

A STUDY OF THE FACTORS INFLUENCING PARENTAL PURCHASING POWER OF PACKAGED FOOD AND BEVERAGES

Management

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ABSTRACT

Children are assuming larger roles in household consumer decisions and have also emerged as independent consumers, thus forming an increasingly powerful market segment. Children can be seen as forming, first, a primary market; second, as influencers on their parents' decision making; and third, as potential future adult consumers. The second role is the main focus of this paper, centring on supermarket purchases. Using focus groups and in-depth interviews, this study explores the influence of children on supermarket shopping. Participants included parents and children of families in Midlothian, Scotland. The results showed that children have a significant influence on supermarket product purchases. The factors which influence children's product preferences are analysed, and their ability to relay their choices to their parents is considered.

KEYWORDS

parents, impact, factors influencing, most influencing.

INTRODUCTION

Parents are the first teacher of every child. This is true in all the corners of the world. A child learns as it sees his/her parent's action.

Parents are often the common denominator guiding them. Other persons like teachers, friends, and neighbors also influence them, but the primary influence is of parents. In the long run the degree of influence of parents may get reduced but until the early teenage it is visible.

They play an important role in everybody's life, but among them parents have the most important effect on their future. Parents show their children how to live. In childhood, children cannot face troubles and parents show them how to conquer problems. Parents keep them away from danger and warn them. Besides of these they support their children with no expectation.

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. Mangleburg (2010) evaluated parental and peer influences on teen purchase decisions by applying social power theory, which had not been examined in the teen context. The conceptual model examined how family socialization practices might impact teens' perceptions of social power influences from parents and peers. For example, family communication environment may promote teens' reliance on particular bases of social power influence. This study also examined the relationship between the bases of perceived social power and the purchase of different types of products (e.g., luxury/necessity, public/private). Results are generally consistent with predictions, demonstrating that teens from high socio-oriented communication environments are subject to greater perceived peer reward/coercive and referent power, whereas teens from high concept-oriented communication environments perceive greater parental expert and legitimate power. Finally, perceived bases of social power influence differ depending on the type of product purchased.

Kaur and Medury (2010), explain in his article how urban Indian adolescents have a significant influence on the family decision-making process.

Even if the parents try their very best they can't compel their child to learn until they are not ready for it. Encouragement in purchase means inculcating and stimulating interest for such packaged foods and beverages. It involves the understanding and use of natural urges of the child and also assisting him in acquiring new desirable motives. We may define encouragement as "The force which compels an individual to act or behave in a particular direction." Almost all the activities of individual are determined by the motives. The individual feels a dynamic push to act when he/she receives encouragement. His/her activities continue till he achieves a goal. It is the encouragement which is the most important factor in the learning process. Adequate encouragement is always responsible for setting in motion the activity which results in learning and also in sustaining it and directing it.

METHODOLOGY

Statement of the Problem

The researcher has made an effort to understand the degree of influence exercised by the parents on a child's purchase decision in packaged foods and beverages. Hence the statement of the problem is to study the most impactful factor.

Scope of the Study

The study is carried out in Guwahati, India. The marketer will get insight on the children influence. It will help marketer to design the strategy to market their goods and services to tap the market more efficiently.

Objectives of the Study

- To study the various factors used by parents that can influence a child's buying behavior.
- To find out the most impactful factor among all such factors.

Design of the Study

The present study employs descriptive research design. This design is for summarizing the set of factors. The survey method is followed in this study, and a set of interview schedule was used to collect primary data.

Variables Included in the Study

Parent – Random Sampling

Data Collection

Data collection was done from primary sources (structured interview schedule) and secondary sources; and CIT (Critical Incident Technique) method was used.

Sample Size

For the study, 200 samples were chosen

DETERMINANTS USED BY PARENTS TO HAVE AN IMPACT ON THE CHILD TO BUY PACKAGED FOODS AND BEVERAGES

These factors are derived from the key principles of human nature. As being parents is always naturally influenced behavior. Thus, the basic human nature is taken into account to find out the whether these factors have any impact on the buying behavior of adolescents. And if so, to what extend?

The following principles of human nature are explained-

Priming

Where one person says a word and the other immediately responds with the first thing that comes to mind. This is priming process. And it will develop in relation to food or beverages as and established believed over a brand.

Reciprocity

When a person receives a gift, he/she often experiences warm feelings toward the gift-giver and wants to give something back. This, in a nutshell, is the principle of reciprocity.

Peer Comparison and Social Proof

Peer comparison is connected to the theory of social proof, which is the positive influence created by finding out that other people are doing something. This influence can lead someone to believe that they should be doing that same thing.

Decoy Effect

It often seen in pricing models -- one price point is intentionally included to entice you to choose the most expensive option.

Scarcity

This psychology principle goes back to the simple formula of supply and demand: The more rare the opportunity, content, or product is, the more valuable it is.

Anchoring

You'll want to clearly state the initial price of the product (this is "setting" the anchor, and then display the sale price right next to it. You might even explain how much of a percentage off your customers will receive with the sale.

The Baader-Meinhof Phenomenon

It starts happening after you encounter something for the first time, and then you start noticing it cropping up in everyday life. Suddenly you see ads for the product every time you watch TV. And when you go to the grocery store, you happen to walk down the aisle and spot it. Not to mention all of your friends all have the product.

Loss Aversion

Loss aversion means pretty much exactly what it sounds like: Once someone has something, they *really* don't like to lose it.

Foot-in-the-door Technique

It basically means if you can influence with small things you will be able to influence with bigger things later.

Environmental Influence

Our decisions are influenced by subconscious environmental cues. And at times, these activated cues are strong enough to influence the decisions we make by recalling past memories, attitudes, and predispositions to a certain topic.

Expected vs. Surprise Rewards

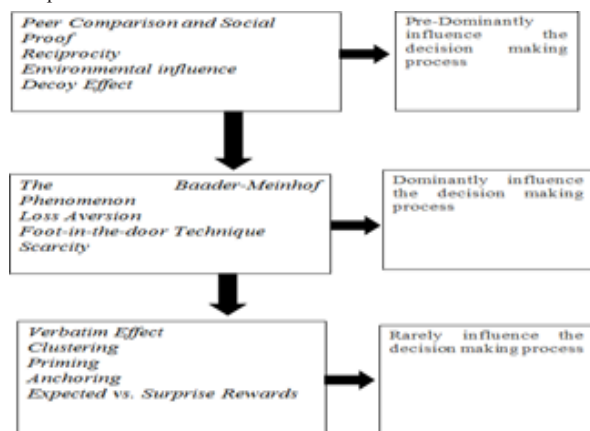
An expected reward, a surprise reward, or nothing, depending on which condition children are randomly placed.

Clustering

Common things grouped with related items.

Verbatim Effect

According to a study by Poppenk, Joannis, Danckert, and Köhler, people are more likely to remember the gist of what someone said, not the specific details.

**CONCLUSIONS**

The study basically wants to show the various factors that parents take up while influencing their child in the consumption pattern. The study also wants to find out the most pre-dominant influencing factors to adopt the consumption pattern as the parents want.

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