

# Geopolitics vs. Value Proposition: A Comparative Analysis of Chinese and Non-Chinese Smartphone Perception in India through the Lens of Comparison Level Theory

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## Abstract

The Indian smartphone market—among the largest and most intensely competitive worldwide—is characterized by an enduring tension between value-oriented consumption and socio-political sentiment. Although Chinese smartphone brands command substantial market share through aggressive pricing strategies and rapid innovation cycles, geopolitical frictions and data security concerns continue to influence consumer trust and brand loyalty. Anchored in **Comparison Level Theory (CLT)** (Thibaut & Kelley, 1959), this study reconceptualizes smartphone purchase decisions as **comparative, expectation-driven evaluations** rather than purely performance-based judgments. The study posits that consumer satisfaction and brand switching are jointly shaped by two psychological reference standards: the **Comparison Level (CL)**, which reflects expectations formed through prior usage, brand reputation, and ethnocentric attitudes, and the **Comparison Level for Alternatives (CLalt)**, which captures the perceived attractiveness and accessibility of competing brands. Drawing on extant literature, the study develops a conceptual framework explaining why Chinese smartphones frequently deliver high functional satisfaction yet exhibit weaker brand dependence, particularly during periods of heightened geopolitical sensitivity. Four theory-driven hypotheses (H1–H4) investigate the influence of ethnocentrism, security-related concerns, price sensitivity, and after-sales service quality on CL, CLalt, purchase intention, and brand switching behavior. By integrating functional value and socio-political considerations within a unified CLT framework, this study advances consumer behavior theory and provides actionable insights for smartphone brands operating in politically sensitive emerging markets.

**Keywords:** Comparison Level Theory, Consumer Ethnocentrism, Brand Switching, Smartphone Market, Geopolitical Perceptions, India

## 1. Introduction

India's rapid digital transformation—driven by affordable data access, widespread smartphone adoption, and the expansion of e-commerce ecosystems—has established the country as the world's second-largest smartphone market. Within this highly competitive landscape, consumer choice reflects a dual evaluative logic. Chinese smartphone brands such as Xiaomi, Vivo, and Oppo have expanded access to advanced technology by delivering feature-intensive devices at competitive price points. In contrast, non-Chinese brands, particularly Samsung and Apple, continue to command strong positions in the premium segment through accumulated reputational capital, ecosystem lock-in, and perceived assurances of data security and reliability.

Despite high levels of functional satisfaction with Chinese smartphones, Indian consumers frequently exhibit weak brand attachment and elevated switching behavior. This pattern presents a theoretical paradox: why do consumers abandon brands that meet or exceed performance expectations while remaining loyal to higher-priced alternatives offering comparable or, in some cases, inferior specifications. Conventional technology adoption frameworks—such as the Technology Acceptance Model (TAM) and the Theory of Reasoned Action (TRA)—conceptualize satisfaction as a function of perceived usefulness or attitudinal intention. However, these models insufficiently account for the comparative, relational, and context-dependent nature of consumer evaluation in markets marked by rapid innovation, symbolic consumption, and geopolitical sensitivity.

To address this gap, the study applies **Comparison Level Theory (CLT)** to smartphone consumption in India. CLT reframes satisfaction as a relative judgment derived from comparisons between perceived outcomes and psychologically

constructed benchmarks. Extending this perspective to consumer–brand relationships, the study demonstrates how Indian consumers may simultaneously experience satisfaction with Chinese smartphones (Outcome > CL) while remaining inclined toward brand switching due to elevated comparison levels for alternatives (CLalt)

## **2. Review of Literature**

The expanded review organizes relevant literature into thematic sections linked to CL and CLalt.

### **2.1 Ethnocentrism and Consumer Animosity**

Ethnocentrism and consumer animosity have emerged as critical determinants of brand loyalty in contexts characterized by heightened political and socio-cultural tensions. Early consumer behavior research viewed loyalty primarily as a function of satisfaction and performance; however, contemporary studies demonstrate that emotional and ideological factors increasingly shape consumption decisions, particularly toward foreign brands (Narang, 2016). Ethnocentric consumers tend to prioritize domestic products, perceiving local brands as symbols of national identity and economic support, even when these offerings are objectively inferior in quality or performance.

Subsequent research extends this understanding by examining the role of situational triggers in intensifying animosity toward foreign products. During periods of geopolitical conflict and public health crises, such as the COVID-19 pandemic and the India–China border clashes, consumer hostility toward Chinese firms increased substantially (Tibrewala, 2020). The literature indicates that such animosity disrupts established loyalty patterns, prompting consumers to reassess their brand choices irrespective of prior satisfaction.

Empirical findings suggest that ethnocentrism and animosity jointly elevate the perceived attractiveness of alternative brands by weakening emotional attachment to foreign firms. As a result, even loyal customers begin to explore substitutes, thereby increasing the comparison level of alternatives (CLalt) and accelerating brand switching behavior. Collectively, the literature underscores that loyalty erosion in politically sensitive markets is driven not merely by product-related evaluations but by broader ideological and emotional considerations embedded within consumer identity and national sentiment.

### **2.2 Brand Personality and Cultural Perceptions**

Brand personality has become a central construct in understanding how consumers form expectations and evaluate brand performance within specific cultural contexts. Earlier branding studies emphasized functional attributes as primary drivers of evaluation; however, contemporary research highlights that symbolic brand traits—such as sincerity, competence, innovation, and excitement—significantly influence consumer perceptions and choice behavior (Roy & Banerjee, 2021). These personality dimensions operate as cognitive shortcuts through which consumers assess brands prior to actual usage.

The literature indicates that cultural context plays a decisive role in shaping how these brand personality traits are assigned. In the Indian smartphone market, Chinese brands are commonly associated with attributes such as innovation, trendiness, and design sophistication, which elevate consumer expectations regarding advanced features and aesthetic appeal (Roy & Banerjee, 2021). In contrast, non-Chinese brands are more frequently perceived as competent and reliable, reinforcing expectations related to durability, performance consistency, and after-sales support.

Empirical evidence suggests that when a brand’s actual performance aligns with its culturally embedded personality traits, consumer expectations are confirmed, resulting in the comparison level (CL) being met or exceeded. Conversely, any inconsistency between perceived personality and experienced performance may lead to expectation disconfirmation and reduced satisfaction. Overall, the literature emphasizes that brand personality functions as a culturally mediated expectation-setting mechanism that directly influences consumer evaluation and satisfaction outcomes.

### **2.3 Design Appeal, Innovation, and Aesthetic Expectations**

Design appeal and innovation have emerged as key determinants of consumer expectations, particularly among younger and technologically engaged segments. Early models of consumer evaluation focused predominantly on functional utility; however, recent research emphasizes the growing importance of aesthetic attributes—such as color variants, form factor, camera design, and display quality—in shaping perceived value and expectations (Filieri et al., 2017). These visual and experiential cues serve as critical signals of modernity and technological advancement for early adopters.

The literature further indicates that innovation intensity plays a significant role in elevating the comparison level (CL) by continuously redefining what consumers perceive as standard performance. Chinese smartphone brands, in particular, have been noted for their rapid product launch cycles and frequent model upgrades, which reinforce perceptions of constant innovation and technological leadership (Filieri et al., 2017). This strategy raises consumer expectations regarding feature richness and design sophistication.

Empirical findings suggest that sustained exposure to such innovation-driven branding leads Indian consumers to expect high levels of performance, advanced features, and contemporary design at comparatively lower price points. When these expectations are met, satisfaction levels remain high; however, any deviation may result in dissatisfaction due to elevated CL benchmarks. Overall, the literature underscores that design and innovation function not only as differentiators but also as expectation-setting mechanisms that directly influence consumer satisfaction and choice behaviour.

#### **2.4 Price Sensitivity and Value-for-Money Orientation**

Price sensitivity and value-for-money considerations have long been recognized as dominant influences on consumer decision-making in emerging markets such as India. Earlier consumer behavior frameworks emphasized income and affordability as primary determinants of purchase; more recent studies reinforce that perceived value—defined as the balance between price and performance—plays a decisive role in shaping expectations and satisfaction (Gao, 2016). Indian consumers consistently evaluate products through a cost-benefit lens, prioritizing feature richness relative to price paid.

The literature further highlights the strategic role of pricing in competitive market positioning. Chinese smartphone brands have been shown to capitalize on this value-oriented mindset by offering technologically advanced features at comparatively lower price points, thereby reshaping consumer expectations across market segments (Kim, 2024). This aggressive pricing strategy, combined with rapid innovation cycles, has enabled these brands to achieve substantial market penetration.

Empirical evidence suggests that sustained exposure to high feature-to-price ratios elevates the comparison level (CL) for price-performance expectations among Indian consumers. Consequently, non-Chinese competitors face increasing difficulty in meeting these heightened benchmarks without compromising margins or repositioning their value propositions. Overall, the literature underscores that value-for-money orientation not only influences initial purchase decisions but also redefines competitive standards within the smartphone market.

#### **2.5 Market Competition and Promotional Strategies**

Market competition and promotional strategies have become influential mechanisms in shaping consumer expectations and purchase behavior in highly contested product categories. Earlier marketing research emphasized product quality and brand reputation as primary drivers of choice; however, recent studies demonstrate that promotional intensity and channel accessibility significantly influence how consumers evaluate brands, particularly in digital retail environments (Kim, 2024). Promotional activities increasingly function as expectation-setting tools rather than mere sales stimulators.

The literature highlights that Chinese smartphone brands have strategically leveraged aggressive promotional tactics—such as flash sales, influencer-driven endorsements, and deep integration with e-commerce platforms—to enhance market visibility and transactional convenience (Kim, 2024). These practices condition consumers to expect frequent discounts, seamless online availability, and reliable delivery mechanisms as standard components of the purchase experience.

Empirical findings suggest that repeated exposure to such promotional environments elevates the comparison level (CL) for pricing incentives, accessibility, and buying convenience. As consumers become accustomed to continuous promotional offers, brand loyalty gradually shifts away from traditional brand attachment toward the ease, efficiency, and reliability of the purchasing process itself. Overall, the literature underscores that in intensely competitive markets, promotional strategies redefine loyalty by anchoring consumer expectations to convenience-oriented benchmarks rather than long-term brand commitment.

#### **2.6 Value Chain Perceptions**

Value chain perceptions have gained prominence in explaining how consumers evaluate foreign brands in an increasingly globalized production environment. Traditional consumer evaluations often associated product origin solely with the country of assembly; however, contemporary research emphasizes that value creation in complex products such as

smartphones is distributed across multiple countries through design, component manufacturing, software development, and intellectual property contributions (Xing & Huang, 2021). This broader understanding challenges simplistic country-of-origin judgments.

The literature indicates that when consumers become aware of the global nature of value creation, their perceptions of brand nationality become more nuanced. Although smartphones may be assembled in China, critical value-generating activities—such as chipset design, operating systems, and proprietary technologies—are frequently sourced from diverse international locations (Xing & Huang, 2021). This realization reduces the salience of country-of-assembly cues in consumer evaluation.

Empirical evidence suggests that enhanced awareness of global value chains mitigates negative country-based biases and softens consumer animosity toward Chinese smartphone brands. As a result, consumers exhibit greater willingness to maintain loyalty when performance expectations are met, allowing the comparison level (CL) to be sustained. Overall, the literature underscores that value chain transparency can act as a moderating factor in the relationship between country-of-origin perceptions and brand loyalty.

### **2.7 After-Sales Service and Long-Term Satisfaction**

After-sales service has emerged as a critical determinant of long-term satisfaction and post-purchase loyalty, particularly in technology-intensive product categories. Early studies on customer satisfaction emphasized product performance at the point of purchase; however, more recent literature highlights that post-purchase support—such as warranty handling, service responsiveness, and repair quality—plays a decisive role in shaping repeat purchase intentions and brand continuity (Wongsawat & Deebhijarn, 2020). Inadequate service experiences can undermine even strong initial satisfaction.

The literature further indicates that deficiencies in after-sales service elevate consumers' propensity to consider alternative brands. When post-purchase support fails to meet expectations, consumers reassess their existing brand relationships and become more open to competing options, thereby increasing the comparison level of alternatives (CLalt) (Wongsawat & Deebhijarn, 2020). This effect is particularly pronounced in markets where service reliability is perceived as inconsistent.

Empirical evidence suggests that Chinese smartphone brands are frequently criticized for uneven after-sales service quality, which weakens long-term loyalty despite competitive pricing and feature advantages. As a result, consumers increasingly gravitate toward perceived service-strong alternatives such as Samsung and Apple, heightening brand switching tendencies. Overall, the literature underscores that after-sales service functions as a key moderator between initial satisfaction and sustained loyalty, significantly influencing CLalt and long-term consumer retention.

## **3. Major Research Gaps**

Despite growing scholarly attention to smartphone consumption in India, existing research offers only partial explanations for the coexistence of high functional satisfaction and weak brand loyalty, particularly in the case of Chinese smartphone brands. Prior studies tend to examine isolated determinants of consumer behavior without integrating them into a coherent psychological framework capable of explaining satisfaction, dependence, and switching simultaneously. Several important gaps therefore remain.

### **3.1 Underutilization of Comparison Level Theory in Consumer Technology Research**

The majority of smartphone studies are grounded in adoption- and attitude-based models such as the Technology Acceptance Model (TAM) and the Theory of Reasoned Action (TRA). While these frameworks explain initial acceptance, they are limited in their ability to capture post-purchase evaluation processes. Specifically, the constructs of Comparison Level (CL) and Comparison Level for Alternatives (CLalt)—which explain satisfaction and dependence as relative judgments—have rarely been applied to smartphone consumption. As a result, the comparative logic underlying consumer satisfaction and brand switching remains theoretically underdeveloped.

### **3.2 Limited Attention to Dynamic Post-Purchase Expectations**

Existing literature predominantly emphasizes pre-purchase perceptions, intentions, and country-of-origin effects, often neglecting how expectations evolve after sustained product usage. In fast-moving technology markets, repeated exposure to innovation, price changes, and competitive offerings continuously reshapes consumers' benchmarks of acceptable

performance. The absence of longitudinal or post-purchase perspectives limits understanding of how Chinese and non-Chinese smartphones perform relative to consumers' changing comparison levels over time.

### **3.3 Inadequate Theorization of Brand Switching despite Satisfaction**

Although frequent brand switching is widely reported in smartphone markets, prior studies seldom explain this behavior through a structured theoretical mechanism. In particular, the role of CLalt in increasing the attractiveness of alternative brands—through perceived advantages in trust, security, ecosystem integration, or service quality—has not been sufficiently examined. This gap restricts insight into why consumers defect from brands that continue to meet or exceed functional expectations.

### **3.4 Fragmented Integration of Socio-Political Influences into Expectation Formation**

Factors such as consumer ethnocentrism, geopolitical tensions, and security-related anxieties have been examined mainly as direct predictors of purchase intention or brand avoidance. However, limited research integrates these socio-political influences into expectation-based evaluation models. Consequently, it remains unclear how such sentiments elevate comparison levels (CL) or intensify CLalt, thereby indirectly shaping satisfaction and switching behavior in politically sensitive markets like India.

### **3.5 Absence of a Unified Comparative Framework across Brand Origins**

Finally, much of the existing research analyzes Chinese and non-Chinese smartphone brands either separately or through narrow functional dimensions. There is a lack of comprehensive comparative studies employing a single theoretical framework to examine differences in expectation formation, satisfaction, and switching behavior across brand origins. This absence constrains the ability to explain how Chinese brands achieve value leadership while non-Chinese brands sustain stronger loyalty and consumer dependence.

## **4. Research Objectives**

**Objective 1: To examine how consumer ethnocentrism influences the comparison level (CL) set for Chinese smartphone brands in India.**

Ethnocentric attitudes shape consumers' expectations by linking product evaluation with national identity and socio-political beliefs. Prior studies suggest that consumers with strong ethnocentric orientations demand higher justification before accepting foreign brands, even when functional performance is strong (Narang, 2016; Tibrewala, 2020). Anchored in Comparison Level Theory, this objective investigates whether ethnocentric consumers establish elevated comparison levels (CL) for Chinese smartphones, thereby requiring significantly greater value before experiencing satisfaction.

**Objective 2: To analyze the effect of security concerns and socio-political perceptions on the comparison level for alternatives (CLalt) toward non-Chinese smartphone brands.**

Security risks and political narratives have been shown to alter emotional trust in foreign brands, particularly during periods of geopolitical tension. Research indicates that such concerns may not reduce satisfaction directly but instead increase the perceived attractiveness of alternative brands (Tibrewala, 2020; Kim, 2024). This objective examines how security-related anxieties elevate CLalt, thereby increasing consumers' likelihood of switching from Chinese to non-Chinese smartphone brands.

**Objective 3: To assess the moderating role of price sensitivity in shaping the relationship between socio-political sentiment and purchase intention toward Chinese smartphones.**

Indian consumers are widely recognized for their strong value-for-money orientation, often prioritizing affordability and features over country-of-origin considerations (Gao, 2016; Kim, 2024). This objective explores whether high price sensitivity weakens the negative impact of socio-political sentiment on consumer expectations, effectively lowering the comparison level (CL) and increasing acceptance of Chinese smartphones despite political or ideological concerns.

**Objective 4: To examine the role of after-sales service quality in influencing the comparison level for alternatives (CLalt) between Chinese and non-Chinese smartphone brands.**

After-sales service quality plays a crucial role in sustaining long-term satisfaction and reducing brand switching. Prior studies indicate that inconsistent service experiences elevate consumers' consideration of alternative brands, even when product performance is satisfactory (Wongsawat & Deebhijarn, 2020). This objective evaluates whether strong after-sales service associated with non-Chinese brands raises CLalt relative to Chinese brands, thereby increasing switching intentions.

**Objective 5: Theory-based framework explaining satisfaction and brand switching in the Indian smartphone market.**

While individual factors such as ethnocentrism, pricing, and service quality have been studied independently, limited research integrates these variables within a unified psychological framework. This objective synthesizes functional, socio-political, and service-related drivers to test the collective explanatory power of CL and CLalt in predicting satisfaction and switching behavior. It provides an overarching validation of H1–H4 within a single comparative model.

## 5. Hypotheses Development

This section moves beyond simply identifying gaps and positions the study as an active research contribution. Grounded in the Comparison Level Theory (CLT) framework, the following hypotheses are proposed:

- H1: Consumers with strong ethnocentric attitudes set higher comparison levels (CL) for Chinese smartphones, meaning they expect significantly greater value before feeling satisfied.
- H2: Concerns about security risks tied to Chinese brands raise the comparison level for alternatives (CLalt), making consumers more likely to switch to non-Chinese options.
- H3: Price sensitivity shapes how socio-political sentiment influences purchase intentions; highly price-conscious consumers tend to lower their CL, making them more willing to accept Chinese brands despite political concerns.
- H4: The quality of after-sales service plays a bigger role in driving CLalt for non-Chinese brands than it does for Chinese brands.

## 6. Research Methodology

### 6.1 Research Design

The present study adopts a **conceptual and theory-driven research design** grounded in **Comparison Level Theory (CLT)** (Thibaut & Kelley, 1959). The objective of the study is to develop a structured explanatory framework that captures how Indian consumers evaluate Chinese and non-Chinese smartphone brands through comparative expectations rather than absolute performance judgments.

The research does not involve primary data collection or statistical analysis. Instead, it relies on a **systematic synthesis of prior empirical and theoretical studies** to construct hypotheses and a conceptual model explaining satisfaction, purchase intention, and brand switching behavior in the Indian smartphone market.

### 6.2 Nature of the Study

This study is **descriptive and explanatory in nature**. It seeks to describe existing patterns in consumer perception and explain them using CLT-based psychological mechanisms. The descriptive component outlines how functional value, socio-political sentiment, and service perceptions shape consumer expectations, while the explanatory component links these factors to comparison levels (CL and CLalt) that influence satisfaction and switching decisions.

### 6.3 Theoretical Framework: Comparison Level Theory (CLT)

#### 6.3.1 The Core Mechanism

According to Thibaut and Kelley (1959), satisfaction and dependence in a dyadic relationship (here, Consumer-Brand) are determined by two specific criteria:

- a. **Comparison Level (CL):** The standard against which a consumer evaluates the attractiveness of a relationship based on what they feel they deserve.

$$\text{Satisfaction} = \text{Outcome} - \text{CL}$$

If the smartphone's performance (Outcome) exceeds the expectation (CL), the consumer is satisfied.

- b. **Comparison Level for Alternatives (CLalt):** The lowest level of outcomes a consumer will accept in light of available alternative opportunities

$$\text{Dependence} = \text{Outcome} - \text{CLalt}$$

Even if a consumer is satisfied ( $\text{Outcome} > \text{CL}$ ), they may still switch brands if a competitor offers a significantly higher value proposition (CLalt is high)

This framework is critical for distinguishing why Indian consumers might possess high satisfaction with Chinese phones (due to features) but low loyalty (due to high CLalt offered by trusted Non-Chinese brands during political tension).

### 6.3.2 Comparison Level for Alternatives (CLalt)

CLalt determines switching behavior. If a consumer believes an alternative smartphone brand offers better value or performance, CLalt becomes high, increasing the likelihood of brand switching. Some examples in India are:

- Switching from Chinese brands to Samsung after concerns about security
- Switching from Samsung to Xiaomi due to price-performance expectations
- Upgrading to iPhone due to status signaling value

### 6.3.3 Why CLT explains the Smartphone Market Better

Comparison Level Theory (CLT) helps to explain that why many consumers perceive Chinese smartphones are offering better value for money. It also clarifies why customers may switch brands even when they are satisfied, if alternative options appear more attractive. Additionally, CLT sheds light on how political tensions can lower satisfaction with Chinese brands, why premium brands continue to enjoy customer loyalty despite higher prices, and why budget-conscious consumers tend to evaluate satisfaction through constant comparison. Overall, CLT offers a strong psychological and behavioral framework for understanding smartphone perceptions and consumer decision-making in the Indian market.

### 6.4 Conceptual Research Model for Comparison Level Theory (CLT)

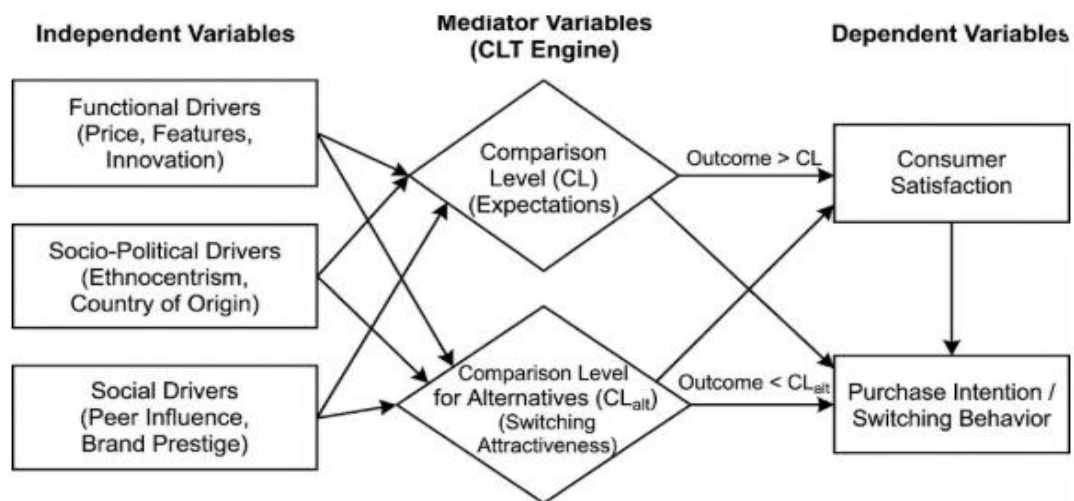


Figure 1: Comparison Level Theory Framework for Smartphone Selection

### **Concept of Comparison Level Theory (CLT) Framework for Smartphone Selection**

The Comparison Level Theory (CLT) framework conceptualizes smartphone selection as a comparative and expectation-driven process rather than a purely rational or feature-based decision. According to CLT, consumers evaluate smartphone brands by comparing perceived outcomes with internal benchmarks shaped by experience and social context, which subsequently influence satisfaction, purchase intention, and brand switching behavior (Thibaut & Kelley, 1959; Spreng & Page, 2003).

#### **6.4.1. Independent Variables (Drivers of Consumer Evaluation)**

The framework begins with three categories of independent variables that shape consumer expectations and comparative evaluations.

##### **a. Functional Drivers**

Functional drivers include price, features, performance, and technological innovation. These factors are particularly influential in the smartphone market due to rapid innovation cycles and heightened consumer awareness. Prior studies indicate that Chinese smartphone brands have successfully raised consumers' functional expectations by offering advanced specifications at competitive prices, thereby redefining value-for-money benchmarks in emerging markets such as India (Gao, 2016; Kim, 2024).

##### **b. Socio-Political Drivers**

Socio-political drivers encompass ethnocentrism, country-of-origin perceptions, and prevailing political sentiment. In the Indian context, geopolitical tensions and boycott narratives have been shown to influence emotional evaluations of Chinese brands, often reducing trust and satisfaction even when functional performance remains adequate (Narang, 2016; Tibrewala, 2020). These drivers introduce an affective dimension into consumer evaluation processes.

##### **c. Social Drivers**

Social drivers refer to peer influence, brand prestige, and symbolic value associated with smartphone ownership. Recommendations from social networks, online reviews, and the perceived status of premium brands significantly shape how consumers compare and evaluate smartphone options. Smartphones thus function not only as utilitarian devices but also as instruments of social identity and status signaling (Roy & Banerjee, 2021).

Collectively, these drivers feed into the consumer's comparative evaluation mechanism.

#### **6.4.2. Mediating Variables: CLT Engine**

At the core of the framework lies the CLT engine, consisting of two mediating constructs: Comparison Level (CL) and Comparison Level for Alternatives (CLalt).

##### **a. Comparison Level (CL – Expectations)**

Comparison level represents the baseline expectation against which consumers evaluate smartphone performance. It is shaped by past usage experience, brand reputation, marketing communication, and social influence (Thibaut & Kelley, 1959). Consumers mentally compare actual outcomes with this expectation level:

- If perceived outcomes exceed CL, satisfaction occurs.
- If perceived outcomes fall below CL, dissatisfaction arises.

For example, Indian consumers may expect Chinese smartphones to deliver superior features and pricing, while expecting non-Chinese brands to provide greater reliability, security, and long-term performance (Kim, 2024; Narang, 2016).

##### **b. Comparison Level for Alternatives (CLalt – Switching Attractiveness)**

CLalt reflects the perceived attractiveness of alternative smartphone brands and plays a critical role in explaining switching behavior. Even when consumers experience moderate satisfaction, they may consider switching if alternatives appear more appealing. CLalt is influenced by competing brand innovations, improved price-performance ratios, enhanced security features, and changing socio-political narratives (Spreng & Page, 2003; Wongsawat & Deebhijarn, 2020).

When perceived alternatives outperform the current option, CLalt rises, increasing the likelihood of brand switching.

#### **6.4.3. Dependent Variables (Outcomes)**

The comparative evaluation process leads to two key behavioral outcomes.

##### **a. Consumer Satisfaction**

When actual smartphone performance exceeds the comparison level (Outcome > CL), consumers experience satisfaction. Satisfaction reinforces trust, strengthens loyalty, and encourages positive word-of-mouth communication (Spreng & Page, 2003).

##### **b. Purchase Intention and Switching Behavior**

When alternative options appear superior (Outcome < CLalt), consumers may develop stronger purchase intentions toward competing brands or decide to switch, even if their current level of satisfaction is not entirely negative. This explains why brand switching is common in the smartphone market despite reasonable product performance (Wongsawat & Deebhijarn, 2020).

#### **6.4.4. Relevance of the Framework to Smartphone Selection**

The CLT-based framework is particularly well suited to smartphone selection because smartphones represent high-involvement products characterized by frequent comparison, rapidly evolving expectations, and intense competition. Functional attributes interact with socio-political sentiment and social influence, prompting consumers to continuously reassess available alternatives. The framework explains why Chinese brands dominate value-based expectations, why non-Chinese brands maintain loyalty through trust and prestige, and why switching behavior remains prevalent in the Indian smartphone market (Kim, 2024; Tibrewala, 2020).

The Comparison Level Theory framework offers a comprehensive and psychologically grounded explanation of smartphone selection behavior. By integrating functional, socio-political, and social drivers with comparison-based evaluation processes, the model captures the dynamic nature of consumer satisfaction and brand switching decisions. This framework provides valuable insights for both researchers and practitioners seeking to understand and predict consumer behavior in highly competitive and politically sensitive technology markets.

#### **6.5 Sources of Data and Literature Base**

The study is based exclusively on **secondary data sources**, including:

- Peer-reviewed journal articles in consumer behavior, marketing, and international business
- Doctoral dissertations and conference proceedings related to smartphone markets
- Reports on the Indian smartphone industry and global value chains
- Foundational theoretical texts on Comparison Level Theory and satisfaction models

Key databases consulted include **Scopus, Web of Science, Google Scholar, ProQuest, and Emerald Insight**. Only studies with strong theoretical grounding and empirical relevance to emerging markets were included.

#### **6.6 Literature Review Strategy**

A **thematic literature review approach** was employed to organize prior studies into conceptually meaningful categories aligned with CLT. The literature was systematically grouped under:

- Consumer ethnocentrism and animosity
- Brand personality and cultural perception
- Design, innovation, and aesthetic expectations
- Price sensitivity and value-for-money orientation
- Market competition and promotional strategies

- Value chain perceptions
- After-sales service and long-term satisfaction

This structured approach enabled the identification of theoretical gaps and facilitated hypothesis development within a unified framework.

### **6.7 Hypotheses Development Approach**

Hypotheses were developed deductively based on established theories and recurring patterns observed in the literature. Each hypothesis directly links an independent construct (e.g., ethnocentrism, security concern, price sensitivity, service quality) to either **CL** or **CLalt**, consistent with the core principles of Comparison Level Theory.

The hypotheses are designed to explain:

- Why satisfaction does not necessarily translate into loyalty
- How socio-political sentiment alters comparative expectations
- Why alternative brands remain attractive despite higher prices

### **6.8 Scope of the Study**

The scope of the study is limited to:

- The **Indian smartphone market**
- A **comparative evaluation** of Chinese and non-Chinese brands
- Consumer perceptions related to expectations, satisfaction, and switching behavior

The study does not attempt to measure market share, predict sales outcomes, or statistically test hypotheses.

### **6.9 Ethical Considerations**

This study is based solely on secondary sources and conceptual analysis; therefore, it involves no human participants and poses no risks related to consent, privacy, or harm. All sources have been drawn from credible academic and public publications and are properly cited in accordance with APA referencing standards to ensure academic integrity and respect for intellectual property.

The research avoids plagiarism, data fabrication, and misrepresentation by accurately interpreting prior studies and clearly distinguishing analytical insights from original findings. Objectivity and neutrality are maintained, particularly in discussing geopolitically sensitive issues, without promoting political or national bias. Limitations are transparently acknowledged, and conclusions are framed within the boundaries of theoretical inference.

### **6.10 Methodological Contribution**

This methodology contributes to existing literature by:

- Extending Comparison Level Theory to a high-involvement consumer technology market
- Integrating socio-political sentiment with expectation-based evaluation
- Providing a structured framework for understanding satisfaction paradoxes
- Laying a theoretical foundation for future empirical research

## **7. Findings of the Study**

Based on an integrative synthesis of existing literature and the application of **Comparison Level Theory (CLT)** to the Indian smartphone market, the study yields the following key theoretical findings:

### 7.1 Satisfaction and Loyalty Are Not Synonymous in the Smartphone Market

The study finds that consumer satisfaction in the Indian smartphone market is **comparative rather than absolute**. Chinese smartphone brands frequently meet or exceed consumers' **functional expectations**—particularly in terms of price, features, and innovation—resulting in high satisfaction levels (Outcome > CL). However, satisfaction alone does not guarantee brand loyalty. The persistence of switching behavior indicates that consumer dependence on these brands remains weak due to elevated comparison levels for alternatives (CLalt).

### 7.2 Ethnocentrism Elevates Expectation Thresholds for Chinese Brands

The study finds that consumer ethnocentrism plays a significant role in shaping **higher comparison levels (CL)** for Chinese smartphone brands. Ethnocentric consumers demand stronger justification—such as superior performance or exceptional value—before perceiving satisfaction. As a result, even objectively strong performance by Chinese brands may only marginally exceed CL, leading to fragile satisfaction that is easily disrupted during periods of geopolitical tension.

### 7.3 Socio-Political and Security Concerns Intensify Brand Switching Tendencies

The findings indicate that socio-political sentiment and security-related concerns do not always directly reduce satisfaction with Chinese smartphones. Instead, they **increase the perceived attractiveness of non-Chinese alternatives**, thereby elevating CLalt. Brands such as Samsung and Apple benefit from this dynamic by being perceived as safer, more trustworthy, and institutionally reliable, which strengthens their position as preferred alternatives during politically sensitive periods.

### 7.4 Price Sensitivity Moderates the Impact of Political Sentiment

The study finds that **price sensitivity moderates the influence of socio-political sentiment** on consumer expectations. Highly price-conscious consumers tend to lower their CL for Chinese smartphones, prioritizing affordability and functional value over ideological considerations. Consequently, economic rationality weakens the negative impact of geopolitical narratives, allowing Chinese brands to retain market relevance despite political or security concerns.

### 7.5 After-Sales Service Is a Critical Driver of CLalt

The study finds that after-sales service quality plays a decisive role in shaping **comparison levels for alternatives (CLalt)**. Inconsistent or unreliable service experiences associated with some Chinese smartphone brands elevate consumers' openness to switching, even when product performance is satisfactory. Conversely, non-Chinese brands strengthen consumer dependence by offering stable service networks, extended warranties, and ecosystem continuity, thereby raising the perceived cost of switching away from them.

### 7.6 CLT Effectively Explains the “Satisfaction–Switching Paradox”

A major theoretical finding of the study is that **Comparison Level Theory successfully explains the satisfaction paradox** observed in the Indian smartphone market. Consumers may remain satisfied with their current smartphone (Outcome > CL) while simultaneously planning to switch brands because alternatives appear more attractive (Outcome < CLalt). Traditional adoption models fail to capture this dual evaluation mechanism, whereas CLT provides a comprehensive psychological explanation.

### 7.7 Functional Value Sustains Market Share, While Trust Sustains Loyalty

The findings suggest a structural divide in the Indian smartphone market:

- **Chinese brands dominate functional value expectations**, sustaining market penetration through pricing and innovation.
- **Non-Chinese brands dominate relational and trust-based expectations**, sustaining loyalty through perceived security, service quality, and brand heritage.

This duality explains why Chinese brands excel in acquisition but struggle with long-term consumer dependence.

### 7.8 Conceptual Validation of Hypotheses H1–H4

Through theoretical reasoning and literature synthesis, the study provides **conceptual support** for all proposed hypotheses:

- **H1:** Ethnocentrism raises CL for Chinese brands
- **H2:** Security concerns elevate CLalt toward non-Chinese brands
- **H3:** Price sensitivity moderates socio-political influence on CL
- **H4:** After-sales service strengthens CLalt in favor of non-Chinese brands

## 8. Implications of the Study

The findings and conceptual insights of this study generate important implications for **theory, managerial practice, and public policy**, particularly in markets characterized by intense competition and geopolitical sensitivity.

### 8.1. Theoretical Implications

- This study extends the application of **Comparison Level Theory (CLT)** beyond interpersonal relationships to the domain of consumer–brand relationships. By distinguishing between **Comparison Level (CL)** and **Comparison Level for Alternatives (CLalt)**, the research demonstrates that consumer satisfaction and brand loyalty are governed by distinct psychological benchmarks. This challenges traditional technology adoption and satisfaction models, such as TAM and TRA, which often assume that functional satisfaction naturally leads to continued usage and loyalty.
- The study further integrates **consumer ethnocentrism, geopolitical perceptions, and security concerns** into the CLT framework, offering a more nuanced explanation of switching behavior in politically sensitive markets. In doing so, it contributes to consumer behavior literature by highlighting that loyalty erosion can occur even when performance expectations are met, provided that alternative options are perceived as safer, more trustworthy, or socially acceptable.

### 8.2. Managerial Implications

- For smartphone manufacturers and marketers, the study underscores the importance of managing not only product performance but also **consumer expectations and perceptions of alternatives**.
- Chinese smartphone brands operating in India must recognize that competitive pricing and technological innovation primarily elevate **functional CL**, but may be insufficient to reduce CLalt. To strengthen brand dependence, these firms should invest in improving **after-sales service consistency, data security communication, local brand positioning, and trust-building initiatives**. Transparent disclosure of data practices and increased localization efforts may help mitigate geopolitical anxieties and lower the perceived attractiveness of competing brands.
- Non-Chinese brands, particularly those positioned in the premium segment, can leverage higher CLalt by emphasizing **security assurances, ecosystem integration, brand heritage, and service reliability**, rather than competing solely on price or specifications. The study suggests that perceived safety and reliability can compensate for higher prices when consumers evaluate alternatives.
- Additionally, marketers should avoid over-reliance on aggressive promotions, as continuous discounting may raise CL while simultaneously reinforcing switching behavior by normalizing deal-seeking and lowering brand attachment.

### 8.3. Implications for Consumer Policy and Regulation

- From a policy perspective, the study highlights the need for **clear and consistent consumer communication regarding data privacy, cybersecurity standards, and product safety**. Regulatory clarity can reduce uncertainty-driven switching behavior and enable consumers to make informed comparative evaluations.
- Policymakers may also encourage **standardized after-sales service norms** across smartphone brands to protect consumer interests and reduce post-purchase dissatisfaction. Such measures could help stabilize consumer expectations and foster fair competition within the market.

#### 8.4. Implications for Emerging and Geopolitically Sensitive Markets

- The study's framework is particularly relevant for emerging markets where **economic constraints coexist with symbolic and political consumption considerations**. It suggests that firms operating in such environments must adopt strategies that simultaneously address affordability, performance, and socio-political legitimacy.
- Beyond smartphones, the implications extend to other technology-intensive industries—such as electronics, digital platforms, and telecommunications—where national origin, trust, and perceived alternatives significantly influence consumer behavior.

#### 9. Limitations of the Study

Despite its theoretical contribution, the study is subject to several limitations.

- First, the research adopts a **conceptual approach** and does not include empirical data collection or statistical testing. Consequently, the proposed relationships and hypotheses remain theoretically inferred rather than empirically verified.
- Second, the scope of the study is restricted to the **Indian smartphone market**, which is influenced by unique economic conditions, cultural norms, and geopolitical factors. These contextual characteristics may limit the direct transferability of the findings to other national markets.
- Third, the study treats Chinese and non-Chinese smartphone brands as broad categories, without accounting for **brand-specific variations** in pricing strategies, service quality, or technological differentiation. Such variations may produce divergent consumer responses within each category.
- Finally, the study relies on existing literature, which may not fully capture rapidly evolving consumer attitudes, technological developments, or political narratives that continue to reshape the smartphone industry.

#### 10. Future Scope of the Study

The conceptual framework developed in this research provides several opportunities for future investigation.

- Subsequent studies may empirically validate the proposed hypotheses by employing quantitative surveys, structural modeling, or experimental designs to test the influence of CL and CLalt on satisfaction and switching behavior.
- Longitudinal research could further explore how consumer expectations and comparison benchmarks shift over time in response to innovation cycles, policy changes, and geopolitical developments.
- In addition, qualitative approaches such as interviews or focus group discussions may offer deeper insights into how consumers cognitively construct expectations and evaluate alternative brands.
- Future research may also extend the CLT framework to other technology-driven product categories or conduct cross-national comparisons to assess how political sensitivity and cultural context influence comparative evaluation processes. Such extensions would enhance the generalizability and theoretical robustness of CLT in contemporary consumer research.

#### Conclusion of the Study

This study examined consumer perceptions and brand switching behavior in India's smartphone market by applying **Comparison Level Theory (CLT)** as an alternative to conventional adoption-based models. The central argument of the research is that smartphone evaluation is inherently comparative, shaped by expectations and perceived alternatives rather than by absolute assessments of product performance. The analysis indicates that Chinese smartphone brands successfully meet consumers' functional expectations through competitive pricing, rapid innovation, and feature-rich offerings, allowing them to satisfy comparison level benchmarks (CL). However, such functional satisfaction does not ensure enduring brand commitment. Consumer loyalty remains unstable due to heightened comparison levels for alternatives (CLalt), particularly when non-Chinese brands are perceived as superior in terms of security, reliability, and after-sales support. The study also highlights the moderating role of price sensitivity in this evaluation process. While socio-political and security-related concerns raise expectations and weaken trust toward Chinese brands, value-conscious consumers often

recalibrate their benchmarks downward, prioritizing affordability over ideological considerations. By integrating economic and socio-political influences within a single CLT-based framework, the study explains why switching behavior persists even when performance expectations are fulfilled. Overall, the research contributes to consumer behavior literature by demonstrating that satisfaction and loyalty are governed by distinct psychological mechanisms. The proposed framework offers a comprehensive explanation for the satisfaction–switching paradox observed in the Indian smartphone market and establishes CLT as a relevant tool for analyzing consumer decisions in geopolitically sensitive environments.

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