

FAMILY PURCHASE DECISION MAKING: A COMPARATIVE STUDY OF ROLE OF CHILDREN IN SINGLE & DOUBLE INCOME FAMILIES

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ABSTRACT

The television is flooded with advertisements selling products totally unrelated to children & still having them as their protagonists. This trend itself shows the growing importance of children in the family buying decision. The nagging effect which the children exhibit on their parents is increasing day by day with the rise in small family system in which the child is the centre of importance. The review of literature also proves that the children wield a lot of influence on purchase decision related to children's products (snacks, toys, cold drinks), products for family consumption (food, shampoo, toothpaste) & even on parents products (coffee, rice, washing powder, cars). The aim of this paper is to study if there is any difference in the amount of influence exerted by children in a single income & double income families. For this purpose a sample of 120 families with children within the age group of 5 to 15 years in Lucknow (from June 2016 to December 2016) has been studied, with the help of a self-constructed questionnaire. The study will help companies understand the children's influence on family purchase decision on regional basis to serve as a guideline for marketers targeting this huge segment.

Key words- children, single & double income, family purchase decision, children's influence.

INTRODUCTION

Family consumption pattern has always been the researchers' favourite topic. However the research work has always concentrated on the dyadic relationship of husband-wife. Of late the focus has shifted from dyadic relation of husband- wife purchase behaviour to triadic relation of husband- wife -child purchase behaviour. The numerous factors like heavy advertisements targeted at children, small families, and dual incomes have increased the participation of children in purchase decision making of family. It is a common sight at shopping places where children use their influencing strategies to buy-biscuits which they can twist & lick (Cadbury Oreo), buy the hand wash which changes colour (lifebuoy) & the ceiling fan of Chhota Bheem¹ (Usha International's Chhota Bheem- Ladoo Ceiling Fan), etc. This has attracted researchers and marketers both. Influence is inferred when one person acts in such a way as to change the behaviour of another in some intended manner (Cartwright, 1959). Thus children's influence is characterized by actions that make a difference during one or more of the family decision stages. An influencer in a family does not necessarily have expertise, and he/she can influence one or more of the decision making stages in varying roles and with varying impacts. Much research carried out

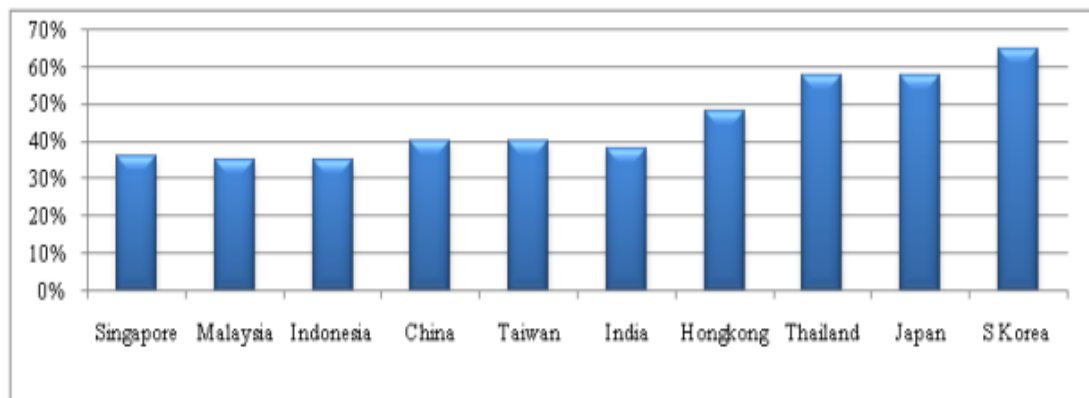
¹ Keeping in mind the popularity of Chhota Bheem a famous cartoon character, Usha International has come up with a new colourful series fans based on the theme of the cartoon characters. Targeted at the children in the age group of 3-12 years, the fans are available in various attractive designs across India.

on children’s influence in family decision making emphasizes that children have at least some influence on decisions for a wide array of products and some even report that children have an increasing role in family purchase decisions (Caruana &Vassallo, 2003).

Studies show children not only influence the purchase of products that are directly consumed only by them, but a much wider range of products for use by the entire family (Foxman et al., 1989; Kim et al., 1991). More recent studies even indicate that children’s influence is not insignificant even on expensive and durable consumer goods as well as more technical products (Verma & Kapoor, 2005; Lackman & Lanasa, 1993).

As childrens’ role in family decisions increases, so does the need for research that includes children (Foxman et al., 1989, p. 482). Such influence pattern is visible not only in India but also in other countries too. (Refer to Figure 1)

Figure 1.Extent of Influence of 8–14 Years Old in Parents’ Purchase Decisions Across Nations



Source:Meenakshi N., Emerging Marketing Paradigms in the Teenage consumer Market in India, Journal of Marketing and communication, Jan-Apr 2007, Vol 2, Issue 3.

LITERATURE REVIEW

McNeal in his book ‘*Children: as a market of influences*’ examined that children have a major influence in the families where both parents are working. This may be because of the higher income or due to the dearth of time because of high professional involvement. Similarly Jenkins in his research (1979) analysed that “the amount of time spent away from home is a significant explanatory variable for both spouses’ perceptions of children’s influence”. This was further strengthened by the study of Lee & Beatty research; *Family Structure and Influence in Family Decision Making* (2002) proposed that remorse may be experienced, by the double income parents for spending less time with their children as compared to the single income parents, and therefore accepted their children’s influence in family purchase decisions. Swati & Upadhyay (2007) have attributed many factors to the increasing kidfluence in households like;

- Dual income families because of more working women
- Grandparents increasing role in bringing up the children
- Increase in number of single parent households
- Delay in parenthood
- Greater exposure of kids due to mass media
- Growth of retail sector
- Exclusive channels for children like pogo, cartoon network etc.

Thus while on one hand we have ample literature supporting the much obvious belief that children belonging to the double income family exert more influence on the family purchase in comparison to the single income family children we also have researches which substantiate the opposite.

Gorn & Goldberg in their paper 'Children as consumers: A psychological analysis of the young people's market' (1977) studied that parents who were not professionally involved valued their children's purchase requests more as compared to parents who were professionally involved and hence children in such families influenced the family purchase decisions more. Although children from non professional household should have lower participation in family purchase decisions and these families can afford risking their constraint budget, but literature is not clear on this point.

Based on the above discussion it was hypothesised –

Ho-There is no significant difference in the amount of influence exerted by children on family purchase in single income & double income families.

Mangleburg (1990) in her review found that the children's reviews vary according to product type and they influence the most in case of products which are related to them.

Singh and kaur (2006) have also stated in their paper that some products are only for children whom they buy themselves and they also affect the decisions of their parents in case of other products for the consumption of whole family.

Tinson et al. (2008) in his study suggested that children's influence correlates with the product type. This means that if the products are designed for children for their own consumption then they have greater influence in the purchase decision making.

Thus, it can be hypothesized that-

Ho- Childrens' influence does not vary according to the product type.

While children exert great deal of influence on various purchase decisions within the family researchers also say that with increasing age of a child his influence also increases. Children today are more updated regarding a product as they have more access to internet and other media. They come with updated knowledge of products, its models, colors, performance etc., which make them more influential in the purchase decisions of products at home.

B.M Young in his study on "Television advertising and children" 1998, found that children in single income household made more purchase requests because they were more frequently exposed to advertising than children of high income families. Verma and Kapoor (2004) in their study of impact of TV advertisements on children buying response have found that more the parent and children co-view the TV and more the parents take interest in discussing the intent and content of television advertising have a healthy consumer socialisation of children in comparison to those parents who do not take part in what their children are watching on TV. This in turn results in unhealthy and immature consumer socialization of children.

Mittal (2009) has found in his research that Indian children watch television on an average for 18.35 hours in a week and they become aware of brands and products. This awareness make these children exert pressure to buy those products which are advertised on the television.

Based on this we can hypothesize that-

Ho- Media does not play an important role in shaping the buying preferences of the children.

RESEARCH METHODOLOGY

In order to understand the extent of influence of children a primary research was carried out with the help of a self- structured questionnaire.

The questionnaire was designed keeping in mind that the influence that children can have on parental purchases is extensive. The products were divided in four categories for the analysis basis as follows:

- a) **Items for children-** this group of purchases include snacks toys clothing's & hobby equipment, beverages & stationary etc.

- b) **Items for the home** -children today influence some of the purchases by their parents of furnishings, furniture, automobiles electronics, grocery etc.
- c) **Items for other family members**- shoes, accessories, cosmetics, clothes etc.
- d) **Non household items for all family members** -These items often are major purchase include vacations, cars, clothing, restaurants meals & recreation things. Etc.

There were a total of twelve questions covering each of the above four areas. In front of each of the questions the below mentioned five options were given.

- a) Not at all = 1
- b) A bit = 2
- c) Some-Times = 3
- d) Quite a lot = 4
- e) Very Much = 5

Out of the above five options the respondents had to choose the option which they felt was most suitable for them. The questionnaire was personally administered and any clarifications on the research topic or difficulty in understanding the questions were attended on site that ensured 100% response rate. The survey was carried out in Lucknow(U.P.) A sample size of 120 mothers was chosen for the study; 60 representing the single family income & 60 representing the double family income group.

DATA ANALYSIS & INTERPRETATION

Table 1.

S. no		Double Income Mean	Interpretation	Single Income Mean	Interpretation
1	Does your child / children participate in family purchase decision	3.3	Sometimes	3	Sometimes
2	To what extent does your child participate when the following items are being purchased for them				
	Chocolates/biscuits	5	Very Much	4.3	Quite a lot
	Chips & other snacks	5	Very much	4	Quite a lot
	Cold drinks/ beverages	5	Very much	4.3	Quite a lot
	Clothes, shoes, accessories for them	5	Very much	2	A bit
	Toys	5	Very much	4.3	Quite a lot
	Stationary items for them	5	Very much	2	A bit
3	To what extent does your child participate when purchasing the following items for general household consumption (things consumed by the complete family)				
	Shampoos & bathing Soaps	1.7	Quite a lot	2	Sometimes
	Cream, powder , & hair oil	1	A bit	2.6	Some times
	Furniture	1	Not at all	1.6	Not at all

	Decoration items	1	Not at all	1.3	Not at all
	Grocery & other food items	3.3	Sometimes	1.6	A bit
	Electronic appliances	1.7	A bit	1.3	Not at all
	Automobiles	1	Not at all	2.6	Sometimes
	Tooth Paste, Washing powder, & other toiletries.	2.7	Sometimes	2.3	A bit
4	To what extent does your child participate when purchasing is done for parents				
	Clothes for you	1.7	A bit	1.6	A bit
	Mobile phones	1	Not at all	1.3	Not at all
	Cosmetics/ personal care items	1	Not at all	1.3	Not at all
	shoes, accessories for you	1	Not at all	1.3	Not at all
5	Does your child have a say in deciding the place of outing on the weekends.	1.7	A bit	3.6	Quite a lot
6	Does your child have a say in deciding the movie your family watches in the theaters.	2.3	A bit	2.3	A bit
7	Does your child have a say in deciding your vacation location.	1.7	A bit	2	A bit
8	Does your child has a say in deciding your restaurant choice	4	Quite a lot	2.3	A bit
9	Does your child accept items purchased by you in their absence?	2.6	A bit	3.3	Sometimes
10	According to you which media influences your child regarding product information and purchase requests.				

	TV advertisements	5	Very Much	4	Quite a lot
	Print advertisement	1.6	A bit	2.6	Sometimes
	Friends	3.3	Sometimes	2	A bit
	Outdoor marketing (hoardings)	1.7	A bit	2.6	Sometimes
	Other Family members	2.3	A bit	3	Sometimes
	Teachers	2.3	A bit	2	A bit
	Neighbor's	2.3	A bit	2.6	Sometimes
11	How often are you able to exercise your will over your child at times of conflict while purchasing.	4	Quite a lot	2.3	A bit
12	How much time your child spends watching television or on internet?	4	Quite a lot	3.3	Sometimes

Table 2.

Interpretation

Paired Samples Test

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair double - single 1	.21563	1.18270	.20907	-.21078	1.64203	1.031	31	.310

In the paired comparison T test the value of T lies between the upper & lower limit thus we accept the null hypothesis- that **there is no significant difference in the amount of influence exerted by children on family purchase in a single income & double income families.**

However it is analysed from question 1-that the double income family children tend to exert more influence when it comes to their own purchasing. This strong influence is seen even during the purchasing of costly & durable items like clothes & stationary. As the children of double income families children stay away from their parents for a longer time & are forced to handle many day to day operations on their own. They become independent & develop a decision making capabilities much sooner than their single income family counter parts. Also as the double income families usually have more spending power they also give into their childrens'demand more easily even if it is for costly products. The above analysis is also supported with the findings of question 8- as deciding to eat in which restaurant is both an important decision & entails money.

Whereas it has been found that the children of single income family influence their family decisions only those which do not involve a lot of spending like chips, biscuits , cold-rinks , snacks, toys or deciding where do go on the weekends. Questions three to nine are dedicated to know how much children influence across product categories. It has been observed that children almost influence in all categories of products. Infact it is interesting to know that children have shown less interest in goods which are

purchased their absence. (Question no. 9). **Therefore, substantiating the alternate hypothesis that children influence varies across product type.**

From the analysis of means it can also be inferred that television has emerged as the most influential media which shapes the children preferences and a major socialisation factor. The mean for both the families viz, double income and single income is on higher side therefore rejecting the **hypothesis that media has no role in shaping the children buying preferences.**

Table 3.

Co-relation between purchase request of children and the hours they watch television

	N	Pearson Coefficient Relation	Sig. (2-tailed)	Result
TV advertisements playing role in product awareness	120	.183	.013	Significantly correlated at .05 level.
Increase in purchase requests of advertised products	120	.192	.002	Significantly correlated at .05 and .01 level.

It was further found that those parents who imposed restrictions on watching television watched it for less than two hours were less demanding and those parents who imposed no restrictions or less restriction on children watched television for more than two hours or even more. The correlation between the time they watched the television and purchase requests made by children is **.192** which implicates a positive relation. Similarly the Correlation coefficient for TV advertisements role in product awareness is also positive (**.183**) which implies that children get their knowledge of products from Television. Therefore it can be asserted that **children buying preferences is directly related to the amount of time they are exposed to the media.**

DISCUSSION

The above analysis shows that there is not much of a difference between the influence exerted by the double income & single income family children.

However both the results are in conformity with previous studies (Mangelburg, 1990; Hall et al, 1995; Singh & Agarwal, 2012; Sunita Kumar, 2012) that children influence varies according to family income and product type.

Parents also assert that children have an important role in family purchasing decisions (**Double income family Mean = 3.33; Single income family mean= 3.00**); and the larger is the exposure to television advertisement of a product the larger is the demand of that product by children (**Double income family mean = 4.00; Single income family mean= 3.30**).

Further, it can be interpreted from the question 11 that the double income family mother has more control on their children during time of conflicting decisions than the single income family mothers. However both types of families assert that advertisements shapes their child’s buying preferences. It was found that media has significant role in the consumer socialization of the children. The audio-visual entertaining advertisements are a treat for the children. The peppy jingles of these advertisements are enjoyed most by the children. Consequentially children demand for the products shown on the television.

Parents also asserted that age of children had an impact on purchase requests made by them. Young children demanded more of candies, toys etc. whereas older demanded music gadgets, video games etc.

CONCLUSION

The children today are much smarter & aware than their previous generations. Adding to their awareness are the numerous advertisements consciously focusing on children & thus encouraging them to influence their parents buying decisions.

Children in both kinds of families have an influence on the family purchases with no remarkable difference however the area in which they make an influence varies with the income level of the families. The children who spend more time watching television made more purchase requests as a consequence of their greater exposure to television advertisements. The results of the study confirmed the results of previous researches (Kapoor and Verma, 2004; Mcneal and Ji, 1995; Rose et al 1998; Y Aktas Arnas (2006)) that the television advertisements have a significant influence towards the socialization of consumers. Parents agree that children have a very positive role in influencing their purchase decisions. Overall, it has been discovered that children have strongest impact on those products which are directly related to them depending on the income of the families.

Further research:

- Impact of family type on children and their requests can also be studied as an important factor.
- Greater understanding of peer role in the different family context can also be analysed.

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