

IMPACT OF INTERNET USAGE ON CHILDREN'S INFLUENCE IN FAMILY DECISION MAKING IN RURAL AND URBAN INDIAN FAMILIES - AN EXPLORATORY STUDY

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Abstract

This study examines the impact of children's internet usage on their influence in family decision making across child and family product in Indian rural and urban families. A cross-sectional survey method was carried out with "structured non-disguised" questionnaire to collect the primary data from children residing in rural and urban areas of Delhi, India. The collected data have been analyzed and interpreted with the help of statistical tools such as mean, standard deviation and repeated measures ANOVA. The results indicate that children's influence in stages of decision making process for child product and family product varies across Internet usage but not across rural and urban families. The results of this study are in line of past studies (Kaur and Medury, 2011) that children, especially teenagers have greater interest in the Internet and greater access to market information and use their virtual market knowledge to contribute significantly in family purchase decisions.

Keywords: *Influence, Family Decision Making, Child-Product, Family-Product, ANOVA.*

Introduction

Consumer behaviour researchers have been encouraged to study the family consumption behaviour. Earlier the main focus of these studies was on the individual consumer, however, gradually this focus has been shifted

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towards the decision making processes involving group behaviour (Sheth, 1974). Most of the early research on family decision making has remained confined to the relative influence of husbands and wives on purchase outcomes. It is only from eighties onwards that the focus has shifted gradually to include children's influence also in the family purchase decisions (Mohanram, 2012).

Past researches in the area of children's influence (Ramzy et al., 2012) amply reveal that not only children have significant influence on purchase decisions for a wide array of products but this influence is also increasing over time (Madhavi et al., 2011) to such an extent that families are becoming child-led. Recently as the Internet is gaining popularity amongst children as an important source of information, some studies have also examined children's association with Internet (Madden et al., 2006) along with their contribution in family purchase decisions (Kaur and Medury, 2011). The specific research objective for this exploratory study is to examine the impact of children's internet usage on their influence in family decision making across child and family product in Indian rural and urban families.

Literature Review

Past studies have identified that the influence of children can vary across the stages of the decision making process where the children exert the maximum influence at the purchase initiation stage (Wang et al., 2004) and the least influence at the final stage (Wang et al., 2004). Past studies have also investigated children's influence on family decision making for a comprehensive variety of goods including both, the goods meant for the self-use of a child such as breakfast cereals (Ward, 1972), beverages/soft drinks (Martensen and Gronholdt, 2008), records (Kim and Lee, 1997), shoes (Beatty and Talpade, 1994), and the goods meant for the use of family as a whole, such as cars (Ward, 1972). In these studies children's influence found to vary across the family buying decisions according to the type of product involved (Shahrokh and Khosravi, 2013).

Worldwide there has been a huge explosion in the adoption and use of Internet as an information and communication tool making it a potentially strong agent of socialization for children (Lee et al., 2003) of present times. It has become the universal source of information for millions of people including children, at home, at school, and at work even in developing countries like India. Children are spending more time online than adults and surpass all other age groups in their use of chat, instant messaging, and other new forms of electronic communication (Montgomery, 2000). Even parents feel outsmarted or overwhelmed by their children's computer and Internet abilities and they appreciate that the 'new medium' is an essential component of the new literacy, something in which their children need to be fluent.

Specifically, by virtue of children's engagement with the Internet through activities like e-mailing, chatting, downloading music and other content, interactive gaming, information search for academic or non-academic purposes, children directly or indirectly internalize consumption related knowledge. Apart from this they can also acquire explicit product related knowledge regarding availability, prices, features and benefits, brands and models etc., thereby, enhancing their influence in family purchase decisions.

According to Belch et al. (2005) children, especially teenagers have greater interest in the Internet and greater access to market information and use their virtual market knowledge to contribute significantly in family decision making.

Indian children are not different from their counterparts in the usage of Internet. Survey conducted by TCS (2015) across more than 17,000 students in India, highlights various startling facts about "Generation Y" and how they are adopting Internet and get exposed to information access. According to this survey, one out of every four students from Metro cities browse Internet in India over their mobile phones and the level of usage is

much higher as majority of the students (93 percent) across the country spend one to two hours accessing Internet every day. Ninety-one percent children in India access the Internet for collecting education and products related information and fifty-three percent of them consider it as a trustworthy source. Nearly four out of every 10 students are shopping online, thanks to E-Stores who are looking beyond Credit cards and offer other modes of payments like Debit card, Net Banking or even Cash-On-Delivery (COD).

The milestones clearly indicate the massive growth of Internet users in India; it is also reflected in other sectors like digital commerce, social media, digital advertising, and payments. The unprecedented growth in the Internet user base helped e-commerce industry in India to grow by multi-fold. Consequently, the importance of the effects of Internet on child's life and its subsequent effects in family purchase decisions can no longer be denied (Moscardelli and Heyes, 2004) even in a developing country like India. Further, as has been suggested earlier, Internet influence may rearrange the decision making dominance of the family members and thus merits further theoretical and empirical support.

Hypotheses

- H 1:** Children's influence in stages of decision making process for child product and family product varies across Internet usage.
- H 2:** Children's influence in stages of decision making process for child product and family product varies for Internet usage across across rural and urban families.

Methodology

Product Profile- Past researches have amply proved that children's influence in family purchases not only varies across decision making stages but also varies by product category (Belch et al., 1985). Hence, two durable products were chosen in this study to measure children's influence in the

purchase of these products: (i) one “child-product” - for the child’s sole consumption, and (ii) one “family-product” - for the entire family’s consumption.

Survey Development and Sampling- A “structured non-disguised” pre-tested, self-report type questionnaire was used in the collection of primary data for the study from the students of class eighth to twelfth (age 13-to-18 years) from 766 families residing in rural and urban areas in Delhi. The data collection period lasted for eight months from March 2019 to October 2019. A profile of the sample used in the study is provided in Table 1.

Table 1: Sample Profile

Characteristics	Aggregate		Rural Families		Urban Families	
	Number (N = 766)	%	Number (N = 382)	%	Number (N=384)	%
Children’s Age (years)						
13-14	312	40.7	143	37.4	169	44.0
15-16	310	40.5	182	47.6	128	33.3
17-18	144	18.8	57	15.0	87	22.7
Children’s Internet usage						
Users	671	87.6	327	85.6	344	89.6
Non-users	95	12.4	55	14.4	40	10.4

Dependent Variables (Children’s Influence Measures) - A ten-item scale developed by Talpade and Talpade (1995) was used to measure children’s influence across three stages of decision making process. Child influence was measured through the use of a 5-Point scale (5 = Very high and 1 = Nil). The three decision stages were: (1) the purchase initiation stage, (2) the information search stage, (3) the final decision stage.

Independent Variables: Internet consumption by children across rural and urban families.

Reliability Analysis- Reliability coefficient, Cronbach alpha has been conducted to assess the reliability of the scale items (Table 2). As the values of Cronbach alpha of the scale tapping children’s influence across

three stages of family decision making process are equal to or greater than 0.60, thus adequately meeting the standards for the present paper.

Table 2: Reliability Analyses of Measures – Decision Making Stages

Scale Items	No. of Items	Child Product (α)	Family Product (α)
- <i>Purchase initiation stage</i>	3	0.74	0.82
- <i>Information search stage</i>	2	0.76	0.81
- <i>Final decision making stage</i>	5	0.71	0.77

Statistical Tools Used for Analysis - The data have been analyzed and interpreted with the help of statistical tools such as mean, standard deviation, two-way (within-subjects) repeated measures ANOVA, and mixed-factorial (between-within subjects) repeated measures ANOVA using SPSS (version 16).

Results

Majority of the surveyed children (87.60 percent) were found to be Internet users. However, in urban families their percentage was slightly higher (89.60 percent) than in rural families (85.60 percent). Mean influence scores of Internet user children and Internet non-users children were computed across decision making stages (DMS) for both the child product and family product in rural and urban families and are presented in Table 3.

Table 3: Mean Scores and Standard Deviations for Children's Influence in Decision Making Stages in Rural and Urban Families: Internet Usage

Family Residence	Variable Children's Internet usage	Child product			Family product		
		Decision making stage (DMS) _{1,2}			Decision making stage (DMS) _{1,2}		
		PIS3	ISS4	FDS5	PIS3	ISS4	FDS5
Rural family	Internet users (N = 327)	3.57 (0.89)	3.56 (1.07)	3.15 (0.84)	3.58 (0.99)	3.47 (1.16)	3.01 (0.90)
	Internet non-users (N = 55)	3.29 (0.83)	3.05 (1.12)	3.01 (0.93)	3.64 (0.76)	3.34 (1.09)	2.99 (0.96)

Urban family	Internet users (N = 40)	3.47 (0.89)	3.51 (1.13)	3.11 (0.84)	3.38 (1.05)	3.30 (1.18)	2.83 (0.90)
	Internet non-users (N = 344)	3.21 (0.72)	3.16 (0.98)	2.74 (0.78)	3.32 (0.95)	3.04 (1.04)	2.63 (0.97)

- Notes: 1. The responses were measured on a 5-point scale: 5 = very high, 4 = high, 3 = moderate, 2 = low, and 1 = nil.
 2. Numbers in parentheses are standard deviations.
 3. PIS = Purchase initiation stage; 4. ISS = Information search stage; 5. FDS = Final decision stage.

The mean influence scores (as summarized in Table 3) of Internet user and non-user children in both the rural and urban families appear to be different from each other. Further, mean influence scores of children using Internet seems to be higher than the mean scores of influence exerted by children not using Internet in rural as well as urban families in case of child product and family product. Thus, indicating that children do exert influence in family decision making in rural as well urban families and this influence is affected by their Internet usage. In order to ascertain the statistical significance of differences reported in the preceding paragraph, mixed-factorial repeated measures ANOVA was applied, with ‘decision making stages’ and ‘product type’ as within-subject factors, and ‘family residence’ and ‘children’s Internet usage’ as between-subject factors. The results of which are provided in Table 4.

Table 4: Results Relating to Tests of Between-Subjects Effects: Internet Usage - wise

Source	Sum of Squares	df1	df2	Mean Square	F-ratio ¹	Sig.
Children’s Internet usage	3.599	1	762	3.599	7.043*	.008
Children’s Internet usage * Family residence	.124	1	762	.124	.242	.623

Note: 1. Significant at $p < 0.05$

Table 4 clearly indicates that the impact of variable ‘Internet usage’ is significant on the basis of aggregative analysis but not on disaggregative basis across rural and urban families. This implies that if all other variables

are ignored, influence exerted by children who use Internet is significantly different from the influence exerted by children who do not use Internet, $F(1,762) = 7.043$, $p = 0.008$. Thus, the result provides support in favour of H 1.

However, the interaction effect between the variables 'children's Internet usage', and 'family residence' is found to be insignificant, $F(1, 762) = 0.242$, $p = 0.623$. Insignificant effect implies that if all other variables are ignored, influence exerted by Internet-users and Internet non-user children do not vary across rural and urban families. Thus, the result provides no support in favour of H 2.

Conclusions and Scope for further Study

As per the analysis results, children's influence differs according to the usage of Internet by them but the impact of this variable is same in rural as well as urban families. This study presents a strong case for its extension in other similar developing countries. The findings of this study are parallel to the literature. By understanding the decision framework and various factors affecting children's influence in family purchase decisions, marketers can more effectively predict, plan and execute the right marketing strategy for various household products.

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