Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Management



Bachelor Thesis

Drivers of Consumer Behavior of Apple and Samsung Users in Uzbekistan

Sitora Salieva

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

Sitora Salieva

Business Administration

Thesis title

Drivers of Consumer Behaviour of Apple and Samsung Users in Uzbekistan

Objectives of thesis

The objective of the thesis is to formulate, based on the research findings, a conceptual proposal of improvements in marketing programs of the given company built on a deeper understanding of consumer behaviour.

Methodology

The thesis will consist of two parts. The first part will provide the elementary theoretical overview, which should deal with consumer behaviour theory, including principles, models, and evaluation.

The theoretical part of the thesis will be based on the critical review of the information gained from the study and the comparison of relevant resources—mainly books and articles from academic or professional journals.

The fundamental empirical part will evaluate the consumer behaviour of a selected group of consumers discussing selected brands. Data for the empirical part will be gained using appropriate data collection techniques like observation, interviews, and questionnaires. Based on the research, the relevant conclusions of the thesis must be drawn.

Recommended structure of the thesis:

- 1. Introduction an explanation of the topic importance.
- 2. Thesis objectives and methodology the main objective of the thesis will be divided into partial objectives based on the knowledge gained from the study of marketing communication and social media marketing. The methodology chapter will explain appropriate data collection and processing methods in detail.
- 3. Literature review a critical review of current knowledge in consumer behaviour, its models and marketing application. The specifics of consumer behaviour in the selected industry will be studied.

- 4. Specification of the selected subject description of the selected subject, its environment and market specification.
- 5. Practical part analysis of data gained from own research according to the methodology.
- 6. Results and recommendation formulation of own proposal of improvements.
- 7. Conclusion review of main results and evaluation of the contribution of the theses.
- 8. References
- 9. Appendices

The proposed extent of the thesis

30-40 pages

Keywords

consumer behaviour, smartphone users

Recommended information sources

BADDELEY, M., 2018. Behavioural Economics and Finance (2nd ed.). Routledge. pp. 354. ISBN 9781315211879 https://doi.org/10.4324/9781315211879

DIMOFTE, Claudiu, V., HAUGTVEDT, Curtis, P., and YALCH, Richard. F. (Eds.). 2015. Consumer Psychology in a Social Media World (1st ed.). Routledge. pp. 306. ISBN 9781315714790

Journal of Consumer Behaviour. Wiley-Blackwell. 2009-present. ISSN:1479-1838

Journal of Consumer Psychology. John Wiley & Sons Inc. 1992-present. ISSN 1057-7408

Journal of marketing. Menasha: American Marketing Association. 1936-present. ISSN 0022-2429.

PETERSEN, J.A., KUMAR, V., POLO, Y. and SESE, F.J., 2018. Unlocking the Power of Marketing: Understanding the Links between Customer Mindset Metrics, Behavior, and Profitability. Journal of the Academy of Marketing Science, 09, vol. 46, no. 5, pp. 813-836 ProQuest Central. ISSN 00920703. DOI http://dx.doi.org.ezproxy.techlib.cz/10.1007/s11747-017-0554-5.

REYNOLDS, T. J., & OLSON, J. C. 2001, Understanding Consumer Decision Making: The Means-End Approach to Marketing and Advertising Strategy, Taylor & Francis Group, Philadelphia. Available from: ProQuest Ebook Central. [7 May 2020].

RUST, Roland T. a Anthony J. ZAHORIK, 1993. Customer satisfaction, customer retention, and market share. Journal of Retailing [online]. 69(2), 193-215 [cit. 2018-10-13]. DOI:

10.1016/0022-4359(93)90003-2. ISSN 00224359. Dostupné z:

https://linkinghub.elsevier.com/retrieve/pii/0022435993900032

SMITH, Andrew, 2019. Consumer Behaviour and Analytics: Data Driven Decision Making, New York: Routledge. pp. 217. ISBN 9780429953361.

SOMAN, Dilip, 2015. The last mile: creating social and economic value from behavioral insights. London: University of Toronto Press. pp. 296. ISBN 9781442650435.

Expected date of thesis defence

2021/22 SS - FEM

The Bachelor Thesis Supervisor

Ing. Lenka Platilová Vorlíčková

Supervising department

Department of Management

Electronic approval: 27. 2. 2022

prof. Ing. Ivana Tichá, Ph.D.

Head of department

Electronic approval: 2. 3. 2022

doc. Ing. Tomáš Šubrt, Ph.D.

Dean

Prague on 16. 03. 2022

Declaration
I declare that I have worked on my bachelor thesis titled 'Drivers of Consumer
Behavior of Apple and Samsung Users in Uzbekistan' by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare
that the thesis does not break any copyrights.
In Prague on March 15, 2022
In Prague on March 15, 2022

4.1
Acknowledgements
I was ald like to the other Darks Dietilas of Ward Share's fan han advise and assument during
I would like to thank Lenka Platilová Vorlíčková for her advice and support during my work on this thesis.

Drivers of Consumer Behavior of Apple and Samsung Users in Uzbekistan

<u>Drivers of Consumer Behavior of Apple and</u> <u>Samsung Users in Uzbekistan</u>

Abstract

The main objective of this thesis is to cover the idea of the consumer behavior driving factors on the example of Apple and Samsung users in Uzbekistan.

The secondary aim of this thesis is to enclose the concept of the traditional consumer behavior, to illustrate the major decision making models as well as the factor how they play their role as a key drivers of this process.

Besides, to describe external and internal decision making factors of the consumer. Additionally, to understand how the marketing and advertisement tools influence the consumer decisions when it comes to purchasing the smartphone of the particular model.

The subject of this study is the consumer behavior in Uzbekistan in relation to buying Apple or Samsung smartphone. The analysis will be conducted through the means of the primary and secondary analysis of the academic sources and survey results performed by the author.

Keywords

Questionnaire, smartphone, income, substantial level, qualitative research, preferences, habits

Ovladače spotřebitelského chování uživatelů Apple a Samsung v Uzbekistánu

Abstrakt

Hlavním cílem této práce je pokrýt myšlenku hnacích faktorů spotřebitelského chování na příkladu uživatelů Apple a Samsung v Uzbekistánu.

Sekundárním cílem této diplomové práce je přiblížit koncept tradičního spotřebitelského chování, ilustrovat hlavní modely rozhodování a také faktor, jakým hrají roli klíčových hybatelů tohoto procesu.

Kromě toho popsat vnější a vnitřní rozhodovací faktory spotřebitele. Navíc porozumět tomu, jak marketingové a reklamní nástroje ovlivňují rozhodování spotřebitelů, pokud jde o nákup smartphonu konkrétního modelu.

Předmětem této studie je spotřebitelské chování v Uzbekistánu v souvislosti s nákupem smartphonu Apple nebo Samsung. Analýza bude provedena prostřednictvím primární a sekundární analýzy akademických zdrojů a výsledků průzkumu provedeného autorem.

Klíčová slova

Dotazník, chytrý telefon, příjem, podstatná úroveň, kvalitativní výzkum, preference, zvyky

Table of content

1. Introduction	14	
2. Objectives and Methodology	15	
2.1.Objectives		
2.2.Methodology	15	
3. Literature review	17	
3.1.Definition of Consumer Behaviour	17	
3.2.Decision-Making Models	17	
3.2.1.Traditional Decision-Making Models	18	
3.3.Characteristics Influencing Consumer Behavior	21	
3.3.1.External Influence on Consumer Behavior	21	
3.3.2.Internal Influence on Consumer Behavior	23	
3.3.3.Maslow's Theory of Need Hierarchy	25	
3.4.Smartphone Industry	27	
3.4.1.History of Smartphones	28	
3.4.2.Smartphone Consumers	28	
3.4.3.Apple: Values and Strategy	29	
3.4.4.Samsung: Values and Strategy	30	
3.5.Marketing and Advertisement	31	
4. Practical part	33	
4.1.Survey distribution means	33	
4.2.Overview of questionnaire	33	
4.2.1.Consumer behavior analysis	35	
5. Results and Discussion	46	
6. Conclusion.		
7. References	49	
8. Appendices	56	

List of figures

- Figure 1. Maslow's Hierarchy
- Figure 2. Categorization of survey respondents by gender
- Figure 3. Categorization of survey respondents by smartphone brand
- Figure 4. Relationship between smartphone brand and satisfaction of users in Uzbekistan
- Figure 5. Relationship between age and frequency of smartphone purchase in Uzbekistan
- Figure 6. Relationship between age and level of income in Uzbekistan
- Figure 7. Relationship between importance of design and technological parameters choice by gender in Uzbekistan
- Figure 8. Relationship between age and advertisement influence in Uzbekistan
- Figure 9. Relationship between feedback and public opinion affect by gender

1. Introduction

The world is being revolutionized by technology. Everyone is increasingly more dependent on technological devices such as smartphones, tablets, and personal computers (AgingInPlace, 2020). With the help of technology advancement this new kind of communication has created new ways of doing business. Consumer behavior has changed from old to new buying methods, such as online and smartphone purchases. Smartphones have undoubtedly become one of today's most widely used products.

The internet has influenced many aspects of social life, including business, leisure, culture, communication, technology, shopping, and travel. With the development of new technology especially due to the booming of social media, smartphone manufacturers are challenged with a significant difficulty as well as a significant opportunity.

Consumer Behavior, Smartphone Industry, Marketing and Advertisement are the three key aspects of this study. The study will highlight the influence of digital media on consumer behavior in the smartphone market based on the definition, history, and all of the essentials. Apple and Samsung, two globally recognized companies, were chosen as research samples to evaluate the impact of social media on the smartphone sector.

2. Objectives and Methodology

2.1.Objectives

The object of the study – consumer behavior patterns in terms of purchasing the smartphone.

Subject of the study – people living in Uzbekistan of different ages, income and occupation.

The research questions aimed to answer by the means of this thesis:

- What are the traditional types of the consumer behavior and decision making models?
 - Which are the key drivers of the consumer behavior?
- Why people in Uzbekistan prefer Apple or Samsung smartphones and what is the reason behind this behavior?

2.2. Methodology

The thesis is divided in two major parts. The first part of the study took the approach of doing a literature review, which required gathering data from a variety of credible resources such as academic journals, websites, and books. The researcher then relied on the data obtained, correlating the information to the topic of study and objectives.

The second part is practice. This is an empirical part which is based on the results of a questionnaire survey. A survey was created through the means of Survey Monkey and Google forms and distributed through social media. The sample was collected using the snowball sampling approach, which is a form of convenience sampling method that asks respondents to spread the questionnaire with their social networks (Ghaljaie, 2017). The survey questionnaire was examined among several people from various age groups before posting online.

Bias was reduced because the questionnaire was anonymous. The survey consisted of rating scale questions, yes-no questions, multiple choice questions, and "what suits you best". In addition to gender, age and activities, respondents were asked about their electronic devices, importance of several characteristics associated with them, the brand of

their devices, whether they have always considered the same brand, and whether they intended to change it in the future. Besides, all participants were asked how they felt about advertisements on social media and how they get product information.

The major purpose of this study was to determine what factors mostly affect a consumer's decision to purchase a product from one of the brands analyzed. All respondents were questioned where they see the majority of each brand's advertisements and how they feel about them when it came to Apple and Samsung. They were questioned whether they were interested in Apple's WWDC, what they thought of the brand product lines, and how they felt about Samsung's marketing particularly comparing their products to Apple.

In addition to the survey results, Apple and Samsung marketing strategies are examined.

3. Literature review

3.1. Definition of Consumer Behaviour

Consumer behaviour means the study of groups, individuals, and organizations and the processes they utilize to choose products, services, experiences, or innovations to meet their requirements and impact on the consumer and society (Chen et al., 2018). It combines sociological, psychological, economic components, and social anthropological (Bobadilla et al., 2020). Understanding the needs of the individual consumers examines the features of the demographics and the behavioural variables (Yarimoglu and Binboga, 2019). Moreover, it evaluates consumer influences from families, friends, groups of reference, and society in general (Yuan et al., 2015). An overview of consumer behavior provides insight into the different aspects that influence a public's behavior. It provides an overview of the reasons, goals, and decision-making processes that were considered during your journey. Rahman and Reynolds (2019) proposed that customer behaviour analysis is driven by relationship marketing because it is keen to rediscover the true meaning of marketing by reaffirming the importance of the customer. The importance of consumer behavior analysis is that it allows advertisers to comprehend how customer purchasing decisions are influenced. Understanding how consumers choose a product can figure in the market gap and identify acceptable and inappropriate products. When buyers buy a low-cost, regularly purchased item, they engage in this type of behavior. Consumer choices are greatly influenced by marketing activities. With the right marketing message, they may persuade customers to switch brands or choose for more expensive alternatives, if done correctly and regularly.

3.2.Decision-Making Models

Most large corporations are interested in the process that a consumer goes through while making a decision. They are putting in great effort to learn more about the consumer purchasing process, including what customers buy, where and how they buy, and when and why they buy. Behavioral decision theory has been one of the most active academic research areas in marketing over the last few decades. Consumers make irrational decisions

in a variety of scenarios, according to behavioral decision theorists. All of these and other research show that customer behavior is extremely useful, and the context in which decisions are made is crucial.

3.2.1. Traditional Decision-Making Models

Generally, buyer goes through five stages before making a purchase decision. Blackwell et al. (2006) proposed one of the most widely used models of consumer decision-making. According to him, the five stages of consumer decision making process are: problem-need recognition, information search, evaluation of alternatives, purchase decision made and post-purchase evaluation. Each stage is then described by a group of researchers, with modest differences but a general understanding of what each stage entails. For instance, according to Kotler and Keller (2006) in their book, define this concept in depth and explain a new stage of the paradigm: disposal. Moreover, they talk about how consumer decision-making is influenced by moderating effects (like consumer involvement) (Belch and Belch, 2009).

Stage 1: Problem recognition

The model's first stage is Need-Problem Recognition, which occurs when customers understand they want something. Marketers, however, attempt to deliberately create an unbalance between consumers' current state and their aspired status. This imbalance will generate a need, prompting consumers to seek out and purchase a product or service. A need might arise suddenly and be a very basic impulse, which is referred to as an internal stimulation. When a person is influenced by outside factors, this is referred to as an external stimulus. Marketers use advertising and sales promotions to create an imbalance or need. Consumers establish a want when they notice an unmet need and believe that a product will meet it. At this point, marketers must establish when their target population acquires these needs or wishes and, as a result, when is the best time to promote to them. Marketers can also assist in identifying a customer's need or problem or the factors that lead to a need or want. Furthermore, marketers may construct the situation on their own,

for example, to make the client feel embarrassed without the product or to give customers a desired status.

Stage 2: Information Search

In the next stage, the customer looks for information about the product or service they want (Schiffman and Kanuk, 2007). When a consumer has identified a need or desire, he or she begins an information search to learn about the various options available to meet that need or desire. It is so-called information search is the second stage. To assist him or her in making a choice, he or she will search both internally and externally for this data. An internal information search involves retrieving data from memory, such as previous product or service experiences. Asking relatives and friends about their experiences purchasing a new good is an example of an external information search. Internal search refers to the process in which customers rely on their own personal experiences and beliefs, whereas external search refers to a broad search of information that includes addressing the media and advertising as well as receiving feedback from others (Rose and Samouel, 2009). The amount of time spent on this phase is usually determined by the consumer's previous purchasing experience, the risk involved, and interest. The consumer has built an evoked set once he or she has generated a set of alternative goods to pick from. This group is made up of the most popular options. After deciding on the evoked set, the consumer will perform final research to help determine his or her options even more (Schiffman and Kanuk, 2007).

Stage 3: Evaluation of alternatives

After gathering all necessary information on the product or service, the following stage is to evaluate the alternatives. According to Kotler and Keller (2006), this is a crucial stage because the consumer weighs all the options and varieties, taking into account criteria such as size, quality, and price. At this stage of evaluating alternatives a consumer may ask herself or himself questions like, "Do I really need the product?". Typically, the buyer selects one of the most significant attributes upon which to base his or her final selection,

or uses the cut-off approach (e.g., price, quality, brand, and so on). Emotional connections or experiences with things, as well as capitulation to marketing efforts are examples of moments that matter. The approach for a consumer at this stage is unique since he or she is seeking for the best value. Cost, style, reputation, product positioning, a place to buy (location), implications of utilizing the product, and other factors that are more relevant to each consumer are used to define the best offer.

In the meantime, Backhaus et al. (2001) indicated, the purchase factor is a major stage because it corresponds to the existence of a transaction. To put it another way, after a consumer recognizes a need, he or she searches for necessary information and weighs the options before deciding whether or not to act. If consumer has decided which brand to acquire, he or she must follow through on the decision and complete the purchase. Moreover, a consumer may state a purchase intention for a specific goods but not complete the transaction. Additional decisions - influencing aspects such as when to buy, where to buy, as well as how much cash to spend – may be required. There is frequently a time lag between making a purchase decision and making the actual purchase, especially for complex goods like autos, electronics, and household appliances. Nondurable products, which include numerous low-involvement items such as common goods, may have a short period between decision and purchase. At this point, it's vital to stimulate the consumer's interest in a purchase and set a time limit.

Stage 4: Post Purchase Behavior

Lastly, the consumer's experience with their purchase is considered into the postpurchase choice. After purchasing the product, the buyer will take further action to the
marketer based on his satisfaction or dissatisfaction (Kotler et al., 2008, pp. 265-271). Was
the product appropriate for the consumer? Did their predictions come true? When a customer discovers that the product lives up to or exceeds the promises that were made and
their expectations, they may become a brand ambassador, encouraging other potential
clients in stage two of their shopping experience, and increasing the probability that the
goods will be sold again. Negative response, on the other hand, can restrict a potential customer's path towards product. The crucial phases in the last stage are catching the cus-

tomer's dissatisfaction. If the customer is pleased, the next step is to convert him or her into a devoted customer. Neal et al. (2012) claim that it is one of the most essential phases in the customer decision-making process because it directly affects future purchases of the same product or service from the same source.

3.3. Characteristics Influencing Consumer Behavior

3.3.1. External Influence on Consumer Behavior

Culture

Culture is the essential character of a society that distinguishes it from other cultural groups. The underlying elements of every culture are the values, language, myths, customs, rituals, laws, and the artefacts, or products that are transmitted from one generation to the next (Lamb et al., 2012). Cultural elements include a customer's beliefs, morality, regulations, customs, traditions, habits, and so on. Each group, area, community, and country has its own distinct culture, so it is essential for every marketer and business person to assess and understand the country's culture before entering their market.

• Subculture

People associate with a variety of subcultures within a society. Subcultures are groupings of people who have common principles as a result of a shared experience or a shared way of life in overall. Religions, nations, geographic regions, racial groups, and other subcultures exist within each society (Rani, 2014). Marketers can make the use of such groupings by breaking down the market into smaller segments. Brands regularly interact in a variety of methods, but in some cases, even develop unique products (sometimes with little inherent difference) for the same sort of product in order to identify a particular segment, age, gender, or subculture. Consumers are more likely to respond to goods and marketing methods that are targeted to them.

• Reference group

Reference groups are those groups that have a direct and indirect influence upon a per-son's attitudes, aspirations or behavior. Although a reference group generally consists

of two or more people, the term is often used more broadly to represent any external influence that gives social cues. Parents, team members, classmates, and other members of the reference group can influence consumption. A reference group can be extensive and formal, with a recognized structure, regular meeting hours, and officers, or small and informal, such as a group of friends or students living in dormitories. In the smartphone industry, corporations tend to have more control over their influencing of the formal group, because they are more immediately recognizable and reachable.

• Family

PPerhaps the most influential thing in a person's life is his or her family. It creates a social atmosphere in which an individual can grow, develop his identity, and acquire values. "Family as a consuming and decision making unit is a central phenomenon in marketing and consumer behavior" (Commuri and Gentry, 2000). Family is the most important social institution for many customers, and it has a huge influence on purchasing behavior, beliefs, views, and self-concept.

Roles and Status

A social role is a set of attitudes and activities that an individual is supposed to have and do according to his profession and his position at work, his position in the family, his gender, etc. and expectations of the people around him (Rani, 2014). The majority of people identify status with a person's lifestyle, education, or profession. According to academics, status refers to a person's position in a certain situation. A status is associated with a set of rules, attitudes, actions, and psychological characteristics known as a role.

• Age and life-cycle

With the flow of time, people change their purchases of goods and services. Even the consumption pattern of the people of same age and gender differs due to difference in their family life-cycle stage (Lamb et al., 2012). In the opinion of Lamb et al. (2012), "The family life cycle (FLC) is a series of stages determined by a combination of age, marital status, and the presence or absence of the children". The family life cycle is divided into

stages, such as teenage singles, married couples, and unmarried couples, which helps marketers create products that are acceptable for each stage.

Occupation

A person's work has a substantial influence on his purchasing habits. "A person normally buys goods that suit his occupation" (Ishikar et al., 2020). A consumer's purchasing power has a favorable association with his or her personal expenditure when they are in a good economic state.

• Economic Status

A consumer's financial situation has a significant impact on his purchasing decisions. If a customer's cashflow are high, he will buy more expensive things. A person with a high income, for instance, could purchase and choose to buy luxury accessories, whereas a person with a low income would buy groceries rather than luxury items. As a result, the buyer's purchase decision is influenced by the economic circumstances.

• Self-concept

Self-concept is the image that the individual has or would like to have of him, and he conveys to his entourage (Rani, 2014). Another key element of the self-concept is the understanding that we are individual objects, and we can direct our own actions (Johnson, 1967). For example, an athlete may prioritize athleticism in their self-concept despite enjoying cooking and being part of a large family. Some have even argued that the self is organized hierarchically, with the most significant components being placed above the less important ones. However, each of us must pick which elements are most important to us (Davis, 2015).

3.3.2.Internal Influence on Consumer Behavior

• Perception

Perception is the study of how sensory information is processed into perceptual experiences (Elyssa Twedt, Dennis R. Proffitt,2017). The consumer habits of each people are

influenced by their personality. Due to differences in perception, people with similar needs may not obtain similar things. Since everyone perceives the world and addresses life situations differently, perception is vital to understanding individual interactions. Perceptions are more significant than reality in the smartphone market because they influence consumer behavior. There are three processes that explain why people perceive the same object differently.

1. Selective attention

• People use selective attention to screen most inputs since their capacity to process stimuli is restricted. For example, ordinary europeans may be exposed to over 1,500 advertisements, implying that marketers must work hard to capture consumers' attention. People are more likely to detect stimuli that are related to a current demand, which they expect, and whose variations are big in comparison to the stimuli's normal dimensions.

2. Selective distortion

• People have a tendency to perceive information in ways that are consistent with their assumptions, which is known as selective distortion. Consumers frequently manipulate data to support their pre-existing beliefs and expectations. When customers view neutral or ambiguous information positively, selective distortion can be beneficial to strong brands.

3. Selective retention

People have the ability to forget much of the knowledge to which they
are exposed, but they remember information that corresponds to their attitudes
and beliefs. It explains why repletion is required to prevent information from
being overlooked.

• Beliefs and Attitude

Customers have distinct beliefs and attitudes about diverse products. Marketers are involved in such beliefs and attitudes as they form part of a brand's image and influence

consumer purchasing behavior. Customers' opinions and behaviors can be changed by marketers conducting special efforts in this area.

• Lifestyle and Concept

Customers' lifestyles are another important aspect that influences their purchasing decisions. According to Kotler and Keller (2006), "Lifestyle is a person's pattern of living as expressed in his or her activities, interests and opinions". It is shaped by the customer's hobbies, beliefs, and actions, among other things, and it determines his entire pattern of acting and interacting in the environment. Consumers' lifestyles and social concepts are influenced by external and internal factors, resulting in a product decision based on need and want.

Motivation

Motivation can be described as an "energizing force" (Hawkins and Mothersbaugh, 2010) that activates certain behaviors that in turn provides purpose and direction to these behaviors. "A motive can be defined as a drive or an urge for which an individual seeks satisfaction. It becomes a buying motive when the individual seeks satisfaction through the purchase something" (Kotler et al., 2014). To put it another way, it is the factors that lead to particular behaviors. It can provide insight into why customers behave in a certain way. Physiological, neurological, social, and other demands are all unique to each individual. When a need is stimulated to a certain degree of intensity, it becomes a motive. A motivation is a persuasive need that motivates someone to do action.

3.3.3.Maslow's Theory of Need Hierarchy

Abraham Maslow attempted to clarify why individuals are inspired by specific needs at specific times. Maslow's hierarchy of needs is the result of his categorizing needs into a hierarchy. From the most urgent to the least urgent, he established five stages of needs.

Maslow's hierarchy of needs is a psychological theory that explains human motivation through the achievement of several stages of needs. Humans are motivated to meet their needs in a hierarchical sequence, according to the notion. This order starts with the most basic necessities and progresses to more complex requirements. In Maslow's opinion, our actions as human beings are motivated in order to achieve certain needs. Maslow's (1954) needs hierarchy system is a widely used approach for categorizing human motivations. It consists of five types of levels, with lower-level needs at the bottom that must be met first before higher-level needs may be addressed (Wallace et al., 1987).

Self Self-fulfillment actualisation needs achieving one's ful potential, including creative activities Esteem needs prestige, feeling of accomplishment Psychological needs Belongingness & love needs intimate relationships, friends Safety needs security, safety Basic needs Physiological needs food, water, warmth, rest

Figure 1. Maslow's Hierarchy

Source: Maslow, 1954.

Physiological needs are at the top of Maslow's hierarchy of needs, and they are the most fundamental of all needs, including food, water, shelter. Humans will always try to meet their most essential needs first; safety needs are the second stage of Maslow's hierarchy of needs. People will aim for security, stability, and escape from fear once their basic needs have been met. The third level is social needs, where people will try to meet their needs for friendship, belonging, and affiliation once their basic requirements have been fulfilled. Other individuals in social circles value feelings of safety; the fourth level of Maslow's hierarchy of needs is esteem needs, which are related to an individual's position and superiority; self-wishes, which are related to self-development and realization.

A person's level of aspiration is closely related to the hierarchy of needs and attitudes will determine the individual route which the person takes for the satisfaction of his needs (Haimann, 1973). According to this view, the final goal is to attain the fifth stage of the hierarchy: self-actualization (see Figure 1).

3.4. Smartphone Industry

Smartphones have quickly become an integral component of people's everyday lives (Pew Research Centre, 2019). Smartphones have been demonstrated to boost everyday productivity, expand social networks, and allow connections with a variety of people and brands (Rhiu and Yun, 2018). As technology's role in global societies becomes more tangible, so do our relationships with the numerous devices we use daily. Smartphones are one such technology-enabled device that has entered the personal area of billions of individuals all over the world in this search (Lachmann et al., 2018). In other words, technology not only serves as a way of forming social relations that influence emotional states such as isolation, depression, self-esteem, and social benefit for humans (Park and Lee, 2012), it also becomes so embedded in people's lives it would be the first thing they look at in the morning and the last thing they look at before going to bed (Lee et al., 2014). Therefore, a smartphone is more than just a communication device; it also serves as a social agent in people's lives as digital companion (Carolus et al., 2018; Ameen et al., 2019). People's increased usage of smartphones has prompted researchers to look into the human behaviors related with them (Yan et al., 2019), and more specifically, researchers have looked at people's personality, psychological, and economic behavior (Gotz et al., 2017). Studies on anticipating behavioral patterns have been undertaken using extended self-theory to acquire a better knowledge of individuals' personality and demographic attributes as a consequence of their smartphone choice (Belk, 1988; Chittaranjan et al., 2013, and Schoedel et al., 2018). According to several studies, specific smartphone features can influence the internet consumer experience, which can have an impact on shops (McLean et al., 2018). Retailers, on the other hand, are experimenting with new ways to communicate with customers, especially given that they have access to all information through their mobile phones. This necessitates a comprehensive grasp of key consumer attributes like as demographics, behavior, and so on.

3.4.1. History of Smartphones

Today's Smartphones have been around since Apple launched the Smartphone to the broad consumer market 14 years ago, however the Smartphone has actually been around since 1993. The difference between today's Smartphone and earlier Smartphones is that previous Smartphones were primarily designed for corporate customers and utilized as enterprise devices, and they were also extremely expensive for the general public. (Brad Reed, 2010)

Despite smartphones have been around for several years, it has only been a few years, and particularly from the debut of the first iPhone in 2007, that the smartphone has become a mass consumption product. IBM's "IBM Simon" was the first device to combine voice, data, and personal information management functions. The IBM Simon was originally shown in 1992 at CONDEX, a Las Vegas-based computer industry trade exhibition, and was released into the market the following year by a firm called BellSouth (Schneidawind, 1992).

3.4.2. Smartphone Consumers

User segmentation is defined as "the classification of users into groups based on specific needs, characteristics, or behaviors" (Lee et al., 2018). The much more studied dimensions in the existing body of research on customer segmentation based on mobile product usage, such as smartphone, tablet, wearables, and so on, are demography and customer behavior (Plaza et al., 2011; Husnjak et al., 2018; Ameen and Willis, 2018).

Prior research classified smartphone users into four categories: geographic segmentation based on nations, regions, cities, and so on; demographic segmentation based on age, gender, income, and so on; psychographic segmentation based on social class, lifestyle, as well as personality characteristics; and behavior segmentation based on occasion segmentation, benefit segmentation, and so on (Schejter et al., 2010; Chua et al., 2011; Lee et al., 2018; Ameen et al., 2018). In demography-based segmentation, there are a few more specific definitions of criterion originality lead by age and gender. Young users are more likely to be extensively involved in smartphone use, according to various studies, whereas elderly

individuals simply use cell phones to connect with relatives (Walsh et al., 2011). According to Plaza et al. (2011), elderly people use mobile phones mostly to interact with close relatives, as memory and daily living assistance, as entertainment and self-actualization, and as instruments to feel protected and secure. Regarding gender, Castells et al. (2004) find that female users not only appropriate mobile phone as a fashion item but, more importantly, also as a key channel to maintain intimate personal relationships, as opposed to men who tend to use mobile phone for instrumental purposes. The smartphone industry differs from other industries in that its user segmentation is far greater than in other industry sectors because smartphone owners are more integrated with their phones and exhibit a variety of behaviors and characteristics while using their smartphones (Lee et al., 2018). Behavioral segmentation examines users' real behavior, such as critical situations, rewards, user position, usage rate, loyalty status, product readiness, and attitude about products. The majority of the researchers begin with behavioral segmentation. Psychological segmentation is not as common among market researchers as demographic and behavioral segmentation, according to Hashemi (2010), Mazzoni et al. (2007), Sell et al. (2010), Siddiqui et al. (2009), and Tao et al. (2009). (2008). Mazzoni et al. (2007) discover that lifestyle groups may have different motives and product qualities when they merge psychographic segmentation with demographic and behavioral segmentation. Molina-Castillo et al. (2008) describe a psychographic segmentation based on sociological and psychological factors in how people interact with their social lives (introvert or extrovert). Individual needs, requirements, motivations, product or service needs, and communication are four segments observed. De Reuver and Bouwman (2010) also found that those four lifestyle segments modify the effect of mobile phone context-usage on smartphone behavioral intentions to utilize products and services.

Samsung and Apple Smartphone brands are chosen for this study as these two brands are most competitive in the globe and they are competing head-to-head over the world (Vijaya and Vidyashree, 2016).

3.4.3.Apple: Values and Strategy

Apple Inc. is a multinational corporation based in the United States that specializes in technology, electronics, and computing. It was founded in 1976 by Steve Wozniak, Steve Jobs, and Ronald Wayne. Apple Inc.'s principles include environmental stewardship, supplier accountability, accessibility, privacy, inclusion, and diversity. They plan to make their products carbon-free and totally manufactured with clean energy by 2030, in addition to inventing creative products utilizing recyclable materials. Moreover, they also provide a secure and respectful working environment for its employees, as well as educational opportunities (Apple, 2022).

Apple's success is inextricably linked to its marketing strategy of delivering an experience that captivates their audience. Apart from the Apple Store idea and the Apple Worldwide Developers Conference (WWDC), which are mentioned below, "price skimming" is one of Apple's unique marketing methods. The establishment of pricing is a critical part of strategic planning since price generates revenue. Due to their prospective customers' willingness to acquire the product at this high price, "price skimming" charges a high price for a short time during the launch of a new, innovative, or much-improved product (Besanko et al., 1990). The original high cost is viewed as an indication of superior quality, status, and technological utility. Lowering the price would only have a small impact on increasing sales volume and lowering unit expenses (Shavandi and Zare, 1986).

Apple pays much attention to its consumers and strives to provide them with the best possible experience rather than the most possible profit.

3.4.4.Samsung: Values and Strategy

Samsung Electronics was launched in 1969 by Lee Byung-Chul. It began by manufacturing and exporting household appliances and quickly grew in popularity in Korea. In 1979, it purchased half of Korea Semiconductor's stock. Samsung Electronics grew globally in the early 1980s, establishing two research and development institutes to enhance its reach in electronics, semiconductors, and optical telecommunications. In this case, Samsung Electronics focused on generating top-of-the-line products in the 1990s, achieving a reputation as a leader in digital technology and remaining in the top ten worldwide brand rankings today. With ongoing innovation, competitive products, and advanced technology,

this corporation has always been able to adapt to adversity (Samsung 2020). Samsung Electronics adheres to a simple business concept of using its experience and technology to provide better goods and services for a better world. Samsung does this by following to strong ideals such as providing wealth chances to their employees, reaching excellence in product development, and paying attention to the environment and changing to meet market demands. Samsung conducts business ethically, with a focus on honesty and co-prosperity. Samsung aims to be socially and environmentally responsible in all communities by implementing a forward-thinking management plan, namely to be socially, economically, and environmentally sustainable (Samsung, 2022).

3.5. Marketing and Advertisement

Adiguzel (2020) defines a brand as a visual, emotional, rational, and cultural image related with a company or a product. Remembering a brand not only makes it easier to choose products, but it also increases the value and enjoyment based on future purchases from that brand (Bhasin, 2019). As a result, a brand's personality is important for customers to identify with it, as they believe that a specific brand may help them express their personality and beliefs, as well as communicate their objectives and self-status. Marketing positioning establishes a company's brand identity, which sets it apart from its competitors.

Marketing techniques can be applied as both attack and defense methods, based on the market condition. To obtain new clients or to compete with the market leader or opponent, a brand employs an assault strategy such as the wing or frontal attack. The wing assault goes for the opponent brand's weak places, whereas the frontal attack goes after the rival brand directly. Defense techniques, on the other hand, are utilized by well-positioned brands in the market to maintain a specific position in the market (Adiguzel, 2020).

Nowadays, brands do not intend to reach the masses due to the high cost associated compared to the return of investment (Adiguzel, 2020). Rather, businesses divide their markets into smaller groups with specific qualities (Kotler and Keller, 2006). Understanding the uniqueness of each group, on the other hand, is essential for success. The marketing approach divides the market into smaller segments based on relevant shared qualities (Solomon et al., 2016). It includes geography, demographics, psychographics, and behav-

ior (Nurwalia and Shofa, 2017). The marketing plan then assesses the value of each possible segment (targeting). Eventually, the brand's positioning is determined by marketing strategy. In comparison to the competition, positioning refers to how a corporation influences how a group views a product (Solomon et al., 2016).

Social media is one tool for firms to reach out to potential customers and introduce and explain their products (Adiguzel, 2020). A brand may learn about their potential customers, their wants, desires, and consumer expectations by using social media. Consumer participation in brand communities, or so-called "brand enthusiasts or brand lovers," can be aided by social media. However, social media enhances competition amongst brands targeting the same market (Coelho et al., 2018). Despite this an honest opinion and recommendation currently carry more weight than information provided by the brand. Because communities share their thoughts through word-of-mouth, communication strategies that allow members to interact with one another and with the business assist in gaining customers' trust and loyalty. However, a brand's focus should not be primarily on the target market. Therefore, it is vital for a business to recognize the competition (Adiguzel, 2020).

Consumers today preferred advertisements on streaming media or TV with hedonic contents, e-book advertisements, SNS, and coupon advertising technique, according to Kim's (2015) research.

In fact, on average, advertisements for Apple and Samsung on social media and in television shows are considered to be similar. Samsung is better categorised when advertisements occur during commercial breaks on television. Surprisingly, Apple advertisements are less popular in social media. This, together with the fact that the majority hold a greater number of Apple products, supports the findings that commercials had a reduced impact on customer buying decisions.

4. Practical part

4.1. Survey distribution means

In order to do the investigation for the practical part of this thesis, the survey among different people of different ages and backgrounds has been conducted. The survey was in the form of the questionnaire and held through the means of online platforms such as Survey Monkey and Google forms. The choice on those forms fell due to the fact that they are easy to access and use. Links to this survey have been distributed via means of social network, such as Telegram and Meta family – WhatsApp, Facebook, and Instagram. The results of this questionnaire help to identify the major factors which affect the behavior of the consumers and their decisions in terms of smartphone purchase as well as understand the importance and the level of influence of advertisements on customer decisions when it comes to buying Apple or Samsung phone.

These forms have been sent to all groups of female and male people of different ages living in Uzbekistan. The reason of limiting the scope of this research to Uzbekistan residents stands behind the logic of limiting the broadness of the topic. Moreover, due to that fact that an official Apple store has been opened in Uzbekistan only in the beginning of the year of 2021, people had less tendency to buy Apple rather than Samsung. One of the additional reasons why the choice fell primarily to Uzbekistan since I originally come from Uzbekistan Republic. To eliminate the burden of personal identification and for the sake of easiness of answering, the questionnaire was fully anonymous, and no confidential data has been collected.

4.2. Overview of questionnaire

The questionnaire has been distributed between February 1st, 2022, till March 1st, 2022, in order to reach the number of 150 respondents. The total of 139 respondents from Uzbekistan of different age groups have been replying to this survey. The survey had no limits in terms of age or gender of respondents as smartphone is a product that can be owned by anyone. Hence, the age range has been varying from 18 to 56 years old. Since it

was an open question, at the later stage the aging groups have been formed and categorized as follows:

- From 18 to 24 years old
- From 25 to 35 years old
- From 35 to 44 years old
- From 45 and older

Despite the fact that the questionnaire had three different groups in gender selections – "male", "female" and an option of "prefer not to answer", there was no people who was not willing to reply to this question, hence, there was a clear distribution between 37% of men and 63% of women respondents (see Figure 2).

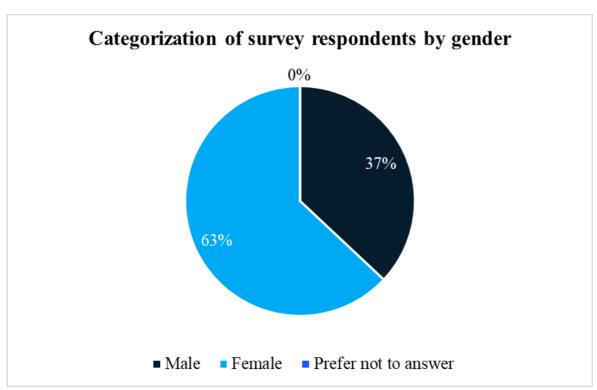


Figure 2. Categorization of survey respondents by gender

Source: author's own proceedings based on the survey results (see Appendix 1)

As it has been mentioned before, the selected region was Uzbekistan. One of the basic reasons why the questionnaire has been limited by geographical means, because it was designed to shorten the scope of the thesis. As aforementioned, smartphone industry is

not restricted by or dependent on any means and terms such as age, gender, beliefs, attitudes, occupation of the user, etc.

The first few questions which have been represented in the survey were aimed at collecting the basic data about the respondents with the purpose of giving a basic overview of the ones who reply in terms of age, gender, location, types of smartphones they use, if they are satisfied with the smartphones they use at the moment.

4.2.1. Consumer behavior analysis

• Currently used brand vs. Satisfaction

As the result of the survey, we had 51 Apple users accounting 37% of survey participants, 60 Samsung users, accounting 43%, and 28 users (20%) of other smartphone brands, such as different models of Nokia, Xiaomi, and Huawei. Also, there were few respondents who use Oppo and Motorola (see Figure 3).

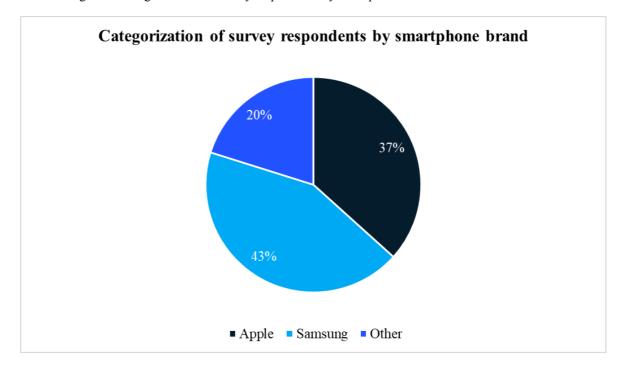


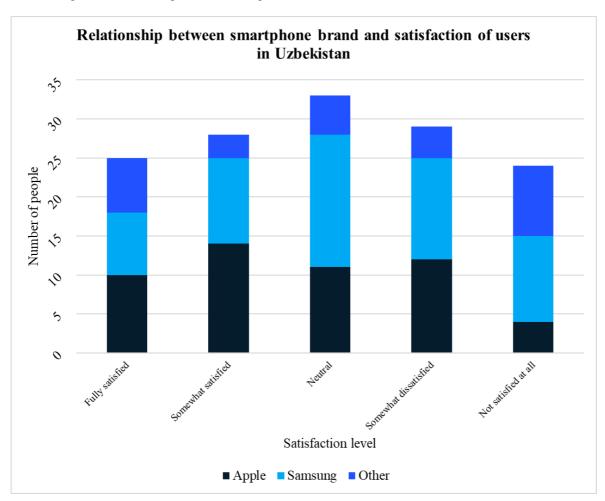
Figure 3. Categorization of survey respondents by smartphone brand

Source: author's own proceedings based on the survey results (see Appendix 2)

The results of the question on current smartphone brand have been combined with the results of how much the user is satisfied with the smartphone at the moment. The latter question was multiple choice, having the following options:

- Fully satisfied
- Somewhat satisfied
- Neutral
- Somewhat dissatisfied
- Not satisfied at all

Figure 4. Relationship between smartphone brand and satisfaction of users in Uzbekistan



Source: author's own proceedings based on the survey results (see Appendix 3)

This is a very interesting tendency as 17.99% of respondents are fully satisfied with the smartphone brand they use, which accounts 7.19% of Apple users and 5.76% of Sam-

sung users (see Figure 4). On the contrary, we have completely dissatisfied people, summing up at 17.27%, 2.88% users own Apple device, and 7.91% own Samsung devices out of 139 people replied to the survey. The majority of users are neutral to their device and have no issues or problems associated with their usage, hence, the number of people who replied "neutral" to the satisfaction question accounts 23.74%, most of which are Samsung owners. Apple users are mostly somewhat satisfied and other brand users are mostly not satisfied at all.

The major reason of why people tend to choose dissatisfaction options is due to the slowness of the current model they use, bad user experience, too many updates on the background, short memory, failing backup, not supporting some of the applications and many more reasons, which have been provided in the next question of the survey. On the other hand, why people find their smartphones satisfying is due to the good interface, easiness of use, ability to multitask, and high-resolution camera.

Frequency of changing smartphone and reasoning

The following questions were focused on asking how often the respondent changes the phone and what is the reason behind that choice – fashion, advanced technologies, breakage, etc. This was an open question, in which respondent might have written his or her own version "why". Most people were thinking of the slowness of previous model and inability to support some of the applications. Besides, some of the participants did not neglect the fashion change and advancements in technologies. Some people are not willing to change the phone unless there is a serious necessity – breakage of the phone or current economic or occupational status, which forces the person to change the devices in a timely manner.

The part of the section in which respondent had to choose the frequency of changing the smartphone, contained the following options:

- Less than once a year
- Once a year
- Once in 2-3 years
- Once in 4-5 years
- More than 5 years

The outcome of this question has been combined with the age of the users. The main idea why it was done in this way is because there is a major opinion that the older people less tend to change the phone as they get used to the older model and it is harder to switch to a newer one. Similarly, there is a public opinion that younger people are keeping up with the current trends and more attained to the public opinion rather than thinking about the pragmatism and convenience of use. Besides, younger people faster get used to the new technologies rather than older people.

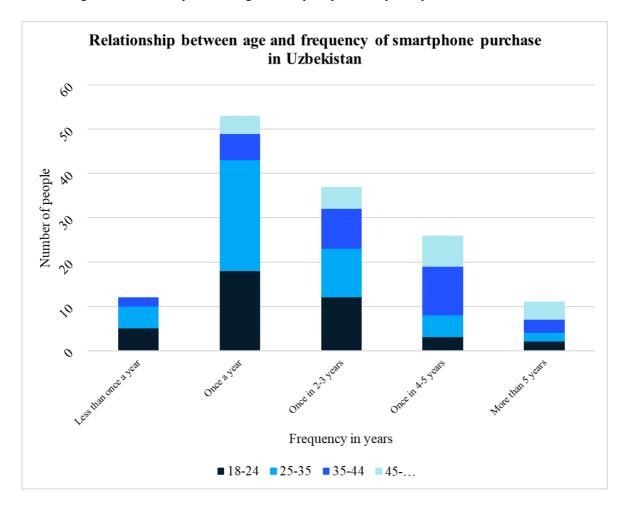


Figure 5. Relationship between age and frequency of smartphone purchase in Uzbekistan

Source: author's own proceedings based on the survey results (see Appendix 4)

As per consolidation of both results, the users change the smartphones at least once year (see Figure 5). This is quite frequent answer for the age groups of 18 to 24 and 25 to 35 years old. I believe this is associated with the annual releases of newer smartphones,

hence, the trends. Therefore, this would be very interesting to see the results of the key drivers of the consumer behavior, such as advertisement and public opinion. The older people, the less frequently they change the phone (see Figure 5). For instance, there is no people above 45 years old who change the phone less than once a year, but rather once in four to five years.

Based on the result of the questions above, 73% of people tend to change the phone quite often – at least once a year or once in two-three years. The least part of respondents, which accounts of 27% of people, tend to change the phone rarely, in most cases when there is a serious necessity. The reason behind those choices is obvious. This question was open in order to give the respondent a chance to explain the reason of why person changes the phone so much frequent or so much rare in more details. The final result of this question was quite similar to the previous answer about satisfaction of the user with the current brand he or she uses. Again, there were answers associated with the job status, social status, following trends, breaking phone, not supporting certain applications, slowness, etc.

The ones who change the phone often are either following the recent trends and keep with the fashion, also one of the reasons that have been introduced in the question-naire was breakage of the phone, full memory or even due to their occupation needs. On the other hand, those people who change the smartphone with lesser frequency, tend not to follow the trends, and purchase a new phone only when it breaks completely or stops supporting most of the applications. In addition to that, such people are either very cautious about the things in general or tend to repair their smartphones and continue to use them even after breakage. What is interesting about this part of the survey is that the people who rarely buy a newer version of the smartphone are usually of the older age (see Figure 5 above).

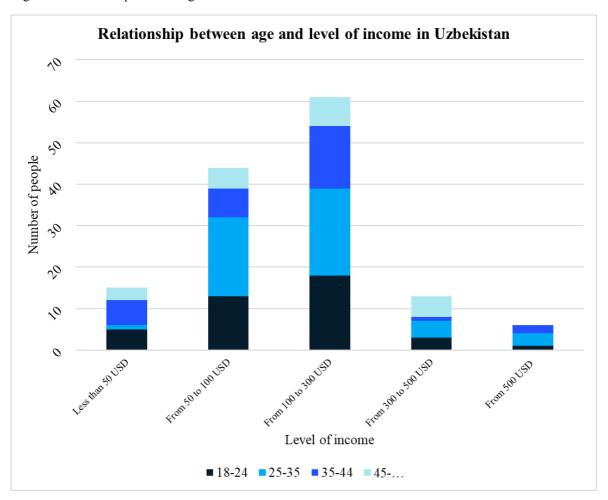
Another section of questionnaire contained the questions regarding the level of income of respondents, driving factors of the smartphone choice as well as the importance of advertisement and feedback for the product.

Income

The question regarding the level of income consisted of multiple-choice options:

- less than 50 USD
- from 50 to 100 USD
- from 100 to 300 USD
- from 300 to 500 USD
- from 500 USD and more

Figure 6. Relationship between age and level of income in Uzbekistan



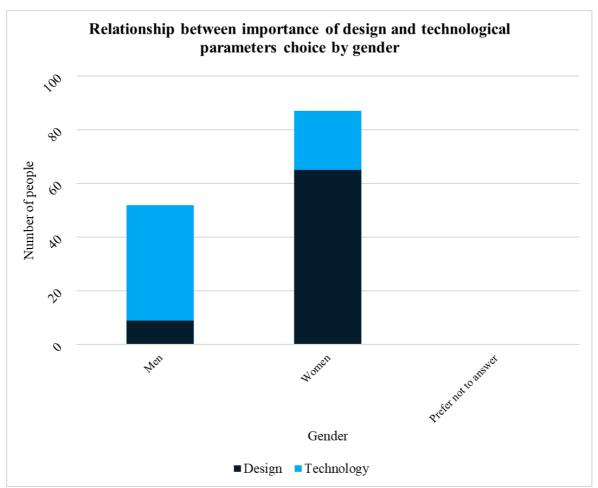
Source: author's own proceedings based on the survey results (see Appendix 5)

In average, the respondents are the people are from the lower and middle-income classes. The thresholds of the minimum and maximum levels have been chosen in accordance with the average subsistence wage of 93 USD in 2020 and the average stated income of 331 USD (see Figure 6).

Majority of people have an income from 50 to 100 USD and from 100 to 300 USD, especially for the people being aged from 18 to 44. The amount of people who have an income in between 100 to 300 USD is accounting at 43.88% out of 139 participants of the survey. Unfortunately, there is not many people who have a monthly income of above 300 USD.

• Design vs. Technological parameters

Figure 7. Relationship between importance of design and technological parameters choice by gender in Uzbekistan



Source: author's own proceedings based on the survey results (see Appendix 6)

The next question was regarding the driving factors of the consumer behavior. One of the questions was whether the technical side of the product is more important than design. The opinions have been divided unevenly. However, one of the tendencies that have

been noticed in these replies is that men tend to choose the smartphone mostly in accordance with the technical side of the device rather than the design. Nevertheless, the design plays a huge role in the female part of participants.

Women, by their nature tend to choose the smartphone as an accessory rather than paying attention to the technicalities of the phone. On the contrary, men tend to be more pragmatic. It can be observed in Figure 7. Thus 74.7% of women prefer the design and 82.7% of men prefer the technicalities of the smartphone. The Figure 7 also represents the field with gender type as "prefer not to answer", which accounts 0 out of total respondents and cannot be ignored in a nutshell since this was one of the option, thus, it is empty.

• Advertisement

The other section was related to the advertisement. Marketing is one of the most powerful ways to influence the audience. People in Uzbekistan are not an exception. The issue is that people wither follow the latest tendencies, trusting advertisement, not even thinking about the technicalities and benefits of the choice.

For instance, when Samsung entered the market, one of the key features that derived the interest of people – the Korean technologies, which implies pragmatism, long-life technology and high quality. In comparison to Apple, which gained the popularity not that long ago in comparison to Samsung, Apple has been widely advertised and caught attention by its design and technological advancement. The major issue of those technological parameters is that they easily get outdated. Every single year IT companies produce a newer version of the phone, in pursuit of leadership.

Hence, the effect of the mass media is enormous, and advertisement is the largest part of it. Unfortunately, even if the person answers that he or she is not subjected to be impacted, marketing is a very wise tool, which may affect indirectly, on a psychological level, which person may not notice.

As a result of this question, younger people are more exposed to this influence, however, this is not surprising as the youngsters follow the trends more than the older people. Alternatively, older people tend to stick to classical models they got used to rather than changing the phone over and over again in order to cope with the new technological advancements.

In Figure 8, 45% of people aged between 18 to 24 years old are strongly believe that the advertisement is one of the factors that influence their decision-making process while buying a smartphone. On the other hand, we people aged between 25-35 and 45 and more years old are neutral in their opinion and generation from 35-44 years old strongly disagree.

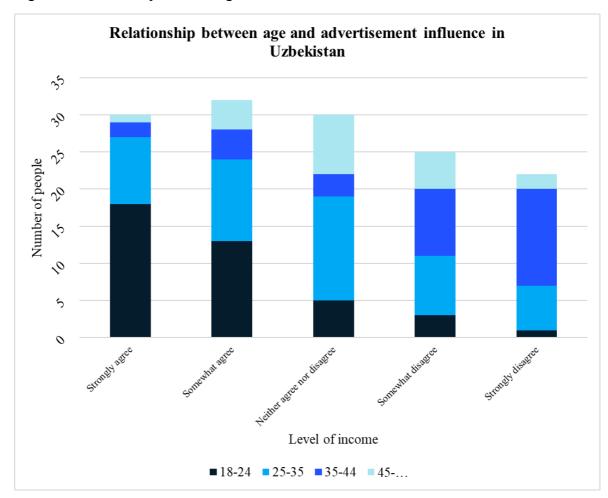


Figure 8. Relationship between age and advertisement influence in Uzbekistan

Source: author's own proceedings based on the survey results (see Appendix 7)

Feedback and public opinion

This is also one of the most important factors to mention: the public opinion versus the feedback. Some people tend to trust the feedback of others in terms of the technical parameters, easiness of usage, any kind of user experience that is usually shared on the websites or unofficial forums.

Another side of this coin is that other people are dependent of the public opinion. This does not mean that they will trust the opinion on the internet, but rather being affected by the work, studying environment or closest people. Unfortunately, in Uzbekistan this is not rare. People are very dependent on the public opinion, therefore, have a tendency to purchase products and any other devices due to the fashion trend.

Relationship between feedback and public opinion affect by gender

Polymonth of the public opinion affect by gender

Relationship between feedback and public opinion affect by gender

Polymonth of the public opinion affect by gender

Relationship between feedback and public opinion affect by gender

Figure 9. Relationship between feedback and public opinion affect by gender

Source: author's own proceedings based on the survey results (see Appendix 8)

Both factors might be observed in Figure 9. Similarly, to importance of the design versus the technology, women are more dependent on the public opinion rather than feedback of the current users, which can be observed in the chart. And the men have divided the opinion more or less proportionally.

As an additional question, there was a question about whether the user have changed from iPhone to Samsung and vice versa. Since this was an open question, the most popular opinion was that older generation is less willing to change the smartphone brand rather than young generations. Younger people usually tend to switch from one to another. This is how they compare and understand whether the device is easy to use.

5. Results and Discussion

The survey has been conducted among the people in Uzbekistan of different age groups. There have been 139 respondents in total accounting 52 of men and 87 of women (refer to Figure 2). The results of the survey showed that people in Uzbekistan tend to choose Samsung more as the number of Samsung users is higher than the number of Apple holders (refer to Figure 3). This can be associated with the fact that an official Apple store in Uzbekistan emerged just recently. Besides, 20% of respondents own other types of smartphones, different from the given choice.

In terms of the brand satisfaction, we may conclude that people have a more or less proportional distribution of the voices for and against the current smartphone they own. However, Apple users are more satisfied with their choice rather than Samsung or other brands' users (refer to Figure 4).

Regarding the frequency of the purchase, people in Uzbekistan change smartphones based on various reasons as much as once a year or once in two or three years (refer to Figure 5). Nevertheless, 53 respondents out of 139 total changing phones once a year, probably associating this trend with the new releases annually.

The level of income in Uzbekistan is quite low (refer to Figure 6). Most people gain from 100 to 300 USD monthly, the second place is taken by the class of people earning from 50 to 100 USD. There is only 6 people out of 139 participants of this survey who actually earn more than 500 USD monthly.

The importance of design versus technological parameters have been divided predictably – women more chose the design of the product and men chose mostly technological parameters (refer to Figure 7). Similar tendency is shown in question regarding feedback from current users versus the public opinion: women had a tendency to attain to the publical opinion since they care more about what others would think versus male respondents who believe that the feedback on the product is more important than the opinion of others (refer to Figure 9).

Nonetheless, one of the crucial factors which affect the choice of the smartphone among Uzbekistan users is advertisement. Marketing is a very powerful tool, which can affect not only the decision-making process of the person, but also shape the societal opin-

ion. The tendency in this analysis is very interesting, the younger population is, the more they believe in the power of advertisement to affect their minds and decision-making, when it comes to buying a new device (refer to Figure 8).

6. Conclusion

All in all, this thesis has examined the different traditional consumer bahvor patterns, key drivers (e.g. advertisement and public opinion), also analyzed the reasoning behind Apple and Samsung choice.

There is a number of types of the consumer behavior and decision-making models exist. Consumer behavior is a very unpredictable model. There are number of research made in terms of the analysis of people's behavior when it comes to purchasing goods or services. However, the represented models in this thesis can be applied only in a hybrid way. The reason why is because usually people's purchasing decisions depend on the number of external and internal factors – from family member opinions to the social status of the person, from financial status of the person to neutrality.

The result of the survey showed that the number of people in Uzbekistan are dependent on the opinion of others, thus purchase smartphones more often, and they rather prefer the design of the device to technological parameters. These options have mainly been chosen by female respondents. In contrary, male people were for pragmatism – for the technical parameters and feedback before the purchase.

In Uzbekistan, as in a post-Soviet country, all people have a to be more dependent and even attached to the opinion of others. This factor always goes in line with the economic, social and job status. Such people buy more expensive phone for showing the decency and luxuriousness of the position they occupy at work or in society. People are motivated and attained to the richer life and prefer to follow the trends regardless their level of income.

However, as per the survey held, older people in Uzbekistan are not yielding the younger generation. They are still people who follow the trends and getting influenced by the marketing tools such as advertisements and public opinions.

To conclude, smartphone industry in Uzbekistan is quite small, people less using other types of smartphones, preferring Apple and Samsung to others. The emergence of official Apple store back in 2021 may change the consumer decisions more to Apple rather than Samsung sooner.

7. References

Books

- Belch, G. and Belch, M., 2020. Advertising and Promotion: An Integrated Marketing Communications Perspective. 12th ed. New York: McGraw-Hill Education, ISBN: 9781260570991.
- Blackwell, R., Miniard, P., Engel, J. and Rahman, Z., 2017. *Consumer Behavior*. 10th ed. Noida: Cengage India, ISBN: 9789386650870.
- de Reuver, M. and Bouwman, H., 2010. *Explaining Mobile Internet Services Adoption by Context-of-use and Lifestyle*. Piscataway, NJ: IEEE, ISBN: 978-1-4244-7423-3.
- Haimann, T., 1973. *Supervisory Management for Health Care Institutions*. St. Louis: Catholic Hospital Association, ISBN: 0871250047.
- Hawkins, D. and Mothersbaugh, D., 2010. *Consumer Behavior: Building Marketing Strategy*. 11th ed. Boston: McGraw-Hill Irwin, ISBN: 9780073381107.
- Kotler, P., Bowen, J. and Makens, J., 2014. *Marketing for Hospitality and Tourism*. 6th ed. Upper Saddle River: Pearson, ISBN: 9780132784023.
- Kotler, P. and Armstrong, G., 2006. *Principles of Marketing*. 11th ed. Upper Saddle River: Pearson Prentice Hall, ISBN: 0131469185.
- Kotler, P. and Keller, K., 2006. *Marketing Management*. 12th ed. Englewood Cliffs: Prentice Hall, ISBN: 9780131457577.
- Kumra, R., 2007. *Consumer behavior*. Mumbai: Himalaya Publishing House, ISBN: 9788183186124.
- Lamb, C., Hair, J. and McDaniel, C., 2012. *Essentials of marketing*. 7th ed. Australia: South-Western Cengage Learning.
- Maslow, A., 1954. Motivation and Personality. 1st ed. London: Harper & Row Publishers.
- Schiffman, L. and Kanuk, L., 2007. *Consumer Behavior*. 9th ed. Upper Saddle River: Pearson-Prentice Hall, ISBN: 9780131869608.
- Solomon, M., Marshall, G. and Stuart, E., 2016. Marketing. 8th ed. Pearson, ISBN: 9780132948937.

Wallace, P., Goldstein, J. and Nathan, P., 1987. *Introduction to Psychology*. Dubuque:
 Wm. C. Brown, ISBN: 0697000966.

Journals

- Almeida, M., Sousa, E., Rodrigues, C., Candeias, M. and Au-Yong-Oliveira, M., 2021.
 Samsung vs. Apple: How Different Communication Strategies Affect Consumers in
 Portugal. *Administrative Sciences*, 11(1), p.19.
- Ameen, N., Tarhini, A., Hussain Shah, M. and Madichie, N., 2019. Employees'
 Behavioural Intention to Smartphone Security: a Gender-based, Cross-national
 Study. *Computers in Human Behavior*, 104(2), p.106184.
- Backhaus, K., Muhlfeld, K. and Van Doorn, J., 2001. Consumer Perspectives on Standardization in International Advertising: A Student Sample. *Journal of Advertising Research*, 41(5), pp.53-61.
- Belk, R., 1988. Possessions and the Extended Self. *Journal of Consumer Research*, 15(2), pp.139–168.
- Bobadilla, J., Ortega, F., Gutierrez, A. and Alonso, S., 2020. Classification-based Deep Neural Network Architecture for Collaborative Filtering Recommender Systems. *International Journal of Interactive Multimedia and Artificial Intelligence*, 6(1), p.68.
- Carolus, A., Binder, J., Muench, R., Schmidt, C., Schneider, F. and Buglass, S., 2018.
 Smartphones as Digital Companions: Characterizing the Relationship Between Users and Their Phones. *New Media & Society*, 21(1), pp.914-938.
- Castells, M., Fernandez-Ardevol, M., Qiu, J. and Sey, A., 2004. The Mobile
 Communication Society: A Cross-cultural Analysis of Available Evidence on the Social
 Uses of Wireless Communication Technology. Annenberg Research Network on
 International Communication.
- Chen, CC., Chen, CW. and Tung, Y., 2018. Exploring the Consumer Behavior of Intention to Purchase Green Products in Belt and Road Countries: An Empirical Analysis. Sustainability, 10(3), p.854.

- Chittaranjan, G., Blom, J. and Gatica-Perez, D., 2011. Mining Large-scale Smartphone Data for Personality Studies. *Personal and Ubiquitous Computing*, 17(3), pp.433-450.
- Coelho, P., Rita, P. and Santos, Z., 2018. On the Relationship Between Consumer-brand Identification, Brand Community, and Brand Loyalty. *Journal of Retailing and Consumer Services*, 43, pp.101-110.
- Commuri, S. and Gentry, J., 2000. Opportunities for Family Research in Marketing. Academy of Marketing Science Review, 8(8), pp.1-34.
- Cummins, S., W. Peltier, J., A. Schibrowsky, J. and Nill, A., 2014. Consumer behavior in the online context. *Journal of Research in Interactive Marketing*, 8(3), pp.169-202.
- Ganlari, D., Kumar Deka, P. and Dutta, C., 2016. A Study on Consumer Buying Behavior of Mobile Phones. *Journal of Management in Practice*, 1(1).
- Ghifarini, A., Sumarwan, U. and Najib, M., 2018. Application of Theory of Planned Behavior in Shrimp Consumer Behavior Analysis. *Independent Journal of Management* & Production, 9(3), p.984.
- Gotz, F., Stieger, S. and Reips, U., 2017. Users of the Main Smartphone Operating Systems (iOs, Android) Differ Only Little in Personality. *PLoS ONE*, 12(5).
- Hamka, F., Bouwman, H., de Reuver, M. and Kroesen, M., 2014. Mobile customer segmentation based on smartphone measurement. *Telematics and Informatics*, 31(2), pp.220-227.
- Homburg, C. and Giering, A., 2000. Personal Characteristics as Moderators of the Relationship Between Customer Satisfaction and Loyalty - an Empirical Analysis. *Psychology and Marketing*, 18(1), pp.43-66.
- Horwood, S. and Anglim, J., 2021. Self and Other Ratings of Problematic Smartphone
 Use: the Role of Personality and Relationship Type. *Computers in Human Behavior*, 116,
 p.106634.
- Ishikar, S., Jain, R., Jain, T. and Mahale, D., 2020. Impact of Advertisement on Consumer Buying Pattern in Cosmeceutical Segment. *Asian Journal of Management*, 11(4), pp.441-446.
- Johnson, E., 1967. Existentialism, Self-Theory and the Existential Self. *The Personnel and Guidance Journal*, 46(1), pp.53-58.

- Kahn, B., 1995. Consumer Variety-seeking among Goods and Services. *Journal of Retailing and Consumer Services*, 2(3), pp.139-148.
- Kingsley Bernard, D., Rahaman, M., Sivaharan, H., Gunasekaran, H., Supunma
 Shanthakumara, W. and Sumudu Namali Munasinghe, A., 2020. Factors Influencing the
 Consumer Psychology of Cigarette Smokers and Impact of Awareness on Cigarette
 Consumption A Literature Review. *International Journal of Human Resource Studies*,
 10(3), p.275.
- Konsolakis, K., Hermens, H., Villalonga, C., Vollenbroek-Hutten, M. and Banos, O., 2018. Human Behaviour Analysis through Smartphones. *UCAmI 2018*, pp.1-11.
- Kuchinka, D., Balazs, S., Gavriletea, M. and Djokic, B., 2018. Consumer Attitudes toward Sustainable Development and Risk to Brand Loyalty. *Sustainability*, 10(4), p.997.
- Lachmann, B., Sindermann, C., Sariyska, R., Luo, R., Melchers, M., Becker, B., Cooper,
 A. and Montag, C., 2018. The Role of Empathy and Life Satisfaction in Internet and
 Smartphone Use Disorder. *Frontiers in Psychology*, 9.
- Lajoso, J., Sousa, A., Albuquerque, J., Mineiro, R. and Au-Yong-Oliveira, M., 2020.
 Closed Against Open Innovation: A Comparison Between Apple and Xiaomi. *Trends and Innovations in Information Systems and Technologies*, pp.436-448.
- Lemon, K. and Verhoef, P., 2016. Understanding Customer Experience Throughout the Customer Journey. *Journal of Marketing*, 80(6), pp.69-96.
- McLean, G., Al-Nabhani, K. and Wilson, A., 2018. Developing a Mobile Applications
 Customer Experience Model (MACE)- Implications for Retailers. *Journal of Business Research*, 85, pp.325-336.
- Menon, S. and Kahn, B., 1995. The Impact of Context on Variety Seeking in Product Choices. *Journal of Consumer Research*, 22(3), p.285.
- Molina-Castillo, F., Lopez-Nicolas, C. and Bouwman, H., 2008. Explaining Mobile Commerce Services Adoption by Different Type of Customers. *International Multi* Conference on Engineering and Technological Innovation, 1, pp.358-363.
- Naderifar, M., Goli, H. and Ghaljaie, F., 2017. Snowball Sampling: A Purposeful Method of Sampling in Qualitative Research. *Strides in Development of Medical Education*, 14(3).

- Najib, M., Sumardi, R., Nurlaela, S. and Fahma, F., 2020. Determinant Factors of Muslim Tourist Motivation and Attitude in Indonesia and Malaysia. *GeoJournal of Tourism and Geosites*, 31(3), pp.936-943.
- Neal, D., Wood, W., Labrecque, J. and Lally, P., 2012. How Do Habits Guide Behavior?
 Perceived and Actual Triggers of Habits in Daily Life. *Journal of Experimental Social Psychology*, 48(2), pp.492-498.
- Park, N. and Lee, H., 2012. Social Implications of Smartphone Use: Korean College Students' Smartphone Use and Psychological Well-Being. *Cyberpsychology, Behavior, and Social Networking*, 15(9), pp.491-497.
- Plaza, I., Martín, L., Martin, S. and Medrano, C., 2011. Mobile Applications in an Aging Society: Status and Trends. *Journal of Systems and Software*, 84(11), pp.1977-1988.
- Rahman, I. and Reynolds, D., 2017. The Influence of Values and Attitudes on Green Consumer Behavior: a Conceptual Model of Green Hotel Patronage. *International Journal of Hospitality & Tourism Administration*, 20(1), pp.47-74.
- Rani, P., 2014. Factors Influencing Consumer Behaviour. *International Journal of Current Research and Academic Review*, 2(9), pp.52-61.
- Rhiu, I. and Yun, M., 2018. Exploring User Experience of Smartphones in Social Media:
 A Mixed-Method Analysis. *International Journal of Human–Computer Interaction*,
 34(4), pp.960-969.
- Rose, S. and Samouel, P., 2009. Internal psychological versus external market-driven determinants of the amount of consumer information search amongst online shoppers. *Journal of Marketing Management*, 25(1-2), pp.171-190.
- Schneidawind, J., 1992. IBM's new PC visions: Personal Communications. USA Today,
 [online] p.6B. Available at: https://github.com/simoneer/history/blob/master/
 News_clippings/
 IBM's%20new%20PC%20vision%20Personal%20Communications%20(USA%20Today).pdf> [Accessed 15 January 2022].
- Schoedel, R., Au, Q., Völkel, S., Lehmann, F., Becker, D., Bühner, M., Bischl, B., Hussmann, H. and Stachl, C., 2018. Digital Footprints of Sensation Seeking. *Zeitschrift für Psychologie*, 226(4), pp.232-245.

- Seth, A., Momaya, K. and Gupta, H., 2008. Managing the Customer Perceived Service Quality for Cellular Mobile Telephony: an Empirical Investigation. *Vikalpa: The Journal for Decision Makers*, 33(1), pp.19-34.
- Vijaya, G. and Vidyashree, V., 2016. A Comparative Study between Samsung and Apple Smart Phones - Saudi Arabian Women Student's Preference. *International Journal of Advanced Engineering, Management and Science*, 2(10), pp.1819-1823.
- Walsh, S., White, K. and McD Young, R., 2010. Needing to Connect: the Effect of Self and Others on Young People's Involvement With Their Mobile Phones. *Australian Journal of Psychology*, 62(4), pp.194-203.
- Yarimoglu, E. and Binboga, G., 2018. Understanding Sustainable Consumption in an Emerging Country: the Antecedents and Consequences of the Ecologically Conscious Consumer Behavior Model. *Business Strategy and the Environment*, 28(4), pp.642-651.
- Yuan, X., Li, D., Mohapatra, D. and Elhoseny, M., 2015. Automatic Removal of Complex Shadows From Indoor Videos Using Transfer Learning and Dynamic Thresholding. *Computers & Electrical Engineering*, 70, pp.813-825.
- Zhao, J., Xue, F., Khan, S. and Khatib, S., 2021. Consumer Behaviour Analysis for Business Development. Aggression and Violent Behavior, p.101591.

Online sources

- AgingInPlace.org. 2020. Technology in Our Life Today and How It Has Changed.
 [online] Available at: https://aginginplace.org/technology-in-our-life-today-and-how-it-has-changed/ [Accessed 14 January 2022].
- Apple, A., 2022. *Apple*. [online] Apple. Available at: https://www.apple.com/ [Accessed 15 January 2022].
- Davis, T., 2015. Self-Concept: Definition, Examples and Psychology Theories. [online]
 The Berkeley Well-Being Institute. Available at: https://www.berkeleywellbeing.com/self-concept.html [Accessed 14 January 2022].
- Flashcardmachine.com. 2014. *Ch.6 Learning Objectives Flashcards*. [online] Available at: https://www.flashcardmachine.com/ch-6learningobjectives.html [Accessed 14 January 2022].

- labansiror, 1., 2022. Chapter Two.docx Chapter Two Literature Review 2.1 Introduction
 This Chapter Discusses the Literature Resources That Include Theoretical Arguments, |
 Course Hero. [online] Coursehero.com. Available at: https://www.coursehero.com/file/42215214/CHAPTER-TWOdocx/ [Accessed 14 January 2022].
- Magombo, M., 2020. The Factors Influencing Consumer Behavior. [online]
 Academia.edu. Available at: https://www.academia.edu/30076821/
 The Factors Influencing Consumer Behavior> [Accessed 14 January 2022].
- Nagarkoti, B., 2009. Factors Influencing Consumer Behavior of Smartphone Users.
 [ebook] Theseus. Available at: https://www.theseus.fi/bitstream/handle/10024/70466/
 Nagarkoti_Bishal.pdf> [Accessed 14 January 2022].
- Pew Research Center, 2019. *Smartphone Ownership in Advanced Economies Higher Than in Emerging*. [online] Pew Research Center's Global Attitudes Project. Available at: [Accessed 15 January 2022].
- Phniel, B., 2022. Final Pr2.docx San Jose City National High School-senior High
 School Chapter I Background of the | Course Hero. [online] Coursehero.com. Available
 at: https://www.coursehero.com/file/73244275/FINAL-PR2docx/ [Accessed 14
 January 2022].
- Reed, B., 2010. A Brief History of Smartphones. [online] Computerworld. Available at:
 https://www.computerworld.com/article/2826711/a-brief-history-of-smartphones.html
 [Accessed 15 January 2022].
- Samsung, 2022. *Information about us* | *Samsung*. [online] Samsung. Available at: https://www.samsung.com/about-us/company-info/ [Accessed 15 January 2022].

8. Appendices

Appendix 1. Number of respondents by gender in Uzbekistan

Gender	Number of people	% of total
Male	52	37%
Female	87	63%
Prefer not to answer	0	0%
Total	139	100%

Appendix 2. Number of respondents by smartphone brand in Uzbekistan

Brand	Number of people	% of total
Apple	51	37%
Samsung	60	43%
Other	28	20%
Total	139	100%

Appendix 3. Smartphone brand satisfaction of users in Uzbekistan

Brand	Fully satisfied	Somewhat satisfied	Neutral	Somewhat dissatisfied	Not satisfied at all	Total
Apple	10	14	11	12	4	51
Samsung	8	11	17	13	11	60
Other	7	3	5	4	9	28
Total	25	28	33	29	24	139

Appendix 4. Age and frequency of smartphone purchase in Uzbekistan

Age	Less than once a year	Once a year	Once in 2-3 years	Once in 4-5 years	More than 5 years	Total
18-24	5	18	12	3	2	40
25-35	5	25	11	5	2	48
35-44	2	6	9	11	3	31
45	0	4	5	7	4	20
Total	12	53	37	26	11	139

Appendix 5. Age and level of income in Uzbekistan

Age	<50 USD	50-100 USD	100-300 USD	300-500 USD	>500 USD	Total
18-24	5	13	18	3	1	40
25-35	1	19	21	4	3	48
35-44	6	7	15	1	2	31
45	3	5	7	5	0	20
Total	15	44	61	13	6	139

Appendix 6. Design vs. Technological parameters importance in Uzbekistan

Gender	Design	Technology
Male	9	43
Female	65	22
Prefer not to answer	0	0
Total	74	65

Appendix 7. Age and advertisement influence in Uzbekistan

Age	Strongly agree	Somewhat agree	Neither agree or disagree	Somewhat disagree	Strongly disagree	Total
18-24	18	13	5	3	1	40
25-35	9	11	14	8	6	48
35-44	2	4	3	9	13	31
45	1	4	8	5	2	20
Total	30	32	30	25	22	139

Appendix 8. Feedback vs. Public opinion importance in Uzbekistan

Gender	Feedback	Public opinion
Male	36	16
Female	24	63
Prefer not to answer	0	0
Total	60	79

Appendix 9. List of questions from survey

- 1. Choose your gender:
 - Male
 - Female
 - Prefer not to answer
- 2. How old are you?
 - Open question
- 3. Location:
 - Open question
- 4. Smartphone brand you currently use:
 - Apple
 - Samsung
 - Other, please specify
- 5. Are you satisfied with the brand of smartphone you currently use?
 - Fully satisfied
 - · Somewhat satisfied
 - Neutral
 - · Somewhat dissatisfied
 - · Not satisfied at all
- 6. Please provide the reason why you are satisfied or not satisfied:
 - Open question
- 7. How often you change the phone/purchase a new one?
 - Less than once a year
 - Once a year
 - Once in 2-3 years
 - Once in 4-5 years
 - More than 5 years
- 8. Major reason behind purchasing a new smartphone:
 - Open question
- 9. What is your average level of monthly income?
 - Less than 50 USD
 - From 50 to 100 USD

- From 100 to 300 USD
- From 300 to 500 USD
- From 500 USD and more
- 10. What is more important for you while choosing a smartphone technical parameters or design?
 - Technical parameters
 - Design
- 11. Which factors influence your decision to buy a smartphone?
 - Fashion
 - Economic status
 - Social status
 - Occupation, work-related needs
 - Other
- 12. Advertisement is one of the important forces which drives my interest to the product. I mostly purchase the product because of the advertisement.
 - Strongly agree
 - Somewhat agree
 - Neither agree nor disagree
 - Somewhat disagree
 - · Strongly disagree
- 13. What is more important for you when it comes to buying a new smartphone: feedback from current users (e.g. feedback shared on the internet regarding technical parameters and general user experience, etc.) or public opinion (what others will think of me, if I choose that brand? e.g. opinion of fellows, family members, colleagues, etc.)?
 - Feedback
 - Public opinion
- 14. If you are a current user of Apple, did you ever have Samsung? Or, if you are a current user of Samsung, did you ever have Apple? What is your motivation behind the decision of changing the brand?
 - Open question