

IMPORTANCE FAMILY IN CONSUMER BEHAVIOUR



Management

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ABSTRACT

The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as ,The psychology of how consumers think, feel, reason, and select between different alternatives (e.g., brands, products);The psychology of how the consumer is influenced by his or her environment (e.g., culture, family, signs, media);The behavior of consumers while shopping or making other marketing decisions; Limitations in consumer knowledge or information processing abilities influence decisions and marketing outcome; How consumer motivation and decision strategies differ between products that differ in their level of importance or interest that they entail for the consumer; and How marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer. Family is the most influential group for the consumer. The family members can strongly influence buyer behavior. It can be distinguished between two families in the buyer's life. One is the buyer's parents who make up the family of orientation. From parents a person acquires an orientation toward religion, politics, and economics and a sense of personal ambition, self-worth, and love. The other is the family of procreation-the buyer's spouse and children-exert a more direct influence on everyday buying behavior. Marketers are interested in the roles and relative influence of the husband, wife, and children on the purchase of a large variety of products and services. There are three main elements directly effect the family consumption. They are family life cycle, the structure of the family and family decisions making process. The purpose of this report is to discuss the role of the family in consumer behavior.

Marketers must exercise care in analyzing consumer behaviour. Consumers often turn down what appears to be a winning offer. As soon as managers believe that they understand their consumers, buyer decisions are made that appear to be irrational. But what looks like irrational behaviour to a manager is completely rational to the consumer. Buying behaviour is never simple. It is affected by many different factors. Yet understanding it is the essential task of marketing management. People coming from the same subculture, social class, and occupation may have quite different lifestyles. A lifestyle is a person's pattern of living as expressed in his/her activities, interests and opinions. Lifestyle portrays the "whole person" interacting with his environment. A person belongs to many groups: family, clubs, and organizations. An individual's position in each group can be defined in terms of role and status. A Role consists of the activities that a person is expected to perform according to the persons around him or her. A person's economic situation greatly affects product choice and the decision to purchase a particular product. Consumers cut back on restaurant meals, entertainment, and vacations during recessions. They trade down in their choice of restaurants. Marketers need to watch trends in personal incomes, savings, and interest rates. Marketers must decide on the degree to which they will adapt their products and marketing programs to meet the unique needs of consumers in various markets. They want to standardize their offerings in order to simplify operation and take advantage of cost economies. On the other hand, adapting marketing efforts within each country results in products and programs that better satisfy the needs of local consumers. The question of whether to adapt or standardize the marketing mixes across international markets has created a lively debate in recent years. Lifestyle classifications are by no means universal. Advertising agency McCann-ERIKSON London, for example, found the following British lifestyles: aunt Guardians, Pontificators (traditionalist), Chameleon (follow the crowds), and sleepwalkers (contented underachievers).

What is a family?

A family is a group of two or more persons related by blood marriage or adoption who reside together .The nuclear family is the immediate group of father, mother, and children living together. The extended family is the nuclear family, plus other relatives, such as grand parents, uncles and aunts, cousins, and parents-in law. The family into which one is born is called the family orientation, whereas the one established by marriage is the family procreation¹.

Structural variables Affecting Families

It includes the age of the head of the family, martial status, presence of children, and employment status. Children increases

family demand for clothing, food, furniture, homes, medical care and education, while they decrease demand for many discretionary items, including travel, higher-priced restaurants, and adult clothing. Marketers can understand family decisions better by examining the sociological dimensions of how families make consumer decisions. Three sociological variables that help explain how families function are shown in fig: 1:1

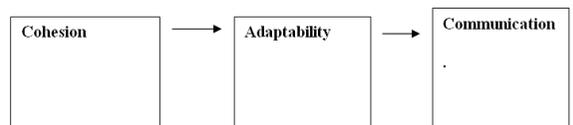


Fig: 1:1

Cohesion: Is the emotional bonding between family members. It measures how close to each other family members feel on an emotional level .Cohesion reflects a sense of connectedness to or separateness from other family.

Adaptability: Measures the ability of a family to change its power structure, role relationships, and relationship rules in response to situational and developmental stress. The degree of adaptability shows how well a family can meet the challenges presented by changing situations.

Communication: Is a facility dimension, critical to movement on the other two dimensions .Positive Communication skills (Such as empathy, reflective, listening, support comments.) Changing needs as they relate to cohesion and adaptability.

Family Decision Making

Individual members of families often serve different roles in decisions that ultimately draw on shared family resources. Some individuals are *information gatherers/holders*, who seek out information about products of relevance. These individuals often have a great deal of power because they may selectively pass on information that favors their chosen alternatives. Influencers do not ultimately have the power decide between alternatives, but they may make their wishes known by asking for specific products or causing embarrassing situations if their demands are not met. The *decision maker(s)* have the power to determine issues such as:

- ◆ Whether to buy;
- ◆ Which product to buy (pick-up or passenger car?);
- ◆ Which brand to buy;
- ◆ Where to buy it; and
- ◆ When to buy.

- The decision maker may specify what kind of product to buy, but not which brand;
- The purchaser may have to make a substitution if the desired brand is not in stock;
- The purchaser may disregard instructions (by error or deliberately).

It should be noted that family decisions are often subject to a great deal of conflict. The reality is that few families are wealthy enough to avoid a strong tension between demands on the family's resources. Conflicting pressures are especially likely in families with children and/or when only one spouse works outside the home. Note that many decisions inherently come down to values, and that there is frequently no "objective" way to arbitrate differences. One spouse may believe that it is important to save for the children's future; the other may value spending now (on private schools and computer equipment) to help prepare the children for the future. Who is right? There is no clear answer here. The situation becomes even more complex when more parties—such as children or other relatives—are involved.

The Nature of Family Purchase

Initiators(s): The Family member who first recognises a need or starts the purchase process.

Information gatherer(s): The individual who has expertise and interest in a particular purchase. Different individuals seek information at different times or on different aspects of the purchase.

Influencer(s): The person who influences the alternatives evaluated, the criteria considered, and the final choice.

Decision maker(s): The individual who makes the final decision .Of course, joint decisions also are likely to occur.

Purchaser(s): The family member who actually purchases the product. This is typically an adult or teenager.

User(s): The user of the product .For many products there are multiple users².

Dynamics of Husband -Wife Decision Making

To market important products to families successfully, salespeople must understand how couples behave in concert to resolve conflict across major decisions. The authors develop a model of spousal fairness and test it with a study of multi-period family purchase decision making. The results show that a spousal sense of fairness serves as a mechanism for contemporary couples to harmonize conflict over time in family decisions. Specifically, spouses' perceived fairness mediates the relationship between spousal prior influence and spousal decision behavior in subsequent decisions. Spouses also consider their partner's perceptions of fairness when taking action to restore fairness. Moreover, the effects of perceived fairness are moderated by spousal traits of empathy, egalitarianism, and empowerment in a gendered pattern. Marketing researchers need to recognize and investigate family decision making. Husband-wife decision making has changed in recent years, due to changing household roles. An analysis of husband-wife decision making is conducted. The focus is the selection of the family physicians, dentists, eye-care specialists, lawyers, insurance agents and pharmacists. Design of marketing strategy for these professionals can benefit from knowledge of decision influence. Husbands have more influence in the selection of insurance agents and lawyers. Women select the pharmacists. There is little joint decision making in the selection of health care professionals. Marketers are interested in the relative amount of influence that a husband and

a wife have when it comes to family consumption choices. Most Husband-Wife influence studies classify family consumption decisions as husband dominated, wife dominated, joint (either equal or syncretic) and autonomic (either solitary or unilateral)³.

Family Life cycle

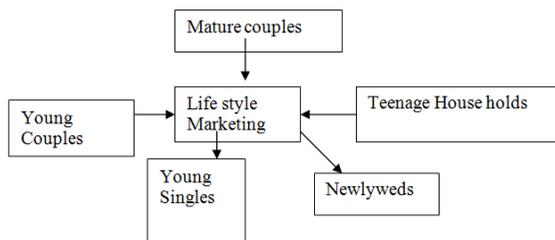


Fig: 1:2

The emotional and intellectual stages you pass through from childhood to your retirement years as a member of a family are called the family life cycle. In each stage, you face challenges in your family life that cause you to develop or gain new skills. Developing these skills helps you work through the changes that nearly every family goes through. Not everyone passes through these stages smoothly. Situations such as severe illness, financial problems, or the death of a loved one can have an effect on how well you pass through the stages. Fortunately, if you miss skills in one stage, you can learn them in later stages. What kind of products are purchased and consumed by what types of families and households? Several factors influence the ways in which they spend. Most important them are family lifecycle (or life cycle stage)⁴.

Traditional Family Cycle

The traditional family cycle is a progression of stages through which many families pass, starting with bachelorhood, moving on to marriage, then to family growth, to family contraction, and ending with the dissolution of the basic unit⁵.

Traditional FLC: Bachelorhood, Honeymooners, parenthood, Post parenthood, Dissolution.

Conclusion

Mastering the skills and milestones of each stage allows you to successfully move from one stage of development to the next. If you don't master the skills, you may still move on to the next phase of the cycle, but you are more likely to have difficulty with relationships and future transitions. Family life cycle theory suggests that successful transitioning may also help to prevent disease and emotional or stress-related disorders. Whether you are a parent or child, brother or sister, bonded by blood or love, your experiences through the family life cycle will affect who you are and who you become. The more you understand about the challenges of each stage of the cycle, the more likely you are to successfully move on. The stress of daily living or coping with a chronic medical condition or other crisis disrupts the normal family cycle. A crisis or ongoing stress can delay the transition to the next phase of life. Or you may move on without the necessary skills to succeed. Be assured, you can learn missed skills and improve your and your family's quality of life at any stage. Self-examination, education, and perhaps counseling are ways to improve yourself and your family life. These are also actions that can help you manage other issues, too, such as going through a divorce or being a part of a nontraditional family structure.

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