Cell Phone Market In UK, South Korea, Australia And Argentina

Introduction to Cell Phone Usage

Technology has revolutionized the way we do business and communicate with one another. It has become an integral part of our daily life. This paper explores the use and importance of cell phones among the young consumers who are prototypical example of global segment. The main aim of this paper is to identify the market and inter-market segment of the cell phone users in countries like United Kingdome, South Korea, Australia, and Argentina. For marketers it becomes even more important to design and develop an effective marketing strategy based on inter-market segmentation that includes gender, brand, usage, and features as these variables determine the consumption pattern and purchasing behavior.

Cellular phones have evolved dramatically over the past few years. It has become an integral part of our daily life, and its significance is only increasing with time. Mobile communication has enabled people, businesses, and government agencies to access any kind of information, make and receive payments, create jobs and fill in the positions, purchase online, place an order and stimulate citizens involvement in human and economic development. Today, the use of cell phones or rather mobile phone has been extended to conduct meetings, shop online, play games, share pictures and videos with family and friends, watch movies, chat with friends and family, read e-books, trade stocks, control thermostat, call for assistance during emergency situations, and the list continues (Rosen, 2004). It has also enabled companies and marketer to target consumers, especially young adult segment around the world to design and develop marketing strategy with the right marketing mix. Based on the global trend on smartphone ownership, a report generated by Deloitte in 2017 suggest that in developing and developed countries the use of smartphone is on the rise with majority of the population owning a smart device as shown in Chart 1. The average smartphone users in countries like Australia, Argentina, South Korea and United Kingdom is about 80% and the use of smartphones by female population seems to be more as compared to male population (Martin, 2017).

Chart 1: Smartphone Ownership by countries

Analysis of the Findings

This paper aims to highlight how the young consumers all around the world are selective, diverse and dynamic when it comes to device selection and cell phone usage. It also determines the inter-segment market within the existing market of cell phones that is based on gender, age, education, nationality, product features etc. Hence, marketers must understand the social, cultural, psychological behavior of these young consumers and be creative in developing a marketing mix (Awan, 2014). The young adult segment is very attractive and a prototypical example of the global segment.

The United Kingdom

The popularity of cell phones among young adults is not unique and is a worldwide phenomenon. The technological advancement has led smartphone manufacturers to add more advanced features and give it an aesthetic appeal. If we look at the smartphone ownership by age in United Kingdom, young adults aged between 25-34 seems to top the chart as shown in Chart 2.

Chart 2: UK Smartphone users by age

It was noted that young adults in United Kingdom place price, screen size and battery life as the most important characteristics when making a purchase decision on smartphones. When it comes to the usage, it was reported that people in UK use smartphones to watch short videos, stories as well as live posts.

South Korea

With the presence of leading smartphone brands like Samsung in South Korea, the country has become one of the most favored test markets for global brands in the cell phone industry. It is said that Koreans consumers love experimenting new tech devices and it is no surprise that the country has more than thirty-six million smartphones (All About Smartphones in South Korea: Eye on Asia, 2017).

The survey conducted in South Koreas revealed that young adults make the purchase decision of cell phones based on its features and usage. The quantitative analysis of the data revealed that young people in South Korea used cell phones for internet browsing, chatting, sending and receiving emails, and playing games however buying pattern differed with gender (Awan, 2014). Male respondents gave importance to technical support and gaming while females were more price-conscious. Language features and product characteristics were however same for both the respondents.

Australia

Australia is one of the leading global adopters when it comes to smartphones. More than 85% of the Australians use smartphones to communicate making the country exceed the global trend with smartphone penetration (Mobile Consumer Survey 2016 The Australian Cut , 2016). Like most countries, Australians are looking for better models and features in their smartphones and their need to have more internal storage is on the rise.

The use of social media, emails and instant messaging on smartphone is higher among young Australians as compared to other countries who spend significant amount of time watching videos and making video calls. When it comes to final purchase decision of mobile phones, it was noted that Australians aged between 18 to 34 years placed brand as the most influencing factor (Rogerson, 2016).

Argentina

Argentina is considered the third-largest mobile market in Latin America (Country Overview: Argentina, 2017) after Brazil and Mexico and is also regarded as an established market. Though the market is mature, the rate of growth of mobile phone users is comparatively very

slow. Argentina is the hub of cell phone development and it is interesting to note that Argentina leads the world in per person mobile minutes (Martin, 2017). Like most developing countries, smartphone users in Argentina are young adults who primarily use the smartphone to access news, use social media platforms, watch videos and exchange messages.

Summary and Conclusions

Change is inevitable and the only thing that is constant is the change itself. Technology has transformed the way we do business, the way we interact, or even the way basic functions are carried out in day to day operations. Newer technologies are emerging, new applications are born, new and improved products are launched in the market and with this there has been a significant improvement in our lifestyle. Just as mankind has evolved over thousands of years, the way we connect and communicate with each other has undergone a massive change.

Chart 3: Cell Phone Market

Today, Cell phones aren't just a hand-held device to make phone calls or send texts; it has become our way of life. The cellular phones have replaced television, camera, desktop, alarm clock, calculators, GPS devices, just to name a few. The survey result showed that young adults in those countries (United Kingdom, South Korea, Australia and Argentina) differed in terms of their demographic, socio-cultural and psychographic orientation, yet the use of cell phones remained the same. When it comes to making a purchase decision, it was noted that product features, brand names, purchase intentions, product sacrifice, social influence, all played a major role. Though Apple iPhone and Samsung predominantly captured the market, other phone companies are still trying to penetrate the smartphone market. There is a lot of opportunity for marketers to tap into the mind of these young adults who base their purchasing decision on the features and pricing.

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