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Analysis of Tablet Device Usage for Mobile Internet using Latent Class Regression Methodology

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Abstract: When a new product is introduced in the market, some consumers adopt it quickly, while others wait before using it. Therefore, product managers should classify end users and explore the characteristics of consumers according to each segment. The objective of this study is to investigate the use of a tablet device for accessing information on the Internet. The study first analyses variables such as consumer perceptions and attitudes toward tablet devices using a factor analysis. Then, it classifies consumers into categories according to their perceptions and attitudes toward tablet devices, using latent class regression methodology. The final section of the paper tests the statistical significance of a set of variables related to tablets such as the relative advantage related to contents and tablet display, compatibility with consumers' prior experiences and needs, image, and company's reputation. The results validate that end users are classified into three segments and factors exert significant effects on the use of tablet devices. The five factors are significant in indicating differences across segments, whereas four indicators excluding compatibility are significant in terms of the amount of variables' sensitivity. Segment 1 could be labeled "Product oriented segment"; segment 2, "Company's reputation with contents advantage segment"; and segment 3, the "Innovative image with tablet display advantage segment. These results have implications for product managers wanting to classify end users and determine the optimal variables in developing innovative products

Keywords: tablet, segments, latent class regression, relative advantage, image, compatibility, company reputation