

Smartphone Market Share Quandary: The Influence of Brand Familiarity, Perceived Quality, and Extrinsic Attributes on Perceived Risk

Nurlida Ismail
Manimekalai Jambulingam
Ng Yinn Sheng
Taylor's University, Malaysia

In recent years, smartphone industry has grown remarkably, and smartphone has become an indispensable device that acts as a medium of communication, information, and entertainment. However, due to the availability of a variety of brands, the competition to maintain and acquire customers is getting more and more intense in the saturated smartphone market. Smartphone users tend to change their smartphones regularly. Therefore, maintaining existing consumers has been a demanding task for smartphone manufacturers. The volatility of smartphone market share in the last decade has erupted to such an extent that most manufacturers, brand leaders included, cannot afford to ignore them. The smartphone market has evolved dramatically whereby building brands has been an important conduit and communication platform for conserving relationships between consumers and organizations. Does brand matters? Is there a difference in consumers' perception of risk amongst competing brands? Hence, the aim of this exploratory study is to examine factors affecting perceived risk and the different effect perceived risk has on brands. The study investigates the structural relationship between brand familiarity, extrinsic attributes, perceived quality, and perceived risk. It also investigates the mediating role of perceived quality in the relationship between brand familiarity and extrinsic attributes with perceived risk. The study adopted the quantitative method, and a self-administered questionnaire was utilized to collect data from 412 participants between the age of 18 to 30 years and their responses were analyzed by using Statistical Package SPSS) and Partial Least Squares (PLS)method. The study revealed that brand familiarity, external attributes, and perceived quality have effects on perceived risk for smartphone users. In addition, it also showed that perceived quality partly mediates the connection between brand familiarity and perceived risk. This paper adds significant contributions to the existing academic literature as well as assists the marketers' understanding and knowledge of the purchase behavior of smartphone users which could be useful for risk reduction techniques that conform to the preference of smartphone users.

Keywords: *Brand Familiarity, Extrinsic Attributes, Perceived Quality, Perceived Risk*