

A STUDY ON ROLE OF CHILDREN IN FAMILY PURCHASING DECISIONS

¹Ms. N. Ravali

¹ Student

¹St. Joseph's Degree & PG College Hyderabad.

Abstract : In the past, the role of children in family purchasing decision had been negligible. In the olden days children know less about the products available in the market than their parents. But due to development in digital media, children are the first to know about the product when they hit the market. Today children are not only passive observers but they have taken a considerable place in the family and have a significant influence on family purchasing decisions. Children's influence is becoming widely accepted across a range of family purchasing decisions. Children represent an important market and they have become customers, buyers, spenders, shoppers and consumers. They play an important role in consumer market by influencing their parents. Purchases might be for the product used in the household or for children themselves. Now-a-days most of the parents are taking children's opinion while purchasing a product because many of them think that the children are more aware of the product. An exploratory study is undertaken to investigate about the role of children in family purchasing decision in various areas like major appliances, electronic gadgets, health-care products and general household decisions. Primary data was collected from 25 parents and 25 children and is analyzed using simple percentages. This paper aim is to understand how and why a child influences purchasing decision, which is crucial to business today and analyze the extent of involvement of children in purchase decision.

Keywords: family Purchase decision, Parent-Child relationship, Role of children

I. INTRODUCTION

The family has been identified as the most important consumption unit. Family decision making is considered more complex than individual decision making because it includes different participants with different choices and roles. In nuclear families having no children purchasing decisions are taken with mutual consent of husband and wife. But as the size of the family grows Joint decision making decreases and children start to show their presence.

Now-a-days, in the world of marketing and advertisement children play a vital role. For many reasons, children exert a great influence on family purchasing decisions. For the past ten years there has been substantial change in family decision making and children's preferences have become focal point for the family purchasing decisions. Children are recognized as a primary market with their own spending power. Children also constitute a huge secondary market by influencing family purchases.

Children are important family members and have considerable influence in determining what their family purchases. Purchases might be for the product used in the household or for children themselves.

CHILDREN AS TARGET MARKET

The companies are introducing various products in the market keeping in view the children who are their target customers. Children represent an important target market for the marketers, because in addition to their own purchasing power, they also influence their parents. It seems clear that children are being turned into consumers at a very early age through the desires and with the encouragement of their parents, who also provide the necessary financial support in the form of pocket money. Children today are the prime target market for the marketers as they have realized that targeting kids is the best bet today.

Reasons for parents taking the opinion of children:

1. As the children grow from childhood to the teenage their priorities, preferences, tastes, living style, etc changes and they start participating in the family purchasing decisions.
2. Now-a-days children are getting more influenced by friends and media. Childrentoday are part of a digital generation that has grown up in a world surrounded by technology and the internet.
3. Current changes in family structures are increasing children's influence on theirparent's decisions and their involvement in family decision making.
4. Higher family income and more women in the workplace have been debated as some of the factors that cause the greater influence of children in the family.
5. Now-a-days most of the parents are taking children's opinion while purchasing a product because many of them think that the children are more aware of the product.

NEED

The study plays an important role in market research. By going through the available data, research questions have been framed for this particular study. The research questions for this study include:

- a) To examine with regard to which sort of products are the parents taking children's suggestions.
- b) To discover if family structure affects the purchase decisions.
- c) Consider the impact of various socializing agents (family, friends and media) on Children's decision making.

OBJECTIVES

Importance of understanding role of children in purchasing decisions is necessary for most of the marketers today. The main objective of the study is to find out the parent-child relationship in purchase decision making. The following are the major objectives of the study.

- a) To examine the extent of child's influence in family purchase decision making depending on his /her personal ability.
- b) To evaluate the extent of involvement of children by the parents in the purchase decision.
- c) To identify what source motivates the children to ask for that product.
- d) To investigate how parents respond to their influence.

RESEARCH METHODOLOGY

Primary Data: The primary data was collected with the help of questionnaires.

Secondary data: Secondary data was collected through internet, books, articles, etc

Samples for the study: Respondents are the parents of 15-18 year old children and children.

Sample size: 25 parents and 25 children.

Statistical tools: Data was collected separately from parents and children with the help of questionnaire using simple percentages.

LIMITATIONS

- a) Only 25 parents and 25 children were considered for the study hence, the results cannot be generalized for the whole population.
- b) Language problem was also faced while getting the questionnaire filled from the respondents because few parents were not comfortable in English.
- c) The literature was focused on only parent-child relationship.
- d) Many of the children did not find the study interesting because of no visual facilities like pictures, etc along with questions

REVIEW OF LITERATURE

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.

Following are some of the research done by various researchers on the given topic:-

McNeal (1964) reports that as children mature they have an increasing desire to assume independent purchasing activities, coupled with an increasing parental permissiveness with this behavior. Children gradually take responsibility and are encouraged and cautioned by adults whose dual aim is to develop abilities while avoiding harm (ITC Paper, 2002). This is linked to the debate concerning purchase requests and child-targeted advertising, where parents aim to teach children to be responsible consumers, while simultaneously trying to shield them from any potentially harmful influences such as television advertising.

McLeod and Chaffee (1972) researchers in consumer socialization found that socio-oriented communication environment limit children influence in family consumption decisions, because such families are expected to go along with parent's decisions. Conversely, concept-oriented communication environment enhances children's influence, because parents in these families encourage children to develop concept-related thoughts and children are granted more decision dependence.

Aitkin (1972) observed that child play the dominant role in family cereal selection in the supermarket, either by asking for a brand or choosing one upon parental invitation. Children appear to rely on pre-established preferences, based more often on premium incentives than nutritional features of the product. Furthermore the child's reference to premium was met with a high rate acceptance by the parent.

Shoham and Dalakas (2005) observed that children dominate influence in first two stages of decision stages. Hence, marketers should be careful with the positioning of the product and should be able to persuade the children for family purchases.

Kaur and Singh (2006) pinpointed in their research that 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. Children not only enjoy making regular consumption decisions with their parents but they also insist their parents to buy the products they desire.

CONCEPTUAL FRAMEWORK ON CHILDREN AND THEIR INFLUENCE

• FACTORS INFLUENCING CHILDREN'S PURCHASING DECISION

The factors influencing children's purchasing decisions can be grouped broadly into three categories.

- a) Personal factors
- b) Cultural factors and
- c) Psychological factors

a) Personal factors:

Personal factors include age, level of education and life-style of children that influence their role as a buyer. It is the child who decides what products to buy and consume. Status of the family also influences his/her buying decisions. In fact, today most of the families are very much concerned about their image and status in the society.

b) Cultural Factors:

Every religion and every culture and every language group dictates its own unique patterns of social conduct. In this group children may belong to orthodox group or cosmopolitan group. In dress, food habits, or in all most all matters of children, religion and culture influence their decision making.

c) Psychological factors:

Psychological factors include beliefs, attitudes, motivation and perception. When it comes to certain personal beliefs, faith and attitude few children may be timid and planned while another few may be outgoing and aggressive. And also few of them may be traditional in the overall view of life, while another may be modern; few children may be innovative while another may welcome anything new.

Children's social environment group influence:

The children about whom we are studying are living in the society and they are influenced by so many groups. There are 2 broad groups which influence the children's purchasing decisions. They are

- 1) Influence of intimate groups
- 2) Influence of broad social class

1) Influence of intimate groups: Intimate groups are family, close friends. This groups exercise a strong influence on the life style and the buying patterns of children. Among these groups the most influential and primary groups are the parents and peer groups.

Parents influence:

Parents influence the purchasing decision of their parents in various ways. First is through child's observation: children observe the consumer behavior of their parents. And the second is through the parent-child interaction about purchases and consumption. Parental style depends on the way parents communicate consumer skills and knowledge to their children. Parent influences also defer depending on the product type.

Peer group influence:

The peer groups are groups composed of individuals, who have common social background and normally belongs to the same age group. The peer group has the greatest influence on the life-style and behavior patterns of the children.

2) Influence of broad social class:

The social class is large group than the intimate groups. The constitution of a social class is decided by the income, occupation, place of residence, etc of the parents. The members of a social class enjoy more or less the same status and prestige in the community. They share a common life-style and behavior pattern.

DATA ANALYSIS AND INTERPRETATION FOR PARENTS**1. Do you think the children are more aware of a product, than you?**

a) Yes b) No

Options	Responses	Percentage
Yes	15	60%
No	4	16%
Maybe	6	24%

INTERPRETATION:

Out of the total sample surveyed, 60% of parents felt that their children are more aware of a product, 24% of them disagree to the fact that their children are more aware of a product while 16% of them feel that may be children are aware of a product.

2. If answer to the above question is yes, do you take your children's opinion when you buy something?

a) Yes b) No

Options	Responses	Percentage
Yes	19	86%
No	3	14%

INTERPRETATION:

It is indicated from the table that 86% of parents take their children's opinion while buying something and 14% of them does not take children's opinion when they buy something.

3. Do you allow your children to purchase the respective product as they are more aware of it?

a) Yes b) No

Options	Responses	Percentage
Yes	17	68%
No	8	32%

INTERPRETATION:

From the table it is observed that 68% of parents allow purchasing the product as children are more aware of it, while 32% do not allow purchasing the product.

4. How often do you buy products under the influence of your children?

a) Frequently b) Rarely c) Not at all

Options	Responses	Percentage
Frequently	9	36%
Rarely	14	56%
Not at all	2	8%

INTERPRETATION:

Table clearly depicts that maximum number of parents does not purchase the product under the influence of their children as revealed by 56%, while 36% of them purchase the product under children's influence and 8% of them does not purchase the product at all.

5. In buying which sort of product, do you take your children's suggestion?

a) Electronic gadgets b) Health-care products c) Household appliances d) Others

Options	Responses	Percentage
Electronic gadgets	10	40%
Health-care products	6	24%
Household appliances	7	28%
Others	2	8%

INTERPRETATION:

From the above data, it was found that in case of electronic gadgets 40% of parents seek the suggestions of children before making a purchasing decision, 28% of them take suggestions in case of household appliances while 24% in case of health-care products and only 8% in case of other products

FOR CHILDREN**1. Family structure**

a) Nuclear family b) Joint family

Options	Responses	percentage
Nuclear family	16	64%
Joint family	9	36%

INTERPRETATION:

Out of the total sample surveyed, 64% belonged to nuclear family while 36% belonged to joint family.

2. Do your parents consult you before making a purchasing decision?

a) Yes b) No

Options	Responses	Percentage
Yes	19	76%
No	3	12%
Sometimes	3	12%

INTERPRETATION:

Out of the total children surveyed 76% agreed that the parents consult them before making a purchasing decision, 12% disagreed to the fact that the parents consult them before making a purchasing decision and the rest 12% feel that only in some situations their parents consult them.

3. How often do you visit the market with your parents?

a) Once a week b) Twice or thrice a week c) Everyday d) Casually

Options	Responses	Percentage
Once a week	9	36%
Twice or thrice a week	4	16%
Everyday	2	8%
Casually	10	40%

INTERPRETATION:

It is indicated from the table that maximum number of respondents visit the market casually as revealed by 40%. 36% of them visit it once a week, while 16% of them visit it twice or thrice a week. Only 8% of them visit the market every day.

4. Which product influences you the most when you go out for shopping?

a) Eatables b) Clothing and footwear c) Cosmetics d) Electronics

Options	Responses	Percentage
Eatables	6	24%
Clothing and footwear	13	52%
Cosmetics	1	4%
Electronics	5	20%

INTERPRETATION:

It is noted from the table that there is no particular product which is liked by every respondent. Among 25 respondents, 52% like clothing and footwear, 24% like eatables, 20% like electronics and only 4% like cosmetics.

5. Who influence you the most in purchasing a product?

a) Parents b) Friends c) Media

Options	Responses	Percentage
Parents	12	48%
Friends	6	24%
Media	7	28%

INTERPRETATION:

Table clearly depicts that the maximum number of respondents are influenced by parents as revealed by 48%. 28% are influenced by media while 24% are influenced by friends.

6. What motivates you to buy a product?

a) Packing b) Design c) Price d) Brand name

Options	Responses	Percentage
Packing	3	12%
Design	14	56%
Price	3	12%
Brand name	5	20%

INTERPRETATION:

It is observed from the table that maximum numbers of respondents are motivated to purchase the product due to its design as revealed by 56%. 20% of them purchase because of its brand name while 12% of them purchase it due to its packing and remaining 12% because of its price.

7. In buying which sort of product, do your parents take your suggestion?

a) Electronic gadgets b) Health-care products c) Household appliances d) Others

Options	Responses	Percentage
Electronic gadgets	11	44%
Health-care products	4	16%
Household appliances	8	32%
Others	2	8%

INTERPRETATION:

From the above data, it was found that in case of electronic gadgets 44% of parents seek the suggestions of children before making a purchasing decision, 32% of them take suggestions incase of household appliances while 16% in case of health-care products and only 8% in case of other products.

FINDINGS:

1. Children usually like to pay for clothing and footwear more than cosmetics, eatables and electronics.
2. Mostly parents like to ask for the suggestions of the children in the purchase decision maximum in case of electronic gadgets and household appliances.
3. While making the purchasing decision children are influenced by someone. Most of the children are influenced by parents than friends and media.
4. On the visit to the market all the children are motivated to buy the product either by its packing, design, price or brand name. Most of them are attracted by design followed by brand name, etc
5. Most of the children were of the opinion that their parents consult them before making a purchasing decision.
6. Mostly all the children like to accompany their parents. Some of them visit the market casually, once a week, twice or thrice a week or every day.
7. Most of the parents think that their children are more aware of a product and take children's opinion when they buy something but only few purchases the product under the influence of the children.

SUGGESTIONS:

1. There seems to be no research on how brand motivates the child to purchase a product. Further research should be done on children's awareness of the brand and what element persuaded them to purchase that particular brand.
2. Nowadays children are getting easily attracted to the products. The parents must educate them how to choose products wisely.
3. Most of the parents take children's suggestions only in case of electronic gadgets, but they have to take their suggestions in other products also because now-a-days children are more aware of products due to social media, advertising, etc
4. As most of the children are purchasing the product because of its design, packing or brand name, the companies should concentrate more on maintaining and improving their quality.

CONCLUSION:

Buying is a difficult and complex process especially when children participate with parents and influence decisions directly. This study clearly acknowledged the rising role of the children in family purchasing decisions, but their influence in the family purchase decisions is bound by the opportunities and limitations. All in all, results from this research showed that children play a significant role as influencers in the family decision-making process where the parents ask their opinion when selecting products. In the research results, it was seen that children today have more personal power, more influence and get more attention from their family as compared to children in the past generations due to the impact of more open family communications and lenient parental style. These transformations have made it possible for children to exercise more influence in the family decision-making process for different product categories.

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