CHAPTER 5

RECOMMENDATIONS AND CONCLUSION

This chapter firstly presents the overview of the study and the summary of the research results, major findings as well as its implications to the decision on mobile phone market segmentation and formulation of marketing strategy. Finally, the possible areas for further research are also discussed.

5.1 OVERVIEW OF THE STUDY

According to MCMC, the teledensity of cellular mobile phones is close to 19 per 100 populations, or nearly that of fixed line teledensity towards the end of 2000. They are almost as common as fixed line phones but represent added value in terms of the function of mobility and the potential for roaming and convenience. (www.cmc.gov.my) This is a reflection of the powerful and rapid mobile communication revolution that is taking place in today's Malaysian society. However, empirical research on consumer mobile phone usage is somewhat limited in Malaysia.

Thus, this study intended to differentiate the identity of the urban mobile phone users according to their usage behaviour with regards to their demographic and psychographic factors. Implications for the mobile phone industry were then addressed.

5.2 SUMMARY OF THE RESEARCH FINDINGS

In this study, 426 respondents were mobile phone users from urban Klang Valley were analyzed through an instrument of seven-pages self-administered questionnaire. In general, the respondents were predominantly young respondents under age group of 20 to 29 years old with high education level of

college diploma or university degree qualification. From the frequency analysis, the mean and median of usage was RM 127.56 and RM 90.00 respectively. Clearly, this showed that there was in existence of more than one usage pattern, which was further analyze by using demographic and psychographics factors.

Seven demographics and seven psychographics dimensions were identified for analysis, evaluation and comparison. Demographically, the survey findings showed significant difference in terms of gender, age, occupation and income level of the mobile phone users. Firstly, gender appeared to be only showing a marginally mean difference, as such it is in consistent with previous research that gender has became almost invisible in differentiating their usage (Wells and Chen 2000).

Secondly, the survey results revealed there appeared to be a heavy users group who were 40 and above and earning more than RM 6000. This group of users can be easily distinguished from the rest of the groups with a distinctly huge mean difference in their usage. In terms of occupation, two distinct groups of users could also be observed; the businessman, professionals and managers with average usage of RM 150.8 and the students, retiree and clerks or production operators of average usage RM 71.2. This is in consistent with the distinction of the financial status and the social role of these two groups.

There have been many past marketing researches that had used demographics, psychographics, benefits sought, or behavorial variables to profile heavy user segment (Assael and Poltrack 1994; Assael and Roscoe 1976; Bass et. al. 1968; Goldsmith et al., 1994). Thus, it was suggested in this study that the lifestyle profile of the Malaysian mobile phone users could be explored to complement for the demographic profile to enrich the diagnostic profiles of the users (Wansink et. al., 2001).

It was found that there was only one dimension that revealed significant difference with the usage of the mobile phone. It was demonstrated that users of mobile phone were more likely to be a self-confident person. This could be due to

the fact that this group of character users have higher maintenance of social network and working activities, which required them to be reachable at anywhere and anytime.

Besides, an additional test on the postpaid and prepaid had found that the postpaid users have a mean of RM 184, which clearly depicted that they belong to the heavy users group in comparison with the prepaid users mean RM71.0. Interestingly, the mean RM 71.0 was found exhibited marginal difference with the mean of the low income earner of below RM 2,999 and the age group of 20 and below.

Finally, the summarization and conclusion of the findings are as represented and condensed in Table 5.1 as below.

Table 5.1: Summary of Mobile Phone Consumers Behaviour

Usage Behaviours by Factors	Description
Demographic	
Gender	Male usage was marginally higher than female
Age	Usage increased as age increased
Income	Usage increased as income increased
Occupation	Professionals and self-employed had distinctly higher usage than students, retiree and clerks.
Psychographic What are they like?	Users of mobile phone are likely to be self-confident
Product Type	Majority of the users are prepaid customers

5.3 MARKETING IMPLICATIONS OF THE STUDY

The wireless industry has some reason for optimism. Some estimates that one third of the world's population will own a wireless device by 2008. The growing ubiquity of the mobile phone indicates that wireless communication is valued

throughout the world regardless of cultural, geographic or economic differences. As such, mobile phone market operators are eagerly to see a whopping proliferation of market size and the emergence of lucrative business environment however not without more intense competition. Thus, it was hope that this research will help marketers to understand the mobile phone market better by distinguishing the market according to their consumption or usage.

One of the significant results of the study was that the mobile phone users was found to have demonstrated positive relationship with self confidence, as such offered a new perspective of marketing for the Telco provider. Complementing with their demographics information, marketing strategy can be formulated to be selling fundamental mobile phone applications and services that suite this group of self-confident users. In other words, telco can aim to sell the whole lifestyles of self-confident managers by launching advertisement that bundled with self-confident image.

Another group of segment that is worth mentioning will be the young users group as depicted from the age, occupation and income dimension. This group had consistently demonstrated mean usage of RM 70 which could also be interpreted as the prepaid market. As they fall under the category of less than RM 90 who was the majority users of mobile phone, it could be speculated that teenage market was the driver of the mobile phone technology even though they have financial limitations. Young people seem to desire new technologies and enjoyed mastering them (Saljoughi, 2002).

In the Malaysian scene, the market mobile leader Maxis and prepaid innovator DIGI, had diligently packaged their prepaid service brand name Hotlink and Beyond respectively to cater for the young and trendy consumers. The success of the youth market has also been proven in countries like Japan, South Korea, and Western Europe, which have embraces ring tones, games, chat services, and other amusement. For example, in Europe, mobile phone services such as SMS messaging has become extremely popular amongst younger age groups and iMode, an enormously successful packet-based mobile data service provided

by telco NTT DoCoMo is enjoying great popularity with the younger generations in Japan (Ovum Research, 2001). Thus, one might expect the current generation of teens whom will eventually established themselves in the job market, will one day be the next biggest revenue driver for the much awaited 3G applications and services. Thus, the loyalty of this group of young consumers needs to be nurture and develop.

In short, by the extrapolation of the findings, the marketers would be able to embrace clearer picture and better ideas of the size and composition of existing and potential market segments. This information could be utilized to strategize appropriate marketing efforts to reach the potential market as well as to communicate effectively to the target market. Thus, psychographics, combined with consumer demographic would be valuable for better market segmentation, product positioning, communication, advertising and promotions as well as identification of new product and service opportunities.

5.4 RECOMMEDATION FOR FUTURE RESEARCH

The study results showed some important and interesting characteristics that distinguish dependent mobile phone users and non-dependent mobile phone users. However the study is exploratory in nature and therefore possessed a number of limitations albeit. These limitations should provide more comprehensive direction for future research.

Firstly, the study was only confined to the residents of urban Klang Valley which was unlikely to demonstrate that these respondents are representative of the overall population as some researchers believe that regional differences do affect consumer behaviour (Assael, 1992; Md. Nor and Ong, 1994). Hence, the future studies should not be restricted to urban Klang Valley only, but to include a larger sample covering a broader area or nation wide sampling which is more representative and greater generalizability of research findings could be obtained.

Secondly and most importantly, there were only seven lifestyle dimensions selected and analyzed in this study, may not be the most appropriate for this particular business applications. Moreover, there might be other psychographics variables would able to differentiate the two mobile phone user groups. Hence, additional studies need to be conducted on more lifestyle dimensions, which were not identified and tested in this study. Apart from that, although lifestyle data are very useful in market segmentation and in developing international marketing strategy, Wells (1975) suggested that marketers have to be cautious when choosing lifestyle variables in their studies, as these variables are not as stable as demographic variables. Furthermore, the lifestyle statements adopted in the study were developed mainly in Western context may not be suitable and applicable to the local context. Hence, the selection of the lifestyle dimensions in the study may not have accurately reflected the Malaysian multi-racial context. In other words, locally developed lifestyle statements need to be initiated and verified on its reliability and validity for future research.

Thirdly, due to the fast pace of technology changes and transformation in type and nature of mobile phone services in the market, as well as rapid changing consumers' behaviour and habits, replicating this study overtime is extremely essential and useful. In view of the study was cross sectional that reflects the opinion of the respondents at the time of data collection.

Finally, future study should also address the relationships between the demographic and psychographics characteristics to identify and integrate the usage behavior. Furthermore, other factors such as users perceptions and motivations of usage could also be analyzed to provide additional dimension to the user's behavior.