INFLUENCE OF PRODUCT ATTRIBUTES AND VARIETY SEEKING ON BRAND SWITCHING BEHAVIOR OF XIAOMI SMARTPHONE USERS

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Abstract

The high number of smartphone users in Indonesia has made the country a potential target market for smartphone companies. This makes consumers in this sector more selective in choosing a smartphone brand. This selective behavior of consumers is a sign that there can be brand switching behavior by consumers due to unfulfilled consumer needs and desires. This study aims to determine the effect of Product Attributes and Variety Seeking on Brand Switching Behavior of Xiaomi smartphone by UPN Veteran East Java students. This study uses a quantitative method using 81 people as a research sample. The number of respondents was determined using a non-probability sampling method with purposive sampling technique. The data collection method was carried out through conventional questionnaire distribution and measured using a Likert scale. The analytical tool used in this research is Partial Least Square (PLS). The results of this study indicate that the variables of product attributes and variety seeking have a significant influence on brand switching of Xiaomi smartphone brands by students of the National Development University "Veteran" East Java.

Keywords: *Product Attributes, Variety Seeking, Brand Switching*

1. INTRODUCTION

The easier access to technology in Indonesia has led to an increasing need for technology. the use of cell phones is one of the implementations of information and communication technology in society. Along with the times, cell phones have now been equipped with various additional features commonly referred to a smartphone. There were several smartphone brands that widely used by Indonesians, including Samsung, Vivo, Oppo, Xiaomi, Iphone, Realme and others. Of the many smartphone brands present in Indonesia, Xiaomi is one of the smartphones that managed to attract consumer attention at the beginning of its official launch in Indonesia. Top Brand Index is an indicator of the value of a brand in a product category that is calculated based on consumer purchasing power for that brand. Based on Top Brand Index Data, Xiaomi is experiencing fluctuating index percentage growth. In 2020 to 2021 Xiaomi was ranked third with a percentage index growth of 2.30%. However, from 2021 to 2022 Xiaomi experienced a decrease in the index percentage of 1.20% which placed Xiaomi in fourth place under Iphone. Generation Z in Indonesia is a generation that is quite aware of the technology around them, including smartphones. Reporting from the website nextren.grid.id explains that generation z has a behavior that uses technology more often in their daily lives. They are accustomed to online shopping activities, using smartphones for a long duration, to changing their gadgets, one of which is a smartphone. This behavior can increase the likelihood of brand switching behavior in consumers.

According to Peter & Olson, (2014) from (Wardhani & Hendrati, 2021) brand switching is a consumer purchasing pattern characterized by a change from one brand to another brands. Brand switching behavior can be caused by several factors such as product dissatisfaction, search for product variations, price, word of mouth, bad product attributes, etc. Products must have differentiators through their product attributes so that consumers can distinguish a product in each brand. By having product attributes that can differentiate products from other brands, these

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products can provide a special attraction for consumers. Tjiptono (2010) from (Sabariah & Ermansyah, 2021) defines product attributes as elements of products that are important to consumers which are taken into consideration in consumer purchasing decisions. The disadvantages of product attributes on Xiaomi smartphones are that the image capture feature is less good than its competitors, there is no water and dust resistant feature (IP68) and the design model is less attractive.

The increasingly diverse product attributes that exist in smartphones today make competition in this industry more competitive. This makes consumers in the sector more selective in choosing a smartphone brand that suits their needs. Because of this behavior, it is not surprising that today it is rare to find consumers who are loyal to a brand (Karnowati et al., 2021). Consumers will learn what makes the difference in each product they will use. Variety seeking is a consumer's tendency to look for a differentiator in the choice of products or services they consume according to Khan in (Fintikasari & Ardyan, 2018). To strengthen the existing phenomenon, researchers used a pre-survey conducted on UPN Veteran East Java students who had switched brands from Xiaomi smartphones to other brands. The results showed that the respondents did not mind the price and recognized that the Xiaomi brand was quite famous and easy to find at smartphone outlets. However, around 70% of respondents said they would not buy Xiaomi smartphones again because other smartphone brands have a wider variety and reliable specifications in daily activities.Based on this background, the researcher aims to find out whether product attributes and variety seeking have an influence on brand switching behavior on active students of UPN Veteran East Java who have used Xiaomi smartphones.

2. LITERATURE REVIEW
Product Attributes
The benefits obtained by the company are largely due to the products that are marketed. According to Kotler and Keller (2012) cited in (Huda & Nurcahyati, 2018), products are any form that can be marketed to satisfy the needs and desires of consumers. These forms can be in the form of goods, services, ideas, and experiences. Tjiptono (2010) in (Sabariah & Ermansyah, 2021) defines product attributes as elements of products that are considered important by consumers and are used as the basis for making purchasing decisions. Product attributes are elements that become differentiators obtained through innovation with the aim of adding value to a product (Firmansyah, 2019). The same thing is expressed by Kotler and Armstrong (2012) cited in (Kasmo & Jayanti, 2018) who say that product attributes are an update of the benefits of a product or service such as the novelty of features, design and product quality.

Variety Seeking
As time passes, boredom with a product will arise in consumers due to the long usage period of a product. Consumers will look for alternatives to fulfill this boredom by looking for product updates or variations on other brands. According to Peter and Olson (2003) in (Wulandari & Widiartanto, 2020) variety seeking is a thought to switch to another brand that arises from boredom or a sense of wanting to try something new. (Ali et al., 2019) defines variety seeking as a consumer's need for uniqueness in a product or service. Consumers who has a preference for unique or different things tend to switch brands compared to other consumers. According to Mowen and Minor (2002) in (Yulindasari, 2022), variety seeking can be measured through several

indicators such as a) No Innovation or Novelty, b) Desire to Try Other Brands, and c) Feeling Boredom.

Brand Switching

According to Peter & Olson, (2014) cited in (Wardhani & Hendrati, 2021) Brand switching is a consumer purchasing pattern characterized by a change from one brand to a different brand. In the book (Firmansyah, 2019) it is also explained that brand switching is a decision to use a brand that is different from what consumers previously bought. Then according to (Justiana Astuti & Budi Santoso, 2020) brand switching is a situation where consumers switch to another brand and stop using the previous brand. According to Peter & Olson (1999) in (Sabariah & Ermansyah, 2021) brand switching behavior can be measured using the following indicators a) Dissatisfaction after buying a product, b) The desire to switch, and c) The desire to stop using the brand.

3. IMPLEMENTATION METHOD

This research is quantitative with a Likert scale as a measuring instrument for research variables. The research population is active students of UPN "Veteran East Java who have used Xiaomi brand smartphones and have switched to other brands. Researchers used Non-probability sampling with purposive sampling technique as a sampling method. So that a sample of 81 people was obtained. In collecting research data, researchers distributed questionnaires offline in the East Java "Veteran" National Development University area and also used Google Forms whose links were provided via social media Instagram and WhatsApp.

4. RESULTS AND DISCUSSION

The results of the questionnaire distributed to a total of 81 respondents produced data that the majority of respondents were male, totaling 53 students with a percentage of 65% of the total respondents. Then the remaining 28 students are female with a percentage of 35% of the total respondents.

Table 1. Respondents Answers to Product Attributes

	1	2	3	4	5	Total
X1.1	2	5	6	29	39	81
X1.2	0	12	14	36	19	81
X1.3	2	6	16	33	24	81

Source: data processed, 2023

a) The first Product Attribute indicator is Product Features. The data shows the highest result at score 5, meaning that 39 people or as many as 48% of respondents answered strongly agree to the statement given.

b) The second Product Attribute indicator is Product Benefits. The data shows the highest result on score 4, meaning that 36 people or 44% of respondents answered agree to the statement given.

c) The third Product Attribute Indicator is Product Design. The data shows the highest result on score 4, meaning that 33 people or 41% of respondents answered agree to the statement given.

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Table 2. Respondents Answers to Variety Seeking

	1	2	3	4	5	Total
X1.1	2	10	13	39	17	81
X1.2	0	6	20	21	34	81
X1.3	1	4	9	41	26	81

Source: data processed, 2023

a) The first Variety Search indicator is the No Innovation or Novelty. The data shows the highest result at score 4, meaning that 39 people or 48% of respondents answered agree to the statement given.

b) The second Variety Seeking Indicator is the Desire to Try Other Brands. The data shows the highest result at score 5, meaning that 34 people or 42% of respondents answered strongly agree to the statement given.

c) The third Variety Seeking Indicator is the Feeling of Boredom. The data shows the highest result at score 4, meaning that 41 people or as many as 50% of respondents answered agree to the statement given.

Table 3. Respondents Answers to Brand Switching

	1	2	3	4	5	Total
X1.1	2	1	19	37	22	81
X1.2	1	3	13	35	29	81
X1.3	2	3	11	43	22	81

Source: data processed, 2023

a) The first Brand Switch Indicator is Dissatisfaction After Buying a Product. The data shows the highest result at score 4, meaning that 37 people or as many as 46% of respondents answered agree to the statement given.

b) The second Brand Switching Indicator is the Emergence of a Desire to Switch Brands. The data shows the highest result at score 4, meaning that 35 people or 43% of respondents answered agree to the statement given.

c) The third Brand Switch Indicator is the Desire to Stop Using the Brand. The data shows the highest result on a score of 4, meaning that 43 people or 53% of respondents answered agree to the statement given.

Data Analysis, Hypothesis Testing, and Measurement Model (outer model)
a. *Convergent Validity*

Indicator validity is measured by looking at the Factor Loading value from the variable to the indicator, it is said to be valid if it produces a value greater than 0.5 and or a T-Statistic value greater than 1.96 (Z value at $\alpha = 0.05$). Factor Loading is the correlation between indicators and variables, if it is greater than 0.5 it is considered that the validity is met as well as if the T-Statistic value is greater than 1.96, the significance is met. all reflective indicators on the Product Attributes and Variety Seeking variables and the endogenous variable, namely Brand Switching, show factor loading (original sample) greater than 0.50 and or significant (T-Statistic value is more than the Z value $\alpha = 0.05$ (5%) = 1.96), thus the estimation results of all indicators have fulfilled Convergent validity or good validity.

b. *Discriminant Validity*

Table 4. AVE Table

	AVE
Product Attributes	0.540427
Variety Seeking	0.425291
Brand Switch	0.474893

Source: data processed, 2023

Convergent AVE values greater than 0.5 indicate good validity for latent variables. The AVE test results for the Product Attributes variable of 0.540427 show a value greater than 0.5, so overall the variables in this study can be said to have good validity. While the AVE test results for the Variety Search variable were 0.425291, the Brand Switch variable was 0.474893, both values showed a smaller value than 0.5, so overall the variables in this study can be said to have poor validity.

c. *Composite Reliability*

Tabel 5. Composite Reliability Table

	Composite Reliability
Product Attributes	0.776776
Variety Seeking	0.670920
Brand Switch	0.716381

Source: data processed, 2023

Construct reliability as measured by the composite reliability value, the construct is reliable if the composite reliability value is above 0.70, so the indicator is consistent in measuring the latent variable. The Composite Reliability test results show that the Product Attributes variable is 0.776776, the Brand Switching variable is 0.716381, both variables show a Composite Reliability value above 0.70 so that all variables in this study are reliable. While the Variety Seeking variable is 0.670920, this variable shows a Composite Reliability value below 0.70 so it can be said that all variables in this study are not reliable.

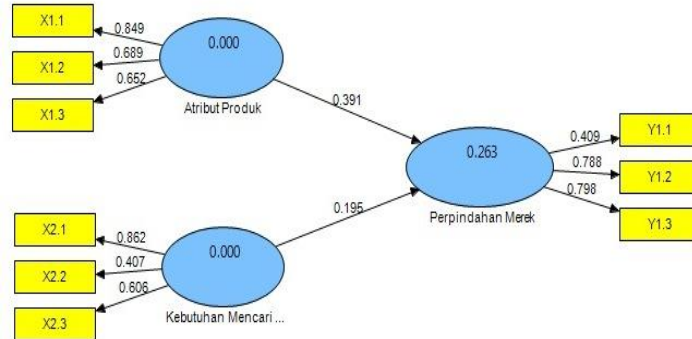**INFLUENCE OF PRODUCT ATTRIBUTES AND VARIETY SEEKING ON BRAND SWITCHING BEHAVIOR OF XIAOMI SMARTPHONE USERS**

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d. PLS Model Analysis

Image 1. Outer Model Output SmartPLS
Source: data processed, 2023

e. *R-square*

Table 6. R Square Table

	R Square
Product Attributes	
Variety Seeking	
Brand Switch	0.263176

Source: data processed, 2023

Testing the structural model is performed by looking at the R-Square value which is a goodness-fit model test. Inner model testing can be seen from the R-square value in the equation between latent variables. The R2 value explains how much the exogenous (independent variables) in the model are able to explain the endogenous (dependent variables). The value of R2 = 0.263176 It can be interpreted that the model is able to explain the phenomenon of Brand Switching which is influenced by independent variables including Product Attributes and Variety Seeking variants by 26.31%. While the remaining 73.69% is explained by other variables outside this study (other than Product Attributes and Variety Seeking)..

Pengujian Hipotesis
a) Hypothesis 1: Product Attributes have a positive effect on Brand Switching can be accepted, with path coefficients of 0.391075, and a T-statistic value of 4.284661 greater than the Z value α = 0.05 (5%) = 1.96, then Significant (positive).
b) Hypothesis 2: Variety Seeking has a positive effect on Brand Switching can be accepted, with path coefficients of 0.195057, and a T-statistic value of 2.042515 greater than the Z value α = 0.05 (5%) = 1.96, hence Significant (positive).
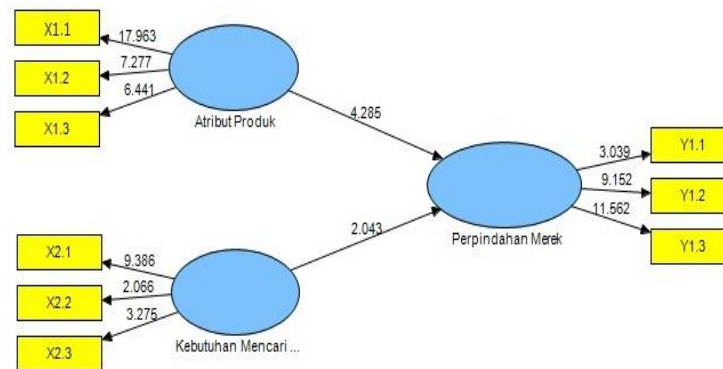
Image 2. Inner Model Output SmartPLS
Source: data processed, 2023

Discussion

Effect of Product Attributes on Brand Switching

Based on the results of the study, it is known that product attributes have a positive and significant effect on the brand switching behavior of Xiaomi smartphone users to other brands in UPN Veteran East Java students, so that the hypothesis can be accepted. The results of descriptive analysis (Factor Loading) of the Product Attributes variable show that the Product Features indicator is the most influential indicator. This means that users switch brands because they rate positively the product attributes of the smartphone currently being used compared to Xiaomi smartphones. After using a Xiaomi smartphone, many of the respondents felt that the product attributes provided by Xiaomi were not what they expected. Starting from lack of camera features, less vivid screen colors, no water and dust resistant features, etc. When a brand is able to provide better product attributes than other brands, brand switching behavior will increase. These results are in accordance with research conducted by (Atifah & Rahmidani, 2022) and (Nuraini, 2019) which state that Product Attributes have a positive and significant effect on Brand Switching of Xiaomi smartphones.

Effect of Variety Seeking on Brand Switching

Based on the results of the study, it is known that variety seeking have a positive and significant effect on the brand switching behavior of Xiaomi smartphone users to other brands in UPN Veteran East Java students, so that the hypothesis can be accepted. The results of descriptive analysis (Factor Loading) of the Variety Seeking variable show that No Innovation or Novelty indicator is the most influential indicator. Over time, many new technologies are born to provide new experiences for their users. For example, the trend of folding smartphone technology that provides a new experience of using a smartphone. In addition, minor updates to the latest series of Xiaomi smartphone products are also one of the reasons users choose to switch to another brand. When a brand is able to provide an innovation or novelty that is more attractive, users will switch to other brands. These results are in accordance with research conducted by (Apriliani et al., 2022)

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and (Karnowati et al., 2021) which state that Variety Seeking has a positive and significant effect on on Brand Switching of Xiaomi smartphones.

5. CONCLUSION

Product Attributes has an influence on Brand Switching of Xiaomi smartphones to other brands by UPN Veteran East Java students. When other brands are able to provide better product attributes than Xiaomi, they will be tempted to switch to other brands. Variety Search has an influence on Brand Switching of Xiaomi smartphones to other brands by UPN Veteran East Java students. Smartphones are a device that is quite often used by people today so it is important to keep consumers from switching to other brands by providing the best user experience. The more often consumers look for product variations in other brands, the more brand switching behavior will increase. Xiaomi must be able to provide better product attributes and be able to support the daily activities of its users so that users do not need to switch to another brand. In addition, Xiaomi also needs to provide more interesting innovations in their smartphones so that users are not tempted to switch to other brands. Moreover, Xiaomi once had a community of users who were loyal to Xiaomi products.

6. FUTURE RESEARCH

The results of this study can be used as an additional reference in conducting further research. The limitations in this study are the small sample of respondents limited to UPN "Veteran" East Java students and the variables in this study has a small influence. Therefore, for future research, researchers suggest using a wider sample and adding other variables besides those used in this study.

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