Fitting Consumer Needs to Perceived Product Value: The Example of Apple versus Samsung Products

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Abstract

This study explores the fitting of consumer needs to product perceived value using the example of two lines of competitive products in the area of communication electronics, Apple products versus Samsung products. Five types of needs regarding digital communication and three types of related product value are evaluated for these two brands in order to know if product value differences have a distinctive effect on consumer needs.

This study focuses on the impact of perceived product values on certain consumer needs. We use Apple products and Samsung products to accomplish this. The perceived product values are examined using the Theory of Consumption Values (TCV) which is linked to the five dimensions of m-commerce phenomenon, as exemplified in research of mobile phones by (Coursaris & Hassanein 2002). The TCV is founded on three axioms. First, consumer choice is a function of multiple consumption values. Second, the consumption values make differential contributions in any given choice situation. Third, the consumption values are independent. On the basis of these three assumptions, TCV explains consumers' choice behavior as a function of values perceived by consumers to fulfill their unmet needs through the attributes of Apple products. Figure 1 shows the framework of the study.
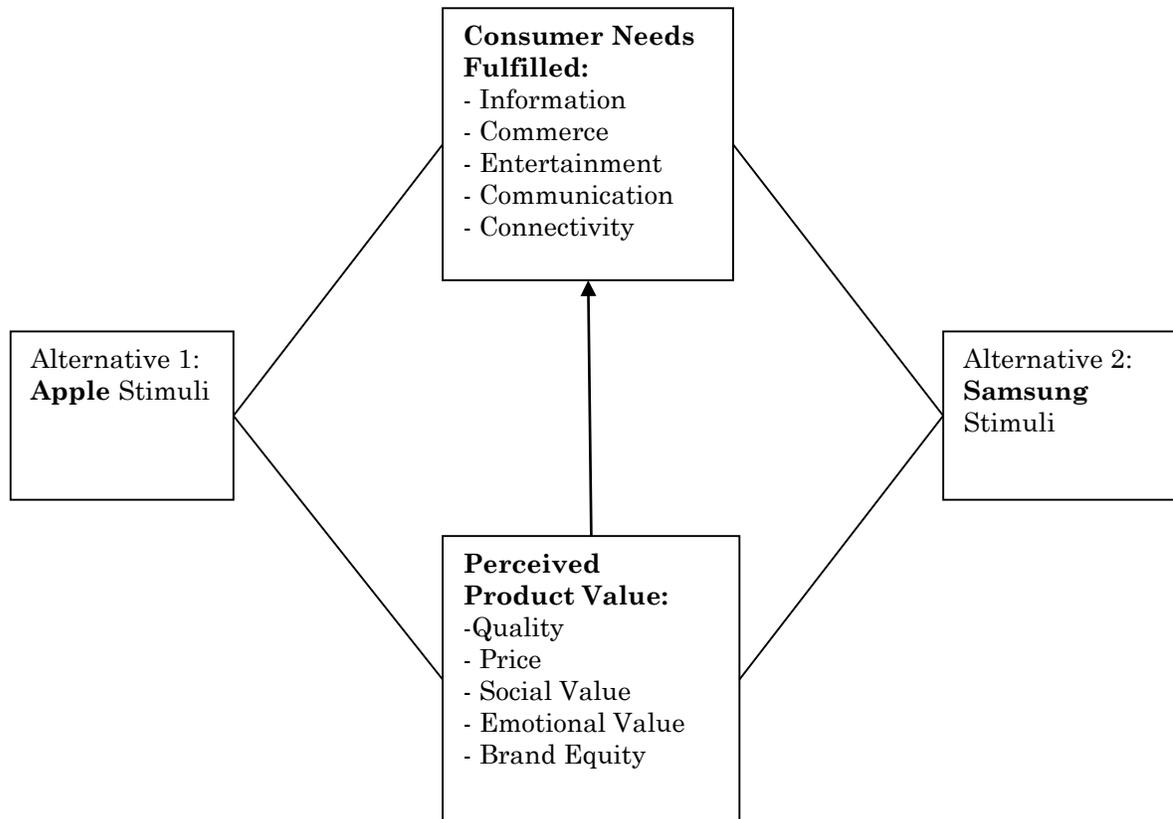
Figure 1. The Conceptual Framework
Methodology

Testing Instruments

This study adopted the definition of m-commerce proposed by Coursaris & Hassanein (2002). There are five dimensions: information, commerce, entertainment, communication, connectivity. This study used the established scale for unmet needs suggested by Pincus (2004). A second-order factor with five dimensions was derived from the study of Coursaris & Hassanein (2002). The perceived value scale was generated from the study of Sweeney & Soutar (2001). Sweeney & Soutar (2001) tested consumer perceived value by the same dimensions of consumer buyer choice proposed by Sheth et al. (1991b). However, they recommended and tested a multiple item scale, PERVAL, with a 19-item measure. This study used the definition provided by Sheth et al. (1991b), without the inclusion of epistemic and conditional value. There were forty-eight questions; the answer for each question is on a scale of 1 to 7 (7=Strongly Agree; 1=Strongly Disagree).

Sample and Sampling Procedures

Samples of this study are undergraduate and graduate students in Business school located in the South region. The samples of online Samsung survey were

undergraduate student samples in four different classes. There are 125 Apple respondents; 13 respondents were excluded due to incorrect responses and/or more than half missing answers. On the other hand, there were 121 Samsung respondents and three were excluded due to inconsistent responses.

Survey Administration

This study used paper and pencil questionnaire and the online survey. Students were distributed the survey in class and returned it in the next class. Surveys were filled out by either Apple or Samsung users. Some students own both Apple and Samsung products and they were free to choose either survey based on their own preference. The second part of the survey was conducted online to generate equivalent numbers of Samsung survey since the classroom distribution of Apple users surpasses Samsung users. The distribution period was September 2012 to December 2012. The questionnaires were sent only to these who own Apple and Samsung products, regardless of the product type.

Testing Procedures

This study first conducted independent sample *t*-test by using SPSS 18.0 to compare means of needs being fulfilled between two groups. Secondly, exploratory factor analysis (EFA) was conducted to four dimensions of TCV Theory of Consumer Values: price, quality, social and emotional value. Brand equity was added in the questionnaire due to the consideration of not specifying particular product type.

Regression model was conducted with independent variables (price, quality, social value, emotional value, and brand equity) with the dependent variable (satisfaction in needs). Each regression has one dependent variable; one of the five dimensions in m-commerce needs. Each regression model was run separately five times in both Apple and Samsung samples.

Conclusions

This study responded to the questions of whether consumer needs are related to consumer choice behavior when examined in concrete product lines, such as Apple products and whether the relationship between needs and consumer choice is different with products of other brands, such as Samsung's. We found that there is a significant relationship between consumer needs and perceived product values. Moreover, we found that perceived product values explain consumer needs as shown by significant R^2 results. The relationship is stronger in the case of Apple users, emphasizing the role of personal values, such as the emotional ones.

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KEY WORDS: *perceived product value, Apple, Samsung*

Relevance to Marketing Educators, Researchers and Practitioners: The results show that Apple users are more satisfied with their needs being fulfilled by Apple products than Samsung users getting satisfied with Samsung products. Moreover, Apple users emphasize the emotional value of Apple products when considering entertainment and communication needs while Samsung users show no emotional attachment to Samsung products at all. The paper offers a discussion of the results taking into account the available literature on the topic and considering the consequences for the companies involved.

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TRACK: Consumer Behavior