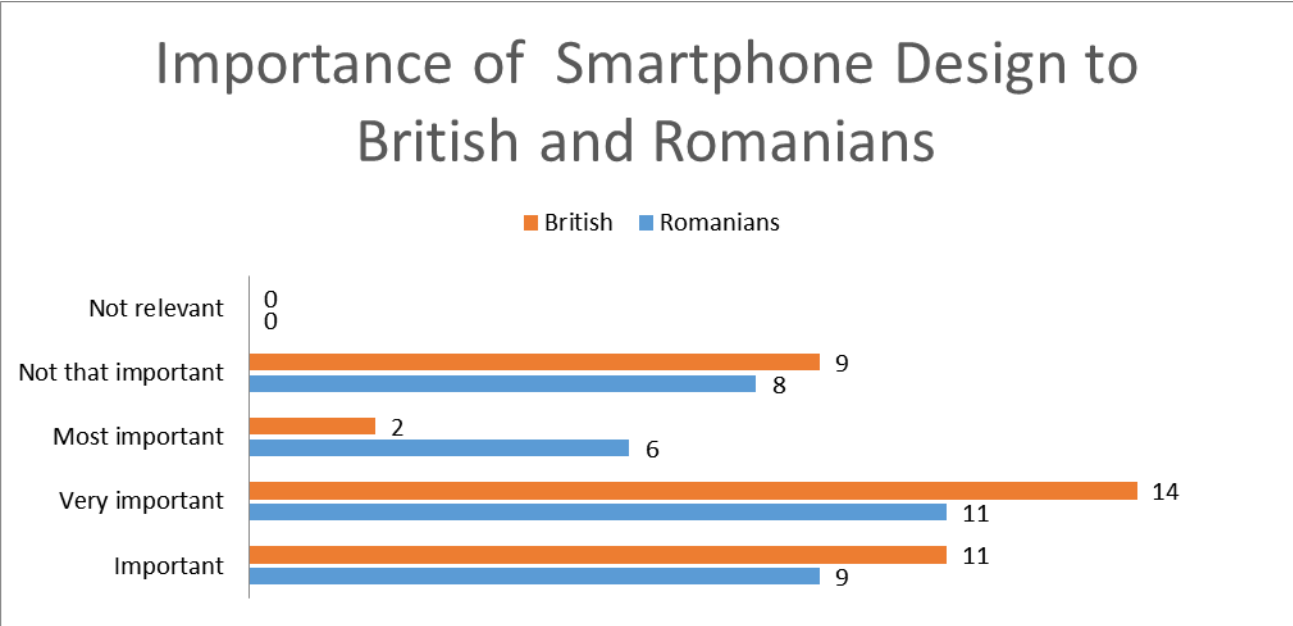
**Figure 11 Importance of Price to Romanian and British Customers**

The next step was to look at the importance of features. Quite similar to price, 46% of respondents consider features very important with 21% considering them most important and another 21% believe they are important. Looking at British consumers, the trend continues with majority of them considering features very important closely followed by important and most important (Figure 12). Similar to British, majority of Romanians consider features as very important but more of them also consider them as the most important variable, more than the British respondents. Even so, the differences in this regard are quite small, with both groups of consumers wishing to get the best deal for their money.



**Figure 12 Importance of Features to British and Romanians**

Afterwards, the interviewees were asked about the relevance of design and the importance of it when it comes to decision making. 35% of the respondents consider design as very important, 28% consider it as important and 11% consider it as the most important. Quite a large percentage of people, 24% to be more precise, believe that the design is not that important. Looking at the groups individually, yet again they are quite similar.



**Figure 13 Importance of Smartphone Design to British and Romanians**

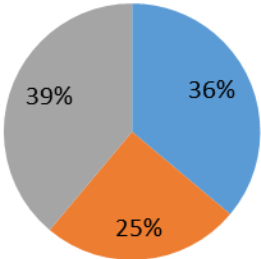
The only noticeable difference is regarding consumers who believe the design is the most important variable, with more Romanians than British believing so (Figure 13). These findings are quite similar with secondary research available stating that for most consumers design is very important (Dolcourt, 2014), with consumers being influenced and attracted by certain colours, finishes and build materials.

In the following question, the interviewees were asked whether the criteria they have used in purchasing a smartphone has changed over the past years. Unsurprisingly, 39% of them consider that their criteria changed and another 45% consider that their criteria changed sometimes, mainly depending on needs. Only 15% of interviewees consider they did not change the criteria used in the past.

As can be seen in Figure 14, individually there are similarities between British and Romanian consumers but overall, Romanians consider their criteria change over the years more than their British counterparts. Looking at the British respondents, 25% consider that there was no change in their criteria compared to only 6% Romanians.

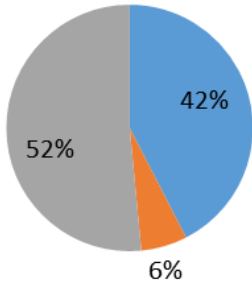
### British and Change in Smartphone Purchase Criteria

■ Yes ■ No ■ Sometimes



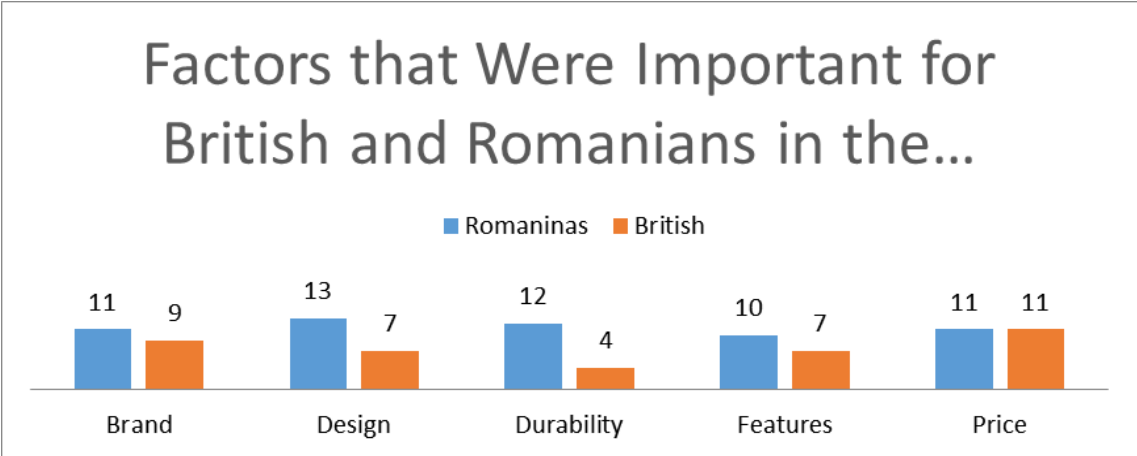
### Romanians and Change in Smartphone Purchase Criteria

■ Yes ■ No ■ Sometimes



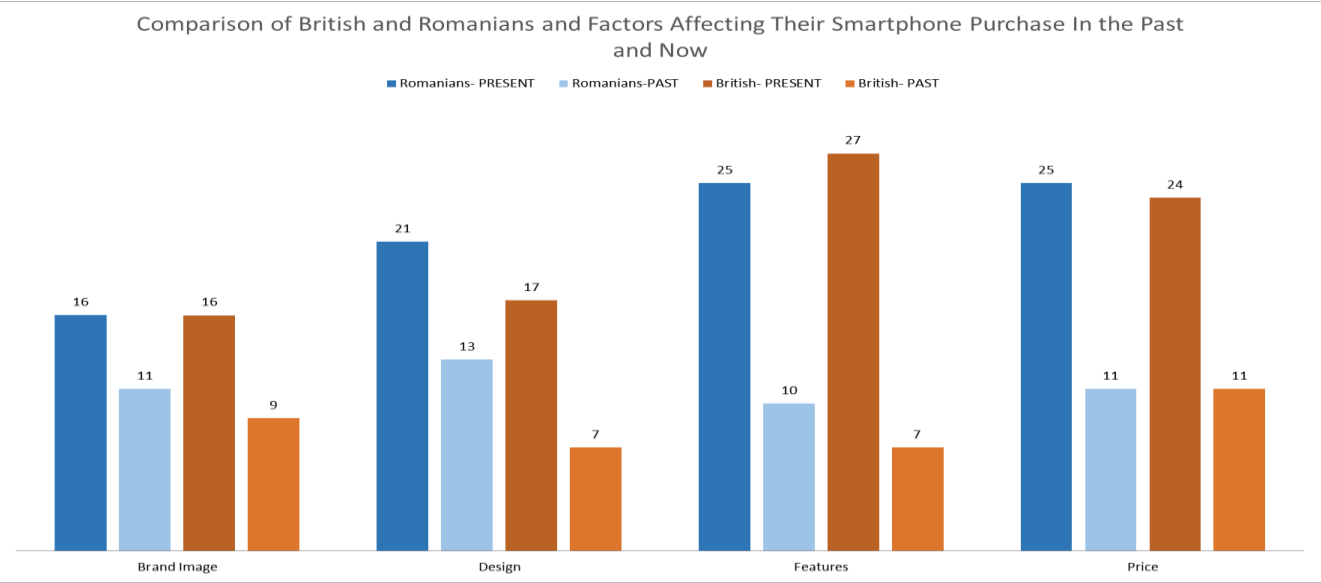
**Figure 14 Change of Purchase Criteria for Romanian and British Customers**

Closely linked with the question regarding the criteria change, through the next question the author tries to find out what criteria was relevant for the consumers in the past few years (Figure 15) with the interviewees being allowed to choose more than one variable for this question. With a majority of 44%, price was the most important variable in the past shortly followed by brand and design, both at 41%. Features and durability are finishing the list with 33% and 31% respectively (Appendix 1, Q20).



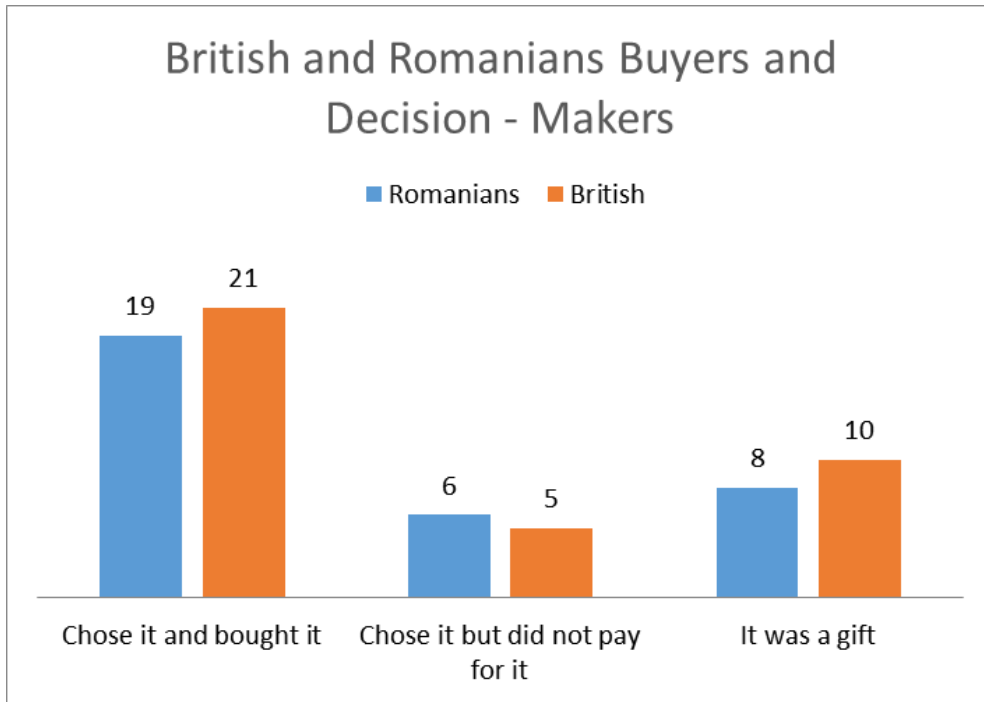
**Figure 15 – Factors Which Were Important Considering Smartphone Purchase**

Looking at British consumers, for 29% of respondents' price was the most important variable while for Romanians, only 19% agree with price as the relevant factor. A difference between them is caused by the Romanian's preference for durability with 21% compared to only 11% for the British. Design and features are both within close margins for both groups. Again, as can be seen, up to this point there are no massive differences between the two interviewed groups. In order to see shift in change of Purchase Criteria, Figure 16 was created.



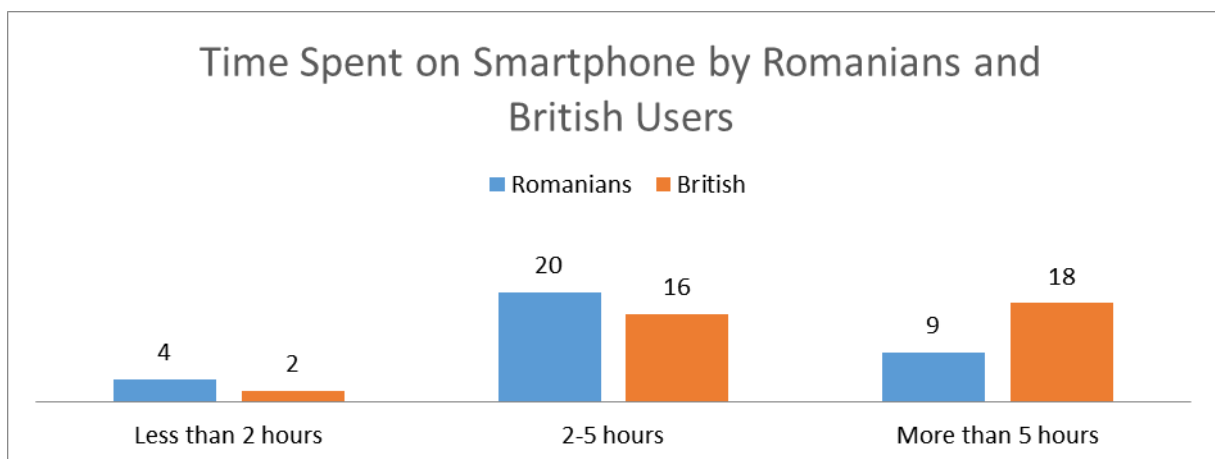
**Figure 16 Comparison of Factors Influencing Smartphone Purchase In the Past and Presence**

For a broader understanding of their buying patterns, interviewees were asked how they obtained their current smartphone and 58% of respondents chose their current device and paid for it, 26% received it as a gift and only 16% chose it but did not pay for it (Appendix 1, Q25). The option of choosing and buying it is also predominant for both groups as can be seen in Figure 17. The noticeable difference between Romanian and British consumers is related to obtaining the device as a gift with more British respondents having received their device as a gift compared to Romanians.



**Figure 18 – Who Makes the Decision In the UK and Romania**

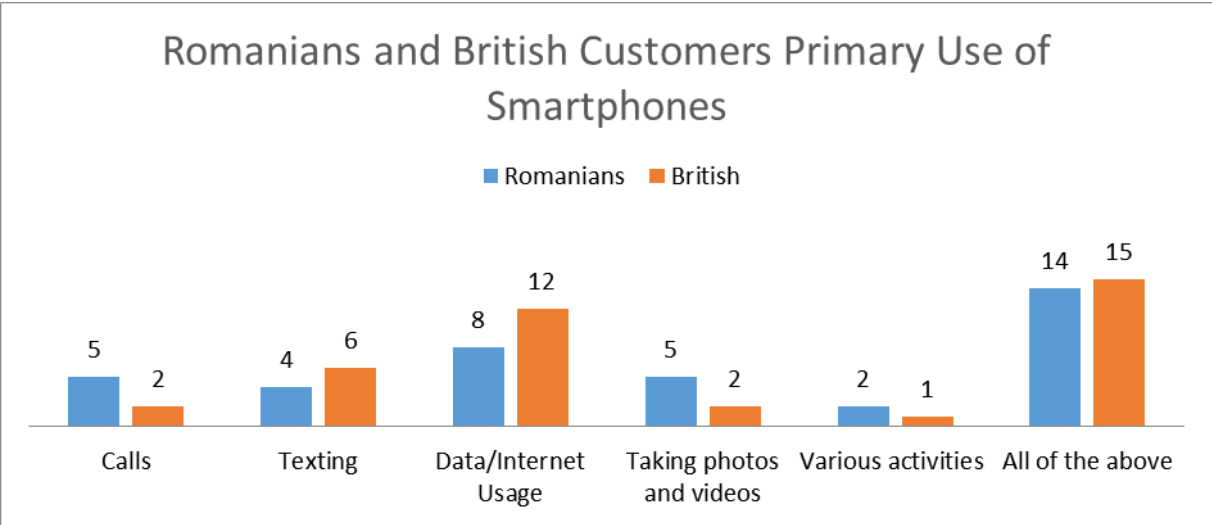
Furthermore, the author tried to identify the importance a smartphone plays for the average consumer and one way to look at this is to find out how much time an individual spends on its device on an average day. 52% of respondents spend between 2-5 hours on their smartphone every day with 39% spending more than 5 hours a day on their devices and only 9% spend less than 2 hours.



**Figure 17 Time Spent Using Smartphones**

Looking at Figure 18 above, even though there is a similarity in usage of 2-5 hours a day between British and Romanians, overall the British are heavier users of their smartphones and rely on them more than Romanians with many British respondents using their devices more than 5 hours a day compared to a significantly lower number for Romanians.

Looking at the primary use of their phone (Figure 19), most interviewees 37% to be more precisely use their devices for calls, texts, internet, photos and other various activities while 25% of them use it mainly for data/internet (Appendix 1, Q28). Looking at the results, it is noticeable that there is a shift in the actual usage of a mobile phone/smartphone since only 9% of consumers use their devices for calls. Individually, both groups use all the functions of their devices but there is a sizeable difference regarding internet usage with British consumers using their smartphones mainly for data compared to Romanians. The differences continue into calls as well, where Romanians still prefer to use this basic function of the device compared to British consumers. Romanians also prefer to take more photos and videos compared to British consumers. Romanians also prefer to take more photos and videos compared to British but they are texting less than British consumers.



**Figure 19 Primary Use of Smartphones of British and Romanians**

## Data Analysis and Findings Related to the Second Research Question

This following part will be dedicated to finding out which psychological factors are most important for Romanian and British consumers when it comes to making a purchase decision and what role does the brand image and reputation plays. The analysis on this part will look at what is the motivation behind a smartphone purchase, the experiences, recommendations and what do consumers prefer. Just like mentioned above, the main motivators for both British and Romanian consumer are features, price and design (Appendix 1, Q9). Regarding compatibility that was mentioned above, 51% of consumers believe that it is important and 16% that is very important.

For the next part, interviewees were asked about the relevance of customer service. This could contain many aspects of customer service such as pre-purchase service and after purchase service. Overall, for 40% of respondents' customer service is important and for 31% is very important. Only 20% on them believe that is not important with less than 3% saying that is not relevant (Appendix 1, Q12). Individually, more Romanians believe that customer service is important compared to British people but slightly more British think it is very important. Summing it up, Romanians put more emphasis on customer service than British consumers do (Figure 20).

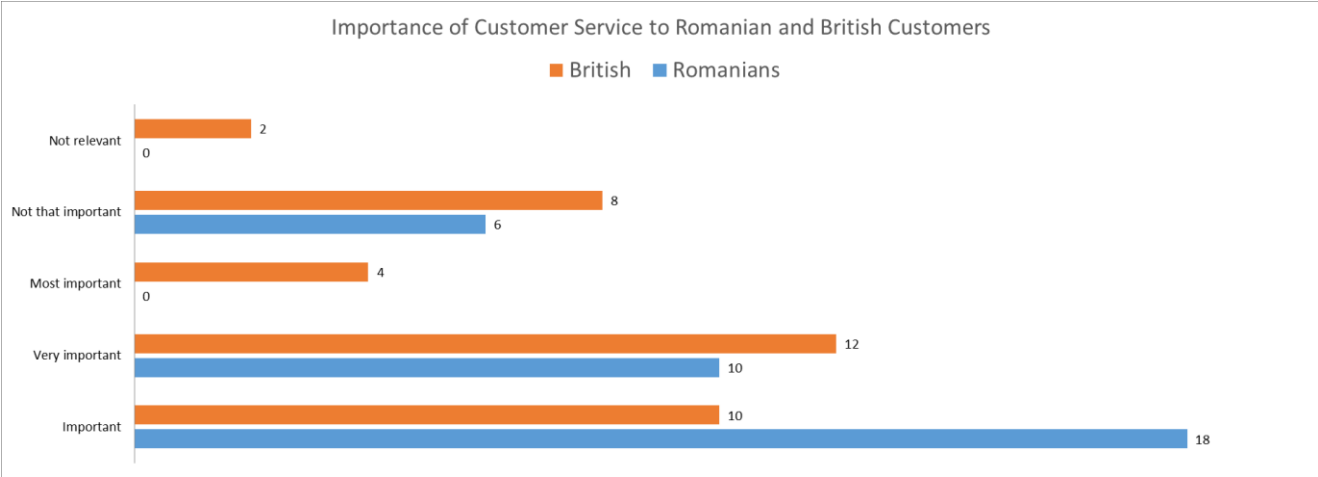
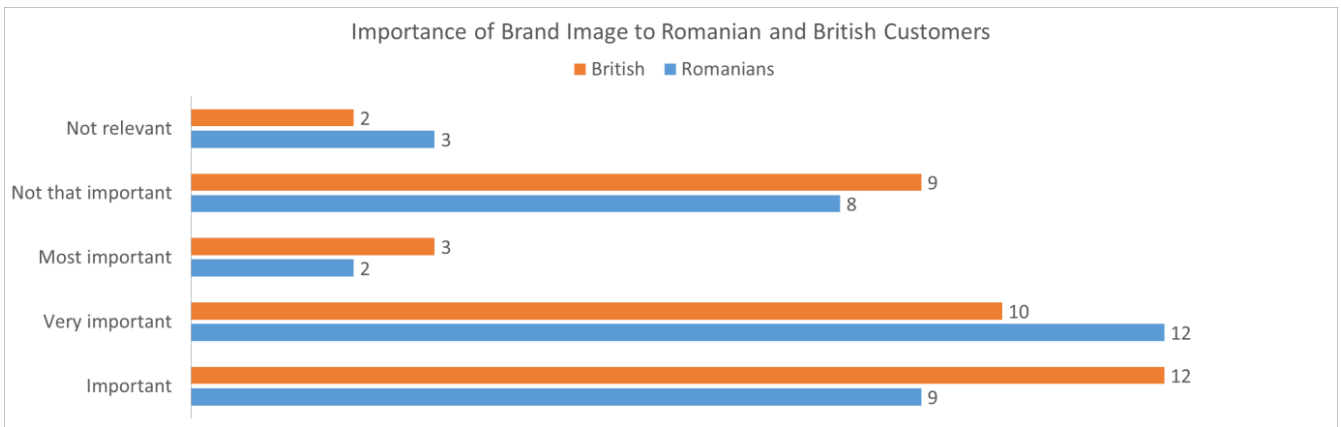


Figure 20 Importance of Customer Service

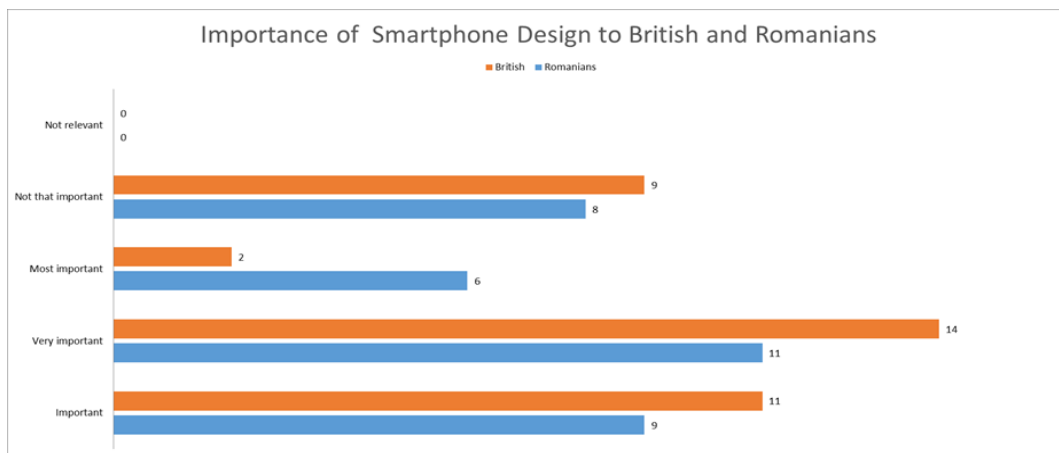
In the following section, the importance of brand image is being looked at. With equal percentages, 30% of interviewees believe it is very important and 30% believe it is important. On the other end, more than 25% think that is not important and only 7% believe that brand image is not relevant.



**Figure 21 Importance of Brand Image**

Looking at Figure 21, there is similarity between Romanian and British consumers regarding brand image. More British consider brand image as important while more Romanians consider it as very important. Similarities continue when, with both groups having similar responses when it comes to brand image not being important or not relevant. These findings are in conformity with Timothy (2016), where he states that that brand image is important for consumers since it is more than a logo. Brand image can offer recognition and can make an impression while building credibility and equity. According to Forbes (2016), when consumers are decision to buy a product from a known brand, they will also buy the “meaning” of the brand and everything else that comes with it such as trust, dependability, quality, customer service and so on.

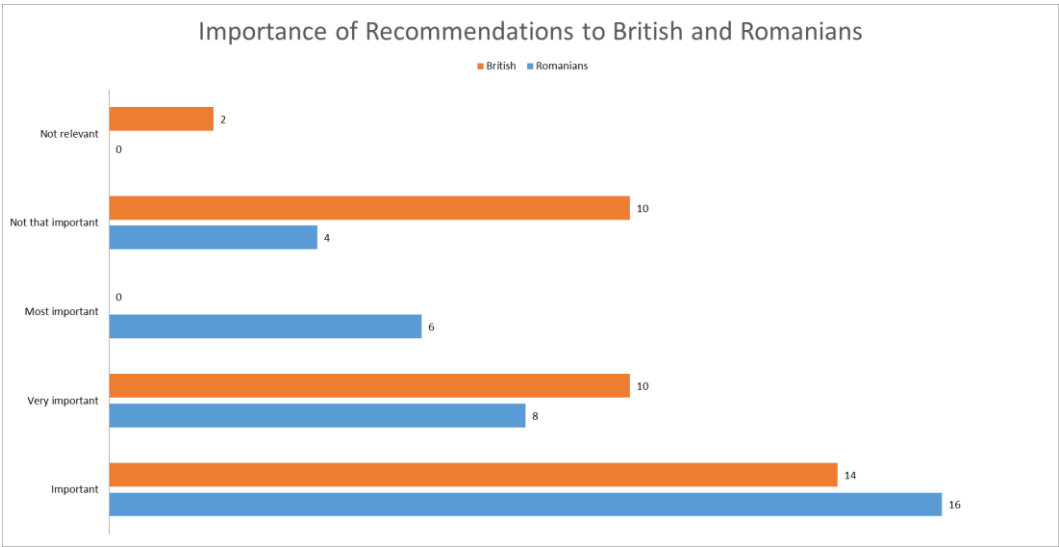
Moving on to the importance of design, 36% find at as being very important, 29% believe it is important and 24% think that is not important at all. Only 11% of respondents think that design is the most important variable (Appendix 1, Q16). Most British consumers believe that design is very important or important, significantly more than Romanians while for a small percentage of Romanians design is the most important variable (Figure 22).



**Figure 22 Importance of Design**

The next question was focused on trying to find out if recommendations can have any role when it comes to British and Romanian consumers regarding smartphone. Since according to Keller (2012), recommendations are driving businesses and are the #1 driver for consumer purchases across multiple products categories and over 8 out of 10 purchases influenced by recommendations are caused by people talking face to face. Majority of purchases influenced by recommendations are closely linked with friends or family advice. Overall, 43% of interviewees consider recommendations important and 26% consider recommendations as very important.

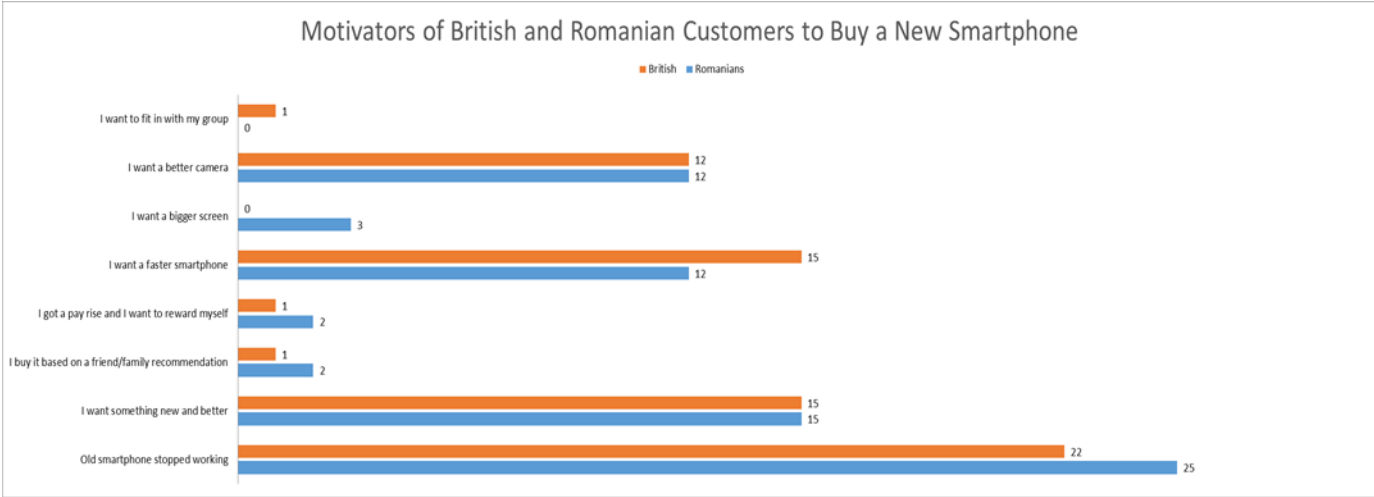
Quite of large number of respondents, 20%, believe that recommendations are not important. Looking at the two groups individually, most Romanians are more inclined to ask for a recommendation compared to British people. Quite a large number of British respondents believe recommendations are not important and none believes that they are the most important variable, making Romanian respondents the only ones who think that recommendations are the most important (Figure 23).



**Figure 23 Importance of Recommendations**

After recommendations, the author tries to find out what motivates Romanians and British consumers to buy a new smartphone. Similar to other previous questions, the interviewees were allowed to select more than one option. Looking at the findings, the fact that the old smartphone stopped working is the main reason for buying new one followed by consumers wanting something new and better and also wanting a faster one or a better camera. Based on individual findings (Figure 24), both British and Romanian reasons for

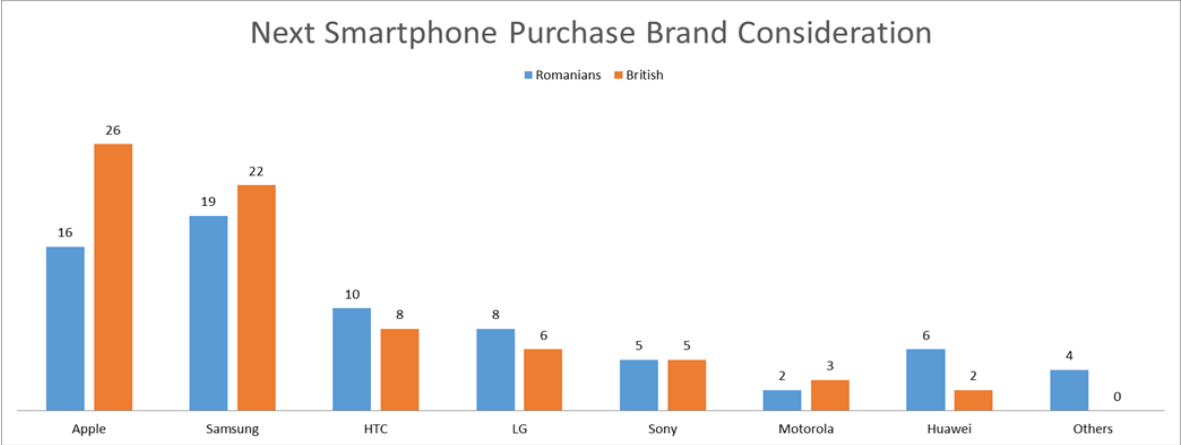
replacing their old smartphone are similar, with majority of consumers preferring to replace their device when it stops working or they want something newer or a better camera. There is a slight difference in the fact that a small number of British consumers are more willing to



**Figure 24 Reason for Buying a New Smartphone**

replace their device whenever a faster one is available while Romanians are not as keen on this.

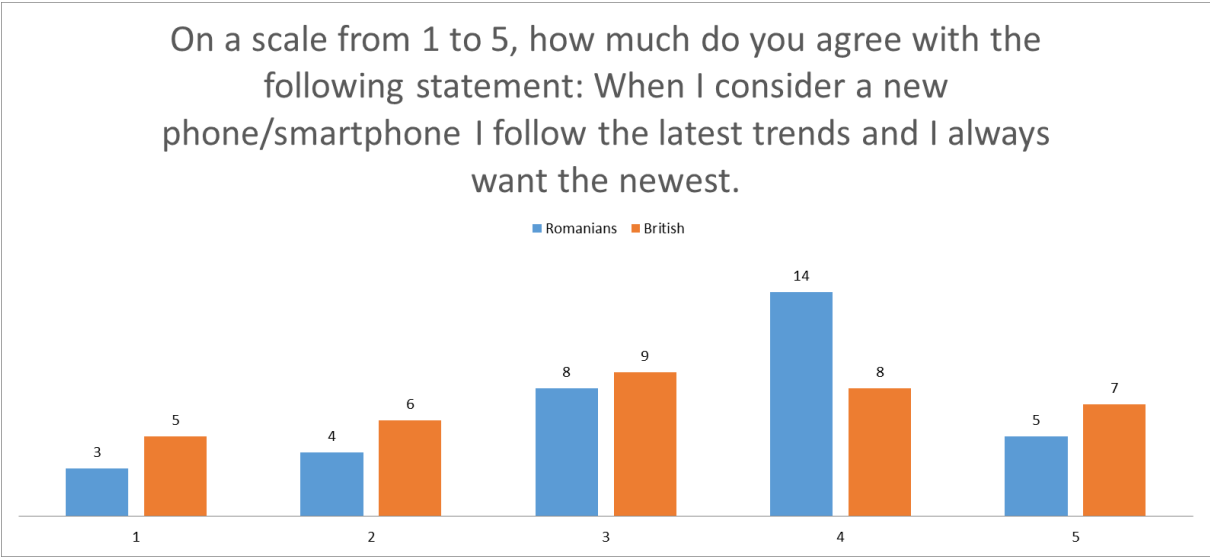
After understanding what drives consumers to buy a new smartphone, the next question tried to find out what brands are being considered by Romanian and British interviewees, while being allowed to choose more than one option. Looking at the data containing both groups, the first two choices are Apple with 60% and Samsung with 57% followed at quite a noticeable difference by HTC with 24% and LG with 18%. The list finishes with brands averaging around 1% such as ZTE, OnePlus, Asus and Google Nexus. Looking at Figure 25, British consumers prefer Apple more than Romanian ones with the difference between the groups being quite sizable but it lowers when it comes to Samsung.



**Figure 25 Next Smartphone-Brand Consideration**

Romanians tend to prefer brands that have scored lower in the survey and that can be considered as “smaller” on the market, such as Huawei where a very small percentage of British consumers are actually considering the brand for a future purchase.

After finding out what brands are being considered by both groups, the author tried to find out if new trends are influencing consumers. Interviewees were asked to choose on a scale from 1-5 (1 being the lowest and 5 the highest) how much they agree with the statement: “When I consider a new smartphone I follow the latest trends and I always want the newest”. 32% of respondents choose a 4 out of 5, 25% choose a 3 out of 5 and 17% choose a 5 out of 5. This shows that consumers are interested in the latest trends and most of them prefer to have the newest smartphone available.

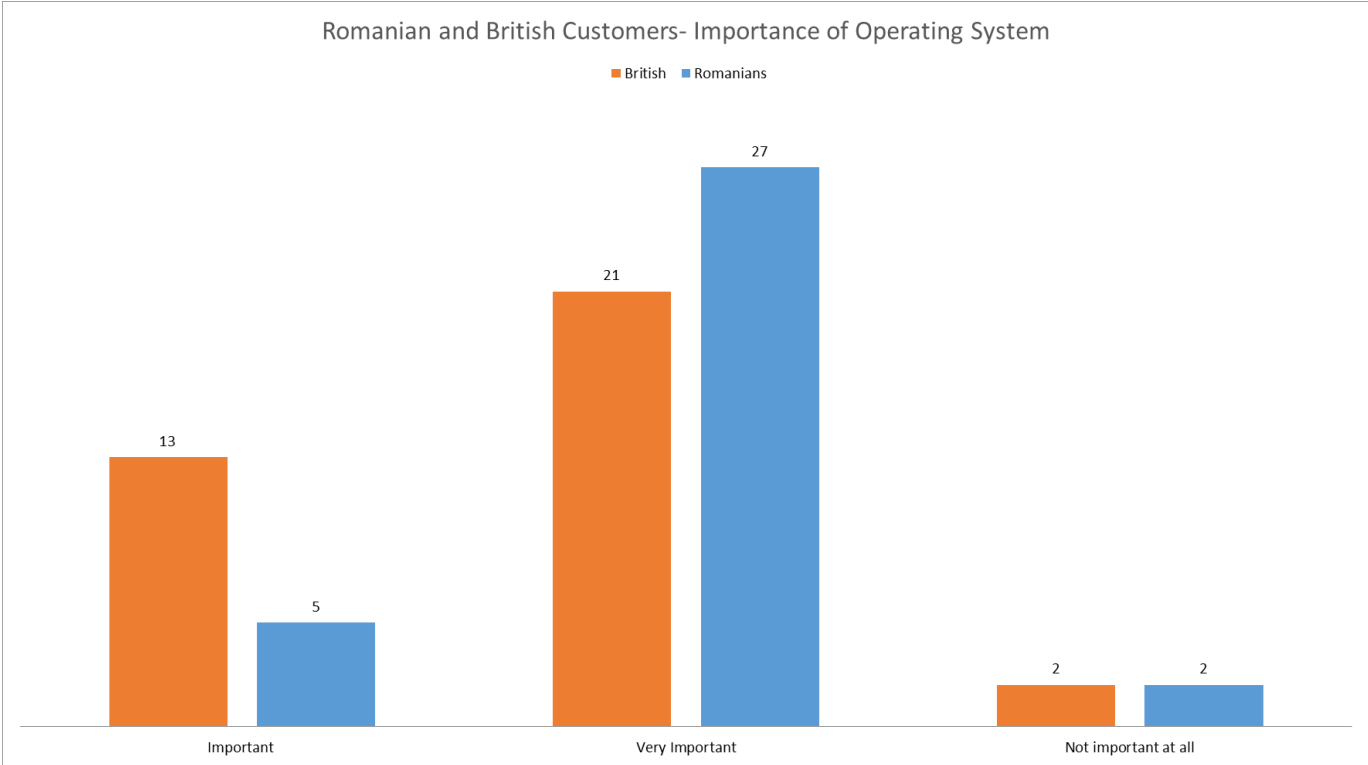


**Figure 26 Latest Trends**

Looking at Romanians and British individually, more Romanians ticked 4 out of 5 than British but slightly more British respondents choose 5 out of 5 (Figure 26). Other than this, the differences between both groups are marginal but overall most Romanians and British like to follow the latest trends and have the newest smartphone available on the market.

According to Böhm et al. (2015), the operating system of a smartphone has an essential significance for consumers, therefore when consumers decide on an operation system, they take into account other variables such as security or performance. The next

question asked tries to find out how relevant is the operation system for Romanian and British consumers. Not surprisingly, 69% of respondents consider the operating system as very

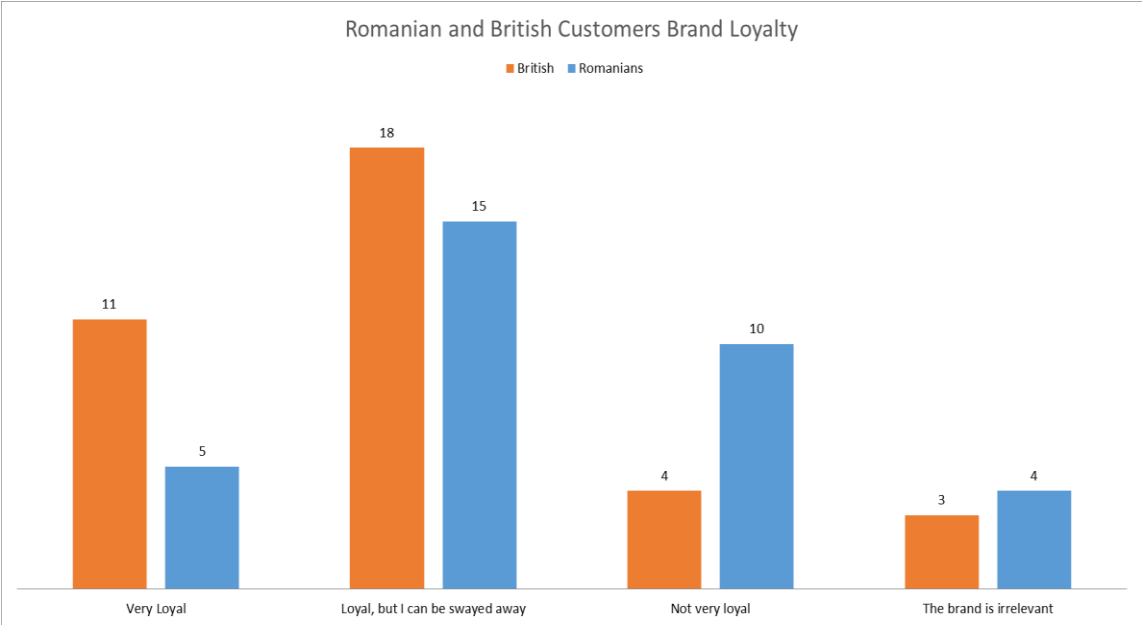


**Figure 27 Importance of Operating System**

important and 25% consider it important but are open to try a different one. Less than 6% of interviewees believe that the operating system has no importance. Individually, more Romanians consider the operating system as being very important compared to British respondents but significantly more British consider it as being important but are open to experiments (Figure 27).

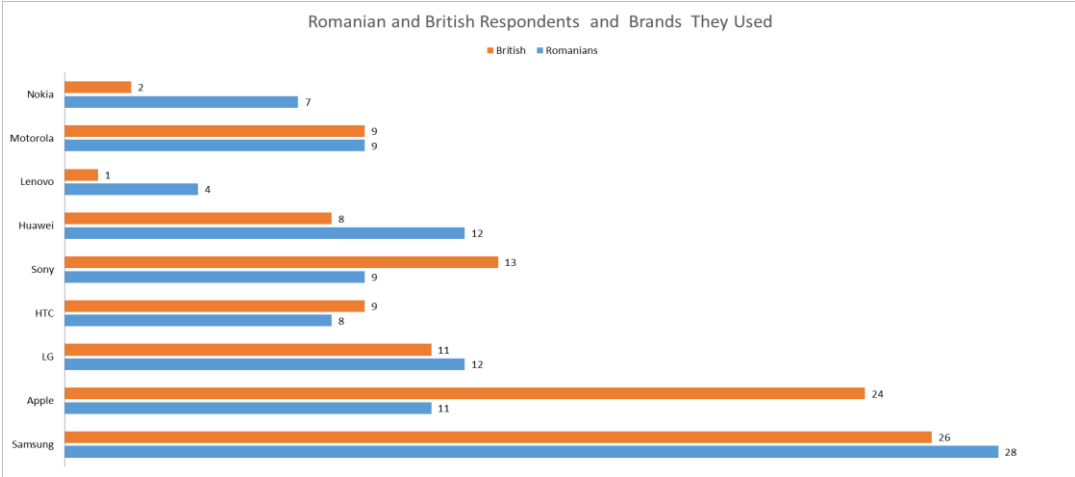
On the next question, the interviewees were asked about their loyalty to a brand. 47% of respondents consider themselves loyal but can be swayed away by a good product, 23% are very loyal and would never consider anything else from the competition, and 20% do not consider themselves loyal but prefer to shop around looking for the best read. Only 10% on respondents consider the brand as irrelevant when it comes to purchasing a smartphone. Individually, there is a noticeable difference with British consumers being more loyal to the brand than Romanians. Looking at Figure 28, Romanians are more likely to not be loyal to the brand and slightly more Romanians compared to British consider that the brand is not relevant. This can be interpreted as Romanians being more curious and willing to try other

brands while British consumers prefer the safety, security and the comfort they have from being loyal to a brand.



**Figure 29 Brand Loyalty**

Moving on from analysing the levels of brand loyalty between Romanians and British consumers, the following question looks at brands the consumers have used. Similar to other questions, interviewees were allowed more than one choice. Topping the list is Samsung with 77% followed by Apple with 51% and Sony with 30%. LG, HTC, Huawei and Motorola are averaging around 23% and OnePlus, Nokia, Allview and other smaller brands are finishing the list. Individually, more Romanians used Samsung smartphones compared to British but the difference is not very large. Moving on to Apple, there is a clear difference between Romanians and British, with British consumers clearly preferring Apple devices. Looking at the other brands, the differences are not that big and there are similarities between British and Romanians (Figure 29).



**Figure 28 Brands Used in the Past**

## **Data Analysis and Findings Related to the Third Research Question**

Based on the findings mentioned in the first and second part of this analysis, it is safe to assume that British and Romanian consumers are quite similar when it comes to buying and using high-end devices. Even though both groups prefer to spend similar amounts for a new device, British consumers have a higher buying power with more of them willing to pay over £500 for a new device compared to Romanians. This difference in willingness to pay more extended to features as well, with British consumers placing features ahead of price when it comes to decision making. The main reason for replacing a smartphone lies within the fact that both Romanian and British consumers prefer something new, a new design, better features and performance and better camera.

Looking at the design, Romanians put more emphasis on it than British people but the difference is not very high. As a frequency of purchase, British consumers tend to hang on to their devices more than Romanians do. Linking this with the fact that British consumers have a higher buying power and tend to spend more on their devices could result into British consumers buying a higher quality smartphone that will not develop faults just as fast and it will not become obsolete at an accelerated rate, allowing them a usage of more than 2 years. Both parties value compatibility with other devices. Looking at past criteria, again there are no massive differences between Romanians and British consumers but in the past Romanians put more emphasis on durability compared to British people.

Another difference is given by the fact that British consumers spend more time on their devices compared to Romanians. Overall, the differences between Romanian and British consumers are very slim and only differ by small percentages. This lack of massive differences can be caused by globalisation. According to Scriven (2014), the fact that most countries have the ability to trade with each other has created an abundance of products that are available on a global scale. Scriven (2014) also mentions that globalisation influences cultures through trade and immigration, making different cultures more alike in the long run. This supports the lack of massive differences between Romanian and British consumers when it comes to purchasing and owning high-end smartphones.

### Data Analysis and Findings Related to the Fourth Research Question

On this final part, the focus will be on looking at the attitude of Romanian and British consumers towards high-tech smartphones while trying to find out the consumers opinion on wether a technological plateau has been reached. There will be a focus on trying to find out if new smartphones have anything to offerand if the indistry is slowing down advancements just so they can focus more on quantity rather than quantity. This will show the consumers attitude towards the smartphones market includin innovation, needs and consumer preferences.

The first question looks at how often an individual charges its smartphone. The reason for this question is based on Villas-Boas (2015), who mentions that a battery in a smartphone will have a liefespan of 300-500 charging cycles. This makes a smartpone battery function properly between a year and a year and a half. Villas-Boas (2015) also states that after 250 charge cycles the battery of a smartphone can be reduced ro 84-73%. Assuming an individual charges the smartphone once a day, the battery will deteriorate significantly in less than a year. Moving on to the question itself, 68% of interviewees charge their device every day and 21% charge it more than once a day. Only less than 9% charge their devices every two days.

Looking at both groups individually, they are very similar with equal percentages of British and Romanian respondents charging their device every day (Figure 30) but slightly more British respondents charge their devices more than once a day compared to Romanians. This could prove that British consumers rely more on their smartphones than Romanians, using the battery at a faster rate.

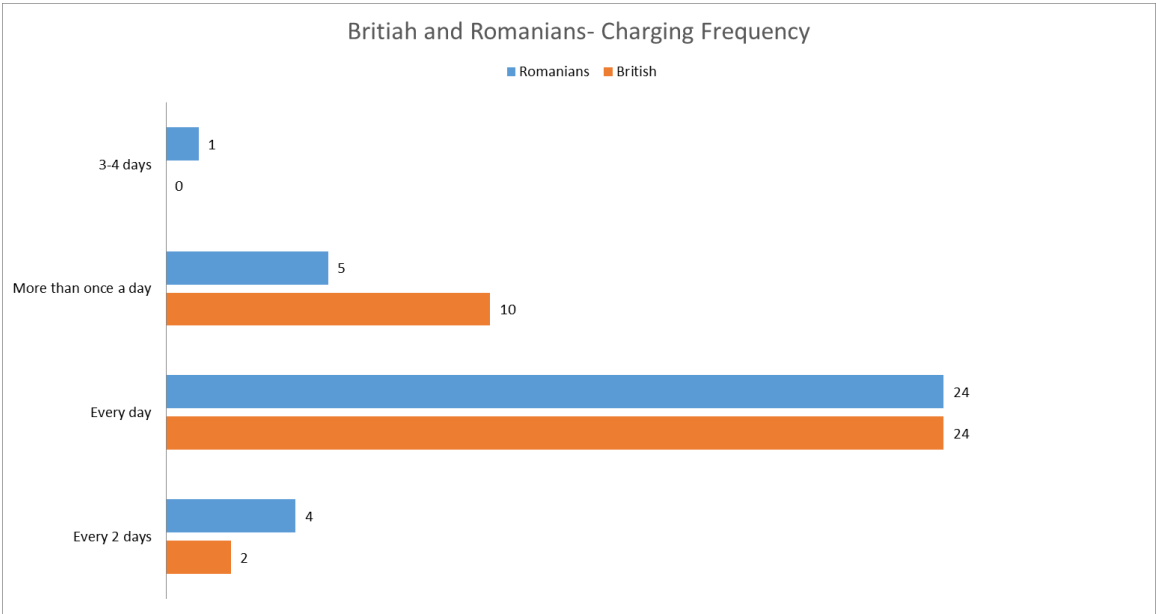
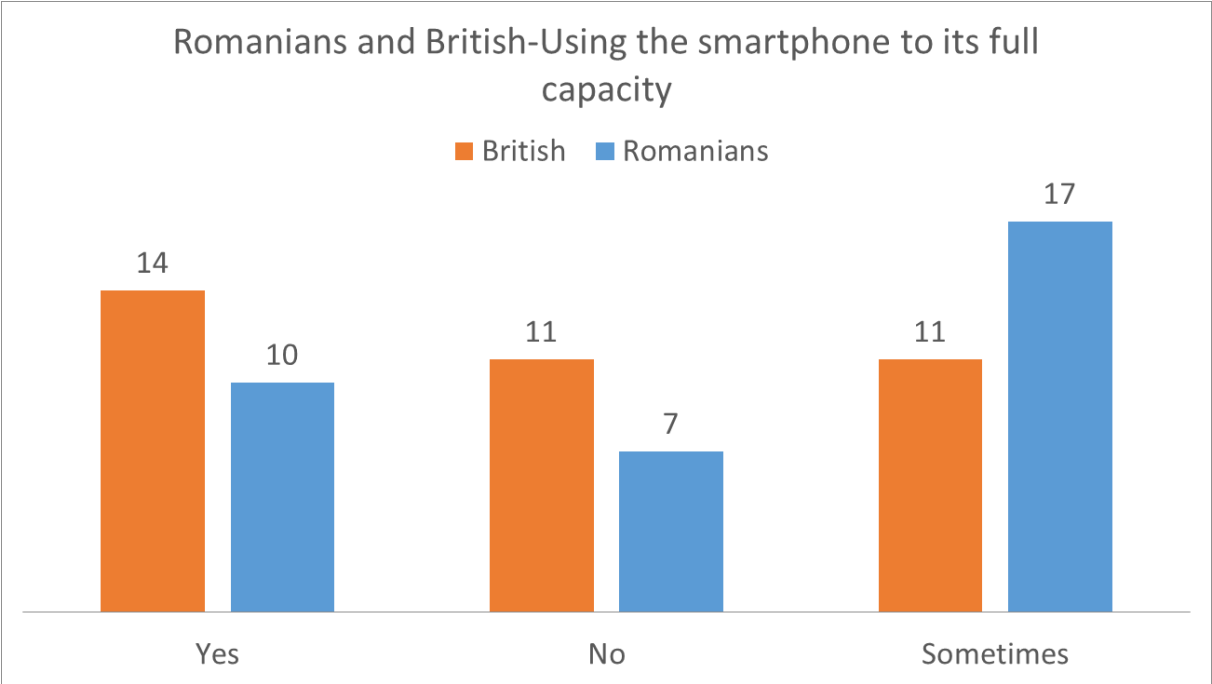


Figure 30 Charging Frequency

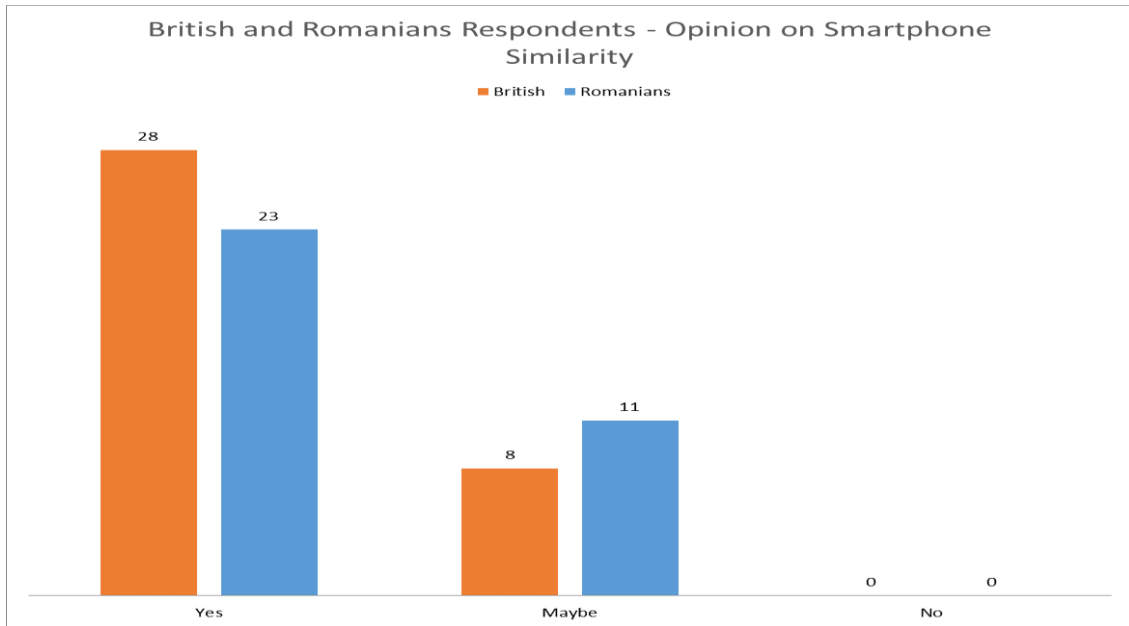
The next question tries to find out if consumers use their devices at full capacity. This means using most of the functions and features available on a daily basis. The answers for this question are quite split, with 44% of interviewees using their smartphone to its full extent sometimes, 30% using it to its full capability and 26% not using it to its full capacity. Looking at the groups individually, with British people using their devices to their full capacity more than Romanians do while more Romanians assume that sometimes they use their smartphones to their full capacity more than British people (Figure 31).



**Figure 31 Using the Smartphone To Its Full Capacity**

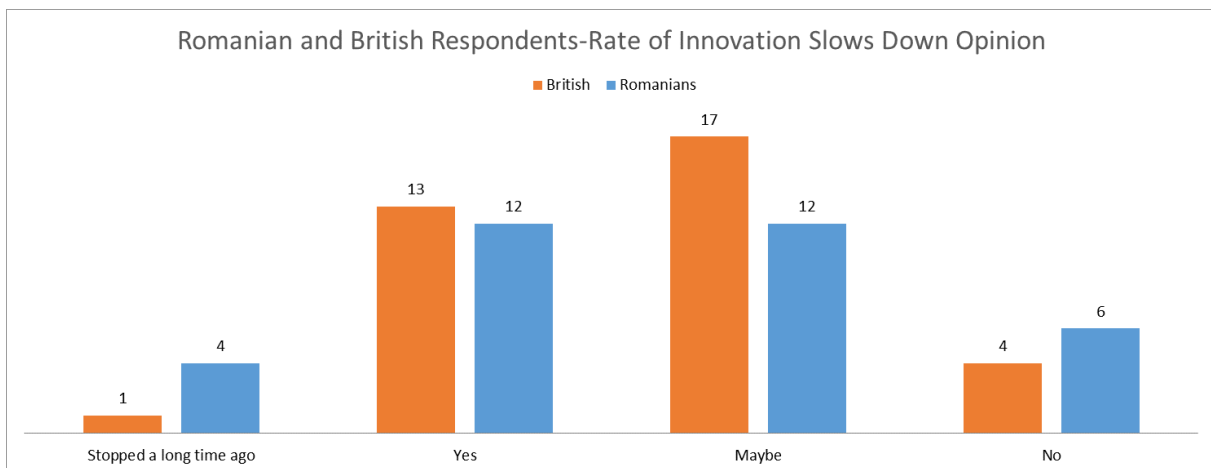
With the next question, the author builds up towards finding out if consumers believe that a technological plateau has been reached and in innovation rate is slowing down. On this question, the interviewees were asked about their opinion regarding smartphones getting more similar to each other regardless of brand. Not surprisingly, 73% of respondents agree that smartphones are getting similar and the rest of 27% are undecided but do believe that some of the smartphones are getting similar.

Analysing the groups separately, it is noticeable that more British consumers notice similarity between smartphones on the market today but the differences between Romanian and British respondents are not very large with both groups agreeing that smartphones are getting more similar (Figure 32)



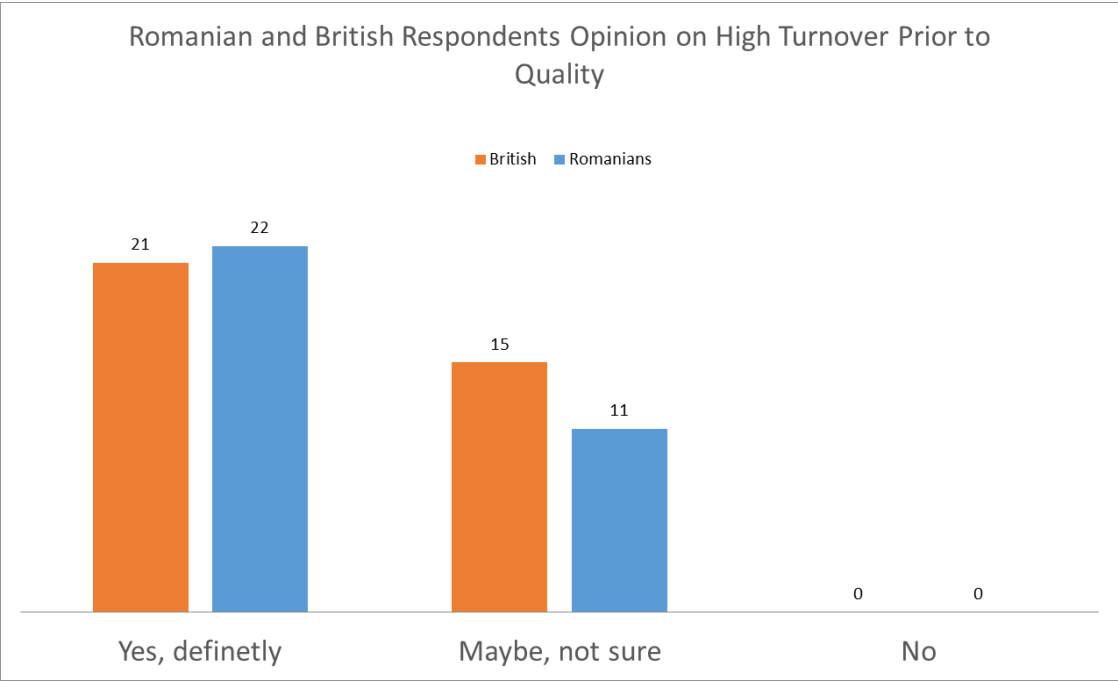
**Figure 33 Opinions on Rate of Similarity**

Closely linked with similarity, the following question asks the interviewees whether they believe the actual rate of innovation is slowing down. A large group of 42% are undecided on the topic, 36% consider that innovation is slowing down and 14% consider that innovation is not slowing down. Only 7% of respondents believe that actual innovation stopped a long time ago. Once split between Romanians and British, the differences between the two are not very large. The respondents who consider that innovation is slowing down are split almost evenly between the two analysed groups. A noticeable difference between the two groups is based on the undecided respondents with slightly more British being undecided compared to Romanians (Figure 33)



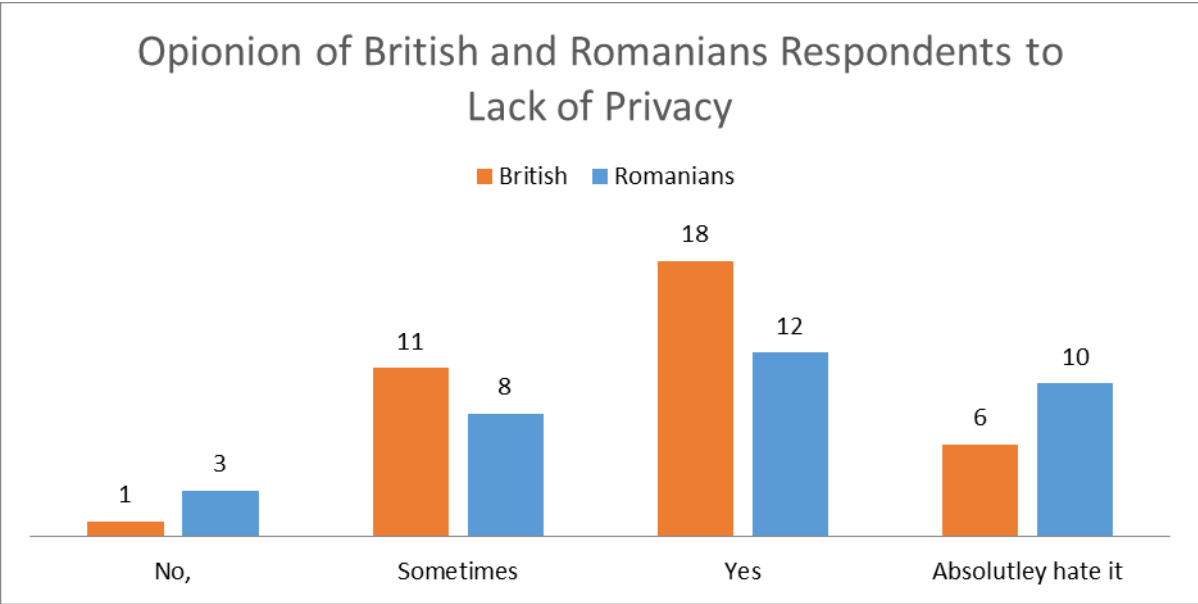
**Figure 32 Opinions on Rate of Innovation**

After looking at the rate of innovation, the next question focuses on whether the smartphone industry shifted focus towards a higher turnover rather than increasing the life span of the products. Based on the fact that a smartphone battery deteriorates more than 20% within the first year of use as per Villas-Boas (2015), experts consider the lifespan of a smartphone to be about 21 months, or a little under two years according to Walton (a.i.). The main reasons for this short lifespan are fast deteriorating batteries, the fact that the devices are more fragile with every generation making them more prone to breaking in case of a drop and their accelerated obsolescence as per Walton (a.i.). Looking at the responses, 62% of respondents consider that the industry is focusin more on turnover rather tha quality and 38% are undecided on the topic. Once divided into groups, both Romanian and British consumers agree with each other within close margins (Figure 34).



**Figure 34 Opinion on High Turnover Instead of Quality**

The next question focuses on privacy and whether the users feel that their information is safe within the device. According to Mayer (2013), privacy is a major worry for smartphone owners since most applications that are on the device can store and track information that is being used through the day such as email addresses, call information, calendar appointments, personal photos and more. To top it all up, a smartphone can track a person’s location and whereabouts while building a profile of all the locations visited. Without knowing, these apps can send data back to the main server, data and information that



**Figure 35 Lack of Privacy**

can be sold to other companies. Getting back to the responses, 43% of respondents mind the lack of privacy in a smartphone, 23% absolutely hate it, 27% mind it sometimes and only 6% are not bothered by a lack of privacy. Looking at Figure 35, British respondents mind their lack or privacy significantly more than their Romanian counterparts.

## **Conclusion, Limitations and Recommendations**

To conclude, this research is an analysis looking at changing customer attitude towards smartphones while looking at whether a technological plateau has been reached, focusing on Romanian and British consumers. As outlined in the findings and analysis, Romanian and British consumers are quite similar in many regards but there are subtle differences. One of these subtle differences is the fact that more British consumers prefer to spend upwards of £500 on a new smartphone compared to Romanians. Both groups consider the brand image as important when it comes to decision-making with Apple and Samsung topping the list for both parties. British consumers tend to hang on onto their devices for longer periods of time compared to Romanians but both groups are influenced by trends and a desire to own the latest and newest model available. Based on the findings, British consumers are slightly more loyal to the brand than Romanians. When asked questions that would hint towards a technological plateau, most respondents consider that innovation has stopped or is slowing down. Both groups agree that smartphones available on the market are getting more similar to each other regardless of the brand. Interviewees also consider that the industry is focus more on turnover rather than quality and actual innovation. Romanians and British also feel disturbed by the lack of privacy in smartphones and agree with each other. Overall, the differences between Romanian and British consumers have not proven to be as significant as the author expected.

After this research has been concluded, there are small limitations that need to be mentioned. One of these limitations is caused by the fact that majority of respondents are aged 18-25, this could limit the ability to understand other age groups. Another limitation is given by the relatively small sample of 70 respondents. Due to low availability of resources and time constraints the researched did not have as many opportunities to reach a broader audience and gain a higher response rate.

Looking at future recommendations, the main recommendation would be to do a similar research that would include different age groups and a larger target audience. Last but not least, since as mentioned in the main body, consumers change their devices quite often, this could result into them changing their criteria that they use for purchasing a smartphone thus the final recommendation should be to run a similar survey approximately every two years.

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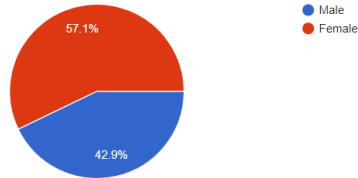
Zeugner-Roth, Katharina Petra; Žabkar, Vesna; Diamantopoulos, Adamantios.” Consumer Ethnocentrism, National Identity, and Consumer Cosmopolitanism as Drivers of Consumer Behavior: A Social Identity Theory Perspective” Journal of International Marketing. Jun2015, Vol. 23 Issue 2, p25-54

# Appendices

## Appendix 1 – Findings of the Questionnaire

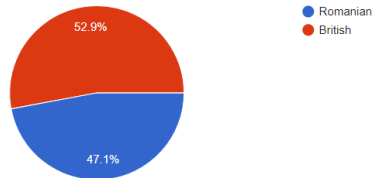
### 1. Gender

70 responses



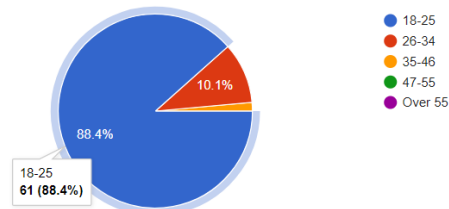
### 2. Nationality

68 responses



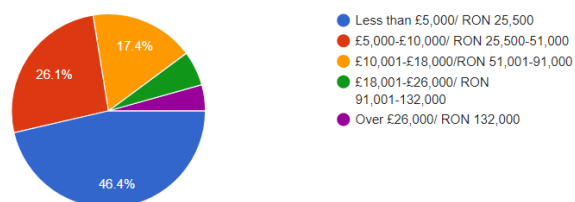
### 3. Age

69 responses



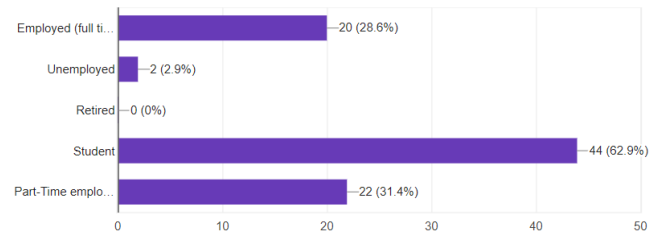
### 4. Income Group (Income per year, prices in RON are estimates at the date of conversion)

69 responses



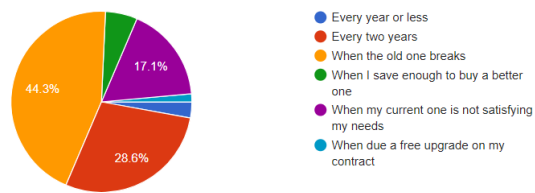
### 5.Occupation(can chose up to two)

70 responses



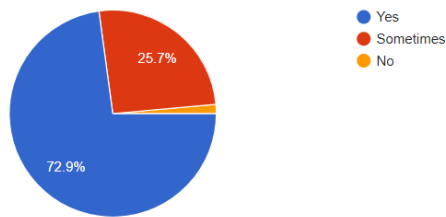
### 6.How often do you purchase a new smartphone?

70 responses



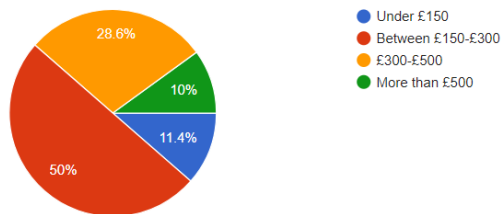
### 7.Do you think a smartphone is an important purchase decision?

70 responses



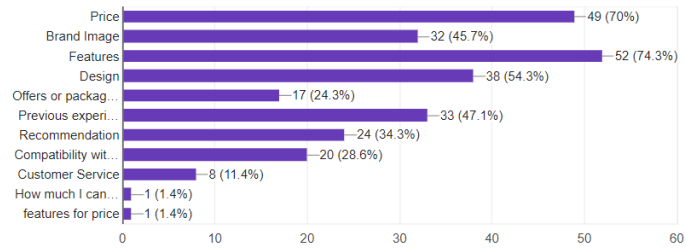
### 8.How much are you willing to spend on a new phone?

70 responses



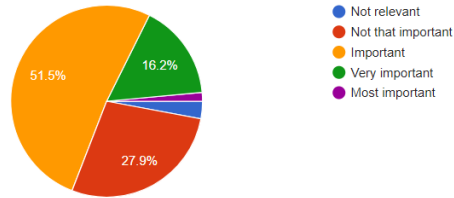
9. What factors influence your purchase decision when it comes to smartphones?

70 responses



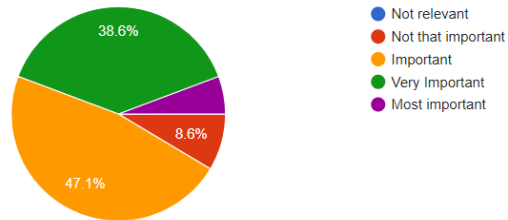
10. How important is compatibility with other devices to you?

68 responses



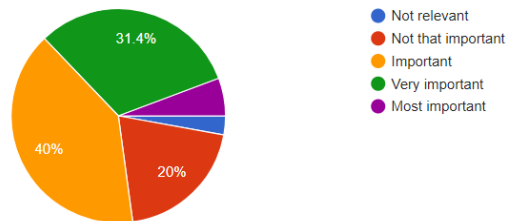
11. How important is previous experience to you?

70 responses



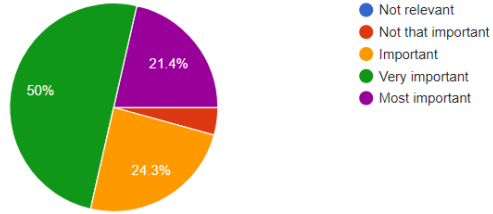
12. How important is the customer service to you?

70 responses



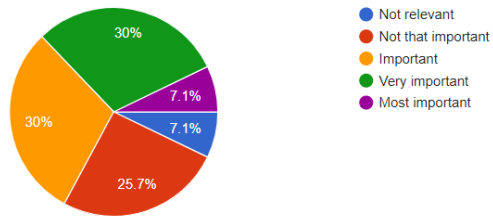
### 13.How important is price to you?

70 responses



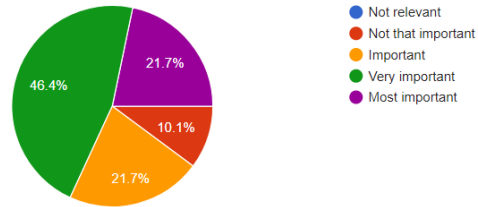
### 14.How important is the brand image to you?

70 responses



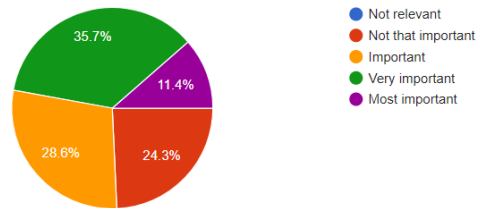
### 15.How important are the features for you?

69 responses



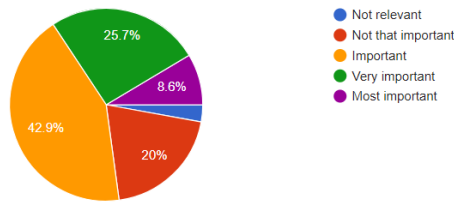
### 16.How important is the design for you?

70 responses



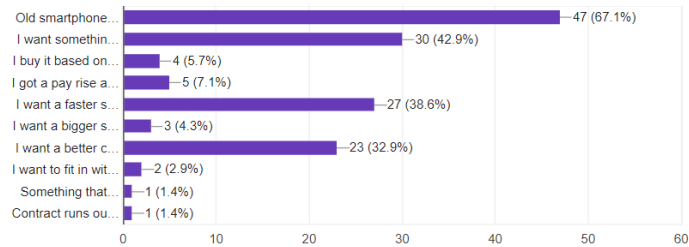
17. How important are recommendations for you? (Any sort of recommendations including family, friends, reviewers, etc)

70 responses



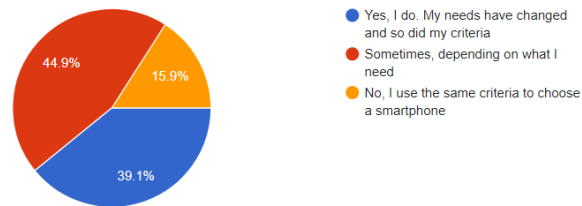
18. What motivates you to buy a new smartphone?

70 responses



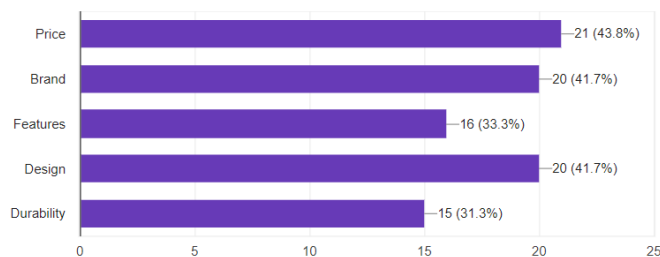
19. Do you think that the criteria you have used to buy a smartphone has changed over the past years? (eg. Brand was important but now you look for features or price, etc)

69 responses



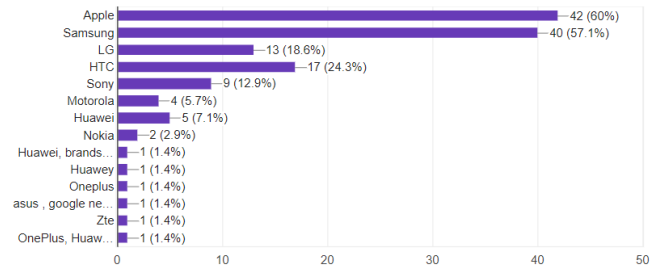
20. If you have answered "Yes" to the question above, what criteria was important to you in the past?

48 responses



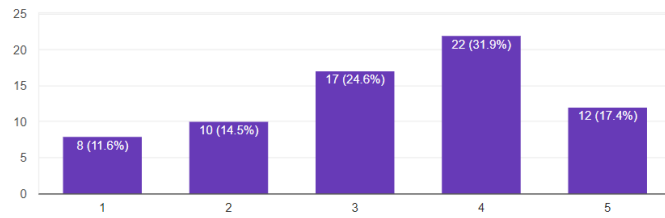
21. Which brands would you consider for your next smartphone?

70 responses



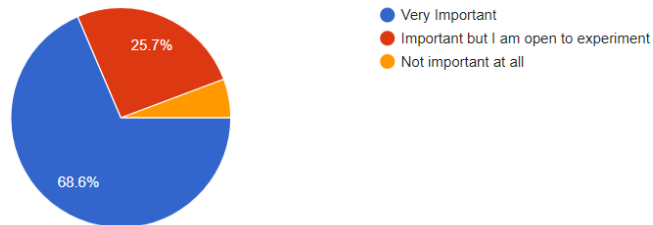
22. On a scale from 1 to 5, how much do you agree with the following statement: When I consider a new phone/smartphone I follow the latest trends and I always want the newest.

69 responses



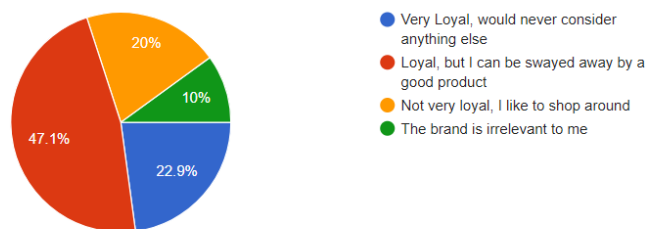
23. To you, how important is the operating system of a smartphone?

70 responses



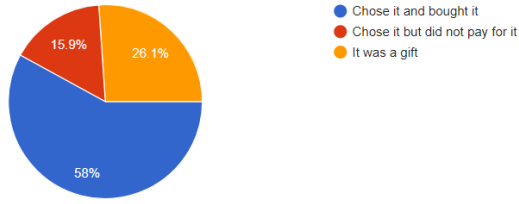
24. How loyal are you to a brand? (eg. Apple, Samsung, etc)

70 responses



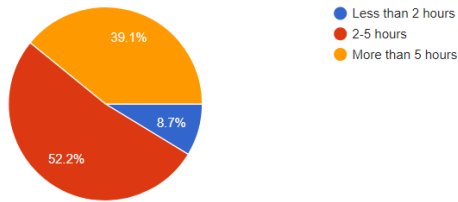
25. How did you get your current smartphone?

69 responses



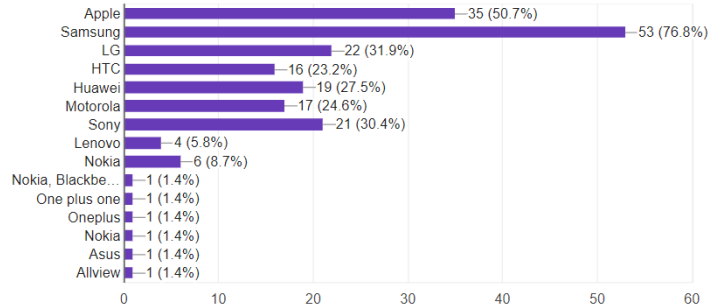
26. How much time do you spend on your smartphone in a day?

69 responses



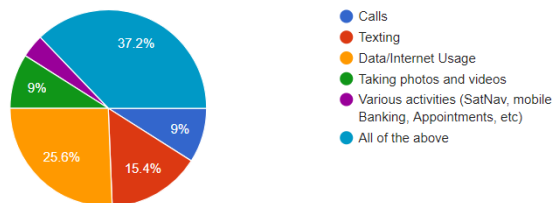
27. Which mobile phones brands have you used?

69 responses



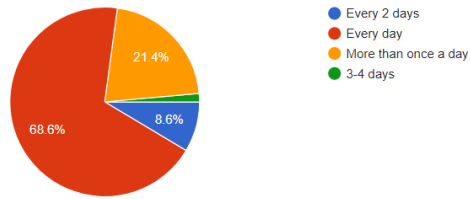
28. What is the primary use of your phone?

70 responses



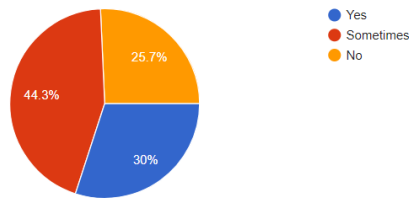
29.How often do you charge your smartphone?

70 responses



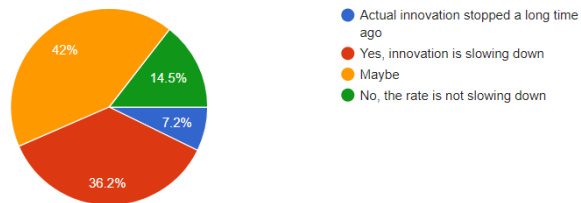
30.Do you think you use a smartphone to its full capacity? (using most of the features available on a daily basis)

70 responses



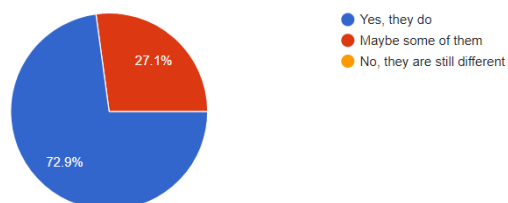
31.Do you think the rate of innovation in regards to smartphones is slowing down?

69 responses



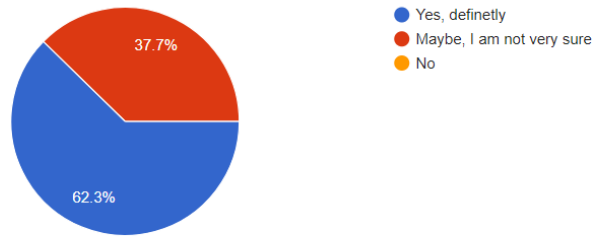
32.Do you think that today's smartphones are getting more similar to each other regardless of brand?

70 responses



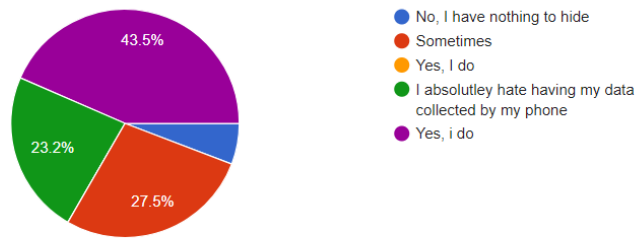
33. Do you think the smartphone industry focuses on a high turnover rather than increasing the quality and lifespan of the products?

69 responses



34. Do you mind a lack of privacy in modern smartphones?

69 responses



## Appendix 2- Questionnaire

### Survey looking at customer's attitude towards high-tech smartphones

I would like to start by saying thank you for taking your time to fill in this questionnaire. All the answers are anonymous and no personal data will be collected. The data collected will be used as primary research for a dissertation and will not be shared with any third parties.

The aim of this research is to analyse attitude of customers towards high-tech products with a focus on mobile phones/smartphones. This analysis will try to make a comparison between British customers and Romanian customers looking at the buying patterns and behaviour.

1. Gender

- Male
- Female

2. Nationality \*

- Romanian
- British

3. Age

- 18-25
- 26-34
- 35-46
- 47-55
- Over 55

4. Income Group (Income per year, prices in RON are estimates at the date of conversion)

- Less than £5,000/ RON 25,500
- £5,000-£10,000/ RON 25,500-51,000
- £10,001-£18,000/ RON 51,001-91,000
- £18,001-£26,000/ RON 91,001-132,000
- Over £26,000/ RON 132,000

5. Occupation (can chose up to two)

- Employed (full time)
- Unemployed
- Retired
- Student
- Part-Time employment

6.How often do you purchase a new smartphone?  
Every year or less  
Every two years  
When the old one breaks  
When I save enough to buy a better one  
When my current one is not satisfying my needs  
Other:

7.Do you think a smartphone is an important purchase decision?  
Yes  
Sometimes  
No

8.How much are you willing to spend on a new phone?  
Under £150  
Between £150-£300  
£300-£500  
More than £500

9.What factors influence your purchase decision when it comes to smartphones?  
Price  
Brand Image  
Features  
Design  
Offers or package deals (free gifts e.g.: headphones)  
Previous experience  
Recommendation  
Compatibility with other devices  
Customer Service  
Other:

10.How important is compatibility with other devices to you?  
Not relevant  
Not that important  
Important  
Very important  
Most important

11.How important is previous experience to you?  
Not relevant  
Not that important  
Important  
Very Important  
Most important

12.How important is the customer service to you?  
Not relevant  
Not that important

Important  
Very important  
Most important

13.How important is price to you?

Not relevant  
Not that important  
Important  
Very important  
Most important

14.How important is the brand image to you?

Not relevant  
Not that important  
Important  
Very important  
Most important

15.How important are the features for you?

Not relevant  
Not that important  
Important  
Very important  
Most important

16.How important is the design for you?

Not relevant  
Not that important  
Important  
Very important  
Most important

17.How important are recommendations for you? (Any sort of recommendations including family, friends, reviewers, etc)

Not relevant  
Not that important  
Important  
Very important  
Most important

18. What motivates you to buy a new smartphone?

- Old smartphone stopped working
- I want something new and better
- I buy it based on a friend/family recommendation
- I got a pay rise and I want to reward myself
- I want a faster smartphone
- I want a bigger screen
- I want a better camera
- I want to fit in with my group

Other:

19. Do you think that the criteria you have used to buy a smartphone has changed over the past years? (e.g., Brand was important but now you look for features or price, etc)

- Yes, I do. My needs have changed and so did my criteria
- Sometimes, depending on what I need
- No, I use the same criteria to choose a smartphone

20. If you have answered "Yes" to the question above, what criteria was important to you in the past?

- Price
- Brand
- Features
- Design
- Durability

Other:

21. Which brands would you consider for your next smartphone?

Apple

- Samsung
- LG
- HTC
- Sony
- Motorola

Other:

22. On a scale from 1 to 5, how much do you agree with the following statement: When I consider a new phone/smartphone I follow the latest trends and I always want the newest.

- Fully Disagree
- 1
- 2
- 3
- 4
- 5
- Fully Agree

23. To you, how important is the operating system of a smartphone?

- Very Important
- Important but I am open to experiment
- Not important at all

24. How loyal are you to a brand? (e.g., Apple, Samsung, etc)

- Very Loyal, would never consider anything else
- Loyal, but I can be swayed away by a good product
- Not very loyal, I like to shop around
- The brand is irrelevant to me

25. How did you get your current smartphone?

- Chose it and bought it
- Chose it but did not pay for it
- It was a gift

26. How much time do you spend on your smartphone in a day?

- Less than 2 hours
- 2-5 hours
- More than 5 hours

27. Which mobile phones brands have you used?

- Apple
- Samsung
- LG
- HTC
- Huawei
- Motorola
- Sony
- Lenovo

Other:

28. What is the primary use of your phone?

- Calls
- Texting
- Data/Internet Usage
- Taking photos and videos
- Various activities (Satnav, mobile Banking, Appointments, etc)
- All of the above

29. How often do you charge your smartphone?

- Every 2 days
- Every day
- More than once a day
- Other

30. Do you think you use a smartphone to its full capacity? (using most of the features available on a daily basis)

- Yes
- Sometimes
- No

31. Do you think the rate of innovation in regard to smartphones is slowing down?

- Actual innovation stopped a long time ago
- Yes, innovation is slowing down
- Maybe
- No, the rate is not slowing down

32. Do you think that today's smartphones are getting more similar to each other regardless of brand?

- Yes, they do
- Maybe some of them
- No, they are still different

33. Do you think the smartphone industry focuses on a high turnover rather than increasing the quality and lifespan of the products?

- Yes, definitely
- Maybe, I am not very sure
- No

34. Do you mind a lack of privacy in modern smartphones?

- No, I have nothing to hide
- Sometimes
- Yes, I do
- I absolutely hate having my data collected by my phone

35. What would the ideal phone look like if price was not a factor?

36. What features would you like in your next smartphone?

37. What brand and model do you currently use? What made you buy it and how would you describe it in a few words?