

# **CASE STUDY OF TECHNOLOGY MARKETING: CELLPHONE AND SMARTPHONE BUYER BEHAVIOR AND USAGE**

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## **ABSTRACT**

This case study focuses on adoption and use of new mobile communications technology, specifically newer cellphones and smartphones. There are over 5 billion mobile subscribers (77 percent of the world population). In the US, there are over 300 million subscribers (or a wireless penetration of 96 percent of the population). Worldwide mobile communication device sales to end users totaled 427.8 million units in the first quarter of 2011, an increase of 19 percent from the first quarter of 2010. Smartphones continued to outpace the rest of the market, and a newly competitive mid-tier smartphone market will drive smartphones into mass adoption and accelerate this trend. Smartphones accounted for 23.6 percent of overall sales in the first quarter of 2011, an increase of 85 percent year-on-year. Secondary research shows that Japanese consumers are still more advanced in mobile behavior, using mobile Web, apps and email more, but US or Europeans text and play more games. Most popular mobile destinations are news and information, weather reports, social networking, search and maps. Compared to the rest of the world, US consumers prefer mobile browsers for banking, travel, shopping, local info, news, video, sports and blogs. They prefer applications for games, social media, maps and music.

For this case study, a survey was conducted with 709 cellphone users in the United States, Europe, Asia and Mexico. It addressed phone features used, reasons for choosing the present phone, length of time the phone has been owned, importance of various purchasing criteria when buying the next phone, smartphone use and importance of smartphone applications. A key focus of the study is the 18-24 demographic, which leads in adopting smartphones. The case also compares phone purchasing behavior and usage by gender. Marketing implications are drawn pointing to the need to focus on differences found in cellphone and smartphone usage and consumer buying behavior.