

## Indian Children's Influence across Stages in Family Decision Making Process - an Exploratory Study

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**Abstract.** This study examines children's influence across stages in family decision making process while making buying decisions for 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 the students of class eighth to twelfth in the age group of 13-to-18 years from 100 families residing in rural and 100 families residing in urban areas in Delhi, India. Statistical tools such as mean, standard deviation and repeated measures ANOVA have been used to analyze and interpret the collected data. Children's influence across three stages of decision making process was measured by using a ten-item scale developed by Talpade and Talpade (1995) and the reliability of the scale was assessed by calculating Cronbach alpha. The results of this study found that children in Indian families are also exerting influence in family buying decisions and (i) children's influence in family decision making varies across decision making stages according to type of product; (ii) it is the child product for which children's influence is higher.

**Key Words:** Influence, Family Decision Making Process, Child-Product, Family-Product, Repeated measures ANOVA.

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### 1. INTRODUCTION

Consumption behavior has always been an area of great interest for research amongst consumer behaviour researchers. Initially the main focus of these studies was on the individual consumer and gradually with changing times this focus has been shifted towards the decision making processes involving group behaviour (Sheth, 1974) as well. Majority 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 (Wimalasiri, 2004) sufficiently indicates 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). Popularity of Internet

amongst children has also enhanced their importance and contribution as an important source of information in their family decisions. The specific research objective for this exploratory study is to examine children's influence across stages in family decision making process while making buying decisions for child and family product in Indian families.

## LITERATURE REVIEW

Past studies have identified that the influence of children can vary across the stages of the decision making process. Children are found to 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 and found that children's influence varies across the family buying decisions according to the type of product involved (Shahrokh and Khosravi, 2013). 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. 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 are also acquiring explicit product related knowledge regarding availability, prices, features and benefits, brands and models etc., thereby, enhancing their influence in family purchase decisions.

## OBJECTIVES

1. To evaluate the influence exerted by children across stages of decision making process.
2. To examine the extent to which children's influence in family decision making varies across type of product.
3. To ascertain the pattern of differences in children's influence in decision making stages.

## HYPOTHESES

- H1:** Children's influence in family decision making varies across stages of decision making process.
- H2:** Children's influence in family decision making varies across type of product.
- H3:** Pattern of differences in children's influence in decision making stages varies across type of product.

## METHODOLOGY

**Product Profile** - Past studies in the field have amply proved that children's influence in family purchases varies across (i) decision making stages (ii) product category (Belch et al., 1985). Hence for the measurement of children's influence two durable products were chosen: (i) one for the child's sole consumption (child-product); and(ii) one for the joint consumption by the entire family (family-product).

**Survey Development and Sampling**—Primary data for the study was collected from the students of class eighth to twelfth in the age group of 13-to-18 years from 100 families residing in rural and 100 families residing in urban areas in Delhi. The tool used for this purpose was a “structured non-disguised” pre-tested, self-report type questionnaire. The data collection period lasted for 2 months from March 2015 to May 2015. 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 = 200)	Percent	Number (N = 100)	Percent	Number (N=100)	Percent
<b>Children's Age (years)</b>						
13-14	81	40.5	37	37	44	44
15-16	80	40.0	47	47	33	33
17-18	39	19.5	16	16	23	23
<b>Family Income (monthly)</b>						
Low (0-20,000)	51	25.5	25	25	26	26
Middle (20,000 - 60,000)	107	53.5	64	64	43	43
High (above 60,000)	42	21.0	11	11	31	31

**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 on a 5-Point scale (5 = Very high and 1 = Nil). Cronbach alpha was calculated to assess the reliability of the scale items (Table 2). As the values of Cronbach alpha of the scaletapping 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. Collected data have been analyzed and interpreted with the help of statistical tools such as mean, standard deviation, two-way and mixed-factorial repeated measures ANOVA using SPSS (version 16).

**Table 2: Reliability Analyses of Measures – Decision Making Stages**

Scale Items	No. of Items	Child Product ( $\alpha$ )	Family Product ( $\alpha$ )
- Purchase initiation stage	3	0.69	0.72
- Information search stage	2	0.72	0.79
- Final decision making stage	5	0.73	0.71

## RESULTS

Mean scores of children's influence across decision making stages (DMS) for both the child product and family product were computed and are presented in Table 3. Mean scores appear to be different across decision making stages for the child product as well as family product: purchase initiation stage ( $M_{\text{child product}} = 3.49$ ,  $M_{\text{family product}} = 3.48$ ), information search stage ( $M_{\text{child product}} = 3.48$ ,  $M_{\text{family product}} = 3.36$ ), and final decision stage ( $M_{\text{child product}} = 3.10$ ,  $M_{\text{family product}} = 2.91$ ).

**Table 3: Mean Scores, Standard Deviations for Children's Influence in DMS<sup>1</sup>**

Product	Decision Making Stages (DMS)		
	Stage 1: <u>Purchase initiation</u>	Stage 2: <u>Information search</u>	Stage 3: <u>Final decision</u>
	Mean <sup>2,3</sup>	Mean <sup>2,3</sup>	Mean <sup>2,3</sup>
Child product	3.49 (0.88)	3.48 (1.11)	3.10 (0.85)
Family product	3.48 (1.01)	3.36 (1.16)	2.91 (0.91)

Notes:

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

Two-way repeated measures ANOVA was applied, with 'decision making stages' and 'product type' as within-subject factors to ascertain whether these differences in children's mean influence scores across the decision making stages and type of product are statistically significant. The results relating to significance of differences in mean scores are reported in Table 4. These results clearly indicate that the influence exerted by children differs significantly across decision making stages (DMS), for the two products considered together,  $F(1.904, 1456.819) = 177.629$ ,  $p = 0.000$ . The results thus provide support to H1, i.e., children's influence in the family decision making varies across decision making stages.

**Table 4: Results Relating to Tests of Within-Subjects Effects<sup>1</sup>**

Source		Sum of Squares	df1	df2	Mean Square	F-ratio <sup>5</sup>	Sig.
DMS <sup>2,3</sup>	Sphericity Assumed	209.223	2	1530.000	104.612	177.629	.000
	Greenhouse-Geisser	209.223	1.900	1453.302	110.133	177.629	.000
	<b>Huynh-Feldt</b>	<b>209.223</b>	<b>1.904</b>	<b>1456.819</b>	<b>109.867</b>	<b>177.629*</b>	<b>.000</b>
	Lower-bound	209.223	1.000	765.000	209.223	177.629	.000
Products	<b>Sphericity Assumed</b>	<b>12.543</b>	<b>1</b>	<b>765</b>	<b>12.543</b>	<b>13.066*</b>	<b>.000</b>
	Greenhouse-Geisser	12.543	1.000	765.000	12.543	13.066	.000
	Huynh-Feldt	12.543	1.000	765.000	12.543	13.066	.000
	Lower-bound	12.543	1.000	765.000	12.543	13.066	.000
DMS <sup>2,3</sup> * Products (IE <sup>4</sup> )	Sphericity Assumed	6.879	2	1530	3.439	10.155	.000
	Greenhouse-Geisser	6.879	1.860	1422.606	3.699	10.155	.000
	<b>Huynh-Feldt</b>	<b>6.879</b>	<b>1.864</b>	<b>1425.932</b>	<b>3.690</b>	<b>10.155*</b>	<b>.000</b>
	Lower-bound	6.879	1.000	765.000	6.879	10.155	.001

Notes:

- Values typed in bold pertain to the results used for analysis in the present study.
- DMS: Decision making stages are: 1 = Purchase initiation stage, 2 = Information search stage, and 3 = Final decision stage.
- The responses were measured on a 5-point scale: 5 = very high, 4 = high, 3 = moderate, 2 = low, and 1 = nil.
- IE: Interaction effect.
- Significant at  $p < 0.05$

The results, further, reveal that influence exerted by children, for three decision making stages examined together, differs significantly across type of product i.e., child product and family product,  $F(1, 765) = 13.066$ ,  $p = 0.000$ , suggesting acceptance of H2, i.e., children's influence in family decision making process varies across type of product. A comparison of mean scores for the child product and family product, moreover, reveals that it is the child product for which children's influence is higher.

Result in Table 4 also reports significant interaction effect between decision making stages and type of products,  $F(1.864, 1425.932) = 10.155$ ,  $p = 0.000$ . Significant interaction effect implies that

pattern of variations in children's influence across decision making stage is dependent on type of product; hence, H3 is also supported.

## CONCLUSION AND SCOPE FOR FUTURE STUDY

The results of this study found that children in Indian rural as well as urban families are exerting influence in family buying decisions and children's influence in family decision making varies across (i) decision making stages, (ii) across type of product; (iii) it is the child product for which children's influence is higher. The main limitation concerns the context of the study which is region specific (Delhi). Hence, to generate findings in this area with wide generalizability, future research should expand its scope to include families from other states as well.

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