

The Factors Affecting Purchase Intention of a Smart Phone in Yangon, Myanmar

Khaing Wai Naing and Sirion Chaipoopirutana

Abstract—This study investigates the relationship between perceived quality, product image, consumer aspiration, emotional value, consumer uncertainty, attitude towards product and purchase intention of a smart phone. To do so a survey was conducted by distributing 400 questionnaires in 5 different shopping malls in Yangon, Myanmar. The Pearson Correlation was applied for the data analysis. The results show that there is a positive and significant relationship among perceived quality, product image, consumer aspiration, emotional value, attitude towards product and purchase intention. They also indicate that there is a negative and significant relationship between consumer uncertainty and purchase intention. Based on these results, it seems that the smart phone company needs to develop marketing strategy to increase purchase intention.

Keywords—Customer satisfaction, Food quality, Service quality, Repurchase intention.

I. INTRODUCTION

ACCORDING to Dodds and Monroe (1985), purchase intention is a behavior tendency of a customer who is intended to purchase a product. Previous studies and researches stated that purchase intention is an important indicator of actual purchase behavior. Farquhar (1989) stated that perceived quality is essential for developing a positive evaluation of a product or brand in customer's memory. Choo et al. (2012) explored that customers are more emphasized upon emotional value, such as closeness with products and involvement with products when they are making purchase decisions.

Laroche et al. (2005) investigated that product image is an important part for the evaluation of products in the emerging economies and country image of a specific product can impact the product beliefs and product evaluations of customers. Sherwood (1989) stated that an aspiration is a future goal in which a customer is willing to invest effort, time or money. Lopez-Nicolas et al., (2008) investigated that attitude is an important variable for products which are related to the technology adoption and information systems and various studies showed that customers' attitude towards the adoption of the mobile phones and their services is positively related with their intention to purchase the mobile phones and their services.

Khaing Wai Naing is with the Graduate School of Business, Assumption University of Thailand (phone: 0988409985; e-mail: khaingwai.moc@gmail.com).

Sirion Chaipoopirutana is with the Graduate School of Business, Assumption University of Thailand (e-mail: sirionc@gmail.com).

This study is about "Factors affecting purchase intention of a smart phone in Yangon, Myanmar". The researcher will focus on the population of Yangon city residents who never owned a smart phone before and willing to buy.

II. LITERATURE REVIEW

A. PERCEIVED QUALITY

Perceived quality is the evaluation of consumer's current consumption experience upon overall excellence of products (Baker and Crompton (2000)). Aaker and Gray (1982) also stated that perceived quality is the consumers' perception of the superiority or overall quality of a service or product with respect to its intended purpose. According to Zeithaml (1988), product quality refers to the customers' expectations and judgments about the performance of products.

B. EMOTIONAL VALUE

Bagozzi et al. (1999) defined that emotion is a mental statement of people that comes from cognitive judgment from the experience or thoughts. Sweeney and Soutar (2001) stated that emotional value is the feeling (such as enjoyment or pleasure) and which was provided by the products. Bain and Co (2005) and Choo et al. (2012) explored that customers are more emphasized upon emotional value, such as closeness with products and involvement with products when they are making purchase decisions.

C. CONSUMER UNCERTAINTY

Mohr (2000) stated that consumers' uncertainty can be delayed for the adoption of innovation and can also slow down the firm's performance. Mitchell and Boustani (1994) stated that uncertainty is the confusion of customer who wants to postpone purchasing of a product or abandon it, or to seek additional information of that product. Mohr (2000) stated that consumers' uncertainty can be delayed for the adoption of innovation and can also slow down the firm's performance.

D. PRODUCT IMAGE

Knight and Calantone (2000) defined that product image is the consumer's perception of stimulus cues, and which will collective in the mind of consumer. Keller (1993) also stated that product image is a perception of customers towards the products which is reflected by the experience or imagination in consumer memory. Aaker and John (1989) defined that product image is how a product is perceived by consumers and which comes into customers' memories.

E. CONSUMER ASPIRATION

Miller (1976) defined that consumers' aspiration is a hope or ambition of achieving something and the consumers' level of aspiration is a system of expectancies. Sherwood (1989) stated that an aspiration is a future goal in which a customer is willing to invest effort, time or money. The researcher also mentioned that if the value assigned towards the potential goal is greater, the aspiration of the customers will be stronger.

F. ATTITUDE TOWARDS PRODUCT

Fishbein and Ajzen (1975) mentioned that people attitude towards products is the way of people thinking, acting or feeling towards some aspect of these products. Hanna and Wozniak (2001) also explored that attitudes can be formed either the direct result of experiences from a product or throughout the information acquired from other people.

G. PURCHASE INTENTION

Kotler (2000) also mentioned that purchase intention is a common effectiveness measure and it is often used to anticipate response behavior. Dodds and Monroe (1985) also defined that purchase intention is a behavior tendency of a customer who is intended to purchase a product. Li and Biocca (2002) stated that purchase intention is a common effective measure and it is often used to foresee a response behavior.

III. RESEARCH FRAMEWORK AND METHODOLOGY

A. Research Framework

Base on previous empirical researches provided evidence. In the conceptual frame work, purchase intention, the dependent variable, is affected by six independent variables; perceived quality, emotional value, consumer uncertainty, product image, consumer aspiration and attitude towards product. The framework is shown in Fig.1. There were 9 hypotheses formulated based on the framework and they are shown as follows:

- H1: There is a significant relationship between the perceived quality and emotional value
- H2: There is a significant relationship between product image and consumer uncertainty
- H3: There is a significant relationship between product image and consumer aspiration
- H4: There is a significant relationship between perceived quality and purchase intention
- H5: There is a significant relationship between emotional value and purchase intention
- H6: There is a significant relationship between consumer uncertainty and purchase intention
- H7: There is a significant relationship between product image and purchase intention
- H8: There is a significant relationship between consumer aspiration and purchase intention
- H9: There is a significant relationship between attitude towards product and purchase intention

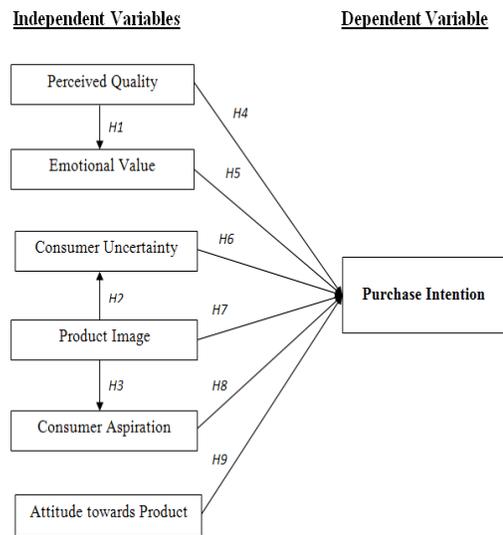


Fig. 1 The factors affecting consumer's purchase intention towards Smart Phone in Yangon, Myanmar

B. Research Methodology

The purpose of this research is to investigate the factors affecting consumer's purchase intention towards Smart phone at Yangon, Myanmar.

This paper describes six independent variables which are perceived quality, emotional value, consumer uncertainty, product image, consumer aspiration and attitude towards product and their effects toward the dependent variables, purchase intention. All 400 research questionnaires which were distributed to target population in Yangon, Myanmar. The questionnaires consisted of nine sections that represent screening question, six independent variables, the dependent variable and demographic factors. The researcher applied judgment, quota and convenience non-probability sampling. The researcher selected the descriptive research methodology instrument to evaluate each variable. This means that the outcome of the research would be described by examining the relationship between different variables.

Sampling procedure

The researcher applied the non-probability sampling method to find the sampling unit in this study. The probability sample is the process of probability sampling which is randomly chosen and non-probability sampling is the probability of a specific member of the population which is unknown information for the researcher. The sampling unit is an individual component or group of components which point to the selection of the sample. The researcher in this study applied Judgment sampling, Quota sampling and Convenience sampling to be the second and third step respectively; all details are as follows:

Step 1: Judgment Sampling

Judgment sampling or purposive sampling is non-probability technique in which an experienced individual selected the sample based upon some appropriate characteristic of the sample members. The judgmental function

expresses agreement (JA) or disagreement (JD) and it involves choosing objects/ samples that are believed will give accurate results. The researcher chose to conduct Judgment sampling on customers who never owned APPLE iPhone in Yangon Myanmar. This sampling technique is the most suitable in research in which broad population generalizations are not required.

Step 2: Quota Sampling

Quota sampling is a non-probability sampling method and which is used in representing the subgroups of population. Quota sampling should be ensured that the various subgroups in a population are presented on pertinent sample characteristics and each category is included proportionately in the sample. In this research, the researcher selected the most crowded five shopping centers in Yangon, Myanmar for the collection of primary data.

Step 3: Convenience Sampling

Convenience sampling is the sampling method used to gather information from people who are most conveniently

available and it also called accidental or haphazard sampling. Convenience samples are often used in exploratory and descriptive research where time and money are critical constraints. Convenience sampling is beneficial to obtain a large number of completed questionnaires quickly and economically. Therefore, most of the researchers generally use convenience sampling to obtain a large number of completed questionnaires quickly and economically.

IV. RESEARCH AND FINDINGS

The hypotheses testing, is supported by the conceptual framework. There are a total of nine hypotheses which were tested in this research. Based on the research objectives, Pearson's Correlation analysis was used in this study. After analyzing the hypotheses, all the null hypotheses were rejected. The results are summarized as follows:

TABLE I
SUMMARY OF HYPOTHESES TESTING

Hypothesis	Statistical Test	Significant Value	Correlation Coefficient	Result
H1 _a : There was a significant relationship between the perceived quality and emotional value	Pearson's Correlation	0.000	0.647**	Reject H ₀
H2 _a : There was a significant relationship between product image and consumer uncertainty	Pearson's Correlation	0.000	-0.181**	Reject H ₀
H3 _a : There was a significant relationship between product image and consumer aspiration	Pearson's Correlation	0.000	0.639**	Reject H ₀
H4 _a : There was a significant relationship between perceived quality and purchase intention	Pearson's Correlation	0.000	0.466**	Reject H ₀
H5 _a : There was a significant relationship between emotional value and purchase intention	Pearson's Correlation	0.000	0.556**	Reject H ₀
H6 _a : There was a significant relationship between consumer uncertainty and purchase intention	Pearson's Correlation	0.000	-0.185**	Reject H ₀
H7 _a : There was a significant relationship between product image and purchase intention	Pearson's Correlation	0.000	0.538**	Reject H ₀
H8 _a : There was a significant relationship between consumer aspiration and purchase intention	Pearson's Correlation	0.000	0.699**	Reject H ₀
H9 _a : There was a significant relationship between attitude towards product and purchase intention	Pearson's Correlation	0.000	0.657**	Reject H ₀

V. SUMMARY AND CONCLUSION

The researcher concentrated on the perceived quality, emotional value, consumer uncertainty, product image, consumer aspiration and attitude towards product for determining the purchase intention based on the data analysis. Accordingly, the majorities of all respondents were female, single, aged between 26 to 35 years old, with a monthly income of between 200,001 - 400,000 kyats and were bachelor degree owned person. For hypothesis testing, the data had been analyzed by using SPSS (statistical package of social science) to test the hypotheses and find the results for this research.

The researcher investigated that within the (9) hypotheses, (4) hypotheses (H₁, H₃, H₈ and H₉) have strong positive relationship between each variable and which means that there

is a strong positive relationship between perceived quality and emotional value, product image and consumer aspiration, consumer aspiration and purchase intention, and attitude towards product and purchase intention. The researcher also explored that the other (3) hypotheses (H₄, H₅ and H₇) have moderated positive relationship between each other and which means that there is a moderated positive relationship between perceive quality and purchase intention, emotional value and purchase intention, and product image and purchase intention. Finally, the researcher discovered that the last (2) hypotheses (H₂ and H₆) have very weak negative relationship between each variable and which means that there is a very weak negative relationship between product image and consumer uncertainty, and consumer uncertainty and purchase intention.

VI. RECOMMENDATIONS

According to the data analysis of this study, the result can help marketers not only to understand the Myanmar consumer's purchasing behavior towards APPLE iPhone but also to gain more competitive advantages. Regarding to the research findings, the answers from the questionnaires of this research paper and based on the researcher's observation, the researcher would like to make some suggestion as follows;

According to the result of hypothesis one, there is a strong positive relationship between perceived quality and emotional value. The result indicated that if the perceived quality of the product is high, the emotional value of the customers towards that product also will be high. The researcher would like to suggest that this company should focus on the customers' perception and improve the quality of product and which can yield the positive emotional value of that product.

According to the result of hypothesis two, there is a very weak negative relationship between product image and consumer uncertainty. The result would imply that, the positive product image can play a significant role for reducing consumer uncertainty. Highlighting the product image can contribute for alleviating the consumer uncertainty of that product.

According to the result of hypothesis three, there is a strong positive relationship between product image and consumer aspiration. This finding described that if the image of the product is high, the consumer's aspiration towards the products will also be high. Promoting the product image is a tactical measure and that can give favorable opportunities for high technology products firms in emerging countries and which can increase the aspiration of those countries people.

According to the result of hypothesis four, there is a moderate positive relationship between perceived quality and purchase intention. It is indicated that if the perceived quality of the product is high, the purchase intention of that product will also be high. Maximizing perceived quality can increase the purchase intention of the products because perceived quality seems to be one of the most important factors for consumers' selection processes.

According to the result of hypothesis five, there is a moderate positive relationship between emotional value and purchase intention. It is pointed out that if the customers' emotional value towards the products is positive or high, the purchase intention of that product also high. Emotional value is the critical factor for Generation Y customers when making choices among products.

According to the result of hypothesis six, there is a very weak negative relationship between consumer uncertainty and purchase intention. The result illustrated that if the consumers' uncertainty towards the product is low, the purchase intention of product will be high. Reducing consumer uncertainty can increase the purchase intention of the products. For the high technology products, managing consumer uncertainty can contribute in stimulating consumer purchase intention and which can ultimately boosting the companies' sales.

According to the result of hypothesis seven, there is a moderate positive relationship between product image and purchase intention. This result demonstrated that if the image of the product is high, purchase intention will also be high. Product image plays a crucial role for the purchase decision of high technology products; therefore, companies should know how to benefit from these two concepts for the marketing and internationalization of their products.

According to the result of hypotheses eight, there is a strong positive relationship between consumer aspiration and purchase intention. The finding described that if the aspiration of the customer's towards the product is high, the purchase intention of the product will also high. Tracking changes in consumer's risk aversion and aspiration is a necessary factor for the penetration of foreign products in the emerging market.

According to the result of hypothesis nine, there is a strong positive relationship between attitude towards product and purchase intention. The result is indicated that if the attitude towards the product is high, purchase intention will also high. High level of consumers' attitude towards products plays a crucial role for the antecedent of future purchase intention.

VII. FURTHER RESEARCH

Further studies could be carried out to compare purchase intention of smart phone between two brands such as APPLE iPhone vs Samsung. This research focused on the APPLE iPhone only. Further studies could be conducted for other smart phone brands such as Samsung, Nokia, Huawei etc. The researcher focused only upon the (7) variables in this study according to the limited timeframe and the cost. Further studies could focus on other variables; such as brand loyalty, brand awareness, brand association; price consciousness, price quality inference, risk averseness, country image, country of origin image. Further studies should use the qualitative method to get a much deeper inside understanding and to explore the causal relationship among variables by using other research techniques such as observation, in-depth interviews and focus group. This study is conducted at Yangon, Myanmar and it can represent only the purchase intention of customers who lived at Yangon. Further research could be conducted in other cities of Myanmar, such as Mandalay, Nay Pyi Taw etc.

ACKNOWLEDGMENT

First of all, I would like to express my deepest gratitude to my thesis advisor, Dr Sirion Chaipoopirutana, for her constant support, guidance, patience, encouragement and constructive criticisms. She assisted me throughout the process, patiently editing up to the completion of this research. I extend my very special thanks to all my friends who have given me constant encouragement and various assistances throughout my thesis without any hesitation. Ultimately, it is very important to acknowledge my family for their constant encouragement, support, love and understanding which have helped and energized me persist for the completion and made me realize my dream.

REFERENCES

- [1] Aaker, D.A., and Gray, J. S. (1982). Positioning Your Product. *Business Horizons*, May-June, 1982
- [2] Aaker, D.A., and John, G. M. (1989). Image and Competitive Position. *Advertising Management*, Prentice-Hall of India Pve. Ltd., 124-154
- [3] Bain & Co. (2005), *The new rules of luxury*, *Financial Times*, 18 May, available at: www.bain.com/publications/articles/the-new-rules-of-luxury.aspx (accessed 10th July, 2009).
- [4] Baker, D. A., and Crompton, J. L. (2000). Quality satisfaction and behavioral intentions. *Annals of Tourism Research*, 27(3), 785-804
[http://dx.doi.org/10.1016/S0160-7383\(99\)00108-5](http://dx.doi.org/10.1016/S0160-7383(99)00108-5)
- [5] Choo, H. J., Moon, H., Kim, H., and Yoon, N. (2012). Luxury customer value. *Journal of Fashion Marketing and Management*, 16(1), 81-101
<http://dx.doi.org/10.1108/13612021211203041>
- [6] Dodds, W., and Monroe, K. B. (1985). The effect of brand and price information on subjective product evaluations. *Advance in Consumer Research*, Vol.2, E.C. Hirschman and M.B Holbrook, eds. Provo, UT: Association for Consumer Research, 85-90
- [7] Farquhar, P. H. (1989). Managing Brand Equity, *Marketing Research*, Vol.1, September, 24-33
- [8] Fishbein, M., and Ajzen, I. (1975), *Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research*, Addison-Wesley, Reading, MA, 420-438
- [9] Hanna, N., and Wozniak, R. (2001). *Consumer Behavior*, New Jersey: Prentice-Hall
- [10] Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity, *Journal of Marketing*, Vol. 57, January, 1-22
<http://dx.doi.org/10.2307/1252054>
- [11] Knight, G. A. and Calantone, R. J. (2000). A flexible model of consumer country-of-origin perceptions. *International Marketing Review*, 17(2), 127-145
<http://dx.doi.org/10.1108/02651330010322615>
- [12] Kotler, P. (2000). *Marketing Management: The millennium Edition*, New Jersey: Prentice Hall International Inc
- [13] Laroche, M., Papadopoulos, N., Heslop, L. A., and Mourali, M. (2005). The influence of country image structure on consumer evaluations of foreign products. *International Marketing Review*, 22(1), 96-115
<http://dx.doi.org/10.1108/02651330510581190>
- [14] Li, H. D. T., and Biocca, F. (2002). Impact of 3-D advertising on product knowledge, brand attitude, and purchase intention: The mediating role of presence, *Journal of Advertising*, 31(3), 43-57
<http://dx.doi.org/10.1080/00913367.2002.10673675>
- [15] López-Nicolás, C., Molina-Castillo, F. J., and Bouwman, H. (2008). An assessment of advanced mobile services acceptance : Contribution from TAM and diffusion theory models. *Information and Management*, 45(6), 359-364
<http://dx.doi.org/10.1016/j.im.2008.05.001>
- [16] Miller, J. A. (1976). Store satisfaction and aspiration theory: a conceptual basis for studying consumer discontent. *Journal of Retailing*, 52(3), 65-84
- [17] Mitchell, V. W., and Boustani, P. (1994). A preliminary investigation into re- and post-purchase risk perception and reduction. *European Journal of Marketing*, 28(1), 56-71
<http://dx.doi.org/10.1108/03090569410049181>
- [18] Mohr, J. (2000). The marketing of high-technology products and services: implications for curriculum content and design. *Journal of Marketing Education*, 22(3), 246-59
<http://dx.doi.org/10.1177/0273475300223008>
- [19] Sherwood, R. A. (1989). A Conceptual Framework for the Study of Aspirations. *Research in Rural Education*, 6(2)
- [20] Sweeney, J. C. and Soutar, G. N. (2001). Consumer perceived value: the development of a multiple item scale, *Journal of Retailing*, 77(2), 203-220
[http://dx.doi.org/10.1016/S0022-4359\(01\)00041-0](http://dx.doi.org/10.1016/S0022-4359(01)00041-0)
- [21] Zeithaml, V. A. (1988). Consumer perceptions of price, quality and value: A means-end model and synthesis of evidence, *Journal of Marketing*, 52(3), 2-22
<http://dx.doi.org/10.2307/1251446>