

# A Study of the Antecedents of Smartphone Purchase decision

Bharat Rai\*

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## Abstract

The main objective of this research paper is to identify the factors affecting consumer behavior that influence purchasing decisions on Smartphone users in Nepal. The study examines how the brand image, product features, product price, and social factors influence the purchase decision in the buying of the Smartphone in the Nepalese market. The study focuses on how the consumer preferred to select the Smartphone and which factor has the more influencing role for a purchase decision. Primary data has been used in the research. The data was collected through a structured questionnaire using a convenient sampling technique from 202 customers buying smartphones in Kathmandu. Descriptive statistical analysis, correlation, and Structural Equation Modeling have been used to diagnose and to draw valid conclusions. Brand image, product features, product price, and social factors are taken as independent variables to explore the relationship with purchase decision and impact on the purchase decision. The correlation result showed that all independent variables have a significant relationship with purchase decisions. The Path analysis through SEM result showed that there is a significant impact of brand image, product price, and social factors on the consumer purchase decision. But, the product features have a negative significant impact on purchase decision in the buying of Smartphone in the Nepalese market.

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**Keywords:** Brand Image, Product Features, Product Price, Social Factors, Purchase Decision, Smartphone.

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## Background of the study

Consumer's purchase decision is very complex. Purchase behavior is an important key point for consumers during considering and evaluating certain products (Keller, 2001). Swastha et al. (2012) defined that consumer behavior as the activities of individuals who are directly involved in obtaining and using the goods and services, including the decision-making process on the preparation and determine the specific activates. Consumer behavior is the behavior exhibited by the consumers in the searching of products, use, evaluation, and replacement products, and service that able to satisfy their needs (Schiffman et al., 2011).

The purchase decision is related to the behavior, perceptions, and attitudes of consumers. Purchase

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\* Assistant Professor, Faculty of Management, Nepal Commerce Campus, Tribhuvan University, Nepal, corresponding email: [bharat@ncc.edu.np](mailto:bharat@ncc.edu.np)

behavior is a key point for consumers to access and evaluate the specific product. Purchase decisions may be changed under the influence of price or perceived quality and value. In addition, consumers are affected by internal or external motivations during the buying process (Gogoi, 2013). Customers always think that purchase with a low cost, simple packaging, and little-known product is a high risk since the quality of these products is not trustable (Gogoi, 2013). Warsha and Davis (1985) define that the purchase intention is an advance plan to purchase specific goods and services in the future and this plan may be implemented or may not be implemented because it depends upon the ability to perform and pay.

What customer thinks in their mind and will buy represent the purchase intention (Blackwell et al., 2001).

The purchase decision can also determine the possibility of a consumer's action leading to actual purchase and through identifying the intensity of purchase intention, there is a higher possibility to purchase a certain particular product when the purchase intention is strong (Dodds et al., 1991; Schiffman & Kanuk 2000).

Kotler (2003) proposes that individual attitudes and unpredictable situations will influence purchase intention. Individual attitudes include personal preferences to others and obedience to others' expectations and unpredictable situations signify that consumers change purchase intention because a situation is appearing, for example, when the price is higher than the expected price (Dodds et al., 1991). The consumer purchase decision is considered as a subjective inclination toward a product and can be an important index to predict consumer behavior (Fishbein & Ajzen, 1975). Zeithaml (1988) uses possible to buy intended to buy and considered to buy as measurement items to measure purchase intention.

Purchase intention is a behavior of a person that how he/she thinks of any particular product and what comes into his/her mind first about it and what would he think or do when he/she purchases the same product of the same brand. There may be and can be negative and positive impacts on that particular product. There is a strong tendency for him to react based on their past actions. Here, the individual is likely to report his or her habit rather than decision when responding to the decision (Warsaw & Davis 1985). Despite issues, the purchase decision is an important construct in consumer behavior (Kotler & Armstrong 2010).

The development of the Smartphone has rapidly increased today. The functions of the Smartphone are not only for distance communication but also provides service convenience, comfort, entertainment, email, internet, music, videos, games, etc. to the users. The Smartphone has diverse usages to different users in

accordance with their necessities (Udin, et al., 2014). With the dramatic increase in Smartphone usage in recent years, people take into account various factors while they decide to purchase a Smartphone. Some prefer the price, some prefer the quality, some prefer features, some prefer a brand image, and some purchase the Smartphone due to the recommendation of others. This study has put efforts to uncover the underlying factors that affect customers in choosing the Smartphone. Various studies have been done on the factors affecting Smartphone purchase decisions. However, very few studies especially in the Nepalese context, have focused on brand image, product features, product price, and social factors.

Based on the above background, the study is conducted to identify whether the brand image, product price, product features, and social factors influence the purchasing decision of smartphones in the Nepalese market.

## Literature review

### Ivan Pavlov Theory: Classical Conditioning

The research is based on Ivan Pavlov's classical conditioning theory. Russian psychologists Ivan Pavlov (1849-1936) discovered classical conditioning of learning process governed by associations between an environmental stimulus and another stimulus which occurs naturally.

All classical conditioned learning involves environmental interaction. There must also be a 'neutral stimulus' for learning to occur, which is followed by a naturally occurring reflex. For example, Pavlov's dogs heard a tone (neutral stimulus) followed by salivating (naturally occurring reflex) in response to the arrival of food. Once the sound of the neutral stimulus became linked to the stimulus present in the environment (food arriving), it soon became possible to induce salivating just by sounding the neutral stimulus.

The action of classical conditioning upon a subject is a three steps process:

Step-1: Pre-conditioned state: Classical conditioning demands a naturally occurring stimulus which will induce an automatic response. So, at this stage, there is an unconditioned stimulus linked to a unconditioned response which occurs naturally.

Step 2: Conditioning state: Next, a neutral stimulus is repeatedly introduced alongside the unconditioned stimulus. Soon, the neutral stimulus becomes linked with the unconditioned stimulus. Once this starts to happen, the neutral stimulus is transformed into a conditioned stimulus because the subject has now become conditioned to respond to the condition stimulus as if it were the natural unconditioned response.

Step 3: Post-conditioning state: One the unconditioned stimulus and the condition stimulus are connected, the condition stimulus alone will trigger a response. At this final stage, the response has now become a conditioned response. That means the subject has learned to produce the condition response when triggered by the condition stimulus, which was previously just a neutral signal.

## **Brand image**

The image of any particular product set into the mind of any individual is the brand image of that product; a brand image is anything linked in the memory to a brand (Aaker, 1991).

Brand image is also defined as the set of beliefs about a particular brand (Kotler, 1988) or a set of associations, usually organized in some meaningful way (Aaker, 1992). While it states that a product is a physical thing; a brand has no tangible, physical, or functional properties (Kim, 1990).

The brand image has a positive influence on the brand attitude and product involvement, having a positive and direct impact on the purchase decision towards Smartphone. Brand image clarifies if or if not the brand is for the consumer and contributes to the purchase decisions (Dolich, 1969) and thus, it influences the buying behavior of the customer (Johnson & Puto 1987; Fishbein, 1967) and thereafter brand equity thereafter (Biel, 1992). As much as the brand image is strong, people are more likely to buy that product, so, it has a positively strong impact on the purchasing behavior of the customers. Thus, there is a highly positive relationship between brand image and purchase decision.

With the reference to Rizwan et al. (2012), researchers found that both brand image and purchase decision have a significant positive relationship with each other. It means the brand image positively influences the purchase decision in the buying of counterfeited products.

Another, similar type of research was conducted by Tariq et al. (2013) they mentioned that there is a strong relationship between brand image and purchase decision.

This research finding was also proved by another study of Wu (2007) and he found that every dimension of brand image influences the purchase decision of the consumer.

H1: There is significant positive impact of brand image on purchase decision in the buying of Smartphone.

## **Product Features**

A product feature is an attribute of a product to meet the satisfaction level of consumers' needs and wants,

through ownership of the product, usage, and utilization of a product (lay et al., 2013). Product features include hardware and software. Hardware is the description of a device that can be touched physically. The hardware of a Smartphone is the body of the phone itself, size, and weight. Color and design are also considered as hardware as it is the physical appearance of the Smartphone. Software whereas is the general term for computer programs, procedures, and documentation. The software of a Smartphone is the operating platform, storage memory, or apps that run the phone.

Sujata et al. (2016) studied five factors namely as Technology factors, Hardware factors, Basic factors, Brand factors, and Financial factors were taken into consideration for the research work. The finding of the articles revealed that Technology, OS version, and Hardware features have a significant effect on young student's choice while purchasing a Smartphone.

Guleria (2015) stated that consumers considered usage ease and processing speed as major factors building preference, which was followed nearly by technological needs and applications. Mad Lazim and Sasitharan (2015) have to explore the factors that encourage the consumer to buy a Smartphone. The researcher has considered high-speed processing/ operating system, design, application and software, price, brand, and convenience as influencing factors that affect the purchase decision of Smartphone.

Uddin et al. (2014) stated that while purchasing a mobile phone, the customer is influenced by different factors which ultimately affects the purchase decision, the important factors influence the customers during the purchase are physical attributes which includes physical characteristics of mobile phone like camera, Bluetooth, color, weight, and others. In the research, work undertaken by intended to determine the factors affecting purchase decision of Smartphone by identified five independent factors that affect the purchase decision of Smartphone, which include price, compatibility, security, and social influence and consumer innovations.

Azira Rahim et.al (2016) examined that there is a positive relationship between product features, brand name, social influence, and product sacrifice and purchase decision of smartphones.

Ayodele and Ifeanyichukwu (2016) found the determining factors of Smartphone purchase behavior among young adults in Anambra State, Nigeria. Research finding states that aesthetic value, Smartphone features has a foremost effect on the purchase behavior among young adults.

H2: There is significant positive impact of product features on purchase decision in the buying of Smartphone.

## Product Price

Price has been found to have a significant influence on purchase intention in many previous studies (Qun, et al., 2012; Lay-Yee et al., 2013; Ibrahim et al., 2014; Anam, 2014)..

Price is the driven factor in a purchase decision. Price concern is one of the determinants tested to find out the effects on demand of Smartphone (Chow, 2011). The research found that price significantly impacts the purchase decision of smartphones among young adults in UTAR, Perak, Malaysia based on a study (Chew, 2012).

Pakola et al. (2007) conducted the study and found that price is the most influencing factor in buying a Mobile phone. Furthermore, it states that price was regarded as the most significant motive affecting purchase decisions in the current mobile phone model for consumers in Finland. It was being noted in the analysis that price might have dominated the decision making in the sample more than it does for the whole population, as the average net income in the target groups was relatively low.

Paulrajan and Rajkumar (2011) aimed to conduct research to understand the Indian consumers' perception choice in selecting cellular mobile telecommunication service providers. The findings of the research revealed that price, functions/ performance of a mobile phone, mobile phone quality plays an important role in the purchase decision of the Smartphone. Price plays an important role in consumer purchase decisions, as India is one of the price-sensitive counties. However, the study also indicates that mobile phone quality and availability have an important impact on consumer perception of selecting a mobile phone manufacturer.

H3: There is significant positive impact of product price on purchase decision in the buying of Smartphone.

## Social Factors

In the purchasing of smartphones for Generation Y, perhaps the social influence might come from friends, peers, family members, and spouses. According to research, consumer's purchase behavior is shaped up by others, especially by family members while buying high-involvement products (Farzana, 2012). A study also found that social influence has a significant relationship with student's dependency on a Smartphone (Ding et al., 2011).

Another study towards Malaysian young adult of age 19 to 25 shows that both direct and vicarious role models have an impact on the consumer's purchase decision, in which direct role model refers to parents and vicarious role model refer to celebrities. The result shows celebrities have a higher influence than parents (Ernest et al., 2010). Social influence indeed plays a significant role and it is the most influential to student's dependency on smartphones (Suki & Suki, 2013).

According to Rashotte (2007), social influence is about changing of feelings, attitudes, thoughts, and behavior influenced by the other person. It is due to the interaction with other people that know each other such as parents and peers. Consumers would be influenced by media, parents, and peers in order to purchase the Smartphone (Nelson & McLeod, 2005). Social factors affect consumer behavior significantly. Every individual has someone around influencing their buying decisions. The important social factors are: reference groups, family, role, and status. (Perreau, 2014)

Family members can influence individual consumers' buying behavior. A family forms the environment for an individual to acquire values, develop, and shape personality. This environment offers the possibility to develop attitudes and opinions towards several subjects such as social relations, society, and politics. A family creates first perceptions about brands or products and consumer habits. (Kotler & Armstrong 2010; Khan, 2006).

H4: There is significant positive impact of social factors on purchase decision in the buying of Smartphone.

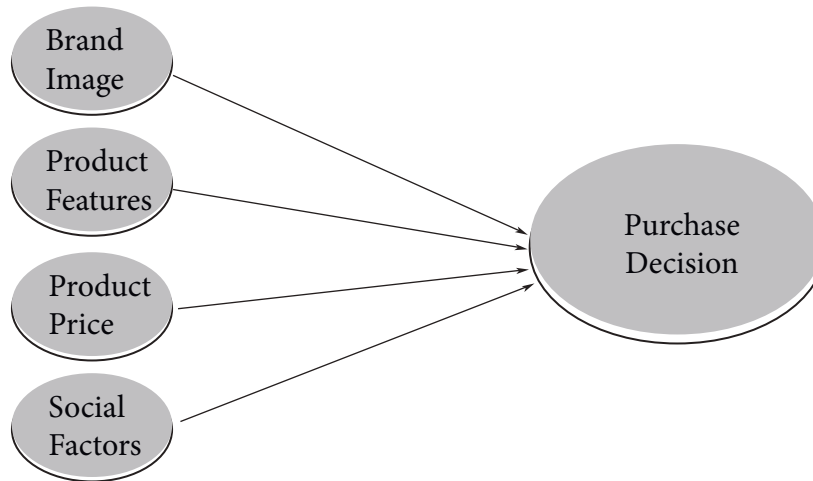
## Research Objectives

The basic objective of this study is to examine factors affecting the purchase decision in the buying of smartphones in the Nepalese market. Following are the specific objectives set in the study:

- To identify the factors affecting the purchase decision of Smartphone buying in the Nepalese market.
- To examine the relationship between the brand image, product features, product price, and social factors with purchase decision of Smartphone buying in Nepalese market.

## Theoretical Framework

Based on the studies of the previous researchers, different variables like sales promotion, advertising, product feature, product display, price of the product, competitor product price, price of the substitute product, dealing pattern, ease to recognition, salespersons influence, the influence of reference group, the delightful mind of customers, gender, brand, economic level of the customer, perceived quality, etc. were identified. In this research brand image, product price, product features, and social influence are considered as independent variables, which affect purchase decision as to the dependent variable. Based on the review of available literature in the field of the purchase decision, the following framework has been developed to undertake the study systematically.



### Research Methodology and Data Analysis

Research methodology covers the type of research design used for undertaking, population and sample, sampling process, source of data, data collection procedures, and analytical tools that will be used to analyze the data and develop the relationship between purchase decision influencing factors among Smartphone users in Nepalese market.

The research design of this study is descriptive and causal. Descriptive statistics such as mean and standard deviation has been used to describe the situation of sample through the collected data. Inferential statistics such as correlation and path analysis has been carried out by using the correlation co-efficient and structural equation modeling. This study has been investigated the impact of brand image, product features, product price, and social factors on the purchase decision of smartphones in Kathmandu.

Nepalese people who reside in Kathmandu valley will be the sample frame of the study. The appropriate sample size of the respondents has been taken through the convenient sampling method. The study is based on a primary source of data. Information about the retention factors has been collected from the primary sources. The structured questionnaire has been used to collect the data required for undertaking the proposed study. 5 point Likert scale with ranging values from strongly agree to strongly disagree was used to measure the responses. 202 responses were collected from Smartphone users in Kathmandu. Self-administered survey questionnaires were distributed in various locations of Kathmandu. Correlation analysis has been carried out to examine the relationship between independent variables and purchase decisions. Factor loadings were identified by using the exploratory factor analysis (EFA) and reliability



and validity were identified through confirmatory factor analysis (CFA). Structural Equation Modeling (SEM) has been used to examine the impact of independent variables on purchase through SPSS AMOS 24.

## 6. Data analysis and result

### 6.1 Descriptive and correlation analysis

**Table no. 1 Descriptive and Correlation Analysis**

Variables	Mean	SD	BI	PF	PP	SF	PD
BI	3.6271	0.86597	1				
PF	3.8475	0.60376	0.498**	1			
PP	3.4499	0.63197	0.229**	0.110**	1		
SF	3.4499	0.7146	0.491**	0.149*	0.504**	1	
PD	3.7235	0.68703	0.631**	0.424**	0.545**	0.546**	1

\*\*, Correlation is significant at the 0.05 level (2-tailed).

All variables were rated on the behavior decision scale with a score of 1 indicating strongly disagree, midpoint 3 indicating unsure (neutral) and a score of 5 indicating strongly agree. Table no. 1 indicates that the mean score of brand image, product features, product price, and social factors are 3.63, 3.83, 3.45, and 3.49 respectively. The effect of these four independent variables on purchase decision of Smartphone in the Nepalese market is 3.73, which is measured as the mean score of the purchase decision, it means most of the respondents are inclined to be agreeing on purchase decision and it is concluded that four independent variables effect on the purchase decision. Besides, the values of standard deviation have been found to be less than 1, which reveals that the data is consistent with minimum value 1 to maximum value 5.

Table no. 1 describes the correlation matrix between variables under investigation. It shows that there is positive correlation between social factors and purchase decision ( $r = 0.546$ ,  $p < 0.000$ ), product features and purchase decision ( $r = 0.424$ ,  $p < 0.000$ ), brand image and purchase decision ( $r = 0.631$ ,  $p < 0.000$ ), product price and purchase decision ( $r = 0.545$ ,  $p < 0.000$ ) for buying Smartphone to Nepalese youth in Kathmandu. All the p values are significant ( $p < 0.05$ ). So, there is a significant relationship between independent variables and purchase decisions. The result shows that there is a high positive significant correlation between brand image and purchase decision, there is a moderate correlation between product price and social factors with purchase decision and low correlation between product features and purchase decision of consumers in the buying of Smartphone in Nepalese market.

## Exploratory factor analysis

Exploratory factor analysis was conducted to test the validity of the constructs. The factor loadings of each construct were found to range from 0.671 to 0.915. All values of each construct are more than 0.5, which is the cut-off point suggested by Hair et al. (2010). KMO statistics value was 0.904 and the value of  $p$  also less than 0.05 ( $p < .05$ ), which suggested that factor analysis is appropriate because the value of KMO must be greater than 0.6 (Kaiser & Rice, 1974).

## Confirmatory factor analysis

A confirmatory factor analysis was carried out to validate the result from the exploratory factor analysis. CFA was conducted using SPSS AMOS 23 in the sample size of 202. The model fit criteria suggested by (Byrne, 2010; Hair et al., 1998) were used for the measurement model; Goodness-of-fit Index (GFI), Comparative Fit Index (CFI), Adjusted Goodness of Fit Index (AGFI), Root Mean Square Error of Approximation (RMSEA), Incremental Fit Index (IFI), Normed Fit Index (NFI).

Structural Equation Modeling has been used to examine the hypotheses. Before examining the hypotheses the model fit indices have been checked. To assess the overall model, multiple fit indices have been presented in the following table.

**Table no. 2** Overall Models Fit Summary

Fit Indices	Recommended Level of Fit (Byrne, 2010; Hair et al., 1998)	Model Value	Result
CMIN/DF	<3=Good and 3-5 Acceptable	2.473	Good
GFI	>0.9=Good and .80-.90=Acceptable	.864	Acceptable
AGFI	>0.8=Good	.810	Good
IFI	>0.9=Good	.927	Good
CFI	>0.9=Good	.926	Good
RMSEA	<0.8=Good	.086	Good
NFI	>0.9=Good, 0.80-0.90=Acceptable	.883	Acceptable
RMR	<0.5=Good	.075	Good

Table no. 2 indicates the value of CMIN/DF is 2.473, which is less than the recommended value by (Byrne, 2010; Hair et al., 1998). So, this model is acceptable. The value of Root Mean Square Error of Approximation 0.086 is in the range of recommended values less than 0.8. The value of GFI, IFI, CFI, NFI, and AGFI is in the range of recommended cutoff values by (Byrne, 2010; Hair et al., 1998). So, all the above values of model fit are in the range of recommended values.

Therefore, it seems to be feasible to carry out the analysis of the result of the structural model.

### Validity and Reliability

Structural Equation Modeling (SEM) was used for the analysis of the structural model and measurement. Multiple items were measuring constructs. The appropriateness of the instrument reliability, composite reliability, and average variance extracted, and convergent validity and discriminant validity were tested before testing the model. The results of the tests are as follows;

**Table no. 3** Overview of Reliability and Validity Measures.

	CR	AVE	MSV	MaxR(H)	SFA	BIA	PFA	PPA	PDA
<b>SFA</b>	0.871	0.694	0.610	0.885	<b>0.833</b>				
<b>BIA</b>	0.906	0.709	0.579	0.933	0.692	<b>0.842</b>			
<b>PFA</b>	0.871	0.630	0.579	0.890	0.723	0.761	<b>0.794</b>		
<b>PPA</b>	0.755	0.507	0.318	0.758	0.550	0.476	0.417	<b>0.712</b>	
<b>PDA</b>	0.795	0.564	0.610	0.797	0.781	0.588	0.464	0.564	<b>0.751</b>

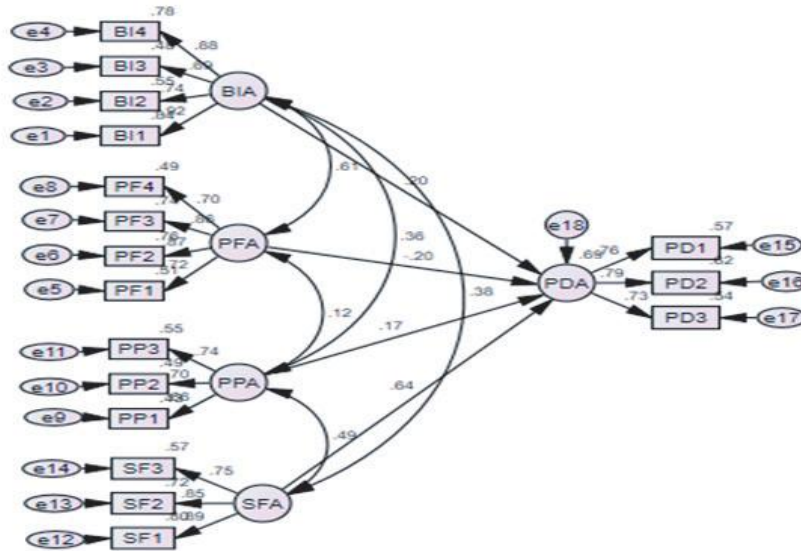
The reliability and validity of the study model were assessed. Composite reliability (CR) for the CFA model was used to measure the reliability of the construct in the measurement model. Regarding the convergent validity, the value of average variance extracted (AVE) must be greater than 0.5 (AVE>0.5), composite reliability (CR) must be greater than 0.7 (CR>0.7) for reliability and composite reliability (CR) must be greater than AVE (Bagozzi & Baumgartner, 1994). Table no. 3 showed that all the values of AVE are greater than 0.5, the values of CR is greater than 0.7, and the values of CR greater than AVE. So, there is existed convergent validity. Regarding the discriminant validity, the AVE must be greater than maximum shared variance (MSV), and the AVE must be greater than inter-construct correlations (Fornell & Larcker 1981). The result of the study showed that AVE>MSV and the values of AVE are greater than MSV (AVE>MSV). So, all the above values confirmed the criteria of discriminant validity. There is no validity concern in table 3.

### Structural Model of the Study

The structural model was estimated to provide an empirical measure of the hypothesized relationship among the research variables and constructs by the simultaneous test. The structural model can be examined by two indices. The first one is the path coefficients ( $\beta$ ) that show the relationship between the dependent and independent variables, and the second is the values of R<sup>2</sup> that shows the value of variances explained by independent variables and reflects the predictive power in the model. The results of the multivariate test of the structural model showed that the social factor, product features, product price, and brand image as a whole explained 69% of the variance in the purchase decision of Smartphone buying.

Figure no. 2 shows the path diagram with the structural model estimates included on the paths, where the estimate parameters are standardized path coefficients all path coefficients are significant at the 95% level.

**Figure no. 2 Structural Model**



**Table no. 4** Summary of Hypotheses Testing Result

Path	Estimate ( $\beta$ )	S.E.	C.R.	P	Result
PDA <--- BIA	.198	.118	2.078	.038	Supported
PDA <--- PFA	-.201	.112	-2.307	.021	Not Supported
PDA <--- PPA	.169	.107	2.054	.040	Supported
PDA <--- SFA	.640	.110	7.033	***	Supported

The statistical result obtained from table no.4 indicated that the brand image has a significant impact on purchase decision of Smartphone buying ( $\beta=0.19$ ,  $p=0.038$ ), which supported the hypothesis (H1), there is a significant impact of brand image to purchase decision. This result confirmed that there is a significant influence of brand image on purchase decisions in the buying of smartphones. Hypothesis (H2) was not supported as product features a significant positive influence on the purchase decision in the buying Smartphone, because the result demonstrates that product features have significant negative ( $\beta=-0.201$ ,  $p=0.021$ ) influence on consumer's purchase decision towards the Smartphone in Nepal. Next,

hypothesis (H3) is supported as the product price significant influence on purchase decision in the Smartphone buying ( $\beta=0.169$ ,  $p=0.040$ ). Moreover, hypothesis (H4) is also supported by the result of the study ( $\beta=-0.640$ ,  $p=0.000$ ) as the social factors positively significant influence purchase decision in buying a Smartphone. This result confirmed that there is a significant positive impact of brand image, product, and social price factor on purchase decision and product features has a significant negative influence on purchase decision in the Smartphone buying.

## Discussion

This research aims to examine the influence of a brand image, product features, product price, and social factors on the consumer's purchase decision of smartphones in Nepal. This research provides both theoretical and practical contributions.

The result of the research found that the brand image has a significant influence on the purchase decision in Smartphone buying. So, the hypothesis (H1) was supported by the finding of the research. This finding is consistent with the findings of (Dolich, 1969; Tariq et al., 2013; Rizwan et al., 2012), that brand image has a positive significant influence on the purchase decision towards smartphones.

The estimation of the structural model indicated that the hypothesis (H2) was not supported by the finding. The result of the research showed that there is a negative significant influence of product features on the consumer's purchase decision of Smartphone in Nepal. This finding shows the inverse relationship between product features and purchase decision. This finding is inconsistent with the findings of (Sujata et al., 2016; Guleria, 2015; Uddin et al., 2014), that there is a positive significant impact of product features on purchase decisions towards smartphones.

Hypothesis (H3) was supported by the finding of the research. The result of the SEM analysis showed that the product price of the Smartphone significantly influences the purchase decision of consumers buying. This finding is consistent with the findings of (Chow, 2011; Chew, 2012; Pakola et al., 2007), that there is a significant positive impact of the product price on the purchase decision towards Smartphone buying.

Similarly, a statistical result of the SEM analysis was found that the social factor has an influence on the purchase decision in Smartphone buying. Hypothesis (H4) is supported by the finding of the research. The result is also consistent with the previous findings of (Farzana, 2012; Suki & Suki, 2013; Rashotte, 2007), that there is a significant positive impact of social factors on the purchase decision in the buying of Smartphone.

## Conclusion

This study examined the impact of brand image, product features, product price, and social factors on consumer's purchase decisions on Smartphone buying. Structural equation modeling (SEM) was used to analyze the data.

Hypothesis (H1) was supported by the result of the study. So, it is concluded that the brand image has a significant impact on consumer's purchase decisions in Smartphone buying in Nepal. It means consumers consider the brand image in the time of buying decision process towards Smartphone buying. The result of the research paper has not supported the hypotheses (H2). So, it is concluded that the product features have no significant impact on consumer's purchase decision in the Smartphone buying in Nepal. There is a low correlation between product features and purchase decisions in Smartphone buying in Nepal. The finding of the Path analysis through SEM supported the hypothesis (H3). So, it is concluded that the product price has a significant positive impact on purchase decision in Smartphone buying. Similarly, hypothesis (H4) was supported by the finding of the research. So, it is concluded that social factors have a strong effect on the consumer's purchase decision on Smartphone buying.

Lastly, it is concluded that the social factor has a strong positive influence on purchase decision and product and brand image have also an influencing role for the purchase decision, but the product features have a negative influence in the buying of Smartphone in Nepal.

## Managerial Implications

The findings of the research will also provide theoretical guidance to the practitioners and researchers.

The implications of this research result also are important for marketers in the field of smartphones. The results of the research paper provide new theoretical insights into the influential factors affecting consumer's purchase decisions. The result of the study can be applied as a practical marketing tool for the marketing manager to formulate marketing strategies. The result of the research confirmed that in the comparison of the product price and brand image there is an important role of a social factor in making the purchase decision, and the product features have a negative significant role on the purchase decision of consumers in the Smartphone buying. Hence, it would be helpful to Smartphone companies for designing marketing strategies and how to increase the sales of smartphones. Nowadays, customers have various options to choose their preferable Smartphone in the Nepalese market. So, it is a necessity for these companies to make further improvements and use various marketing strategies to boost up their sales volume of smartphones. Further, it provides important suggestions to companies regarding the brand image, product features, product price, and social factors perception issues.

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