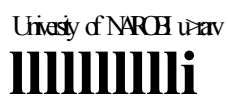


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FACTORS THAT INFLUENCE CONSUMER PURCHASING DECISIONS:
THE CASE OF MOBILE PHONE CONSUMERS IN WESTLANDS AREA-
NAIROBI

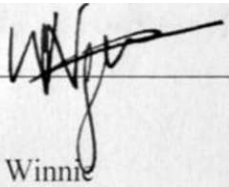
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A MANAGEMENT PROJECT SUBMITTED IN PARTIAL FULFILMENT OF
THE REQUIREMENTS OF THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION (MBA), SCHOOL OF BUSINESS, UNIVERSITY OF
NAIROBI



DECLARATION

This project is my original work and has not been submitted for a degree in any other University.

Signed: 
Njeru Gacugu Winnie

Date: 1st July 2007

This project has been submitted for examination with my approval as the University supervisor.

Signed:

T.M Mutugu
Senior Lecturer

Department of Business Administration

Date: 2007/07/01

DEDICATION

This study is fully dedicated to my loving daughter Ivy and my caring parents Jesse and Brace. You are a true source of inspiration and challenge.

ACKNOWLEDGEMENT

My special thanks go to my supervisor Mr. T.M Mutugu, for his valuable and insightful contribution, guidance and patience that has enriched the results of this study. His vast knowledge and uncompromising perspective to quality and details served to ensure a study free of undue errors and omissions on both scope and content. I am grateful to all the lecturers of the Faculty of Commerce for diligently imparting their knowledge during the programme.

To my friends, colleagues and to others whose efforts and contributions now escape my memory I offer my sincere thanks.

My overriding debt continues to be my parents Jesse and Brace for your unwavering support and inspiration. I also extend my thanks to my brothers and sisters together with their families for your prayers and support.

Special thanks to my daughter Ivy for your inspiration to go on.

To the Almighty God, I say Thank you for your grace and mercy.

ABSTRACT

This study was conducted to achieve the following objective: the marketing, technological and other factors that consumers consider when purchasing mobile phones. To achieve this objective, a sample of 200 respondents from the following shopping malls was picked (Westgate, Sarit Centre, Ukay Centre and The mall. A structured questionnaire with open ended, closed and likert-matrix questions was administered to the sample units.

The total sample of 200 respondents was drawn from the shopping mall and randomly selected during the weekends as this is when the shopping malls are busy. Face to face interviews were conducted to the walk in shoppers. The drop and pick method was used to the shop tenant respondents.

Data collected was analyzed using means, percentages, modes, graphs and frequency distribution to represent the findings.

The study achieved the objectives and based on the findings, the following conclusions were drawn:

Consumers take into consideration various aspects when purchasing mobile phones. These include the marketing aspects such as price, place, promotion and product and technical aspects such as the network capability for the regular travelers, operating systems, phone accessories for convenience and extra services such as the GPRS connectivity, the USB/ Bluetooth, infrared and ergonomics.

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LIST OF ABBREVIATIONS

GPRS	General Packet Radio Service
EDGE	Enhanced Data GSM Evolution
PDA	Personal Digital Assistants
GSM	Global System for Mobile Communications
CDMA	Code Division Multiple Access
MMS	Multimedia Messaging Service
SPSS	Statistical package for Social Sciences
SMS	Short Message Service

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

Although mobile phones have become a fundamental part of personal communication across the globe during the past ten years, consumer research has devoted little attention to motives and choice underlying the mobile phone buying decision process and use of mobile phone services. There are numerous complex factors that need to be taken into account when exploring consumer buying decision process, including both macro and microeconomic conditions that affect the evolution of mobile phone market in general and individual consumer's motives and decision making in particular. Moreover, it is important to distinguish between buying behavior referring to the choice between different mobile phone models and brands and change aspects referring to reasons that affect change. As the mobile phone market is a typical technology push driven market where products are created ahead of the recognition of existing recognized consumer needs, mobile phone development is based on consumers' possible future needs and thus companies that best hunch the technologies and services of future will be the leaders in the discipline (Gerstheimer and Lupp, 2004).

The telecommunications sector has been struggling over the past years, not only due to high prices companies paid for licenses but also due to the global economic downturn. Although the mobile phone handset market is growing five to ten percent per year and operator subscriber bases are growing, average revenue per user (ARPU) is falling and price competition is heating up (Hansen, 2003). We are currently experiencing a shift from the second generation (2G) to the third generation (3G) mobile phones, which is expected to change the way people use their mobile phones. The rise of the 3G network and its consumer acceptance is said to be one of the toughest marketing challenges in recent history. The success of 3G depends primary on how the real benefits of the technology are marketed to consumers on one hand and on pricing policy of the services on the other (Benady, 2002). If we look beyond the hype around 3G, it is obvious that we are not experiencing a revolution in mobile phone markets, rather an evolution where consumers are able to do the same things they could with 2G and 2.5G, for example GPRS and EDGE technology, but only better and faster in terms of download times (Drucker,

2004; Sehovic, 2004). The mobile phone industry is currently using many standards for example, Japanese PDC, European GSM, and American CDMA, which has made it difficult for users traveling to utilize their phones extensively.

The development of mobile phones is leading the market into a situation where the basic need, communication, is actually broadened to new means of interaction and personal digital assistance leading to dramatic changing life-style. In fact, mobile phone evolution will eventually lead to the convergence of mobile phones and digital personal assistants (PDAs). Thus, communication is not the only need mobile phones fulfill (Karjaluo et al.). Beyond voice, three main trends shaping the so-called mobile culture have been identified: (1) communication services such as voice, text and pictures, (2) wireless Internet services such as browsing, corporate access and e-mail, and (3) different media services such as motion pictures, games and music (I lansen, 2003).

For example, telecommunication companies promote new services such as multimedia messaging service (MMS) as a new way of enhancing one-to-one and one-to-many communicating-

Mobile phone development has been rapid and new models are introduced to the markets almost on a weekly basis. Especially 3rd Generation networks and smart phones are expected to affect the evolution of the mobile phone market in the near future (Slawsby, Leibovitch and Giusto, 2003). However, at present the majority of new mobile phones purchased are low-cost handsets without the latest technological features.

The sales of built-in camera phones have contributed to an increase in mobile data usage and also enhanced device sales (O'Keefe, 2004). Research institutes forecast that step by step properties like built-in cameras and calendar will become a standard inclusion within mobile phones (Slawsby and Chute, 2003). In terms of technology, the mobile multimedia market remained in its infancy during 2004, but companies and analytics expect that the demand will continue to develop for mobile imaging, games, music and other media services as users become more aware and familiar with the services and their different purposes of use (Gartner Dataquest, 2004; Nokia, 2004; Strategy Analytics, 2003). The basic need to acquire a mobile phone has expanded from communication to gaining Internet access as the internet finally finds

its way to mobile communication. This in turn has brought mobile phones one step closer to personal computers.

The primary objective of this paper is to examine that factors consumer consider when purchasing mobile phone devices, These include the marketing mix strategies that firms use that consist of the product itself for example the packaging, size, warranties, mass media advertising, direct marketing, personal selling, and other promotional efforts to move the product from the shelf to the end user.

Although consumer motives underlying mobile phone acquisition are something one could call general knowledge, relatively little is known on the buying decision making process in relation to new mobile phone models with different properties for example, smart phones allowing users to communicate in new ways.

1.2 Global landscape

All round the world, cell phone sales have exceeded the expectations. In fact for the mature markets, including the United States, Western Europe and Japan, replacement sales were the strongest drivers of growth in 2003. Color screens and camera phone were high on consumers shopping list, but there was also a high level of demand for inexpensive voice centric handsets. In emerging markets like China, India, Russia and Brazil, the sale was due to availability of low priced handsets and aggressive strategies by service providers to win subscribers.

On the basis of early positive indicators during the first quarter of 2004 in the global mobile handset market, Garter, the research firm forecasted mobile phone sales to 560 million for year 2004. In 2002, worldwide mobile phone sales totaled to 520 million units, an increase of 20.5% over previous years. In the developing nations, are home to nearly 60 percent of the world's mobile users. In African countries alone, according to the Communications Commission of Kenya, mobile phone usage has grown an average of 65 percent a year for the past five years, twice the growth rate in Asian countries.

1.3 The Mobile Telephony industry in Kenya

In Kenya today, a mobile phone isn't just a rich man's fashion accessory as was the case in the 1990's. The mobile phone has transformed the way millions of people do business and live in a country where even landlines were a luxury barely a decade ago. Across the country, people with low income are now adopting the mobile phone as a tool for enhancing business and mode of communication. Mobile phones were introduced in Kenya about 10 years ago. Then, barely one in 10 homes had a working landline and public pay phones were few. Kenya has now emerged as the second largest-market after South Africa. The country has over 8 million mobile subscribers as of early 2007, up from only 15,000 in 1999. The mobile subscriber base increased by 36.5 per cent to reach 5.3 million in 2005 (Economic Survey; 2007). This increased growth on subscriber's base can be attributed to the service providers amongst other players in the industry, importing cheap cell phone coupled by reduction in price calling rates and a shift in consumer purchase and consumption behavior.

1.4 Statement of the Research problem

Although it is evident that the large players in the telecommunications industry constantly conduct consumer market research and consumer purchasing behavior, the problem is that the results obtained are usually kept inside company walls and therefore consumer behavior in the mobile phone industry has remained an unexamined category in academic literature.

Consumers are constantly making purchase decisions on a daily basis; sometimes they are not consciously aware of how and why they made the decision. Consumers have also been viewed differently by different people and the influence of emotions on consumer choice and preference during the decision making process may be ignored (Schiffman, and Kanuk,2000). By evaluating the consumer decision making process, the telecommunication industry players can have an insight on how to position their products in such a way that the consumers can select their products. In short, this study aims at finding the factors that are considered when selecting a mobile phone device. These factors are both marketing related and phone feature related.

1.5 Objective of the study

The objective of this study is to:

Identify the marketing and technical factors that influence consumers when purchasing mobile phone devices.

1.6. Importance of the study

This study will be useful to:

Management of the mobile telephone service providers and telecommunication companies , will understand some of the factors consumers consider when purchasing mobile phones and therefore position their products in such a manner that their decision making strategies leads the consumers to select their products.

Scholars - the research will assist any scholars who may have an interest in developing the findings further or as a source of reference.

The Government - Having declared its interest in poverty eradication and taking the responsibility of being a facilitator but not an implementer, the study will shed some light on the positive role of the mobile phone services and may consider reducing taxes on mobile phones to enable more Kenyans to own mobile phones and access the services.

CHAPTER TWO

2.0 LITERATURE REVIEW

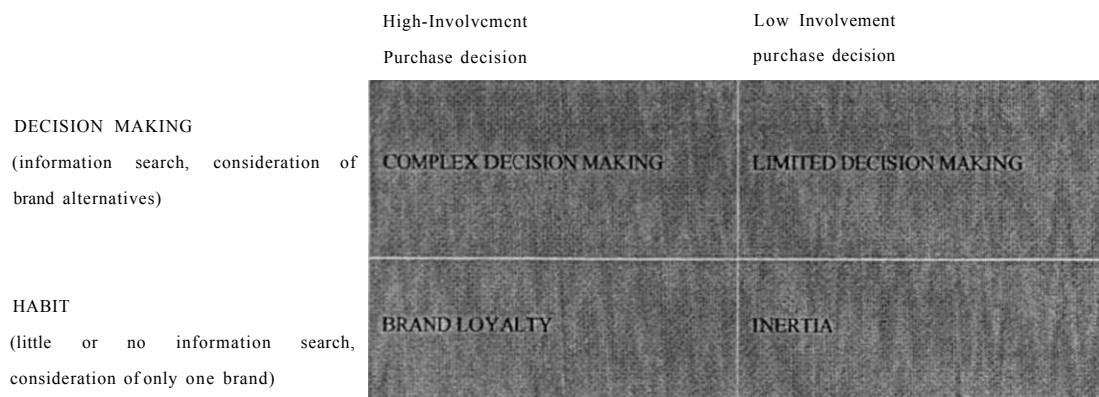
2.1 INTRODUCTION

The time we are living in, is perhaps one of the most fascinating times to study mobile phone purchasing motives and perceptions of mobile phone services. Although quite many instances have challenged the need for new mobile services, the current trend in the mobile phone industry is that we are experiencing a paradigm shift from second generation mobile phones to third generation (Bradner, 2002; Wagstaff, 2002). This means that a mobile phone will not only be a device used for verbal communication but one that allows consumers a variety of new different services such as Internet access, web browsing and multimedia messaging service (MMS).

2.2 Types of Consumer buying decisions

The process by which consumers make purchasing decisions must be understood in order to develop strategic applications. Consumer decision is not a single process (Asael, 1998). It involves the extent of decision making and the degree of involvement in the purchase process as illustrated in the figure below.

Figure 1: Consumer decision making



Source: Assael, H; Consumer Behavior and Marketing Action (1998)

The degree of involvement refers to how extensive the problem solving behavior becomes. The level of involvement is roughly equivalent to "personal relevance;" the more personally relevant a product or purchase is, the more involved the purchaser is with it. As involvement with a particular purchase rises, so too does the consumer willingness to expend time, resources and effort on such activities as search and alternative evaluation.

High- involvement purchases are those important to the consumer. Such purchases are closely tied to the consumer's ego, self-image and involve some financial, social or personal risk (Assael,1998). This requires the consumers' time and energy in evaluating product alternatives. Low -involvement purchases do not require the consumers' time and effort to search for information about the available brands and alternatives. Financial, social or personal risks are not as great as the high-involvement purchases.

Complex decision making, where consumer involvement is high and decision making occurs, for example, new automobile, home computer, an expensive mobile phone, consumers will search for information and process it in more detail to evaluate and consider alternative brands by considering the economy, durability and the service that the particular product will provide. Consumers go through a decision making process purchase for low-involvement condition, even though they are not highly involved because they don't have past experience with the particular product. Information search is limited and few brands are evaluated. Under the low-involvement, there is no decision making, meaning the consumer is buying the same brand, not because of brand loyalty but because it is not worth the time and trouble to search alternatives. (Assael, 1998).

2.3 The Consumer decision making model

Consumer choice behavior can be studied through the classical five-step (need-information search-evaluation of alternatives-purchase-post-purchase evaluation) problem solving paradigm or through the progression of consumer choice from a product class to brand choice (Dorsch, Grove, and Darden, 2000). The five-step model is usually suitable for decision making that assumes rational problem solving behavior and, in most cases, complex decision making.

The acquisition of a new mobile phone follows this traditional view of buying process, but is in many situations also affected by symbolic values related to brands. (Karjaluoto et al.). Consumer choice behavior has some important prevailing conditions that must be taken into account while studying choice. In the light of the classical problem solving buying behavior, consumers engage in information search before making the actual choice. Consumer decision making process is usually guided by already formed preferences for a particular alternative. This means that consumers are likely to make the choice between alternatives based on limited information search activity (Beatty and Smith, 1987; Moorthy, Ratchford and Talukdar, 1997) and without detailed evaluation of the other alternatives (Alba and Hutchinson, 2000; Chemev, 2003; Coupey, Irwin and Payne, 1998; Slovic, 1995). In close relation to information search, evaluation of alternatives has also gained a momentum in recent research (Laroche, Kim and Matsui, 2003). Their study on consumer's use of five heuristics (conjunctive, disjunctive, lexicographic, linear additive, and geometric compensatory) in the consideration set formation found that conjunctive heuristics is the most often used decision model in the consideration set formation for two product classes in the study (beer brands and fast food outlets). Conjunctive heuristics means that a consumer selects a brand only if it meets acceptable standards, the so-called cutoff point on each key attribute consumer regards as important (Assael, 1995, Solomon, 2001,). In this non-compensatory method of evaluation, a consumer would eliminate a brand that does not fulfill the standards on one or two of the most important attributes, even if it is positive on all other attributes.

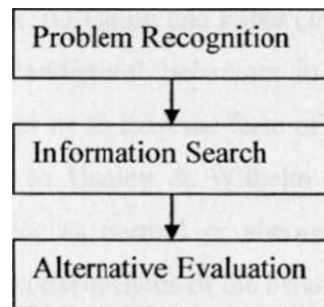
Consumer choice ranges from choice oriented referring to a decision on which alternative to purchase from a set of alternatives, whether or not to purchase, or whether to purchase now or later to value oriented choice (Shuv and Huber, 2000).

It is widely accepted that the traditional problem solving approach involving rational decision making to the study of consumer choice may not be suitable for all situations, or is at least incomplete to understand choice behavior. Limited information search and evaluation of alternatives leads to a situation in which consumer choice is also driven by hedonic considerations (Dhar and Wertenbroch, 2000). In general, a common distinction to be made is that while the utilitarian goods usually are primary instrumental and functional, hedonic goods provide fun, pleasure and excitement. It has been noted that many choices have both utilitarian

and hedonic features and thus it can also be proposed that the choice between mobile phones has both utilitarian (communication, time planning) and hedonic (games, camera) features (Batra and Ahtola, 1990). The younger the consumer the more hedonistic features consumers tend to value in mobile phones (Wilska, 2003).

Quite similarly, consumer choice can also be approached from the perspective of conscious and non-conscious choice (Fitzsimons et al., 2002). Many choice situations occur outside of conscious awareness and with limited information search and it can be stated that many choices have both conscious and non-conscious motives (Kivetz and Simonson, 2000). Fitzsimons et al. (2002) found that in many cases non-conscious influences affect choice much more than is traditionally believed by researchers.

Figure 2: Model of consumer decision making



Purchase

Post Purchase Process

Source: Engel, et al, 1968

2.4 Types consumer buying behavior

This will focus on six types of behaviors as a contributing factors namely habitual, addictive, mandatory, voluntary, dependent, and compulsive behavior. The research thus will focuses on these but that does not imply an exclusion of other behavior types.

Addictive behavior

Addictive behavior usually falls in the realm of abnormal behavior. It is frequently defined as any activity, substance, object, or behavior that has become the major focus of a person's life to the exclusion of other activities, or that has begun to harm the individual or others physically, mentally, or socially (Hanley and Wilhelm, 1992).

Addictive behavior is frequently mentioned in marketing and customer consumption research, and developed a model of addictive behavior including four main elements: 1) a sudden and spontaneous desire to act; 2) a state of psychological disequilibrium; 3) the onset of psychological conflict representing an inner battle of thoughts; 4) a lack of regard or denial for consequences of the behavior. (O'Quinn and Faber (1989)

Some questioned whether "addictive" behaviors in sports and work should be labeled as abnormal behaviors, but rather as an extreme form of normal behaviors (Schiffman and Kanuk, 2000). However, according to Hanley & Wilhelm (1992), the difference between viewing apparently addictive behavior as normal or abnormal behavior, lies in the motivation for engaging in the activity and consequences of the behavior.

Addictive behaviors in general are often rooted in low self-esteem and feelings of powerlessness (Maslow, 1943; O'Guinn & Faber, 1989; Hanley and Wilhelm, 1992) and the behavior is a way of improving/relieving that (O'Guinn & Faber, 1989).

Compulsive behavior

O'Guinn and Faber (1989) stated that "most compulsive behavior, especially compulsive buying was first identified and described as chronic, repetitive, behavior that becomes a primary response to negative events or feelings". Such compulsive behavior is typically very difficult to stop and ultimately results in harmful consequences. These consequences are not only economic but also psychological and societal (O'Guinn & Faber, 1989).

Compulsive behavior is frequently defined as an impulse disorder; the inability to restrain an impulse (Hanley & Wilhelm, 1992; O'Guinn & Faber, 1989; Faber & O'Guinn, 1992). In order to distinguish between non-compulsive behavior and compulsive behavior, Rook and Hoch (1985) developed a model of compulsive behavior including five elements: 1) a sudden and spontaneous desire to act; 2) a state of psychological disequilibrium; 3) the onset of psychological conflict representing an inner battle of thoughts; 4) a reduction in rational evaluation of product attributes; and 5) a lack of regard or denial for consequences of the behavior.

Compulsive behavior and addictive behavior are usually studied in parallel. However, they are different. Compulsive behavior is an irrational need to perform some action, often despite negative consequences, and it is usually periodic (Rook, 1987). Although addictive behavior shares similarities with compulsive behavior, unlike the periodic characteristic, addictive behavior tends to be a continuing pattern (Rook, 1987).

People often behave compulsively to relieve stress. Additionally, the motivation for compulsive behavior appears to come more from trying to attain interpersonal and self-esteem goals (O'Guinn & Faber, 1989), and if those efforts are initially successful, the behavior is reinforced. (Hanley & Wilhelm, 1992).

Dependent behavior

Dependent behavior is often defined as laying on the same a continuum of physical and psychological attachments as addiction (Li & Chung, 2004). However, a number of researchers disagree with such definition. They believe that dependent behavior is different from addiction. Dependent behavior is often motivated by the attached importance and social norm (Becker &

Murphy, 1988). Therefore, addiction is not the deep-rooted reason of mobile phone usage, but the attached importance of communication and social norm.

Habitual behavior

Many behaviors that people perform regularly can be characterized as habits (Biel, Dahlstrand & Grankvist, 2005). They are performed with little mental awareness. Habits are initiated by a goal or something the person wishes to achieve, and by cues in the environment (Biel et al., 2005). The cues send signals to an established habit which corresponds to behavior in a given situation and will help one to attain the goal.

Many everyday activities are performed more or less automatically or unconsciously (Albanese, 1993). Habituation is unconscious stimulus specific. The habitual behavior could have originally been motivated by the same sorts of motivations as voluntary behavior - based on attitudes and social norms. In fact, social norms are able to affect a wide variety of human behavior, especially routinized human activities (Lester, 1990).

Voluntary behavior

Unlike habitual and addictive behavior, voluntary behavior is reasoned behavior which is driven by specific motivations. Moreover, such behavior is attached to positive impacts (Kang, Lee, Lee & Choi, 2007). This behavior is essential in generating intended information benefits and social benefits such as strong interpersonal ties and a sense of belonging (Kang et al., 2007).

According to Ampt (2003), social and personal benefits are the main motivators for voluntary behavior. He found that people tend to conduct voluntary behavior when it suits their lifestyle and core values.

Mandatory behavior

Mandatory behavior is defined as behavior needing to be done, followed, or complied with, usually because of being officially required or being parentally mandated. In terms of motivation, mandatory behavior is usually driven or prompted by environmental consequences (Aoki & Downes, 2003).

2.5 Factors that influence purchase of a mobile phone

Initially used simply to communicate, mobile phones currently perform multiple roles (Garcia-Montes et al., 2006). The mobile phone is no longer a phone linked to a space but rather a phone linked exclusively to an individual (Aoki & Downes, 2003). The following sections describe the range of motivations of mobile phone usage.

Mobile phone choice and usage

Liu (2002), studied factors affecting the brand decision in the mobile phone industry in Asia and found that the choice of a mobile phone is characterized by two distinct attitudes to brands: attitudes towards the mobile phone brand on one hand and attitudes towards the network provider on the other. While price and regularity of service were found to dominate choices between network providers, choices between mobile phone brands were affected by new technology features such as memory capacity and SMS-options, more than size. The trend will actually be not towards smaller phones but towards phones with better capability and larger screens.

Riquelme (2001), in another study conducted an experiment with 94 consumers to identify the amount of self-knowledge consumers have when choosing between mobile phone brands. The study was built upon six key attributes (telephone features, connection fee, access cost, mobile-to-mobile phone rates, call rates and free calls) related to mobile phone purchasing respondents had to importance rate. The research shows that consumers with prior experience about a product can predict their choices relatively well but customers tended to overestimate the importance of features, call rates and free calls and underestimate the importance of a monthly access fee, mobile-to-mobile phones rates and the connection fee.

According to a report by In-Stat/MDR (2002) research institute, color displays are now driving consumers into stores to purchase new mobile phones and related devices such as PDAs. The finding that color display is considered more important choice criteria for consumers than for example higher data rates or new features, is quite interesting owing to the fact that other studies reviewed have not mentioned the importance of color display

The report also indicates that there is real demand for color display handsets and by the year 2008 it is expected that all mobile phones and PDAs will be equipped with a color display. The diffusion has started from Asian countries where for example, in Japan over million handsets with color displays are sold every year. The diffusion speed is said to depend primary on manufacturing costs: at present manufacturing a black-and-white display is much cheaper compared to color display with the manufacturing costs being \$7- 12 and \$56-72, respectively. (In-Stat/MDR (2002).

Mobile phone bang

In Kenya today, a cell phone isn't just a rich man's fashion accessory. It's transforming the way millions of people do business in a country where even landlines were a luxury barely a decade ago. Across the country people with low incomes are now adopting cellular phones as tools for enhancing their business. According to Oxford English Dictionary one of the earliest uses of word 'mobile' was in association with the Latin phrase 'mobile vulgus', i.e. Excitable crowd.

Today's mobile phones live up to these origins. Cell phone technology introduces new senses of speed and connectivity to social life. If the fixed line telephone has brought communication links into the workplace and homes, the 'mobile' puts them straight into the hands of unprecedented numbers and varieties of individuals.

Social interaction

Even though many participants in studies acknowledge that they did not get their mobile phones initially for the purpose of social interaction, the phones became part of their lives, often used for staying in touch with their friends and families (Aoki & Downes, 2003). Text messages have often viewed as "gifts" (Taylor & Harper, 2003).

Dependency

As people start using a mobile phone regularly, it becomes part of their lives to such an extent that they feel lost without it. It becomes a necessity of their lives which accompanies them everywhere (Aoki & Downes, 2003). It is their main means of contact with others (Davie, Panting & Charlton, 2004). They feel disconnected if they do not have their mobile phone with them and tend to leave it on all the time (Blenford, 2006).

Image/Identity

Like other accessories, mobile phones are seen, at least by some, as bestowing status or confirming group identity (Taylor & Harper, 2003). In this regard Wilska (2003) saw the mobile phone and its usage as being "addictive", "trendy" and "impulsive" Various optional additions help owners personalize their mobile phones, express their identity and reaffirm their belonging to a particular group of friends (Leung & Wei, 2000).

Safety

A reason frequently mentioned for purchasing a mobile phone is its use in emergencies, where immediate contact with another party, such as family or emergency services, is vital (Davie, Panting & Charlton, 2004). Some people can be labeled as "security/safety conscious", and having a mobile phone makes them feel safer (Wilska, 2003).

Job-related

Leung and Wei (2000) found that people often initially acquire mobile phones for job related reasons instead of social reasons. They use their mobile phones mainly because they need to contact work partners. The mobile phone is now a compulsory tool for many people to keep in touch in the business world (Ling, 2000).

Freedom

According to Wilska (2003), the mobile phone has reduced the possibility of parents being able to control their children's communication. Teenagers' conversations can now be more private, giving them more freedom (Wilska, 2003). The mobile phone offers a direct line to the intended recipient without the typical filtering by siblings or parents as with a landline (Leung & Wei, 2000).

Gossip

A benefit that is seen by many owners is not simply for keeping in touch, but for more extended gossiping with friends and family (Peters & Allouch, 2005). Peters and Ailouch (2005) see gossip as being essential to social, psychological and physical well-being - almost like a vital 'social lifeline'.

2.6 Research propositions

From the above, it is evident that the motivations of mobile phone use correlate, to a large extent, with the motivations of the different behavior types. These correlations can be seen in Table I, and form the basis of these propositions.

Table 1: Correlation between motivations of mobile phone usage and behavior types

No.	Motivation of mobile phone usage	Types of behavior
1	Social interaction	Voluntary, Habitual
2	Dependency	Dependency
3	Image/Identity	Dependency
4	Safety	Mandatory, Voluntary
5	Job-related	Mandatory
6	Freedom	Voluntary
7	Gossip	Dependency

Source: Author

Mobile phone maintains or enhances self-esteem, particularly in terms of the overt display of different attributes of the phone. It has been found that users with low self-esteem are more likely to become addicted to using mobile phones (Peters and Allouch, 2005; Davie, Panting

and Charlton, 2004). They are unable to resist carrying their mobile phones and calling others for no purpose. This indicates lack of control over mobile phone usage.

Proposition 1: Mobile phone use is an addictive behavior

Some users spend a lot on continually upgrading their device to maintain self-esteem, or spend large amounts of time talking on their mobile phone. Usually, such behavior results in negative impacts on the users' lives. According to Rook and Hoch's (1985), such mobile phone usage can be regarded as compulsive behavior.

Proposition 2: Mobile phone use is a compulsive behavior

Most often people rely on mobile phones to contact others. The value of the mobile phone lies in the communication function and that is what people thus depend on (Becker and Murphy, 1988).

Proposition 3: Mobile phone use is a dependent behavior

Social interaction, dependency, and gossip seem to be prominent drivers of mobile phone usage. They all reflect social management and belonging needs. With the establishment of the mobile social norm, a habit to use mobile phones to maintain social interaction develops. (Biel et al. 2005).

Proposition 4: Mobile phone use is a habitual behavior

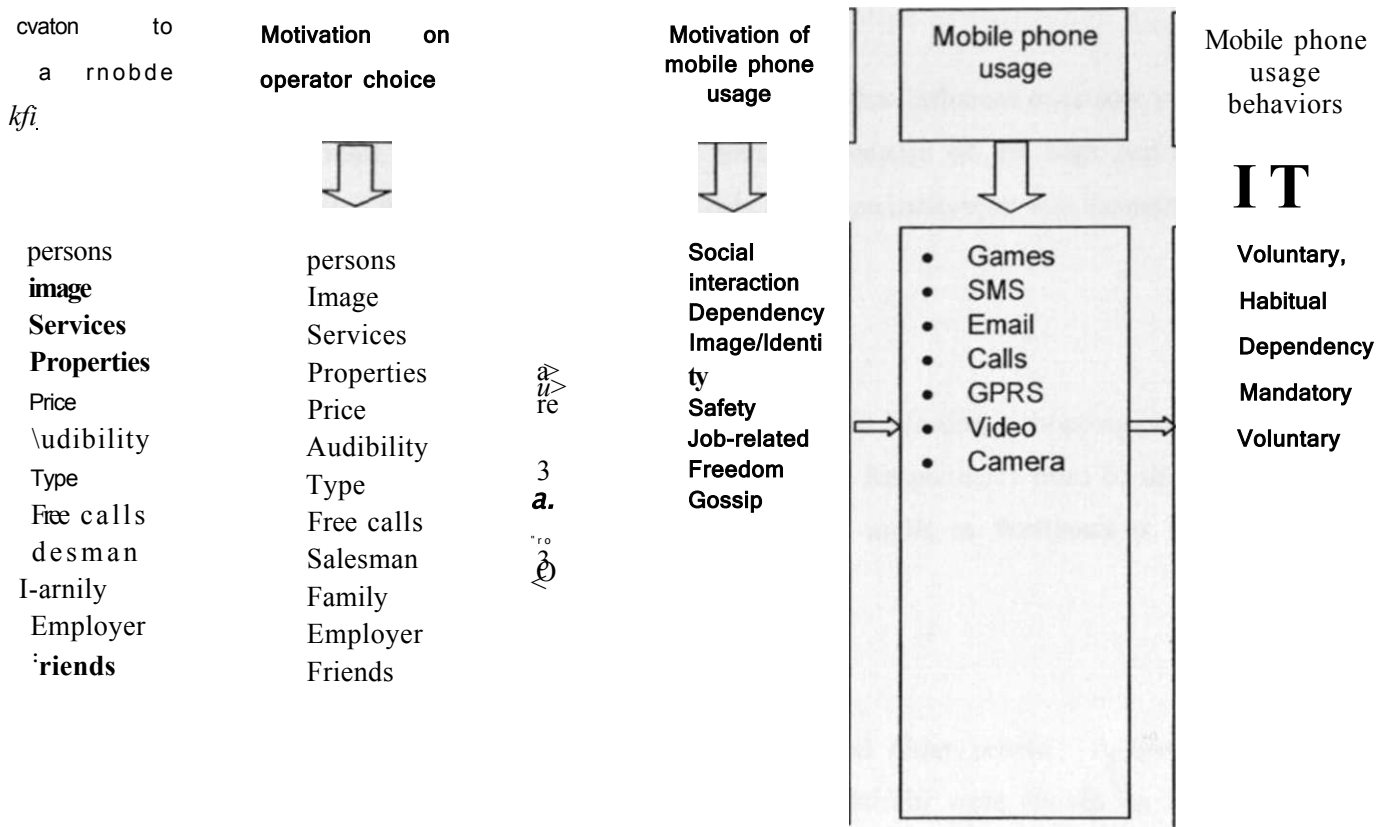
It can be assumed that most users use mobile phones for a reason, and such behavior is performed willingly and consciously by individuals out of their own volition. For example, using a mobile phone for safety, seeking freedom, and social interaction are all reasoned actions. These actions share the same characteristics of voluntary behavior in that such "causal effects" behavior is driven by specific motivation (Kang et al., 2007).

Proposition 5: Mobile phone use is a mandatory behavior

Some mobile phone use can be viewed as mandatory behavior because it is driven by environmental consequences instead of self-willingness, for example, job-related mobile phone usage, or parental requirements (Aoki and Downes, 2003).

2.7 Summary of element under investigation

Figure 3: Elements under investigation



CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Research Design

The survey research design was used to study the factors that influence consumer purchasing decisions. The mall intercepts method was preferred because of the high prevalence of consumers shopping at the malls. The primary data collection instrument was the questionnaire which was administered personally.

3.2 Population of the Study

Data collection was done in the following shopping malls in Westlands shopping centre: Sarit Centre, West Gate and Ukay, the Mall and Old Uchumi. Respondents from be drawn from tenants and walk- in consumers in the above shopping malls as Westlands is a popular shopping centre in Nairobi and its environs

3.3 Sampling

The respondents comprised of youths, young adults and older people. A total of 200 respondents out of the over 2 million subscribers in Nairobi were chosen on a random convenience-sampling basis and quota sampling applied as follows: Sarit 50, West Gate 50, Ukay 50 and The Mall 50

3.4 Data collection

The technique used for data collection was face to face interviews. Individual responses obtained were then be compiled, processed and analyzed to arrive at the opinions on various issues. The instrument for data collection as stated earlier, was a structured questionnaire.

The questionnaire had a mix of open and closed-ended questions. The open-ended questions gave an added 'qualitative feel' to the research instrument thus providing the rationale for the behavioral patterns of consumers. The open-ended questions also helped in generating insights.

3.5 Data analysis

Data analysis started with checking the gathered raw data for accuracy, usefulness and completeness. The data was tabulated and recorded in qualified terms. This involved the transfer of classified data gathering tools to the tabulator form in which they were

systematically examined. Descriptive statistics was used to analyze the raw data such as means, percentages, modes and frequency distributions. Statistical package for social sciences (SPSS) windows 12.0 was used in the data analysis.

CHAPTER 4

4.0 DATA ANALYSIS, PRESENTATION AND FINDINGS

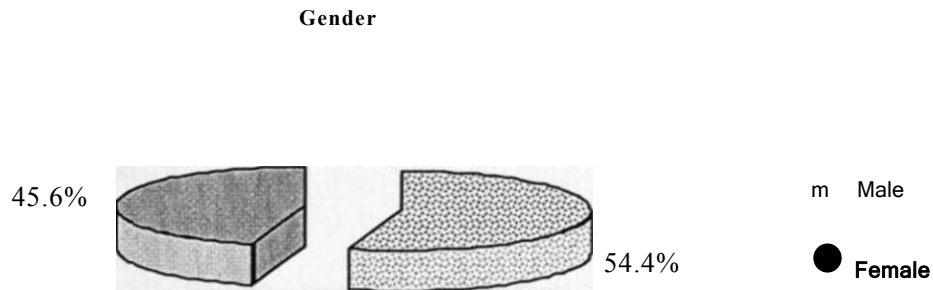
4.1. Response Rate

The questionnaires were administered to 200 respondents in the Westland's shopping centre out of which 194 responded translating to a 97.0% response rate. The response rate implies that the results are dependable. A detailed questionnaire is given in the Appendix I.

4.1.2 Gender

Gender is known to have an impact on consumers'¹ values and preferences which may influence purchasing patterns. The division of gender of the respondents is shown in figure I below. The gender of the respondents was not proportionally distributed with overall of 54.4% male respondents, and 45.6% female respondents. The figure below summarizes the findings.

Figure 4: Gender

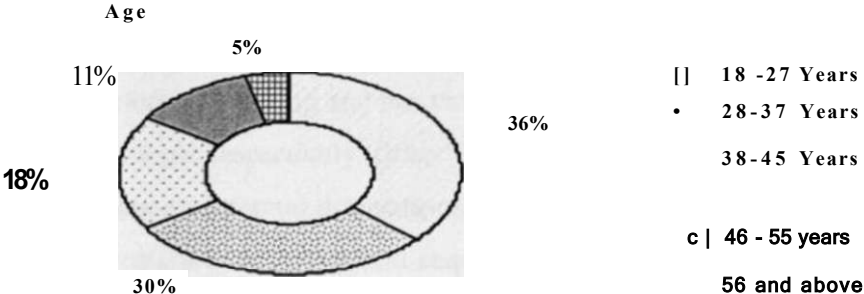


4.1.3 Age

Age groups, divided into age associates can allow a marketer to predict an age group's future attitudes, values and behaviors. Different generations are most likely to exhibit different consumer behaviors from the preceding one. The findings of this study show that most of the respondents 36.0% were youthful. The middle age was represented by 30% (28 years to 37 years). Those that were aged between 38 -45 years were 18% with mature persons aged between aged between 46 -55 years accounting for 11.0%. The respondents who were above 56 years represented 5.0% of the sample.

The figure below summarizes the findings.

Figure 5: Age

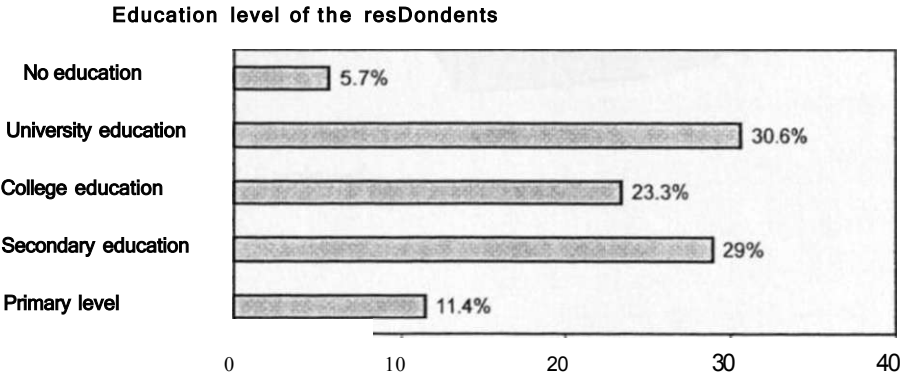


Source: field data

4.1.4 Education

The findings show that the education background of the respondents was found to be varied. Of all the respondents, 30.6% had university education. 23.3% had college education. 40.4% had either primary or secondary education. Among them, 11.4% had primary education while 29.0% had only reached secondary school level. The figure below summarizes the findings.

Figure 6: Education



Source: field data

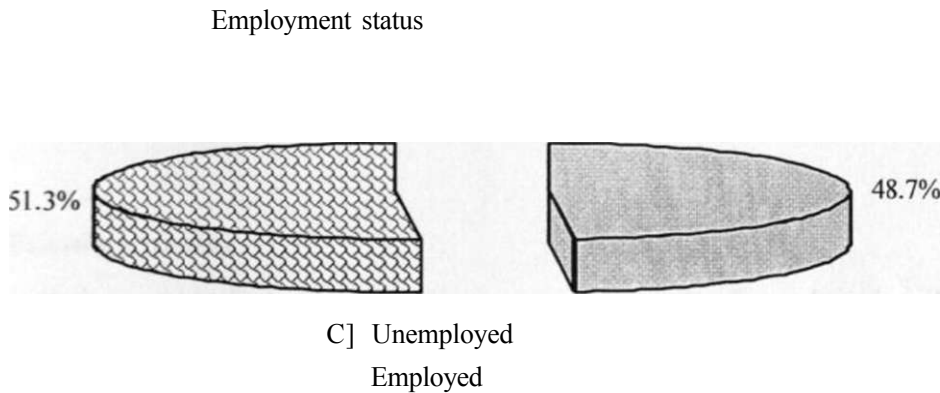
4.1.5 Employment status

The unemployment rate is a factor that should be taken into account as it will also most likely affect a consumer's purchasing behaviors. Kenya is in an unenviable position of having both high unemployment rates and severe skills shortages since most of the educated Kenyans go to

the diaspora to search for jobs. Those that are in employment have purchasing power which in turn can dictate their purchase behaviors. This study shows that 51.3% of the respondents were employed in the formal or informal sectors of the economy while 48.7% expressed that they were not employed.

Most of the respondents were self-employed with business related occupations such as shop keeping, selling clothes, hawking and bar tendering. Business men and women occupied 20% and 26 % of the people respectively. Other occupations such as saloon attendant, driving DJs were also noted among informal occupations. The formal sector demands advanced skills and investment in education or any other skill acquiring discipline. It was found out that most of the people in the sector were accountants, civil servants, bankers occupying 10.0% each of the sample. Other occupations such as lawyers, nurses, stock brokers had 24.4% each of the respondents. The figure below summarizes the findings.

Figure 7: Employment status



Source: Field Data

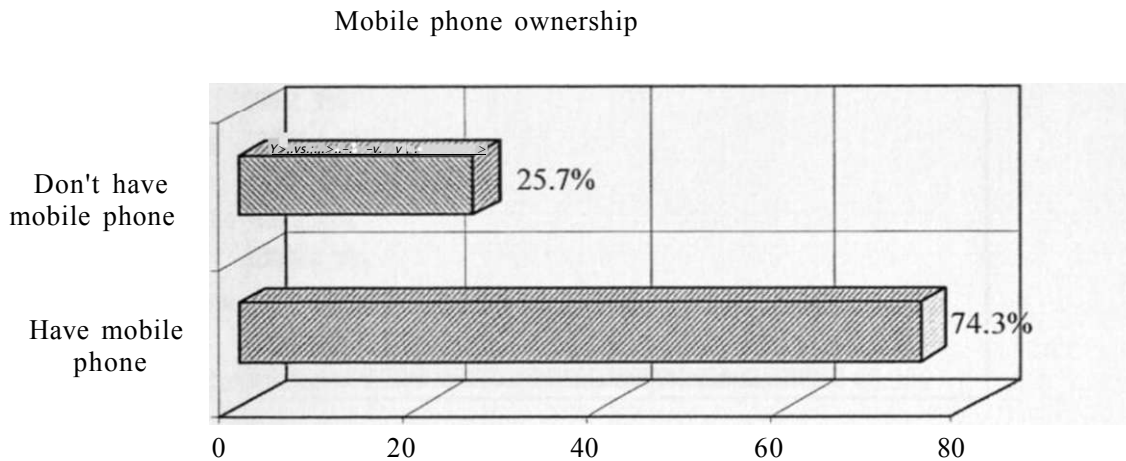
4.2 Mobile phone ownership

The weight associated with communication was found to be overwhelming as many respondents valued communication. With the advancement in technology, more people find having a mobile phone better than not having it considering the opportunity cost associated with it. The research found out that 74.3% of the respondent had mobile phones while only

25.7% didn't own one. Those who didn't have were considering purchasing one in recent future to bridge the technology gap.

The figure below summarizes the findings.

Figure 8: Mobile phone ownership



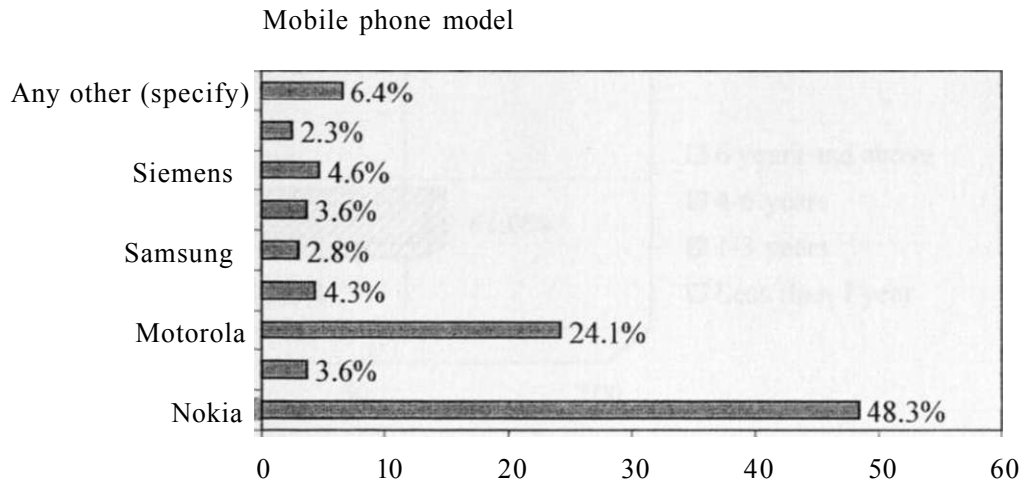
Source: Field data

4.2.1 Brand awareness

The research sought to find out the purchase pattern of mobile phones based on the brand. The popularity of world leader in mobile phone manufacturing extended its popularity even to local users. Nokia with 38.3% was cited as the preferred brand and was found to be the first choice of many of the respondents. Motorola the biggest challenger of Nokia took the business war even to the market claiming 24.1% of the mobile users. Third was the Korean Samsung with 12.8%. The Korean LG brand claimed a share of 3.6%. Sony-Erickson brand which is a resultant brand brought about by merger of two electronic giants; Japan Sony and Swedish Erickson also commanded approximately 5% of the market share. Panasonic brand was popular to 4.3% users. Equally, the German brand Siemens had 4.3% market share. The technologically advanced Blackberry mobile had a small share of 2.13% of the users. This could be associated with its late entry into the market and the associated initial buying cost. Other brands such as

Frances' Alcatel, merger resultant BENQ-SIEMENS and HP PDA occupied 5.7% of the market share as summarized in the figure 9.

Figure 9: Mobile phone model



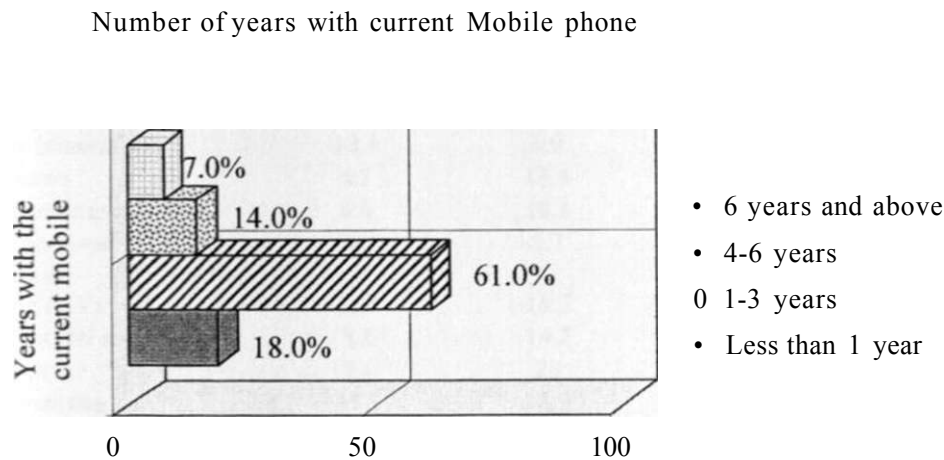
Source: Field data

4.2.2 Models and year of purchase

The respondents were requested to indicate the model of phone purchased and the year of purchase. The analysis shows that Nokia's handsets were found to be the first choice with its 3310 and 3315 being the frequently used models. Other models like 2100, 1100, 1100i, 6610 and 8250 have been reported as the second preference. This finding indicated Nokia's supremacy in the handset market over other players like LG, Samsung, Motorola, Panasonic, and Siemens. Chi-square analysis shows that the choice of handset depends on age and gender parameter of the respondent. The study further revealed that 7.0% respondents had stayed with their cell phone for less 1 year, 61.0% had it for 1-3 years, 14.0% had been having it for between 4-6 years while 7.0% had an been using their current cell phone for more than 6 years.

The figure below summarizes the findings.

Figure 10: Number of years with current mobile model



Source: Field data

4.3 Marketing and technical aspects influencing purchase of mobile phones.

The respondents rated some marketing factors that influence their choice and purchase of a mobile phone through structured questioners containing list of factors that would influence customers in choice of a product and had to indicate whether or not it will influence them to purchase a cell phone:

- 1 = Not important
- 2 = somewhat important
- 3 = neither important /nor unimportant
- 4 = Important
- 5 = Very Important

The results of the analysis are summarized in the table below.

Table 2: Marketing and technical aspects influencing purchase of mobile phones

	1 Not important	2 Somewhat important	3 Neither important /nor unimportant	4 Important	5 Very Important
List price	9%	8%	2%	34%	44.5%

Discounted/ special offer price	7.8	9.9	10.6	27.0	44.7
Hire purchase	31.4	24.3	10.2	22.5	11.6
Functionality	14.3	11.6	21.1	18.4	34.7
GPRS/EDGE/WAP					
Appearance	11.2	8	6.4	34.1	40.3
Packaging	12	11	10	30	37
Brand	7.9	12.9	5.0	40.0	34.3
Warrant)					
Color of phone	9.6	9.6	14.0	36.0	30.9
Screen (color or no color)	2.4	12.4			
Radio	44.5	30.6	6.4	7.2	11.3
Games	7.4	6.1	5	39.4	42.1
Size (dimension)	12.4	6.9	17.2	41.4	22.1
Memory	8.5	13.4	3.5	23.9	50.7
Domestic use	6.6	10.2	18.2	35.8	29.2
Business use	17.1	5.7	8.6	28.6	40.0
Keypad (normal, QWERTY)	23.1	15.2	4.3	27.3	30.2
Accessible service center	8.1	14.2	2.4	35.2	40.1
Shape	7.1	23	3.4	30.4	36.1
Advertising	17.5	18.9	23.1	24.5	16.1
Direct sales (sales man)	22.3	16.5	28.8	21.6	10.8
Friend/employer recommendation	22.3	16.5	28.8	21.6	10.8
family recommendation)	0.5	4.9	11.3	19.7	63.4

Source: field data

According to the research findings, 44.5% of the respondents considered the price of the phone to buy very important. 34.6% of them thought the purchase price to be very important. 2.1% were undecided over whether it was prudent to consider the purchase price or not. Although the majority thought price to be the basic determinate of buying a mobile handset, 18.5% price was not a deterrent of purchasing the handset of their choice. 9.6% found price unimportant while 8.5% thought price somewhat important.

The consumers rely on information provided by mass communication especially the media. Adverts carried in the media play a major role in making particular brands popular 40.3% of the respondents considered familiar brands important, 34.3% found it very important. Those who did not share the enthusiasm of buying familiar brands and found it unimportant were 7.9%. 12.9% of the respondents found buying familiar brands somewhat important and worth considering. Those who were undecided were 5.0%.

The technology world is very dynamic and improvements are made on existing technology or new inventions made. Almost on a daily basis, adverts carry new mobile models with new

features such as WAP browser, GPRS/EDGE, JAVA, Mobile office features, video, camera, music players.

The study findings indicate that 42.0% of users expressed it was important to consider new features on the mobile phones. 26.1% thought it was very important in making a decision on which mobile to buy. Those who did not share the same sentiments were 5.8%, 14.5% and 11.6% who observed that considering new brands was unimportant, somewhat important and neither unimportant nor important respectively.

New mobile features provide an enhancement of the basic common features. Internet connectivity has brought information search engines such as Google, news bulleting to users via internet connection features such as GPRS and EDGE technology. Internet browsers such as WAP and JAVA download tool provide the mobile use with easy connection to the World Wide Web. It is currently easy to read and send email through the mobile phone. The efficiency associated to this features such as GPRS (General Package Radio Service) is instrumental in influencing buying patterns. Other features include mobile operating software such as windows and symbian operating system. According to the study, 30.6% mobile users thought it very important to consider new features. 31.9% found it important. 20.1% however were unable choose if it was important or not worth considering. Another 6.3% of the respondents found it somewhat important. 11.1% of them did not find new features important at all in choosing which brand to buy.

Modern chip technology has made it possible for mobile phone makers to integrate new products such as digital cameras, digital FM receivers, digital video/music recorder and players, and color displays. The popularity of these features is enormous. The research found out that those who found it either important or even very important were 36.0% and 30.9% respectively. 33.1% had different feeling about new features. 9.6% did not find it important, another 9.6 found it somewhat important while the remaining 14.0% could not neither find it neither important nor unimportant.

The mass media forms part of our social lives today. Mass has three categories namely: - print media, electronic media and new media associated with internet. The mass media provides a medium of passing information to consumers considering it the cheapest and most efficient way of communicating. Adverts carried in the media contain signals set to influence consumers to buy certain products.

The study found that 16.1% of the respondents found media advertising very important, 24.5% thought it was important while 23.1% were not able to accept its importance or deny the same. 18.9% decided it was somewhat important. 17.5% maintained that media adverts are unimportant to them.

Since mobile phones have to be carried along every time. The weight of the hand-set becomes a pertinent issue to consider when deciding the brand or model to purchase. Smaller lighter brands or models are more popular than the bulky heavy ones. According to the study, 22.1% considered the size of the phone as very important. 41.4% thought the size as important while 17.2% could neither find it important nor unimportant. 6.9% considered mobile size as somewhat important. 12.4% maintained that their decision could be affected by the size of the hand-set.

The introduction of GPRS /EDGE features in mobile phone technology has made it possible for users to connect to internet. People with internet enabled phones can choose to use the phone as modem for their personal computers or directly connect to internet using the phone. They can therefore check, compose and send E-Mails or even surf the internet with the phones. According to the research findings, 34.7% of the responded found considering E-Mail/Internet function very important. 18.4% found it important to consider the same while 21.1% found it neither important nor unimportant. 11.6% observed that the function was somewhat important. 14.3% of the respondents didn't find the function useful and hence found it unimportant.

Sales person, friends or employers play a significant role in influencing the decision of mobile buyers. They serve as advisers and hence give credit to those brands they consider as very favorable hence recommend them to others. The study found out that 10.8% of the respondents were influenced by either party and hence found them very important. 21.6% found them important. 28.8% did not agree or disagree whether the role played by sales person or friends important or unimportant. 16.5% observed that the recommendation given to them was somewhat important. 22.3% found the recommendation wanting hence decided it was unimportant to them.

Some brands of mobile phones with added features such as music/video player/recorder, voice recorders, and camera or data storage need a considerable memory capacity. People willing to buy such hand-sets will therefore find it prudent to consider the phone internal memory size.

With the increase of phones with extendable memory, it is also necessary to consider the limit of external memory expansion and the availability of memory cards. According to the study, 50.7% of the respondents took the memory size as very important. 23.9% found it important while 3.5% observed that the memory size was somewhat important. 13.4% could neither find the memory size important nor unimportant and 8.5% of the respondents did not find the memory important while considering hand-sets.

On the question of special offers tailored to sell hand-sets at a lower price than the normal market rate. 44.7% of the respondents found special offers very important. 27.0% found the promotion important. 10.6% could neither find special offers important nor unimportant. 9.9% found special offers somewhat important and 7.8% did not find special price important.

As mobile phone makers integrate more features in making new brands, mobile use has become increasingly complicated. Even the basic features such as sending short message has become complicated with introduction of new features in composing messages such as alignment, pictures, font size and style. The research found that 61.0% of the respondents would go for handsets they can operate, 18.4% considered ease of use important while 9.2% found it somewhat important. 5.0% of the respondents found ease of use neither important nor unimportant. However, 6.4% of the respondents did not share the idea that considering buying brands that are easy to use as important.

Users would not want to buy hand-sets that easily breakdown. Reliable phones therefore come hardy. The research findings indicated that, 63.4% of the respondents would consider reliability very important. 19.7% thought reliability was an important issue. 11.3% observed that reliability was neither important nor unimportant. 4.9% of the respondent decided that it was somewhat important how reliable the hand-set was before buying it. Only 0.5% of the respondents didn't find buying reliable phones important.

For the business related calls, features such as data storage, calculators, and diary are advantageous. The study found that 40.0% of the respondents thought it very important to consider business use. 28.6% thought it was important to consider business use. 31.4% of the

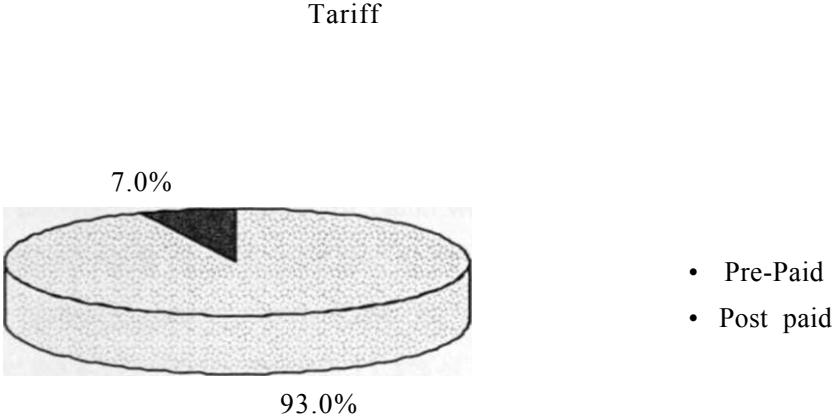
respondents had varied observations. 8.6%, 5.7%, and 17.1% considered business use unimportant, somewhat important or neither important nor unimportant respectively.

According to the research findings, 29.2% of the respondents considered domestic use as very important in purchasing phones. 35.8% viewed domestic use as very important issue to be considered while 18.2% couldn't find it either important or unimportant. 10.2% of the respondents were optimistic about considering domestic use and thought it was somewhat important. Only 6.6% of the respondents didn't find considering domestic use important

4.4 Tariff choice

Mobile phone service providers provide end user services with various billing services which users can choose from. These tariffs include: - Pre-paid billing systems where the service provider requires the user to maintain a recharged account with them before making calls or any other use. Recharge cards of different monetary denomination are provided by the service providers for subscribers to buy. The post-paid subscribers have an addend advantage of making calls after consumption. This form of billing is efficient for users who use their phones frequently. The research found out that Pre-paid billing system is more popular to the respondent with 93.0%. The Post-paid system had a minority of 7.0% of the respondents. The figure below summarizes the findings.

Figure 11: Tariffchoice

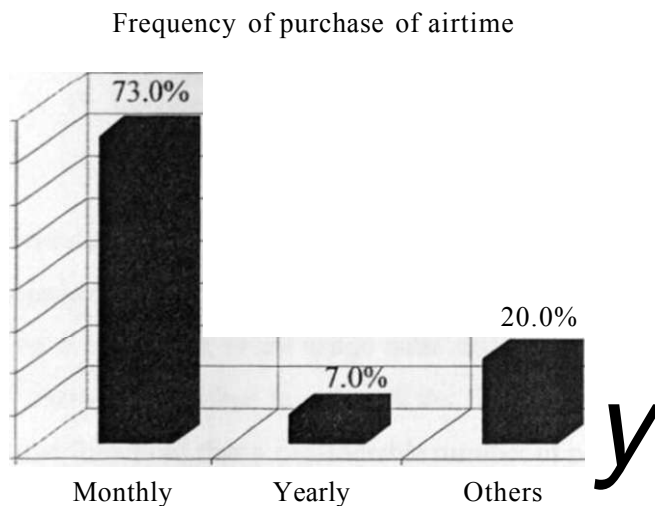


Source: Field data

4.4.1 Frequency of airtinic purchase

The pre-paid customers, it is necessary to ensure sufficient credit balance in order to call, send short or multi media messages or even use internet facilities. According to the study it was found out that 73.0% of the subscribers recharged their account monthly, 7.0% recharged yearly and 20.0% recharged their cell phone on daily basis, others weekly, fortnight or holidaying only. Other respondents bought credit as soon as it run out therefore had no specific time set.

Figure 12: Frequency of purchase of airtime



Source: field data

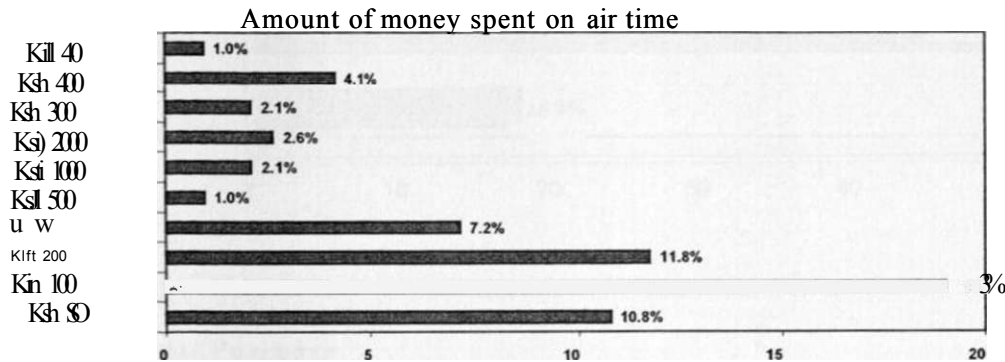
4.4.2 FREQUENTLY USED CREDIT AMOUNT

Different service providers provide different cards with varying monetary denominations. In Kenya for example the cards range from Kshs 40 for some service providers while for others the lowest credit recharge card in worth Kshs 50. The study found out that, 19.0% of the respondents prefer the Kshs 100 worth card. 11.8% of the users use Kshs 200 worth card while 10.8% prefer the most affordable one costing Kshs 50. 7.2% recharge with Kshs 250. Those using cards worth Kshs. 2000, 1000, 500, 400 and 300 were 2.6%, 1.0%, 4.1%, 1.0%, 2.1% respectively. Other recharge vouchers included those costing Kshs 40 among 1.0% of the respondents. 0.5% of the subscribers recharged using any amount. Pre-paid subscribers

ordinarily use up all the credit they have according to 78.9% of the respondents. 21.1% of the subscribers and made sure some credit was left in their account for later use.

The figure below summarizes the findings.

Figure 13: Amount of money spent on airtime



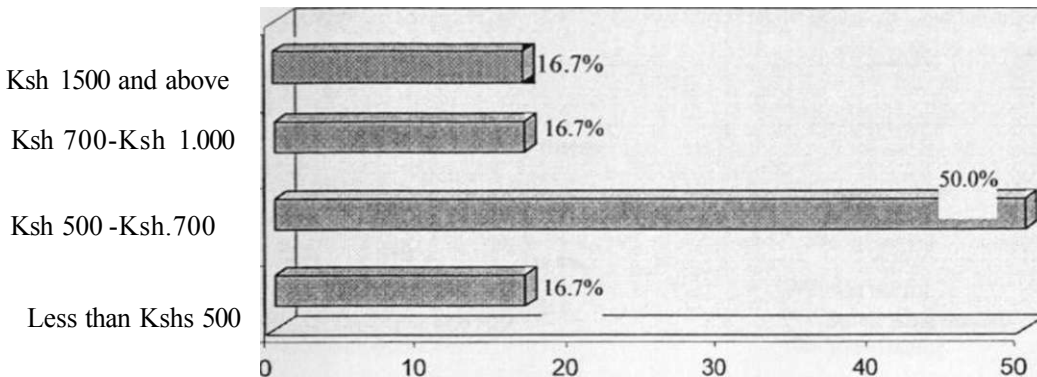
Source: field data

4.4.3 Postpaid users

For Post paid customers, credit usage quite different from the Pre paid subscribers. 16.7% of post-paid users spent either less than Kshs 500 or between Kshs 1000 to Kshs 1500. The research also found out that a considerable number of people using the Post paid billing system paid about Kshs 10,000 each month as phone bills with 2.6% of the post paid customers paying more than Kshs 1500. The figure below summarizes the findings.

Figure 14: Monthly expenditure of post paid subscribers

Amount paid per month by post paid subscribers



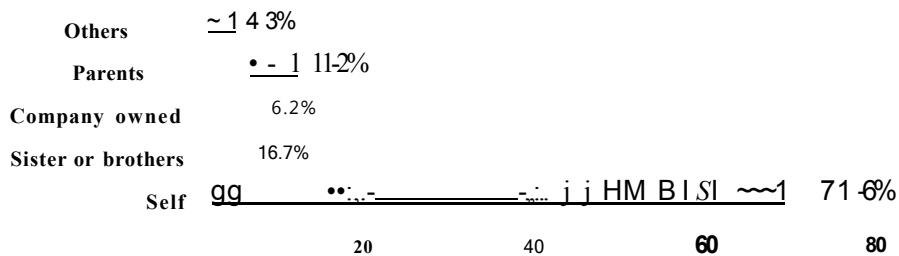
Source: Field data

4.4.4 Mobile Phone Purchase

According to the research Findings, most people who had mobile phones had personally incurred the cost of buying the device at 76.1%. 6.7% had their mobile phones bought for them by their sister or brothers. 6.0% had company owned mobile for communication. 11.2% had mobile bought by their parents, relatives and or employers. The figure below summarizes the findings.

Figure 15: Mobile phone purchase

Mobile phone purchase



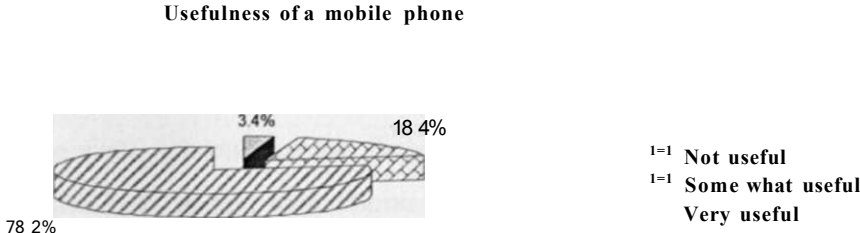
Source: Field data

4.4.5 Usefulness of a mobile phone

The usefulness of mobile phone as a communication device was reflected at 78.9% of the respondents observing that their phones are very useful. 18.4% of the respondents found their

mobile phones were somewhat important. Only 3.4% of the respondents did not share the same enthusiasm and responded that the phone was not useful to them. The figure below summarizes the findings.

Figure 16: Usefulness of a mobile phone



Source; Field data

4.4.6 Reasons for purchasing a mobile phone

Different people have different reasons as to why they bought their phones. Others were motivated by their friends others by family members while other bought simply because it was fashionable. According the study, it was found out that most people were not influenced by friends/parents or fashion. 71.3% of the respondents purchased a phone because it was a necessity. Those influenced by fashion was 28.2% and 23.9% of the respondents were influenced by their friends or parents in to buying mobile phones. Other reason cited included:-

- Business use
- Gift
- Convenient for communication
- Job requirement

Various reasons motivate people to purchase or not to purchase a product. Respondents were requested to give reasons that motivated the purchase decision.

Table 3: Reasons for purchasing a mobile phone

	Yes		No	
	Frequency	Percentage	Frequency	Percentage
Gives me the convenience of calling anytime	139	94.6	8	5.4
It makes me easily accessible to other people	137	93.2	10	6.8



No landline. so preferred a mobile	92	62.6	55	37.4
Can use the mobile phone whenever i go	130	89.0	16	11.0
Useful in emergencies	124	84.4	15.6	
Can send/receive e-mails	33	22.4	114	77.6
Carrying one is in fashion	25	17.2	120	82.8
Convenient for looking up information	33	22.8	112	77.2

Source: field data.

The mobile phone gives convenience and freedom to call anytime. The study uncovered that 94.6% of the respondents bought their phone because it gives them the convenience to call anytime and 5.4% did not buy their phone for the convenience of calling at any time.

One importance of a mobile phone is being accessible to people at all time. The social role of communication is effectively played when people can communicate with other at will. The study found 93.2% of mobile users purchased phones so that they can be accessible to other people.

Before the introduction of mobile wireless technology in Kenya, analog cable telecommunication was been used and consumers experienced difficulties in procuring a telephone line. The coming of mobile wireless technology has made it possible to communicate even without owning leased fixed lines. 62.6% of the respondents purchased their phones because they had no fixed line. 37.4% of the respondents said they did not buy their phone because of lack of fixed land lines.

For those people who travel a lot outside their location or place of work, mobile phones are an ideal tool of making sure that they are reachable even when they go to places with no fixed lines. Roaming mobile technology ensures that users can be accessed even when in foreign countries. The research found out that approximately 89.0% of the respondents purchased phone because they can carry them whenever they go. Only 11.00% of the user failed to agree with this.

Mobile service providers have put in place numbers that the subscribers can call incase of an emergency toll free. In addition hand-set manufacturers ensure that the consumers can dial SOS numbers even without a SIM card. This has been very hardy in case of emergencies. The study found out that 84.4% of the respondents bought their phones for this reason, 15.6% of the however did not agree with this.

Some mobile phone models have an inbuilt E-Mail sending/receiving capability once GPRS/EDGE features are activated. The study uncovered that only 22.4% of mobile users purchased mobile phones for this purpose. 77.6% of the respondents valued other reasons rather than sending and receiving e-mails.

The study found out that 17.2% of buyers are influenced by their friends and families.. The study found that 82.8% did not purchase mobile phone because their friends had.

To some people in the society owning a mobile phone give status to them. It could therefore mean that mobile phones have taken the place of items of class determination. In some other societies, carrying a mobile phone is a social norm. Some people therefore consider the above before making a purchase. The research findings indicated that 22.8% of the respondents agreed that carrying mobile phone is fashion while 77.2% disagreed with this. 21.9% respondents regard it as a social norm. However, 78.1% did not agree with them.

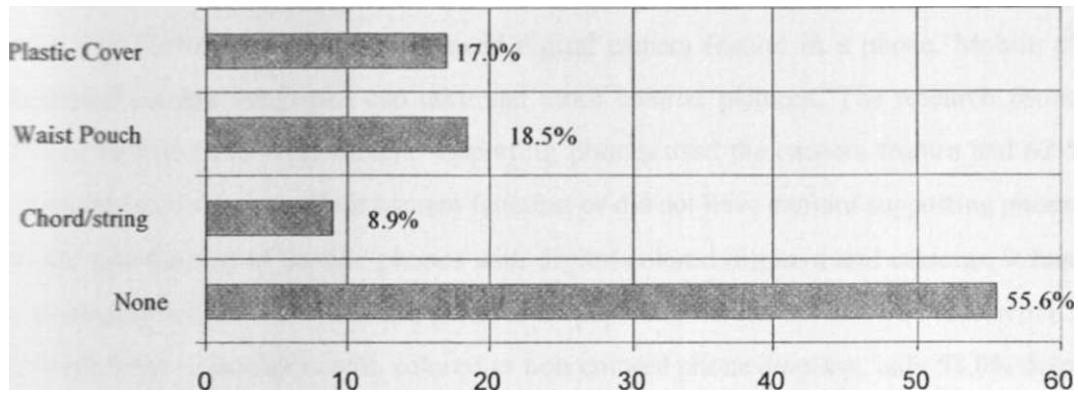
In some cases, a mobile phone can be used in searching for information especially through the internet. 66.2% of the respondents did not purchase their hand-sets since it gives them convenience in looking for information. Only 33.8% considered information search while purchasing hand-sets.

4.4.7 Mobile phone accessories

The introduction of mobile phones in the country has brought about the introduction of support accessories such as plastic covers, pouches, chords and other items considered necessary in improving security or life span of the hand-set.. The study showed the waist pouch as a favorite among 18.5% of the respondents. 17.0% responded that they have bought plastic covers for their mobile phones. 8.9% of the respondents had bought a chord or string for their hand-set. However, 55.6% had not bought any accessory for their phones. The figure below summarizes the findings.

Figure17: Mobile phone accessories

Mobile phone accessories



Source: Field data

4.5 Mobil phone features

Table 4: Mobile phone features

	Yes		No	
	Frequency	Percentage	Frequency	Percentage
Playing music	46	31.9	98	68.9
Camera	54	37.5	90	62.5
Display pictures	74	51.0	71	49.0
Games	95	65.5	50	34.5
Radio	40	27.8	104	72.2
Contacts	121	82.9	25	17.1
Calendar	96	65.8	50	34.2
Short Message Services (SMS)	127	87.6	18	12.4
Information services	25	17.4	119	82.6
Vocerecorder	32	22.4	111	77.6
Breaking news service	18	12.6	125	87.4
Email	34	23.8	109	76.2

Source: field data

As mobile manufacturers integrate more features in a basic mobile hand-set, user can benefit from these additional features such as music playing function. Hand sets with integrated music player can play MP3 and MP4 music file stored in the phone. The researcher found out that

31 of the respondents' with handsets supporting music playing used it while 68.1% either had handsets not supporting the function or did not use it.

Mobile manufacturer have also introduced digital camera feature in a phone. Mobile phones with digital camera integrated can take and store colored pictures. The research found that 37.5% of mobile users with camera supporting phones used the camera feature and 62.5% of the respondents did not use their camera function or did not have camera supporting phones.

With the introduction of mobile phones with digital colored displays and cameras, it has been able to display taken or downloaded pictures as papers or screen savers. The researcher found that, of all those respondents with colored or non colored phone displays, only 51.0% displayed pictures and 49.0% did not. The probable reason to this might be having a phone that does not support the function or alternatively, they don't like displaying pictures.

Mobile phone usually comes with games feature to provide entertainment to basic users. The researcher found 65.5% of mobile owners used to play games at their own time. However, 34.5% of the respondents with phones did not play games with their phone. They either did not like the whole idea of playing games, lacked time to play or did not know how to play the games in their phones.

As digital technology becomes more sophisticated, mobile phone manufacturers have introduced hand sets with extra feature such as frequency modulation (FM) receiver. The study indicated that, only 27.8% used their phone to listen to the radio. 72.2% did not listen to the radio either because they had a phone with no FM receiver function or did not want to use the function.

Perhaps one of the important features in a mobile phone is the phone book which stores contacts. All mobile phone brands provide this feature and users do not have to use written contacts every time they want to make a call. The phone book provides fast access to these records where they are digitally stored. The study findings indicated that 82.9% of users preferred to use the contact feature while 17.1% did not use the feature.

Users can now know the date by accessing the calendar when they set their mobile phone calendar. Users can therefore even schedule activities by accessing this feature. The study found out that 65.8% of the respondents used the calendar feature while 34.2% did not use it.

Mobile phone service providers on top of providing call services also allow subscribers to send messages at a lower fee than normal calls. Users thus send short messages to desired people at

will by sending texts which are transmitted through the network. 87.6% of the respondents preferred to use the Short Message Service (SMS) feature as indicated by the study. Only 1.4% did not use the feature. The probable reason being they either did not know how to use the feature or preferred calling to send SMS.

Some mobile phone brands allow users to access dictionary facility especially when sending text messages. The features provide spelling suggestion to the users. The research found that, only 17.4% of the mobile users used the function. 82.6% of the respondents did not use the function.

Life voice recording in modern times can be done by use of a mobile phone. The voice is digitally recorded and stored just like in a basic recorder. This is a handy tool for people like journalists. Users with hand-sets supporting this feature can therefore utilize it to capture voice in real time. The study findings indicated that 22.4% had mobile phones supporting voice recording feature and used it when necessary. 77.6% of the respondents had phone without the feature or did not find it necessary.

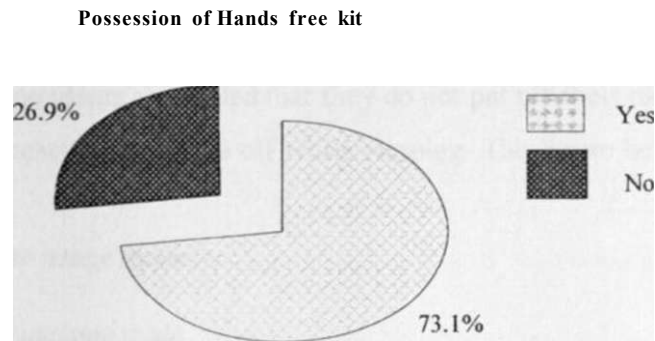
For mobile users who would like to be up-to date with news, service providers provide this service. Users are required to subscribe to receive news briefs in text form. According to the research findings, only 12.6% of mobile users used the service. 87.4% did not use the service.

Users with mobile phone that have the internet capability, the service providers load settings to allow their phone direct internet access. They therefore can access the web, send and receive Email. According to the study, use of internet/Email feature was only limited to 23.8% of the respondents.

4.6 Hands-free kits

Different mobile phone brands come with different features. Some of these features require devices such as ear-phones, USB connectors or Blue Tooth kit. Some of these items provide users with means of receiving or making calls without taking up the hand set. The study found that 73.1% the respondent do not have hands-free kit. Their phones either do not support such devices or alternatively the hand set can support but they don't have or prefer not to use the kit. 26.9% of the respondent observed they had the hands free kit. The figure below summarizes the findings.

Figure 18: Hands free kit

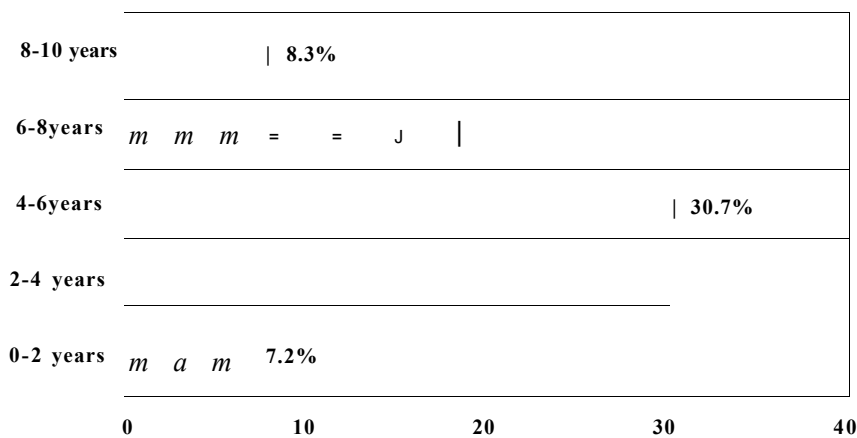


Source: Field data

4. Mobile phone exposure

Mobile phone phones are slowly acquiring the status of 'common good' but interestingly as the demand increase the price falls. This has enabled consumers to acquire hand set at a cheaper price hence a considerable number have owned phone for sometime. The research found that, 9.2% of the respondent observed that they had been using mobile for 3 years. 8.7% of the respondents have been having mobile phone for about 4 years. 6.7% had been having phones for 6 years. 19.5% of the used phone for a period ranging from 3 months to 2 years 7 months. 2.6% and 3.1% had used mobile for 9 and 10 years respectively. The figure below summarizes the findings.

Figure 19: Mobile phone exposure



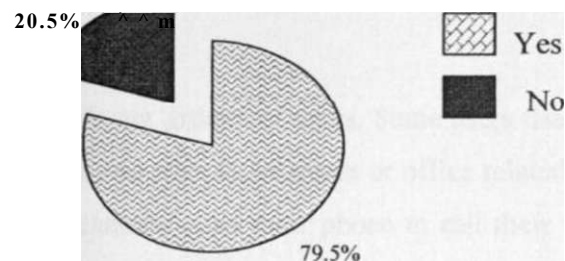
Source: Field data

4.8 Mobile phone usage mode

People have different styles of using their phone. Some would prefer to leave their phone throughout. Others would rather leave their mobile phones turned off at night. The study found that a 79.5% of the respondents responded that they do not put off their phone at night. 20.5% of the respondents switched their phone off while sleeping. The figure below summarizes the findings.

Figure 20: Mobile phone usage mode

Switching mode



Source: Field data

4.9 Mode of answering calls

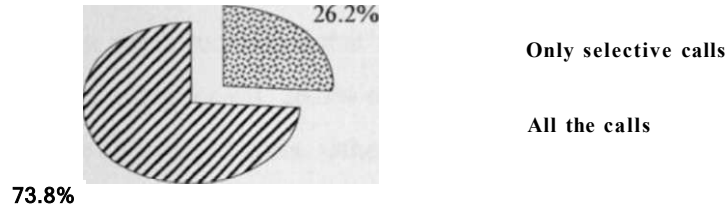
Some **people** prefer to pick only calls from callers they know hence are selective. Others prefer to pick all calls that come through to them hence are not selective. The study found that 73.8% answered all calls. The remaining 26.2% answered only selective calls. Other comments were:

All calls except private numbers

Selected numbers

Figure 21: Mode of answering the phone

Mode of answering calls when the phone rings



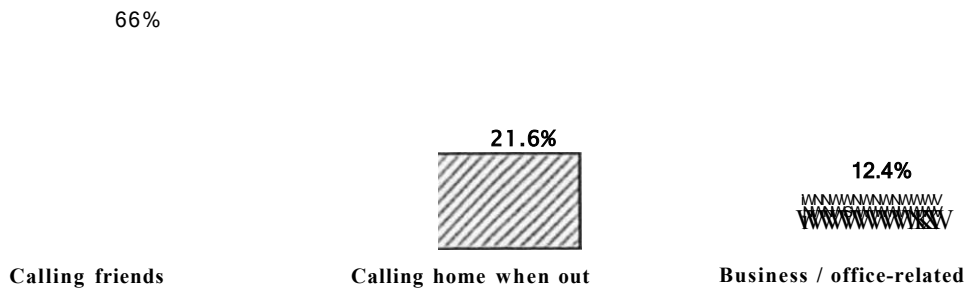
Source: Field data

4.10 General use of a mobile phone

Phone usage is varied across different groups of users. Some users use their mobile phones to call friends, others to call family and friends, business or office related calls. The study found that 66.0% of the respondent generally used their phone to call their friends. 21.6% of them used their phone to call home whenever they are away. 12.4% responded that they used their phone for business/office-related work. Other users responded that they used their phone to:-

- Call everyone who calls them
- Call family and friends
- Call friends and for business
- Call friends and home
- Call home, friends and office

Figure 22: General usage of a mobile phone



Source: Field data

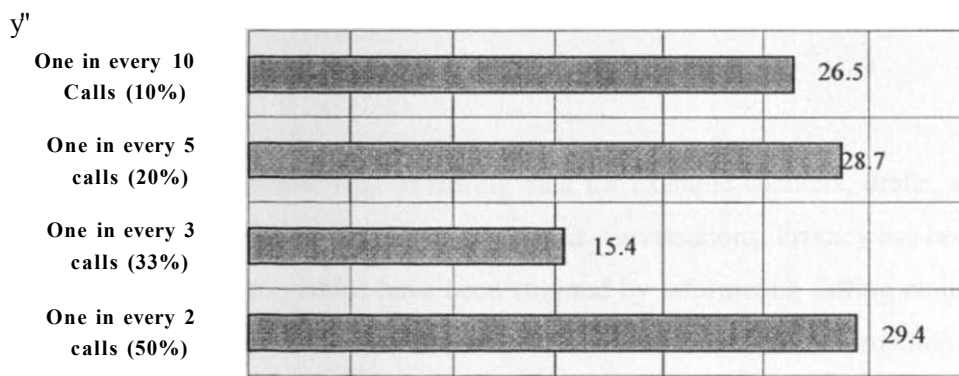
4.11 Frequency of calls made to the family members.

mobile phone becomes instrumental in providing a link between family members, the ^ cation of much usage is directly towards family calls only becomes paramount. According to the research 29.4% of the users responded that their rate was one in every 2 calls. For 28.7% others the rate was one in every 5 calls. 26.5% of the respondents called once in every 10 calls

15.4% called once in every 3 calls. Other observation by respondents without specific calling pattern included:-

- More than 50% all calls made
- Not at all
- Once per month
- Once per week

Figure 23: Number of calls made to communicate with family members

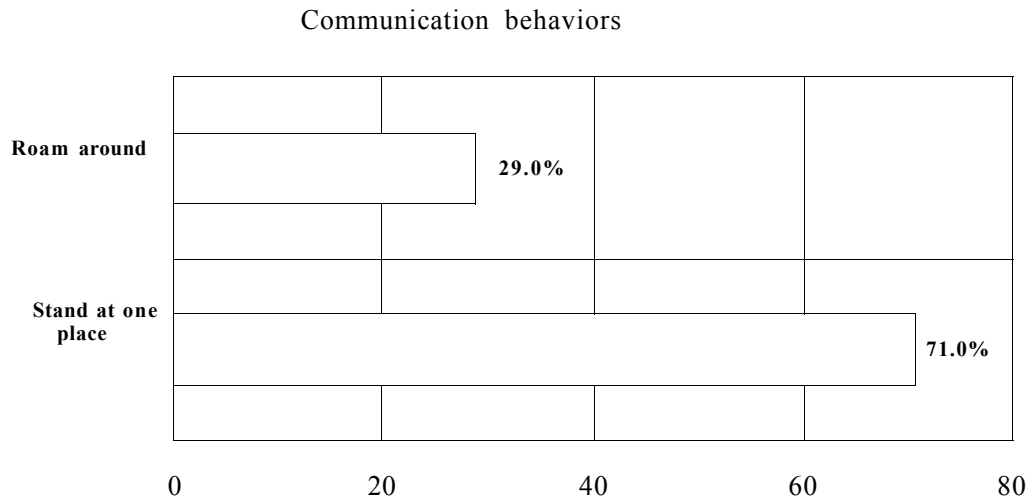


Source: Field data

4.12 Communication behaviors

People respond differently when communicating on the mobile phone. Some users prefer to stand at one place and complete the conversation. Others roam around, others going out in the open, while others have no specific pattern. The research found that 71.0% of the respondent preferred to stand at one place and complete the conversation. 29.0% respondent would roam around when conversing. For others it depends on where they are. In addition others walk to a -ute place as summarized below:

Figure 24: Communication behaviors

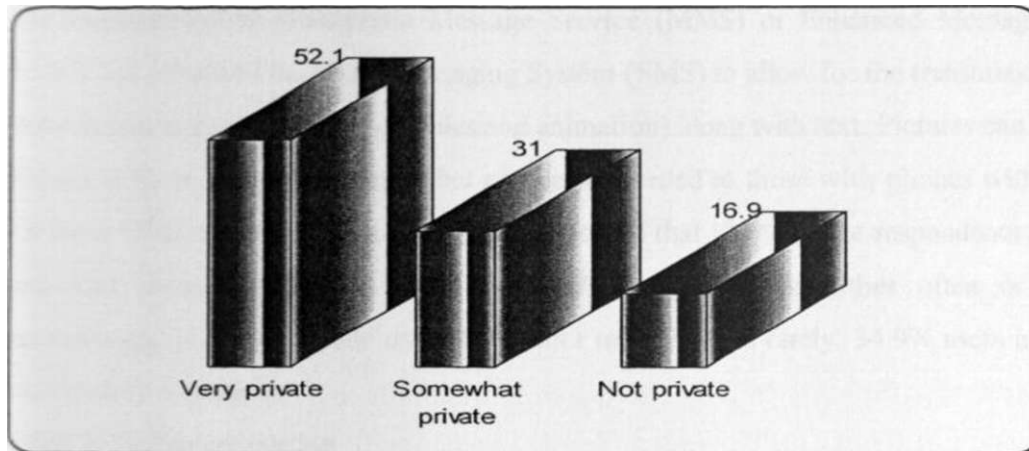


Source: field data

4.13 Privacy of the information

Phones provide an efficient way of storing data for example contacts, drafts, sent or received messages/emails, video clips, music, pictures and conversations. Privacy has become necessary in some cases and relationships have been strained by information falling on undesired hands. The study showed that 52.1% of the respondent considered the information stored in their phone as very private. 31.0% considered the information somewhat private. 16.9% of the respondent did not find information stored in their phone private. The Figure below summarizes the findings.

Figure 25: Privacy of the information



Source: field data

4.13.1 Text messaging (SMS)

Text messaging or short messaging system (SMS) is widely used. The research found that 58.5% of mobile users sent SMS or MMS always. 20.0% often did use the service while 9.6% preferred sending SMS/MMS sometimes. 5.2% of the respondents seldom sent SMS/MMS while 6.7% did not find sending messages favorable to them. The table below summarizes the findings.

Table 5: Text messaging

	Frequency	Percent
Always	79	58.5
Often	27	20.0
Sometimes	13	9.6
Seldom Rarely	7	5.2
Never	9	6.7
Total	135	100.0

Source: field data

4.132 Sending pictures

The introduction of Multimedia Message Service (MMS) or Enhanced Messaging Service (EMS) has enhanced the Short Messaging System (SMS) to allow for the transmission of audio (sound) and images (pictures, graphics and animation) along with text. Pictures can be taken by phones with an integrated camera but can be forwarded to those with phones without camera but have MMS feature. The study findings indicated that 12.5% of the respondents always took and sent picture messages. 5.5% and 10.9% only did this either often or sometimes respectively. 18.0% of mobile users only sent or took pictures rarely. 34.9% users never sent or took picture messages.

Table 6: Picture messaging

	Frequency	Valid Percent
Always	16	12.5
Often	7	5.5
Sometimes	14	10.9
Seldom/Rarely	23	18.0
Never	68	53.1
Total	128	100.0

Source: field data

4.13J. Frequency of using mobile phone for downloading or forwarding ring tones

Downloading music into mobile phones has not taken off effectively as a result of limited bandwidth of the current wireless infrastructure. The researcher found that a majority numbers of 67.7% users never used their phones to download or forward ring tones. 32.3% however did download or forward ring tones. Among them 8.9 did it always, 8.1% did it often while the remainder 7.3% did it rarely. The table below summarizes the findings.

Table 7: Use of mobile phone for downloading

	Frequency	Percent
Always	11	8.9
Often	10	8.1
Sometimes	10	8.1
Seldom/Rarely	9	7.3
	84	67.7
Total	124	100.0

Source: Field data

4.13.4 Mobile phone games

Mobile phone games have become a regular activity for mobile phone users especially among the young. Games like Snake, Memory, and Sports have been taken to a whole new level. Most wireless games are designed for short play sessions of about three to five minutes to alleviate boredom. Teens and adults are used to a high level of stimulus, thus "gap-filling" quality of wireless games takes advantage of a timeless behavioral pattern of young people. The researcher found that, games were popular at 52.0% of all the respondents. 48.0% did not consider playing games with their phones. Out of the 52.0% respondents who played games, 12.0% played always, 13.6% played games often while 15.2% only played games sometimes. 15.2% found games conceiving rarely. The findings are summarized in the table below.

Table 8: Mobile phone games

	Frequency	Valid Percent
Always	14	11.2
Often	17	13.6
Sometimes	15	12.0
Seldom Rarely	19	15.2
Never	60	48.0
Total	125	100.0

Source: field data

4.13.5 Frequency of receiving updates

To get news up-date, one is needed to subscribe to the service provider. Those desiring to get news up-date subscribe to the service provider. Fee for the service is automatically deducted from their credit balance or charged to their account depending on the tariff plan. According to the study, 6.4% of the respondents subscribed to the service. 1.6% didn't subscribe, 7.2% of received news only sometimes while 11.2% only received news seldom. 73.6% who were the majority never subscribed to the news update service. The table below summarizes the findings.

Table 9: Frequency of receiving updates

	Frequency	Valid Percent
Always	8	6.4
Often	2	1.6

Soraebmes	9	7.2
Seldom Rarely	14	11.2
Sewer	92	73.6
Total	125	100.0

Source: field data

4 13.6 Use of the mobile phone to make international calls

The basic use of mobile phone is calling and receiving calls. Users can choose to make calls locally or even internationally. For those who travel frequently to foreign countries they can still make or receive calls by use of roaming facility. Depending on need, the user is therefore at liberty to call or receive calls from any where in the world. The research found out that, only 25.8% of respondents used their phones to make calls internationally. 3.9% never used their phones to make international calls at all. 99.4% made local calls. Only 0.6% did not make local calls at all. From the research, 14.7% of the respondents roamed internationally. 85.3% never roamed with their phone in other countries. They either did not travel outside their country or traveled but failed to use their phones.

4.13. Use of mobile phones for internet access and web browsing.

subscribers with GPRS/WAP/EDGE enabled phones can connect to internet. The research findings indicated that 10.9% of the subscriber browsed the web always. 12.4% did browse often while 10.1% browsed sometimes. Rarely did 2.3% did not browse the web. 64.3% of the users never browsed the web. The reason could either be their mobile phone brands did not support internet feature or they did not find it useful or they don't know how to use the service at all. The table below summarizes the findings.

Table 10: Internet usage

	Frequency	Valid Percent
Always	14	10.9
Often	16	12.4
Sometimes	13	10.1
Seldom Rarely	3	2.3
Never	83	64.3
Total	129	100.0

Source: Field data

4.13.8 Behavior while talking on the phone

Some people feel bothered whenever other call or receive call around them while others find it otherwise. According to the research findings, 46.0% of mobile users do not feel bothered at all when other people receive or make calls around them. 24.1% of users rarely feel bothered while 20.4% sometimes get bothered by the interference. 3.6% of the users however get bothered, 5.8% always get provoked when other people around also use their phones. The table below summarizes the findings.

Table 11: Mobile communication behavior

	Frequency	Percent
No, never	63	46.0
Seldom/rarely	33	24.1
Sometimes	28	20.4
Often	5	3.6
Yes, always	8	5.8
Total	137	100.0

Source: field data

4.13.9 Frequencies of silent or vibrate mode

Different brands of phones have different ways of alerting the owner of an incoming call or message. Some brands vibrate; others beep or ring depending on the users setting and the environment they are in. The study found that, 40.3% of the respondent never put their phone in vibrate or silent mode at any one time. 7.9%, 23.0% and 17.3% conversely did put their phone in vibrate or silent mode rarely, sometimes and often in that order. 11.5% had phones either on vibrate mode or silent mode always. The table below summarizes the findings

Table 12: Frequency of silence or vibrate mode

	Frequency	Percent
No, never	56	40.3
Seldom/rarely	11	7.9
Sometimes	32	23.0
Often	24	17.3
Yes, always	16	11.5

Total 139 100.0

Source: field data

4.14 Use of Mobile phones while driving

The law discourages mobile use while driving. The researcher findings indicated that 66.2% of the respondents did not own vehicles, 33.8% who had vehicles, 15.8% never used their phones while driving. 4.3% seldom used their phone while driving. 7.9% sometimes used their phone while driving while 2.9% often called or received calls while driving. Another 2.9% did receiving or make calls always while driving. The table below summarizes the findings.

Table 13: Use of mobile phone while driving

	<u>Frequency</u>	<u>Percent</u>
No, never	22	15.8
Seldom/rarely	6	4.3
Sometimes	11	7.9
Often	4	2.9
Yes, always	4	2.9
<u>I dont have a vehicle</u>	<u>92</u>	<u>66.2</u>
<u>Total</u>	<u>139</u>	<u>100</u>

Source: field data

4.15 Mobile phone dependence.

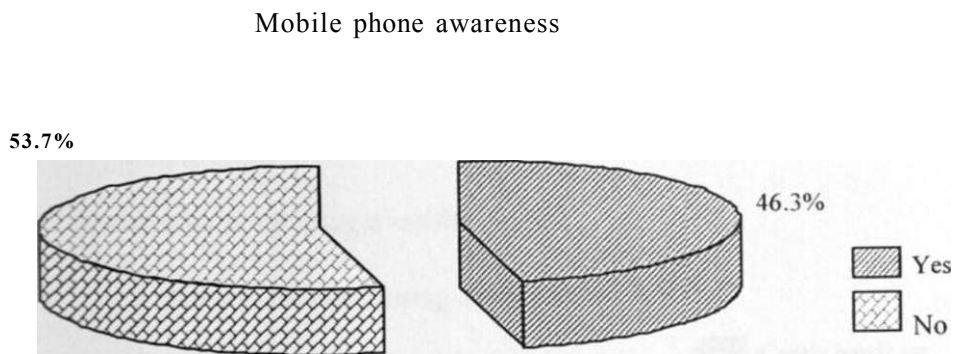
Users who mostly depend on calling will feel robbed their livelihood if they have to stay for a day without their phones while others find a phone useful only when making or receiving calls or sending/receiving text messages and therefore can do without a phone. The study found that 44.2% of the respondent cannot stay for a day without their hand-sets. Nevertheless, 55.8% could forego a day without their phones. Of those who could not afford to stay for a day without a phone 1.0% felt something is missing, experience communication breakdown or would miss out on important calls.

4.16 Brand awareness

The mobile phone manufacturers are providing consumers with new brands of phones targeting different segments of the market. Advertising has made the market aware of some of these brands. The study found that although 53.7% of the respondents were not aware of new hand-sets in the market, 46.3% respondents were market conscious. The Nokia N and E series was very popular, followed by Motorola series, BlackBerry brands and LG. Other brands named include:-

- Jasjam/JasJar IMATE
- I-phone
- PDA
- Samsung D series
- Haier
- Sony Erickson W810i

Figure 26: Mobile phone awareness



Source: Field data

4.17 Reasons for purchasing a mobile phone

Owning a mobile phone comes with different perceptions. For some it is stylish, convenience while for others it makes them feel safer. Which ever the reason, the research findings indicate that most people have mobile phones for convenience, at 82.2%. 17.1% find having mobile phone stylish while 0.8% makes them feel secure.

Table 14: Reasons for purchasing a mobile phone

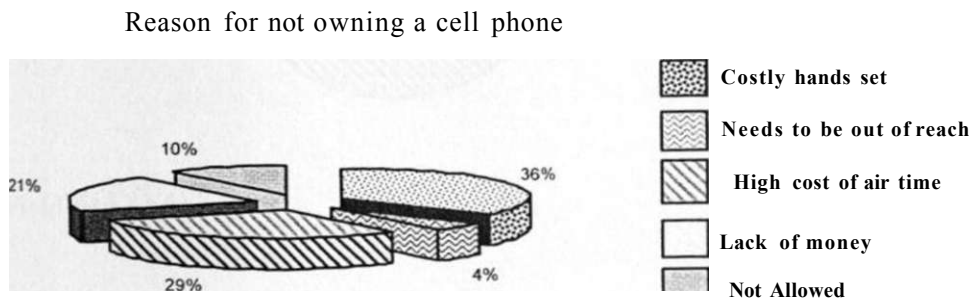
	Frequency	Valid Percent
It is stylish	22	17.1
It makes your life easier i.e. it is convenient'	106	82.2
You feel 'safer'	1	.8
Total	129	100.0

Source: field data

4.18 Reasons for not owning a mobile phone

The research indicates that, 36.0% found the hands sets costly, 10.0% others especially those in lower level education ladder, owning mobile phones are not allowed. 22.5% did not require a mobile phone. Cost of air time was cited by 29.0% respondents to be one of the factors that hinder them from purchasing a mobile phone. 4.0% wanted to be of out of reach.

Figure 27: Reasons for not buying a mobile phone



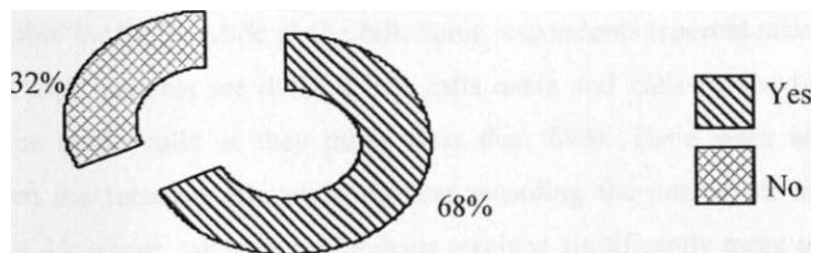
Source: Field data

4.19 Future plans to purchase a mobile phone

The respondents who did not have a cell phone indicated they would like to purchase a cell phone in future at 68.4%, 31.6% didn't consider buying a mobile phone in the near future. Among those who wanted to procure a phone in the near future, 5.7% were shopping for one, 28.6% wanted to buy a phone sometime in the next 3-6 months. 8.6% sought to buy a phone when they start working while 45.7% waited to join college to buy one. Nevertheless, 11.4% still did not want to buy a phone in the current period. The reputation of Nokia and Motorola hand-sets among those who considered buying a hand-set in the future surpassed all the other brands of phones. According to the study, 4.6% of the respondents wanted to buy Motorola hand sets. In addition 0.5% exclusively wanted Motorola V series. 3.1% wanted a Nokia hand set while 0.5% and 1.0% wanted specifically Nokia 6030 and Nokia N70 respectively. 2.5% of probable buyers preferred Samsung hand sets. 1.0% preferred buying either LG chocolate or Sony Erikson while BENQ-Siemens hand sets were popular to 0.5% of the respondents proposing to buy a phone.

Figure 28: Future plans for mobile phone purchase

Future to purchase a mobile plan



Source: Field data

CHAPTER 5

5.0 SUMMARY, CONCLUSION AND IMPLICATIONS

5.1 SUMMARY

Majority of the respondents were reported to have owned a mobile phone for three to five years with a majority of them owning the Nokia, Samsung, Motorola, Sony Ericsson and Siemens models. The choice of the hand set was found to have been influenced by price, discounted/ special offer price. Hire purchase, Functionality GPRS/EDGE/WAP, Appearance of the cell phone. Packaging of the cell phone, brand, warranty, color, screen (color or no color), radio and games size (dimension), weight of the cell phone, memory capacity of the cell phone, domestic use, business use, keypad (normal, QWERTY), accessible service center, shape, advertising, direct sales (sales man) and by friend/ family recommendation.

Most respondents were on prepaid packages and did not spend excessive amounts of airtime with the average mobile phone bill amounting to between Kshs. 1000 - Kshs 2000 per month. The teenager segment (17-19 years old) and the young adult segment (20-23 years old) reported various behaviors regarding their purchase patterns. The teenagers were more likely to be prepaid users whereas a large proportion of young adults were contract users due to higher incidence of employment. Thus, the older the respondent, the more likely they will be personally responsible for their mobile phone bill. Some respondents reported making less than five calls a day. Usage patterns are divided into calls made and calls received, with young people receiving as many calls as they make (less than five). There were no significant differences between the teenager and adult segment regarding the number of mobile phone calls made per day. However, younger respondents received significantly more calls than the adults.

According to over half of the respondents, the average length of a mobile phone call is between five and fifteen minutes. Furthermore, the average length of a mobile phone call tended to be longer the older the respondent. The respondents send on average five to ten SMS's a day, with the youth segment using SMS's more than older generation. This indicates a preference for SMS's which can be ascribed to reasons such as convenience and cost. Unlike voice communications SMS's may be sent anywhere, anytime and anyplace. Cost is an important

criterion for sending SMS's. While a voice mobile phone call costs approximately, Kshs. 20 per minute, an SMS costs no more than Kshs. 5.

Close personal, family and friends, and work colleagues are all people contacted by mobile phone in order of preference as indicated by the respondents. Peer relationships are highly regarded by this majority of the respondents and therefore it comes as no surprise that most of them contact their close personal friends mostly on their mobile phones. SMS's were the most frequently used feature after voice calls, indicating the popularity of the SMS as an important way in which respondents communicate.

Majority of the respondents use their mobile phone calls to manage personal information, play games, and receive and send pictures. Accessing the internet (WAP) and sending and receiving email were not as popular, indicating the slow uptake of this feature by majority of the respondents. New technologies such as WAP will be adopted by Kenyan's consumers only once tariffs for this service are in line with their budgets and needs.

5.2 Recommendations to network providers

Network providers should focus on marketing to the youth segment and develop youth focused services. This study has found that young people are brand conscious and most of them are loyal to the model of mobile phone they own. The findings indicated that the respondents surveyed were brand loyal, thus capturing the attention of this group of consumers will ultimately increase the possibility of keeping these consumers loyal for life- a challenge many marketers face.

5.3 Recommendations to handset manufacturers

Handset manufacturers have also placed great emphasis on designing their mobile phones to appeal to all customers especially the youth. Advertising campaigns that will in turn lead to strong brand image are essential when targeting Kenyan customers especially the youthful consumers. Each handset manufacturer should carefully re-think its strategy when marketing to Kenyan customers especially the youth and focus on brand personality, brand positioning, product design and differentiation.

The use of inspirational, benefit-based emotional features and competition-driven positioning strategies keeps some manufacturers ahead of the other manufacturers. In turn, product design

is also very important in the success of the brand. The way in which the consumer will experience the brand and how that experience reflects its brand character are all taken into account.

The lifestyle aspect of some handsets is very important, this includes cameras, music and entertainment features. Handset manufacturers have discovered that a mobile phone is no longer a communication tool only, but also an important part of the individual's life.

Network operators have used their billing relationship with end-users to become feature identified by brand consumers. Majority of the youth segment has been found to be more techno-savvy than other segments of the markets so any new advances in technology will be readily adopted.

5.4 LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

The following are the limitations and possibilities for future research emerging from this research:

Consumer attitudes keep changing and these findings may not be applicable in all cases. Surveys should thus be undertaken periodically in order to gauge changing consumer mobile phone purchasing patterns and perceptions over time. The surveys should be carried out periodically thus helping academics, network providers and handset manufacturers and distributors alike to acquire useful information and to target users more effectively.

The findings of this study are based entirely upon the research conducted in the Westlands area of Nairobi and hence may not be applicable to other areas on accounts of contextual and cultural factors. This survey should be carried out on a wider scale so as to include all consumers from other areas. The researcher encourages the replication of this study in other regional areas in which cross-regional similarities and differences could be studied.

Additional research exploring the way in which mobile phones influence the communication patterns amongst users should be undertaken. The preservation of relationships as a result of the mobile phone was a central theme and should be further explored.

Each of the sub-topics covered in the literature review, for example, the determinants influencing consumer behavior (Chapter 3, Section 3.4), should be analyzed in greater depth. Future research into the topics discussed above will not only contribute to the existing literature on consumer purchasing behaviors but, more significantly, to an improvement in our understanding of Kenyan future consumer behavior thus increasing the understanding of the mobile phone industry, improve marketing efforts and service delivery.

5.5 CONCLUSION

This factors that influence consumer purchasing decisions of mobile phone among Kenyans in Westlands Nairobi provided several insights and clear conclusions. Westlands is one of the most important demographics shaping the landscape of consumer behavior. Secondly, purchasing patterns are likely to differ between age groups, between genders and education levels.

The Kenyan mobile phone consumer especially the youth will exhibit different attitudes and behaviors towards acceptance of the mobile phone as opposed to the population at large, hence one tariff alone may not be sufficient to target this lucrative market. A variety of bundled services offered by network providers could prove to be a valuable method of retaining subscribers for example money transfer for example, M-Pesa and Soko Tele.

Signing up a greater number of youthful consumers will go beyond merely increasing the number of subscribers as this target market is likely to experiment with new communications devices and features. They are the primary adopters of text-messaging technologies including SMS and MMS. SMS has been found to be a more cost-effective and discreet way to communicate with peers than voice calls. Understanding the way in which Kenyan consumers have incorporated the mobile phone into their lives will be of relevance for all future applications. Mobile network providers will ultimately succeed if they custom design their products and services in order to serve this unique segment of the market and tailor or make their marketing strategies around the youthful consumers.

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APPENDIX I

QUESTIONNAIRE

This questionnaire has been designed to collect information from all people with or without mobile phones and is meant for academic purposes only. The questionnaire is divided into three sections. Please complete each section as instructed. Do not write your name or any other form of identification on the questionnaire. All the information in this questionnaire will be treated in confidence.

Background information

1. What is your gender? a) Male b) Female
2. What is your age?
 - a) Less than 20 years
 - b) 21 - 25 years
 - c) 26 - 30 years
 - d) 31 - 35 years
 - e) 36 - 40 years
 - f) 41 and above**
3. What is your highest education level?
 - a) Primary education
 - b) Secondary education
 - c) College education
 - d) University education**
 - 0 No education**
4. Are you in any form of employment? a) Yes b) No
5. What is your occupation?_
6. Do you own a mobile phone? a) Yes b) No go question number 31.
7. I currently own a -

	COMPANY	MODEL	PURCHASED IN (YEAR)
1	NOKIA		
2	SONY Ericsson		
3	Motorola		
4	Panasonic		

I 5	Samsung		
6	LG		
7	Siemens		
8	BlackBerry		
9	Any other (specify)		

8. Please rate the following statements by placing a tick in the appropriate space based on the following:

1. not important
2. Somewhat important
3. Neither important /nor unimportant
4. Important
5. Very Important

Marketing Aspects:

	1 Not important	2 Somewhat important	3 Neither important /nor unimportant	4 Important	5 Very Important
List price					
Discounted/ special offer price					
Hire purchase					
Functionality GPRS/EDGE/WAP					
Appearance					
Packaging					
Brand					
Warranty					
Color of phone					
Screen (color or no color					
Radio					
Games					

Size (dimension)					
weight					
Memory					
Domestic use					
Business use					
Keypad (normal, QWERTY)					
Accessible service center					
Shape					
Advertising					
Direct sales (sales man)					
Friend/ family recommendation)					

Technical Aspects:

	1 Unimportant	2 Somewhat important	3 Neither imponent /nor unimportant	4 Important	5 Very Important
Network capability (GSM 900/GSM 1800/GSM 1900, UMTS eg CDMA)					
Operating System eg. Symbian, Windows, UIQ, JAVA)					
Camera quality(Mega Pixel)					
Memory (Inbuilt/ card)					
Services (GPRS,EDGE, 3G)					
Phone accessories(Bluetooth, head phones)					

Infrared port/USB port					
Messaging (MMS, pop nail)					
Aergonomics(style, shape)					
Multimedia support (MP3,MP4, Real player)					
Battery Backup (standby time , talk time)					
Ringtones (polyphonic, normal)					
Display (wall paper, screen saver)					

9. What tariff are you on - a) Pre-paid [] b) Post-paid / Billing []

If you are a PRE-PAID USER	OR	If you are a POST-PAID USER
How often do you buy airtime <ul style="list-style-type: none"> • Monthly • Every 3 months • Yearly Any other		How much do you spend in a month? <ul style="list-style-type: none"> • Every two months • Less than Kshs. 500/- • Between Kshs. 500/-to Kshs. 700/- • Between Kshs. 700/-to Kshs. 1000/- • Between Kshs. 1000/-to Kshs. 1500/- • Between Kshs. 1500/-to Kshs. 2000/- • More than Ksh 2000/- (Kindly state the approximate amount)
Credit Amount: Kshs.		
Do you typically use up all your 'talk time'? a) Yes [] b) No []		

Section II

10. Who bought the mobile for you?

- a) Father
- b) Elder Brother / Sister
- c) Self
- d) Company

0 Any other (please specify)

11. How useful is a mobile phone to you?

- 1) Very useful
- 2) Somewhat useful
- 3) Not that useful
- 4) Not useful at all

12 You bought a mobile because -

- Everybody around you already had one with them
a) Yes b) No
- You wanted to buy it a) Yes b) No
- Somebody (friend/parents) asked you to get one a) Yes b) No
- Any other (please specify)

13) How important are the following reasons for purchasing the mobile?

	1 Not important	2 Somewhat important	3 Neither important /nor unimportant	4 Important	5 Very Important
'Convenience" of calling anytime					
makes me 'easily accessible' (to other people)					
It is easy to communicate					

with friends					
No Landline, so preferred a mobile.					
Can use the mobile phone wherever I go					
Useful in emergencies.					
Can send/receive emails.					
All my friends have one.					
Carrying one is in fashion.					
Carrying one is the norm (social standard).					
Convenient for looking up information.					

14) What "accessories" have you bought with your mobile?

- A Plastic Cover []
- A Waist Pouch []
- A Chord/String []
- Any other

15 How often do you use the following mobile phone features?

	1 Never	2 Seldom/Rarely	3 Sometimes	4 Often	5 Always
Playing music					
Camera					
Display pictures on the screen					
Games					
Radio					
Calendar					
Contacts					
Short message					

service(SMS)					
Voice mail					
Breaking news Service					
internet/ Email					
iiands-free kit					

Section III

16) When did you start using a mobile phone? _____years months

17)Is your mobile phone always ON (i.e. at night included)? a) Yes [] b) No []

18) When the cell phone rings you answer -

a)'All'the calls []

b) Only selective calls' []

c) Other (please specify)

19) Generally, you use the mobile phone for —

- Calling your friends []
- Calling home whenever you are out []
- Business/Office-related work []
- Any other (please specify)

20) How much of your usage is directed towards "family calls" only?

- One in every 2 calls (50%)
- One in every 3 calls (One-third or 33%)
- One in every 5 calls (20%)
- One in every 10 calls (10%)
- Any other (please specify)

21) The most common places where you use your mobile are -

- At home
- In Public transport
- In Stores while shopping
- On the Bus-stand
- At work (office / college)

- Any other (please specify)

22) While talking over the phone do you -

- Stand at one place and complete the conversation
- Roam around
- Any other (please specify)

23) How 'private' do you consider the information stored in your mobile phone?

- Very private []
- Somewhat private []
- Not private []

24) How frequently do you use your mobile phone:

No		Always	Often	Sometimes	Seldom/Rarely	Never
1	Sending messages(SMS, MMS)					
2	Taking and sending picture messages					
3	Downloading or forwarding 'ring tones'					
4	Playing Games					
5	Getting News Updates (Sports or other)					
6	International calling					
7	Local calls					
8	International roaming					
9	Internet access/ Web browsing					
10						

25) While you are talking over the mobile, does it bother you when others around you talk on their cell phones too?

- 1) No, never []
- 2) Seldom/Rarely []
- 3) Sometimes []
- 4) Often []
- 5) Yes, Always []

26) How often do you place your phone on "SILENT" OR "VIBRATE" mode?

- 1) No, never []
- 2) Seldom/Rarely []

3) Sometimes []

4) Often []

5) Yes, Always []

27) Do you use your mobile while driving?

a) Never []

b) Seldom/Rarely []

c) Sometimes []

d) Often []

0 Always []

g) I DON'T HAVE A VEHICLE []

28) Can you do without a mobile for a day?

a) Yes []

b) No []

C) If NO, why not?

29) Are you aware of the latest models (or handsets) available in the mobile market?

a) Yes []

b) No []

If YES, Kindly name at least 3 models that you know -

1_

2_

3_

30) To what extent you Agree or Disagree to each one of these statements. (Tick /mark in the appropriate column)

No		Totally Agree	Somewhat Agree	Neither Agree nor Disagree	Totally Somewhat	Totally Disagree
	The mobile has become a 'necessity' today.					
	The 'model' you buy tells how fashionable you are.					
	Lengthy conversations on a mobile are 'ok'.					

	Phone numbers / Messages stored in mobile are 'private'.					
	Using a mobile phone while driving is 'ok'.					
	It makes your life easier i.e. it is 'convenient'					
	You feel 'safer'					

END (IF RESPONDENT HAS A MOBILE)

Instruction: ASK THE FOLLOWING ONLY IF HE / SHE IS NOT A MOBILE USER

31) If you don't have a mobile phone, kindly tell me why not?

- It is not allowed
- You don't require it
- It is costly
- You do not want to be reached all the time.
- Any other__

32) Are you planning to buy a mobile phone in near future? a) Yes b) No

If Yes:

- Within the next month (Already in process)
- Sometime in the next 3-6 months
- May be when I start working / earning
- May be when I start going to senior college
- I will not buy a mobile phone

33) Which model are you planning to buy?_