

# Effect of Age and Gender on Brand Loyalty and Customer Satisfaction-A Study of Mobile Phone User

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### Abstract

*Mobile phones today have become a necessity in human being life. It treated as a vital instrument carried by individual to be informed and connected with the world. For satisfying customer; mobile phone makers companies have to bring new changes and features to attract customer. In this study an attempt is made to evaluate the effect of age and gender on the brand loyalty and customer satisfaction of mobile phone users. The main objective of this study is to explore the impact of the personal factors including gender and age on the customer satisfaction and brand loyalty of mobile phone users. The study examines the effect of technology on brand loyalty of mobile phone users. Further the study also revealed the satisfaction level of users of their current mobile phone.*

### Keywords

*Age, Gender, Brand Loyalty, Customer satisfaction, Mobile phone.*

### Introduction

**Brand Loyalty:-** Brand loyalty is where a person buys products from the same manufacturer repeatedly rather than from other suppliers. In a survey of nearly 200 senior marketing managers, 69 percent responded that they found the «loyalty» metric very useful. Brand loyalty, in marketing, consists of a consumer's commitment to repurchase or otherwise continue using the brand and can be demonstrated by repeated buying of a product or service, or other positive behaviors such as word of mouth advocacy. This type of loyalty can be a great asset to the firm: customers are willing to pay higher prices, they may cost less to serve, and can bring new customers to the firm. For example, if Joe has brand loyalty to Company A he will purchase Company A's products even if Company B's are cheaper and/or of a higher quality.

### Factors influencing brand loyalty

It has been suggested that loyalty includes some degree of pre-dispositional commitment toward a brand. Brand loyalty is viewed as multidimensional construct. It is determined by several distinct psychological processes and it entails multivariate measurements. Customers' perceived value, brand trust,

customers' satisfaction, repeat purchase behavior, and commitment are found to be the key influencing factors of brand loyalty. Commitments and repeated purchase behavior are considered as necessary conditions for brand loyalty followed by perceived value, satisfaction, and brand trust. Fred Reichheld, One of the most influential writers on brand loyalty, claimed that enhancing customer loyalty could have dramatic effects on profitability. Among the benefits from brand loyalty — specifically, longer tenure or staying as a customer for longer — was said to be lower sensitivity to price. This claim had not been empirically tested until recently. Recent research found evidence that longer-term customers were indeed less sensitive to price increases.

- **Industrial markets:-** In industrial markets, organizations regard the 'heavy users' as 'major accounts' to be handled by senior sales personnel and even managers; whereas the 'light users' may be handled by the general sales force or by a dealer.

- **Portfolios of brands:-** Andrew Ehrenberg, then of the London Business School said that consumers buy 'portfolios of brands'. They switch regularly between brands, often because they simply want a change. Thus, 'brand penetration' or 'brand share' reflects only a statistical chance that the majority of customers will buy that brand next time as part of a portfolio of brands they favour. It does not guarantee that they will stay loyal. Influencing the statistical probabilities facing a consumer choosing from a portfolio of preferred brands, which is required in this context, is a very different role for a brand manager; compared with the — much simpler — one traditionally described of recruiting and holding dedicated

customers. The concept also emphasizes the need for managing continuity.

### **Customer satisfaction**

Customer satisfaction is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals.» In a survey of nearly 200 senior marketing managers, 71 percent responded that they found a customer satisfaction metric very useful in managing and monitoring their businesses. It is seen as a key performance indicator within business and is often part of a Balanced Scorecard. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy."Within organizations, customer satisfaction ratings can have powerful effects.

## **Review of Literature**

Anderson and Sullivan (1993), Found that the customer's satisfaction affects the customer in building their will to re purchase any item. Provision of quick complaint handling and effective customer service help the management to prevent building of any negative impressions by the customer. Although some company can have very good quality and product but still they suffer because element of interaction with customer is missing and they don't get the exact information about customer's need.

Iacobucci, Ostrom, Grayson (1995), stated that a firm may fail to achieve better customer satisfaction despite providing high quality service, because the properties improved are not important from the customer's point of view. In many cases company are not directly interact with customers but they get information about their product (that how much customer are satisfied with their product) from their distributors and other market intelligence. Retailers and distributions are indirectly representatives of the company.

Chu and Desai (1995) argued that in some situations if manufacturers have limited direct contact with the customers then efforts made by retailers for customer satisfaction can play very important role. In such situations the customer treats retailers as representatives of the corporation. Companies bring about many changes and new innovations to attract customers and give them more satisfaction because it is the need of new era. Satisfaction level of customer changes at every point that's why it's compulsory for the companies to bring these changes. Bringing any change in product is a challenge for the company but they have to face these challenges. Analysis of Customer satisfaction helps managers to target the right customer segments. Companies have to make strategies and development to give better satisfaction to their customers. These strategies are a tool for satisfaction and to increase market share which is a very needy thing for a company because if anyone of these strategies works it can bring a massive change in customer's satisfaction and market share. It also brings loyalty of the customer towards your product.

According to Howard and Sheth's (1996) stated that "keeping desirable to a particular product or service". Loyalty is greatly linked with different variables; one of the core fact is the practice of use. Consumers may be loyal to high switching barriers to, nominal, scientific, cost-effected or psychological facts, which make it costly or difficult for the consumers to transform. Consumers also may be loyal due to their satisfaction with the particular brand due to which they continue long term relation with that brand. But in sectors where competition lies it's difficult to satisfy customer.

Kohli & Thakor (1997) stated that brand name is the conception of a picture or the expansion of a brand character and is a luxurious and time intense process. The expansion of a brand name is very important and absolutely necessary significant element of the process while the name is the foundation of a brand's image. Brand name is essential for the firm to magnetize clients to acquire the product and manipulate replicate purchasing behavior.

Russell & Taylor (2006) stated that Product quality is explained as "fitness for use" or „capability to obligation". Customers may replicate the buying of a particular brands or shift to different brands due to the quality of the sold product. The factor which affects the texture, hand feel and other performance aspects is the material that's why material is an important facet in quality of the product. More probably, customers narrate individually to color, and can choose or refuse a product because of color. If the consumer does not like the color or the color does not attract them, they will not buy the particular product.

Clow (2010),stated that “promotion plays a vital role and is a significant element of a firm’s marketing strategy. Promotion is used to converse with customers with reverence to product contributions, and it is a technique to promote purchase or sales of a product or service”.

Shahzad khan (2011) stated that the features and characteristics of product or service that convince customer to buy express the idea of product quality. Quality expresses that how tremendous and bad the things are greatly valued.

## Research Methodology

### Objectives of the Study

1. To study the impact of the personal factors including gender and age on the customer satisfaction and brand loyalty of mobile phone users.
2. To analyze the effect of technology on brand loyalty of mobile phone users.
3. To analyze the satisfaction level of users of their current mobile phone.

### Research Hypothesis

A research hypothesis is the statement created by researchers when they speculate upon the outcome of a research or experiment.

**H<sub>01</sub>**: There is no significant impact of the gender on the effect of innovation on brand loyalty and customer satisfaction of mobile phone users.

**H<sub>02</sub>**: There is no significant impact of the age on the effect of Innovation on brand loyalty and customer satisfaction of mobile phone users.

### Data Collection Technique

The present research study is based on both primary and secondary data collected from various sources. Primary Data is collected through survey method using questionnaires designed on the basis of Likert Scale (Strongly Agree=1, Agree=2, Uncertain=3, Disagree=4, strongly Disagree=5). Hence higher the mean score of a statement, higher is the agreement of respondents with the statement under study. The secondary data was obtained through published books, magazines, national & international journals, statistical reports, text books.

### Sampling Technique

Judgment sampling method has been adopted for this study.

### Importance of the Study

This study can prove beneficial for the local and multinational brands in such a way that they will realize the importance of brand loyalty which can be possible by satisfying the customer needs and developing good repute in the market. It will increase their profitability by increasing customer life time value and enable them to capture a greater market share.

### Sample Size

Total Respondent – 150

Age/Gender	Male	Female
15-20	25	25
20-25	25	25
25-30	25	25

### Statistical Tools used for Data Analysis

The data processing in this research study has been done through SPSS package (19.0) using the statistical tools i.e., ANOVA and Mean.

## Analysis of Results

**Table 1(a): Analysis of the age on the Effect of Innovation on Brand Loyalty or Customer Satisfaction**

ANOVA			
S.No.	Statements	F	Sig.
a)	Influence by the brand	2.577	.079
b)	Influence from the price	.920	.401
c)	Influence by the performance	2.427	.092
d)	Influence from the quality	3.519	.032*
e)	Influence by the design	4.618	.011*
f)	Influence by the operating system	1.751	.177
g)	Influence by the value	1.145	.321
h)	Get used to habit	.397	.673
i)	Influence by the reputation	.581	.561
j)	Influence by the services	.883	.416
k)	You rely on the brand	1.354	.261
l)	you trust the brand	1.558	.214
m)	The mobile phone which you are using now match your needs	3.613	.029*
n)	Image of a brand can influence the buying behavior	1.562	.213
o)	You try a new operating system while purchasing mobile phone	.122	.885
p)	Your satisfaction rate with the brand of your mobile phone	2.861	.060

Source: Survey Data

\*Significance level at 5%

For analyzing the impact of age on brand loyalty and customer satisfaction level in the mobile phone users; Sixteen statements related to brand loyalty or customer satisfaction were being studied out of that statement three statements were found to be significantly affected by the

respondent as shown in Table 1(a). Therefore, the null hypothesis H01 is rejected and it means that the age has significant impact on brand loyalty or customer satisfaction in the mobile phone users.

**Table 1(b): Descriptive table showing the impact of the age on the effect of innovation on brand loyalty or customer satisfaction**

S.No.	Statement	15-20	20-25	25-30
a)	Influence from the quality	3.3333	3.9600	3.7347
b)	Influence by the design	3.3137	3.9600	3.5918
c)	The mobile phone which you are using now match your needs	3.3137	3.6600	3.0408

Table 1(b) illustrate that Age group (20-25) are highest agreement with the statements 'Influence from the quality' However, they also have highest agreement with the statement of 'Influence by the design'. On the other hand the mean score of 'The mobile phone which you are

using now match your needs' is higher for the age group (20-25) showing higher agreement with this statement. Respondents is age of 20-25 feels that the quality, designs and their need fulfill in the criteria for purchasing the mobile.

**Table 2(a): Analysis of the impact of the gender on the effect of innovation on brand loyalty or customer satisfaction**

ANOVA			
S.No.	Statements	F	Sig.
a)	Influence by the brand	38.024	.000*
b)	Influence from the price	9.429	.003*
c)	Influence by the performance	6.369	.013*
d)	Influence from the quality	9.537	.002*
e)	Influence by the design	1.607	.207
f)	Influence by the operating system	7.583	.007
g)	Influence by the value	.809	.370
h)	Get used to habit	1.717	.192
i)	Influence by the reputation	5.039	.026*
j)	Influence by the services	4.276	.040*
k)	You rely on the brand	49.866	.000*
l)	you trust the brand	18.511	.000*
m)	The mobile phone which you are using now match your needs	14.987	.000*
n)	Image of a brand can influence the buying behavior	3.177	.077
o)	You try a new operating system while purchasing mobile phone	9.473	.002*
p)	Your satisfaction rate with the brand of your mobile phone	22.846	.000*

Source: Surve Data

\*Significance level at 5%

For analyzing the impact of gender on effect of innovation on brand loyalty or customer satisfaction level in the mobile phone users; sixteen statements related to brand loyalty or customer satisfaction were being studied out of that statement twelve statement were found

to be significantly affected by the respondent as shown in Table 1(a).Therefore, the null hypothesis H01 is rejected and it means that the gender has significant impact of innovation on brand loyalty or customer satisfaction in the mobile phone users.

**Table 2(b): Descriptive table showing the impact of the gender on the effect of innovation on brand loyalty or customer satisfaction**

S.No	Statement	Male	Female
a)	Influence by the brand	2.0000	3.3200
b)	Influence from the price	2.5067	3.1067
c)	Influence by the performance	3.0800	3.5867
d)	Influence from the quality	3.3733	3.9733
e)	Influence by the reputation	3.3200	3.7467
f)	Influence by the services	3.3333	3.8000
g)	You rely on the brand	2.0267	3.4533
h)	you trust the brand	2.7867	3.5467
i)	The mobile phone which you are using now match your needs	2.9867	3.6933
j)	Image of a brand can influence the buying behavior	3.4800	3.8133
k)	You try a new operating system while purchasing mobile phone	3.2133	3.8533
l)	Your satisfaction with the brand of your mobile phone	2.8267	3.6667

Source: Data processing and analysis done through SPSS package (19.0)

Table 2(b) represent that the female mobile phone user is higher agreement with the 'Influence by the brand' therefore the mean score of 'Influence from the price' is higher in case of female mobile phone user in comparison to male mobile phone user. On the other hand the mean score of female user 'Influence by the performance' is also higher in comparison to male user which shows that female mobile users is more influence by the Brand, Performance, Price of the mobile phone. Table 2(b) illustrate that the female mobile phone user is higher agreement with the 'Influence from the quality' and also find that female mobile phone users is more influencing from the 'reputation and services' in comparison to the male mobile phone user which shows that female mobile users is more influence by the Quality of the product, Reputation of the brand in the market,

Services provided by the brand after Sales.

Table 2(b) depict that female mobile phone users is 'Rely on the brand' in comparison to the male users, therefore the mean score of female user 'you trust the brand' is higher in comparison to male mobile phone users. Most of the female mobile phone users also agreed to 'The mobile phone which you are using now matches your needs' in comparison to male mobile phone users which shows that the female mobile users are more conscious about the brand and they purchased the product which match their needs.

Table 2(b) stated that female mobile phone users are more influence by the image of the brand while purchasing the new mobile phone, therefore the female mobile phone users is Higher agreement with the 'You try a new operating system while purchasing mobile

phone' in comparison to male mobile phone users. And they also satisfied with brand of mobile phone they are using in comparison to male mobile phone users which shows that innovation affect the female mobile phone user in comparison to the male mobile phone users. There is big contradiction in the result of the present study. Generally, people think that males are more technology and innovation oriented but results shows that female are more influence by price, performance, quality, design while purchasing the mobile phone. Study also shows that the female users are more satisfied with their mobile phone they are using the reason is female is more concerned about the latest technology, design, price, and quality of the mobile phone while purchasing the mobile phone.

### Conclusion of the Study

Mobile phones are becoming an essential part of technology. For satisfying customer mobile phone makers companies have to bring new changes and features to attract customer. Doing this kind of practices companies have to bring innovation and changes according to requirement of customer. When any new product is introduced according to requirement of customer in cellular products it automatically increases the customer satisfaction. In this study the behavior of consumer is analyzed on the basis of different age group and gender. The Teenagers are more conscious about the brand and quality of mobiles as compare to the customer of another age group. On the basis of gender there is variation in the behaviour of males and females. The female customers are more influenced by the brand, price, quality,

performance etc than the males customers.

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