

A study of role of children in family purchase decision

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ABSTRACT Children have long been acknowledged as playing an important role within family purchase decisions, with their ability to directly and indirectly influence decisions. Children constitute a significant marketing zone as the world fits to children and this has led to consideration from marketing point of view and companies are using this segment as trump card for profit maximization. Children today have a more important place in the society than their parents ever had. They not only are consumers but have a considerable influence may be direct or indirect influence in the family purchase decisions. The influencer role does children exhibit over purchase decisions in family along with the nagging effect that they have on their parents is increasing day by day.

The existing literature has confessed that children have an influence on parent's buying decisions for a wide range of products. This study is based on survey approach and aims to examine the role of children in family purchase decisions. A sample of 150 parents was studied. The findings of this research show that there is important role of child in purchasing decision of product in family. Results of the study mostly supported the findings of previous researchers

INTRODUCTION:

Family as a consuming and decision making unit is a central phenomenon in marketing and consumer behaviour. All family members play different roles in the process of buying any product or service. These roles are those of initiator, influencer, gatekeepers and decision maker. Earlier studies had only focused on husband and wife's role and child's role was ignored. Children have come to constitute a very important consumer group; and it starts when they are very young. Children are the new segment. Nevertheless, children are not yet independent consumers and may be influenced by external factors. McNeal (1992, p.155) states: 'Indirect influence means that the children's preferences are given consideration when parents make purchases.' There are also other interactions than that between parents and children, such as television, peers and schools.Children have long been acknowledged as playing an important role within family purchase decisions, with their ability to directly and indirectly influence decisions. It is seen that children not only influence family purchase decisions but they also insist their parents to purchase the products they desire.

The role that children play in making decisions concerning the entire family unit has prompted researchers to direct attention to the study of influence of children. Children use various influencing tactics to persuade the parents to comply with their demands. Parents' responses vary from outright denial to total acceptance. The amount of influence exerted by children varies by product category and stage of the decision making process. For some products, they are active initiators, information seekers, and buyers; whereas for other product categories, they influence purchases made by the parents. The purchasing act is governed by how they have been socialized to act as consumers. In this study, focus is on children as an influencing agent, because pervious studies show that children achieve increasing influence on buying of various kinds of products.

LITERATURE REVIEW:

In marketing literature there are a number of studies on consumer purchasing behaviour, family members influence

on consumer purchasing decisions. There are many shared decisions, made by consumers with the family members, which in turn has an effect on other family member's wish and attitude. Research on family decision- making was initially directed to spouses, however, the role of children on decision making and negotiation strategies had become an important issue of study. Previous researchers have identified that as children mature from childhood to adolescence, their knowledge on consumer behavior, values and skills increases. McNeal cited that the number of parents asking for children's opinion for family purchase has increased over the years.

Today children are not only passive observers but they have taken a considerable place in the families and have a significant influence on parental buying decisions. According to Wimalasiry (2004) the increase of the children influence on parents buying decisions in most of the developed countries can be attributed to various reasons. First; increase in number of working couple resulting in to cash rich and time poor society and hence increasing the influence of children on parents; second, the shift in the family setup from joint families to nuclear families, allowing the influence of children on parents buying decisions; third, lesser number of children per family, resulting in increase in the buying power of each; fourth, the repeated exposure to media resulting in socialization of children which in turn result in to children influence on parents buying decisions etc.

Chan and McNeal (2003), in a study of Chinese parents, also reported that parents indulged in considerable gate keeping for children's products. They exhibited strict control over the kinds of products that children can or cannot buy while at the same time allowing children some freedom in choosing brands of permissible products. Atkin (1978) pointed out that children tend to rely on pre-established preferences based more often on premium incentives offered on a purchase than the nutritional features of a cereal at the time of influencing cereal purchases.

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Williams and Veeck (1998) noted that no particular attitude or set of attitudes uniquely determines for all products whether a mother would be influenced by her child or not. Child centered mothers were more likely to be influenced by their children and family-oriented mothers or women with close knit families were more susceptible to children's influence. Children's influence is also seen to vary by who is the user and the perceived importance of the product to the user (Foxman and Tansuhaj, 1988). Jensen (1995) proposed that parents' involvement is a function of financial risk, their role as users and their perception of product differentiation whereas children are mostly involved in the purchase due to their role as users. Geuens et al. (2002) observed that the relative influence of children varies by the extent to which the parents are busy. Foxman et al. (1989) concluded that children tend to have more "say" in the purchase of products that are less expensive and for their own use. Several factors were found to significantly affect agreement among family members regarding adolescent purchase decision influence: families witnessing greater influence had older fathers, a concept-oriented communication style, fewer children, and a mother who worked fewer hours outside the house.

For almost all product categories, children have an important role. Whether the product is for child's own use like toys, snacks, clothes, etc. or the product is for family use like family vacation or the product is for joint consumption of household like rice, food, tea / coffee, child is having very strong influencing power. But a child's influence in the family buying process differs by product category. Davis and Rigaux were the first authors to differentiate stages within the decision-making process as problem recognition, search for internal and external information and final decision. The studies of Moschis and Mitchell and Beatty and Talpade showed that children dominated influence in the first two stages i.e. problem recognition and information search, but this influence decreases at the last stage (choice) of the purchase decision stages. Older children have significantly more influence on the family decision making process than younger children. Later-born / only children have more influence on certain purchases than firstborns. Similarly gender, social class, number of siblings and family income also impact the children's influence on the family buying process. Children's influence has also been largely moderated by the role of media.

RESEARCH OBJECTIVES:

- To study role of children play in family decision making process.
- To study influence of children in family decision making process.

RESEARCH METHODOLOGY:

Research Approach & Nature of Data:

For gathering primary data, survey approach was used

Research Instrument:

For this research questionnaire was used.

Sampling Survey:

Sample unit: Rural respondents

Sample Size: Respondents comprise of 150 families.

Sample Procedure: Non probability Convenience Sampling

PRIMARY DATA ANALYSIS & INTERPRETATION: Table 1: Demographic Variables:

Age Groups	%			
20-24	3			
25-29	11			
30-34	22			
35-39	32			
40-44	20			
45 and above	12			
Gender				
Female	62			
Male	38			
Income of family (Per Month)				
Less than 10000	14			
10001 – 20000	30			
20001 – 30000	25			
30001 - 40000	12			
40001 - 50000	10			
More than 50000	9			

Table 1 shows the information of demographic variables. Majority of the parents have age above 30years. In the research, 70% of the families that took part in the study had one or two children in their households, while 25% of the families have three to four children in their households where as only 5% had 4 or more kids.

Table 2: Product Categories with influence of Children choices

Influence of Children Choices Product Categories	Percentage
Food & Beverages	40
Toys	30
Entertainment (Movies, Picnic etc.)	28
Stationery	14
Apparel	9

When questioned about the various product categories in which children can influence their family, the results show that majority of children influence in food & beverages (40%), followed by Toys (30%), entertainment (28%) and very little influence is there in apparel (9%).

Table 3: Reasons Parents Allows Their Children to Influence Family Purchasing Decision

Reasons That Influence Family Purchasing Decision	Percentage
To Keep Children Happy	60
To Make up Parental Absence	40
To Empower Children	25
To Satisfy Their Existing Needs	14
To Prevent Them From Feeling Inferior Among siblings	12

When questioned about the reasons they give in to their children's demands, parents listed several factors. The top reason parents let the kids make choices is because they want to make them happy (60%). Many parents also let their kids rule the choices simply due to feeling guilty about the time spent away from them due to formal commitments means parental absence (40%). Some parents are also let their kids rule the choices simply to empower children and make them independent (25%).

H1: Children have a major role in family purchasing decisions.

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Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.78ª	.49	.50	0.59	
a. Predictors: (Constant),Influence of children					
b. Dependent Variable: Purchase Intention					

Coefficients^a Unstandardized Standardized Coefficients Coefficients Model Siq. B Std. Error Beta (Constant) 0.814 .103 8.235 .000 1 Influence of 0.868 .030 .431 14.916 .000 children a. Dependent Variable: Purchase Intention

The results of regression analysis show the value of standardised beta of + 0.431, which indicates that children creates positive impact on purchase intention. This significant value of 0.000 indicates that this beta value is significant. So, alternate hypothesis H1 is accepted that children have significant impact on purchase intention. The value of adjusted R square is 0.49, which indicates 49% variations in purchase intention due to influence of children.

H2: The degree of influence children have on family purchasing decisions depends on gender of parents. (Please add mean rating of purchasing intention among father and mother)

The t-test results on H2 reveals that, Fathers, compared to mothers, seem to be more heavily influenced by their children as they go about making family purchasing decisions. So, the hypothesis is accepted.

Volume : 5 | Issue : 7 | July 2015 | ISSN - 2249-555X

	Mean	Standard Deviation	df	Т	Р
Mother	3.25	0 0	148	2.15	0.01
Father	3.71	0.0			

CONCLUSION & MANGERIAL IMPLICATIONS:

From the analysis it is cleared that children are vastly affect in various purchase decisions and parents are also allowing them to pester themselves. The research revealed that children had more impact on the selection of products than the products for family use. Hence a vigorous study needs to be undertaken where an extensive range of such type of products can be taken in to study so as to finalize the results for this whole product category. An analysis of children as consumers helps in the formulation of marketing strategies by identifying the motivations, interests, and attitudes of children who show the greatest involvement in making purchases in a specific product category. Children are an enormously powerful medium for relationship building. They not only influence markets in terms of the parental decision-making to buy certain kinds of products, they are also future consumers. Hence more investigation of children's roles in family decision making is imperative.



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