

# Influence of Children in Family Purchase Decision Making: Parents' Perceptions

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## ABSTRACT

This study examined the parental perceptions about the role of children aged 7 to 11 years in family purchase decision making in India. Research findings indicate that children exercise quite strong influence on the family decision making processes. A survey had been conducted on 3600 parents from 6 selected cities with the aid of structured questionnaire. Television advertising played important role in identifying the need recognition among the children. Majority of children were able to find the products in the store. Color, size, attractiveness played important role in comparing the products by the children. It is also found that majority of the parents accepted their children preference in buying the products. These results indicate that parents considered the opinion of children in all stages of the purchase decision making. Hence marketers need to consider the children role while designing marketing communications.

**Keywords:** Children advertising, Family purchase decision making, Recognition of need, Information search, Post purchase behavior.

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## I. INTRODUCTION

Family is an important factor in consumer decision making process. Family purchase decision making process is the process by which decisions that directly or indirectly involve two or more family members are made. Children are part of the family and influence the family purchase decision making process. Many family purchases are inherently emotional and affect the relationships between the family members. In this context marketers must meet the needs of both the children and the parents.

Research findings indicate that children exercise quite strong influence on the family decision making processes, particularly for products relevant to them like cereal, juice, soft drinks, and mobile phones (Martensen & Gronholdt, 2008). Advertisers are interested in learning how children are exposed to advertisements, how they understand and interpret the message, and how they persuade their parents in purchasing the products. The socialization agents for children are family, peers and media in which the family sex role orientation, parental style and communication pattern have main impact on children's purchase behavior (Kaur and Singh, 2006). Hence advertisers need to concurrently study the mediating roles of parents, peers and other related factors on children while studying advertising impact on them in purchase decision making process.

Present paper provides insights about the parents' perceptions about role of children in family purchase decision making stages. Results of the study will help the marketers in designing better marketing communications targeted towards the children.

## II. LITERATURE REVIEW

Ekstrom, K. (1995) defined the concept of influence in family decision-making as "a change in a person's dispositions, as a result of interaction between parents and children". Kaur, P., & Singh, R. (2006) examined the role of children in purchase decision making in India. Children were exposed to mass media and parental communication which helped them in creating awareness of new products and evaluating them on different parameters. For the products not consumed by the children they are acting as purchasing agents for the family. The change in joint family structure to nuclear structure increased the importance of children in family. Change of family's Sex Role Orientation (SRO) resulting more egalitarian decision making style which considers all members of the opinion in decision making.

Halan (2002) statement "marketing to kids is no longer kid stuff" (p. 46) indicates the importance of children role in purchase decision making. Goldberg, M. E., Gorn, G. J., & Gibson, W. (1978) found that mass media acts as a source

to learn about new brands and products by the children. Children expressed brand awareness by the time they reach early adolescent age (Achenreiner & Gwen Bachmann, 1995) and able to categorize the products (John and Sujana, 1990; John and Lakshmi-Ratan, 1992; Klees, Olson and Wilson, 1988). With increase in age, children are able to compare the price and quality of products (Turner and Brandt, 1978).

McNeal (1992) observed that middle childhood aged children are visiting and purchasing with an average of 270 shopping visits per year and also possess knowledge where to look for product pricing information (McNeal and McDaniel, 1981). Though children search for pricing information, children lack knowledge of frequently purchased items price (Stephens and Moore 1975). Thomson, E. S., Laing, A. W. and McKee, L. (2007) through interviews with family members, decision mapping tools concluded that children played important role throughout the purchase process. Parents accepted their children knowledge contribution in purchase decisions treated as beneficial.

Singh (1998) opined that main source of children purchase requests are television advertisements or friends. Though television commercials play important role in purchase requests, its influence is 30 percent in final purchase prompts since family is a reliable source for purchase discussions. Valkenburg, P. M. (2000) determined that exposure to television advertising influence the children involvement in family purchase decision making processes. Robertson et al. (1989) conducted a study on cross cultural study on television viewing behavior of children from USA, England, and Japan and identified that increase in television viewing resulted into more purchase requests with the parents, and greater parent-child conflict.

### **III. RESEARCH METHODOLOGY**

A survey had been conducted on parents from 6 selected cities (Hyderabad, Kolkata, Mumbai, Indore, Delhi, and Guwahati) with the aid of structured questionnaire with a sample size of 3600 to find the children's role in family purchase decision making. Children age group was 7 to 11 years. From each city total of ten schools were selected through convenience sampling. Internal consistency of the constructs were measured through the Cronbach's alpha value and found acceptable with a value greater than 0.7. Tabulation of survey responses were used to analyze the role of children in family purchase decision making stages to answer the research question "What is the role of children in different stages of family purchase decision making process?"

Total sample size = 6 (cities) X 10 (Number of schools) X 5 (Number of classes) X 12 (Parent's of the students) = 3600 parents

### **IV. DATA ANALYSIS**

Out of 3600 distributed questionnaires, 3108 questionnaires were found to be fully filled, and the rest 492 questionnaires were discarded due to incomplete information. Parents were asked a total of 14 questions (Table 1) on Likert scale to find the role of children in family purchase decision making process.

#### **Recognition of Need**

Television advertisement was the important source (frequently-73.3%) for the children's purchase request followed by friends (frequently-65.6%). This is in accordance with the previous findings (Atkin, 1975; Buijzen & Valkenburg, 2000; Galst & White, 1976; Isler, Popper, & Ward, 1987; Robertson & Rossiter, 1976, 1977; Robertson et al., 1989). In a research conducted by Singh (1998) identified the main source of children purchase request are television advertisements or friends. Children remind the parents to purchase the products on the way to the store (frequently-70.1%) to exert more influence. purchase request are television advertisements or friends. Children remind the parents to purchase the products on the way to the store (frequently-70.1%) to exert more influence

#### **Information Search**

Children were able to identify the store location (frequently - 48.6%) and able to identify the products by themselves in the stores (frequently - 60.4%). Due to the increased exposure to shopping malls children were able to identify the products shown in the television advertisements in the shopping malls (Rossiter, 1979). Since the children were accompanied by their parents frequently to shopping malls, children were able to identify the store location and find the products by themselves in the stores. 41.5% of the children were also able to study the product information printed on the products packaging.

#### **Evaluation of Alternatives**

Children compared the product price (frequently – 27.1%) and evaluated the product quality (frequently – 23.4%) with other products. In contrast children compared the products (frequently – 45.8%) with other brands related to color, size, attractiveness of the products which indicate their higher rate of curiosity. Gunter and

McAleer (1997) indicated that children choose the advertisements based on perceptual cues like the short length of an advertisement, its colors, the speed of action, adult voice-overs, and the presence of a jingle rather than

**Table 1: Parent's perception about the role of children in family purchase decision making stages. N = 3108**

Purchase decision making stage	Statement	Frequently	Sometimes	Never
<b>Recognition of Need</b>	My child product purchase requests source is television advertisements	73.3%	17.4%	9.3%
	My child asks to buy the products owned by his friends	65.6%	29.2%	5.2%
	My child reminds me to buy the product on the way to the store	70.1%	24.3%	5.6%
<b>Information Search</b>	My child knows the store location where the product is available	48.6%	30.2%	21.2%
	My child finds the products in the store by himself	60.4%	29.2%	10.4%
	My child reads and discuss about the product information printed on the package at store	41.5%	22.7%	35.8%

**Table 1 (continued)**

Purchase decision making stage	Statement	Frequently	Sometimes	Never
<b>Evaluation of Alternatives</b>	My child compares the selected product with other brands at store in terms of price	27.1%	20.9%	52.0%
	My child compares the selected product with other brands at store in terms of quality	23.4%	34.4%	42.2%
	My child compares the selected product with other brands at store in terms of other features like color, size, attractiveness of the product	45.8%	33.5%	20.7%

<b>Purchase</b>	I allow my child for buying the brand suggested by him	53.1%	19.4%	27.5%
	I allow my child for shopping independently	31.6%	9.7%	58.7%
	I allow my child for shopping with friends	11.2%	20.7%	68.1%

**Table 1 (continued)**

<b>Purchase decision making stage</b>	<b>Statement</b>	<b>Frequently</b>	<b>Sometimes</b>	<b>Never</b>
<b>Post Purchase Behavior</b>	My child feels happy if I purchase the products suggested by him	69.3%	27.4%	3.3%
	My child says that he/she got appreciation from the peers ( classmates, friends ) about the purchased products suggested by him	61.4%	32.5%	6.1%

understanding. During the purchase decision making children shown higher influence on expressive decisions like model, color, shape, brand of the products under purchase (Belch et al., 1985). It is also found that younger children were able to categorize the products based on the product color and size (Saltz et al., 1972). Children were able to categorize the products by the time they reach early adolescent age (John and Sujana, 1990; John and Lakshmi-Ratan, 1992; Klees, Olson and Wilson, 1988). Children with the increase in age were able to compare the price and quality of products (Turner and Brandt, 1978).

### **Purchase**

53.1% of the parents allowed to purchase the products chosen by their children selected brands which strongly indicating the increased importance of children's opinion in purchase decision making. Only 31.6% of parents allowed their children for shopping independently indicating the caring nature of the parents. This is in accordance with the previous research findings since children made strong influence in family purchase decision making (Martensen & Gronholdt, 2008; Bhavsar & Maheshkar, 2016). This is validated through the statement "marketing to kids is no longer kid stuff" (Halan, 2002).

### **Post Purchase Behavior**

69.3% of children felt happy due to the parents purchased the products suggested by children and 61.4% of children got appreciation from the peers about the purchases. This result will project a positive impact on parents to accept the children purchase requests.

## **V. DISCUSSION**

Television advertisements played major role in identifying the need. Friends also played important role in identifying the needs. Children learned about new products due to their increased exposure to television commercials. Children were able to identify the stores to buy the products and also able to identify the products in the store. This could be due to the children's pre exposure of the products through television commercials and accompanying with parents to the shopping malls. Children also searched for the information through the product packaging information. Children were able to compare the selected product with other brands based on the attributes like color, size, attractiveness followed by price, and quality. Children in the age group of seven to eleven years were able to focus both on functional and perceptual attributes. Children are less concerned about the pricing information comparison due to the immature financial literacy. More than 50% of parents allowed their children to buy the brands suggested by them. Thus parents are giving freedom in selection of brands and giving importance to their children opinions in purchase process.

Children felt happy when parents purchased the products suggested by them. This eventually leads the children for consumer learning process rather than isolating them from the consumer decision making process.

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