

Children's Influence in Family Buying Sub-Decisions

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Abstract. This study has been undertaken to examine the extent to which the influence is exerted by children varies across (i) sub-decisions in family buying decisions; and (ii) child and family product in Indian context. Purposeful sampling was used for the selection of information-rich cases to permit inquiry into and understanding of the phenomenon under study in depth. A sample consisting of 200 children residing in rural and urban areas of Delhi, capital of India was selected for this study. Based on their demographics, the final sample is believed to be representative of the population. The measuring instrument used is a structured questionnaire, guided by the research objectives and literature review. Children's influence across family buying sub-decisions was measured by using a modified version of six-item scale developed by Talpade and Talpade (1995). The primary data are analyzed and interpreted with the help of statistical tools such as means, standard deviation, t-test, and ANOVA by using SPSS (version 16). Descriptive analysis has also been used to support the results of statistical analysis. The analysis results clearly show that Indian children exert (i) influence in family buying sub-decisions, (ii) this influence varies across sub-decisions and type of product, and (iii) influence for child product is higher than for the family product.

Keywords: Influence, Family Buying Sub-Decisions, Stages of Family Decision Making Process, Child-Product, Family Product, ANOVA.

Introduction

Being an important part of a family, children are playing an important role in influencing their families' buying decisions across products irrespective of their place of residence. Their role varies across active initiators, information seekers, buyers, and influencers. 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). Previous studies have also investigated children's

influence on various family buying sub-decisions, such as when to buy, where to buy, which to buy (including the brand, model, colour, etc.), and how much to spend. Among these sub-decisions, children's influence was found to be highest in the sub-decisions of which to buy (Darley and Lim, 1986), and what to buy (Belch et al. 1985) but lowest in the sub-decisions of where to buy (Belch et al., 1985), where to gather information (Darley and Lim, 1986), and how much to spend (Darley and Lim, 1986). To extend these findings in Indian context, this study has been undertaken to examine the extent to which the influence is exerted by children (i) across sub-decisions in family buying decisions; and (ii) across child product and family product.

LITERATURE REVIEW AND HYPOTHESES FORMULATION

Since the beginning of nineteenth century, improvements in education and care for the children coupled with other demographic and household structural changes such as decrease in family size and increase in number of dual-earning families have resulted in rising influence of children in family buying decisions across the globe for a wide array of goods and services (Cowell, 2001). These factors have led to the interfamilial decision-making, the communication in the family has become more modern, open and democratic and had a reflective influence on the growing economic power, control, and independence of children to the extent that they are now taking charge of their families' decision-making process more than they did in previous generations altogether (Mikkelsen, and Norgaard, 2007).

As revealed by past researchers, an important source of variation in children's influence is the decision-making stages (Beatty and Talpade, 1994) whereby children exert greater influence in the early stages and this influence declines as the decision making process progresses through the stages (Wimalasiri, 2004). Researches have also investigated children's influence on various sub-decisions within the final decision making stage, mainly focusing on decisions pertaining to when to buy, where to buy, which specific product type to buy (including the brand, colour etc.) and how much to spend (Ishaque and Tufail, 2014) suggesting that children claim a greater role in making decisions about expressive sub-decisions e.g., colour, and brand choices and the influence is minimal in instrumental sub-decisions, e.g., how much to spend, when to buy, and from where to buy (Darley and Lim, 1986).

Past studies also found the existence of positive correlation between the relevance of the product to the children and the influence exerted by them while purchasing such products. Children's

influence on items such as cereals, candies, toys, children's electronics, apparel and family vacations is reported to be significantly higher than for those which are relatively non-relevant to them (Kim and Lee, 1997).

Though Indian literature is very limited in this regard, there is consensus among researchers that in general, influence of children varies by the type of sub-decisions in the decision-making process, leading to hypothesize:

H1: Children's influence varies across family buying sub-decisions (what to buy, which brand to buy, which colour to buy, from where to buy, how much to spend, and when to buy) in case of (a) child product and (b) family product.

H2: Children exert more influence in family buying sub-decisions about what to buy, which brand to buy, and which colour to buy than in sub-decisions about where to buy, how much to spend, and when to buy in case of (a) child product and (b) family product.

H3: Children's influence in family buying sub-decisions is higher for child product than for family product.

METHODOLOGY

Product Profile – Past studies have found that children have the strongest influence for low cost products meant for their own use and lower for expensive products meant for the joint consumption by the whole family (Ali and Batra, 2011).

Consequently, a durable product (cycle/computer) for the child's sole consumption and a durable product (television) for the family consumption were chosen in this study to measure children's influence in the purchase of these products purchased recently (in the last one year), in order to ensure a high probability of accurate recall.

Sample Design and Research Instrument – A sample consisting of 200 children residing in rural and urban areas of Delhi, capital of India was selected for this study. Based on their demographics, the final sample is believed to be representative of the population.

The measuring instrument used is a structured questionnaire, guided by the research objectives and literature review. Data collection period was October 2019. Table 1 provides a profile of the sample used in the study.

Table 1: Sample Profile

Characteristics	Aggregate		Rural Families		Urban Families	
	Number (N = 200)	%	Number (N = 100)	%	Number (N=100)	%
Children's Age (years)						
13-14	65	32.5	30	30	35	35
15-16	72	36.0	42	42	30	30
17-18	63	31.5	28	28	35	35
Children's Gender						
Male	128	64	60	60.0	68	68
Female	72	36	40	40.0	33	32

Children's Influence Measures – Children's influence in the stages of the family decision making process is conceptualized in this study as the extent to which s/he had been engaged in various acts or activities which have contributed to each of the six sub-decisions of the decision-making process for the purchase of child product and family product. Children's influence across family buying sub-decisions was measured by using a modified version of six-item scale developed by Talpade and Talpade (1995).

Statistical Tools Used for Analyses - Collected data have been analyzed and interpreted with the help of statistical tools such as means, standard deviation, t-test, and ANOVA by using SPSS (version 16). To support the results of statistical analysis, descriptive analysis has also been used.

RESULTS

To examine the first and second hypotheses simultaneously, children's mean influence scores for six sub-decisions were calculated then mean differences were obtained from the mid-value (i.e. 2.5) to see the extent of children's influence in sub-decisions above/below this mid-value and one sample *t*-test was used to see if these differences are statistically significant or not. This procedure was followed for child product and family product separately. The analysis results are presented in Table 2.

Results in Table 2 clearly indicate that in case of child product except the decision of how much to spend, children have exerted considerable influence across all the sub-decisions in case of child product and family product as all the mean values are well above the mid-value (2.5). As expected

children's maximum influence was in decision about the colour of the product ($M_{\text{child product}} = 3.89$; $M_{\text{family product}} = 3.67$) followed by the decisions about what to buy ($M_{\text{child product}} = 3.70$; $M_{\text{family product}} = 3.55$), which brand to buy ($M_{\text{child product}} = 3.67$; $M_{\text{family product}} = 3.51$), where to purchase ($M_{\text{child product}} = 3.09$; $M_{\text{family product}} = 2.86$), when to buy ($M_{\text{child product}} = 2.94$; $M_{\text{family product}} = 2.66$), and how much to spend ($M_{\text{child product}} = 2.65$; $M_{\text{family product}} = 2.54$). Values of t-test also supported these results as all the t-values are significant. Hence both the hypotheses H1 (a/b) and H2 (a/b) are accepted. The results are in line with the results of past studies by Martensen and Gronholdt, (2008), and Belch et al. (1985).

Table 2: Children's Influence in Sub - Decisions in the Family Decision Making Process: t-Test

Sub-Decisions	Mean (Standard Deviation)	Mean difference	t-value
Child Product			
What to buy	3.70 (1.03)	1.20	18.77*
Which brand to buy	3.67 (1.16)	1.17	16.04*
Which colour to buy	3.89 (1.24)	1.39	16.32*
From where to buy	3.09 (1.24)	0.59	2.04**
How much to spend	2.65 (1.32)	0.15	14.23*
When to buy	2.94 (1.27)	0.44	6.94*
Family Product			
What to buy	3.55 (1.14)	1.05	16.30*
Which brand to buy	3.51 (1.16)	1.01	13.12*
Which colour to buy	3.67 (1.27)	1.17	11.16*
From where to buy	2.86 (1.26)	0.36	3.14*
How much to spend	2.54 (1.32)	0.04	16.53*
When to buy	2.66 (1.30)	0.16	12.72*

Notes: 1. *Significant at $p \leq 0.01$, **Significant at $p \leq 0.05$

2. The responses are measured on a 5-point scale where 5 = very high, 4 = high, 3 = moderate, 2 = low, and 1 = nil.

3. Numbers in parentheses are standard deviations.

To test the validity of third hypothesis, i.e., children's influence in family buying sub-decisions is higher for child product than for family product, one-way between groups' analysis of variance ANOVA was applied. The analysis results are presented in Table 3. The analysis results clearly indicate that influence exerted by children is quite high across all the sub-decisions in case of child product than in case of family product. The maximum difference in influence was observed in the decision about when to purchase ($M_{\text{child product}} = 2.94$, $M_{\text{family product}} = 2.66$) followed by the decision about from where to purchase ($M_{\text{child product}} = 3.09$, $M_{\text{family product}} = 2.86$), colour ($M_{\text{child product}} = 3.89$, $M_{\text{family product}} = 3.67$), brand ($M_{\text{child product}} = 3.67$, $M_{\text{family product}} = 3.51$), how much to spend ($M_{\text{child product}} = 2.65$, $M_{\text{family product}} = 2.54$), and the minimum at what to purchase ($M_{\text{child product}} = 3.09$, $M_{\text{family product}} = 2.86$).

product = 3.70, M_{family product} = 3.55). All these differences were tested by using ANOVA and found to be statistically significant leading to the acceptance of third hypothesis.

Table 3: Children's Influence in Sub - Decisions in the Family Decision Making Process: ANOVA (Child Product vs. Family Product)

Sub-Decisions	Child Product	Family Product	Mean difference	F-Ratio
What to buy	3.70 (1.03)	3.55 (1.14)	0.15	9.26*
Which brand to buy	3.67 (1.16)	3.51 (1.16)	0.16	34.03*
Which colour to buy	3.89 (1.24)	3.67 (1.27)	0.22	22.18*
From where to buy	3.09 (1.24)	2.86 (1.26)	0.23	31.44*
How much to spend	2.65 (1.32)	2.54 (1.32)	0.11	90.94*
When to buy	2.94 (1.27)	2.66 (1.30)	0.28	56.33*

Notes: 1. *Significant at $p \leq 0.01$, **Significant at $p \leq 0.05$

2. The responses are measured on a 5-point scale where 5 = very high, 4 = high, 3 = moderate, 2 = low, and 1 = nil.

3. Numbers in parentheses are standard deviations.

CONCLUSION AND SCOPE FOR FUTURE STUDY

The results of this study amply prove that in Indian families, children exert considerable influence across family buying sub-decisions (what to buy, which brand to buy, which colour to buy, from where to buy, how much to spend, and when to buy) in case of (a) child product and (b) family product. This influence also varies across these sub-decisions and children exert more influence in case of sub-decisions for child product as compared to family product. These findings have specific implications for the researchers for future research, policy makers for development and implementation of consumers' related policies, and the marketers for formulation of new marketing and advertising methods in respect of various goods and services as consumed by Indian families. To get better results with wide generalizability, future research should expand its scope by including a larger number of families from each and every state/region of India.

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