# Children's Perception of Disagreements in Family Purchase Decisions in India

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**ABSTRACT:** This study examines theextent to which the disagreements exist across stages of the decision making process in the purchase of child product and family product in Indian families. A cross-sectional survey method was carried out and the primary data for the study was collected through a "structured non-disguised" questionnaire. The sample population consisted of 766 families with school going children in the age group 13 to 18 years. Schools were selected on quota sampling basis to allow a reasonable representation of different socio-economic groups and cultures. The collected data have been analyzed and interpreted with the help of statistical tools such as mean, standard deviation and repeated measures ANOVA. It was hypothesized that: (i) the magnitude of disagreements in family decision making varies across type of product (H2), and (iii) the pattern of disagreements in family decision making stages varies across type of product (H3). Excepting H1, other hypotheses have found no support from aggregative data analysis results. Moreover, the disagreements are found to be highest in the purchase initiation stage, followed by information search stage, and final decision stage in case of both the child product and family product.

Key Words: Disagreement, Family Decision Making Process, Child-Product, Family-Product, repeated measures ANOVA.

#### **INTRODUCTION**

Family has long been identified as the most important decision making and consumption unit and widely researched (Webster, 1994) topic in the field of consumer behavior. Across the globe, families are buying and consuming a wide variety of goods and services on a regular basis. The character, influence, and extent of interaction among the family members constitute an important dimension of family purchase decision making (Spiro, 1983). The literature also reveals the potential for disagreements among family members in decision making process (Thomson et al., 2007). Even though, serious disagreements in family purchase decisions are rare, some form of family disagreements is highly probable because decision making involves integrating various

individual preferences (Lee and Collins, 2000). This study has been undertaken with the specific objective to examine the extent to which the disagreements exist across stages of the decision making process in the purchase of child product and family product in Indian families.

## LITERATURE REVIEW

Past literature has recognized the potential for disagreements among family members in decision making (Thomson et al., 2007; Lee and Collins, 2000). Although serious disagreements in family purchase decisions are rare, some form of family disagreements is highly probable because decision making involves integrating various individual preferences (Lee and Collins, 2000). According to Blood (1960), "the diffuse character of family relationships, family's small size, and changing developmental tasks lead to disagreements in familydecisions".

In his theory of family decision making, Sheth (1974) uses March and Simon's (1959) conceptual framework of inter-person disagreement as a basis for examining potential disagreement that may occur during joint decision making in families and argued that disagreement between family members' results from the existence of different cognitive structures, which may include different purchase motives and evaluating beliefs about alternatives. On the basis of above discussion, to explore the existence of disagreements in family purchase decisions in India, following hypotheses were formulated:

- H1: The magnitude of disagreements in family decision making varies across decision making stages.
- H 2: The magnitude of disagreements in decision making stages varies across type of product.
- **H 3:** Pattern of differences in the magnitude of disagreements in decision making stages varies across type of product.

# METHODOLOGY

# Sample Profile

The sample used for the study consisted of 382 rural familes (49.9 percent) and 384 urban families (50.1 percent). The data collection period lasted for eight months from March 2015 to October 2015. A profile of the sample used in the study is provided in Table 1.

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
Family Income (monthly)						
Low (0-20,000)	196	25.6	96	25.1	100	26.0
Middle (20,000 - 60,000)	409	53.4	245	64.1	164	42.7
High (above 60,000)	161	21.0	41	10.8	120	31.3

#### **Table 1: Sample Profile**

*Survey Development and Sampling-* To measure the extent of disagreements that may have occurred among family members during the stages of the family decision making process of selected products, eight-item scale based on the scale developed by Belch et al. (1980) has been used. Children were asked to indicate the extent of disagreements on a five-point scale ranging from "very high" to "nil".

## **Reliability Analysis**

To assess the reliability of the scale items, a reliability analysis was undertaken. The most commonly used reliability coefficient is the Cronbach alpha. For the purpose of the study the same has been used. A summary of the scales employed in the present study along with the reliability coefficients of the multi-item scale is reported in Table 2.

**Table 2: Reliability Analyses of Measures** 

Scale Items	No. of Items	Child Product (α)	Family Product (α)	
Extent of Disagreements				
- Purchase initiation stage <sup>1</sup>	1			
- Information search stage	2	0.77	0.76	
- Final decision making stage	5	0.78	0.80	

Note: 1. Reliability coefficient, alpha, cannot be computed as the scale consists of only one item.

#### 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, mixed-factorial (between-within subjects) repeated measures ANOVAusing SPSS (version 16). Descriptive statistics for child product as well as family product in case of rural and urban families were computed for various aspects of family decision making to ascertain the variations in responses of the surveyed sample.

## RESULTS

Mean disagreement scores across decision making stages for both the child product and family product were computed and are summarised in Table 3. Mean disagreement scores appear to be different across decision making stages for the child product as well as family product: purchase initiation stage (M <sub>child product</sub> = 3.15, M <sub>family product</sub> = 3.12), information search stage (M <sub>child product</sub> = 2.81, M <sub>family product</sub> = 2.89), and final decision making stage (M <sub>child product</sub> = 2.67, M <sub>family product</sub> = 2.70).

Product	Disagreements in Decision Making Stages (DDMS <sup>1</sup> )					
	Stage 1: <u>Purchase initiation</u>	Stage 2: <u>Information search</u>	Stage 3: <u>Final decision</u>			
	Mean <sup>1,2</sup>	Mean <sup>1,2</sup>	Mean <sup>1,2</sup>			
Child product	3.15 (1.20)	2.81 (1.21)	2.67 (0.94)			
Family product	3.12 (1.26)	2.89 (1.19)	2.70 (0.97)			

 Table 3:
 Mean Scores, Standard Deviations for Disagreements in Decision Making Stages (DDMS)

Note: 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.

In order to ascertain whether these differences in mean disagreement scores across the decision making stages and type of product are statistically significant or not, two-way repeated measures ANOVA was applied, with 'disagreements in decision making stages' (3-levels) and 'product type' (2-levels) as within-subject factors. To proceed with repeated measures ANOVA, it is necessary to ensure that the data meet the assumption of sphericity.

Mauchly's test results reported in Table 4 indicate that the assumption of sphericity has been violated for the main effect of disagreements in decision making stages (DDMS),  $\chi^2$  (2) = 99.091, p = 0.000, as well as interaction effect, i.e., joint effect of disagreements in decision making stages and type of product,  $\chi^2$  (2) = 187.222, p = 0.000. Therefore, degrees of freedom of *F*-value were suitably corrected using Huynh-Feldt estimates of sphericity as the epsilon value is found to be greater than 0.75 (Field, 2009).

Within Subjects Effect	Mauchly's	Approx. Chi-	Chi- df re	Sig.	Epsilon		
	W	Square			Greenhouse- Geisser	Huynh- Feldt	Lower- bound
DDMS <sup>1,2</sup>	.878	99.091	2	.000	.892	.893	.500
Products <sup>3</sup>	1.000	.000	0		1.000	1.000	1.000
DDMS <sup>1,2</sup> * Products	.783	187.222	2	.000	.821	.823	.500

#### Table 4: Results Relating to Mauchly's Test of Sphericity

Notes: 1.DDMS: Disagreements in decision making stages (purchase initiation, information search, and final decision).

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

3. The assumption of sphericity is considered to be automatically met as there are only two products (child product and family product).

No such correction was, however, needed in case of variable 'type of product' because the assumption of sphericity is considered to be automatically met as it has only two levels (child product and family product). Therefore, the F-value reported in row 'Sphericity Assumed' was used for the assessment of significance of differences in mean disagreement scores across product type.

The results relating to significance of differences in mean disagreement scores are reported in Table 5. These results clearly indicate that the magnitude of disagreements in family decision making process (DDMS) varies across decision making stages (DMS), F (1.787, 1367.041) = 112.285, p = 0.000, thus providing ample support for H1,i.e., the magnitude of disagreements in family decision making varies across decision making stages.

The result reported in Table 5 indicates that extent of disagreements do not differ significantly across the products, i.e., child product and family product, F(1, 765) = 1.034, p = 0.309, thereby providing no support for H2. This result is in contradiction to the results of Belch et al.'s (1985)

study who have found the extent of disagreements to vary by product class. Similarly, the interaction effect between disagreements across decision making stages and type of product is also found to be insignificant, F(1.646, 1259.187) = 1.869, p = 0.162, as shown in Table 5. Insignificant interaction effect implies that pattern of variations in disagreements across the stages of family decision making process is not a function of product type, hence, the results do not support H3.

Source		Sum of	df1	df2	Mean	<i>F</i> -ratio <sup>5</sup>	Sig.
		Squares			Square		-
DDMS <sup>2,3</sup>	Sphericity Assumed	157.274	2	1530.000	78.637	112.285	.000
	Greenhouse-Geisser	157.274	1.783	1364.072	88.203	112.285	.000
	Huynh-Feldt	157.274	1.787	1367.041	88.011	112.285*	.000
	Lower-bound	157.274	1.000	765.000	157.274	112.285	.000
Products	Sphericity Assumed	1.128	1	765.000	1.128	1.034	.309
	Greenhouse-Geisser	1.128	1.000	765.000	1.128	1.034	.309
	Huynh-Feldt	1.128	1.000	765.000	1.128	1.034	.309
	Lower-bound	1.128	1.000	765.000	1.128	1.034	.309
DDMS <sup>2,3</sup> * Products (IE <sup>4</sup> )	Sphericity Assumed	2.093	2	1530.000	1.046	1.869	.155
	Greenhouse-Geisser	2.093	1.643	1256.840	1.274	1.869	.162
	Huynh-Feldt	2.093	1.646	1259.187	1.271	1.869	.162
	Lower-bound	2.093	1.000	765.000	2.093	1.869	.172

Table 5: Results Relating to Tests of Within-Subjects Effects<sup>1</sup>

Notes: 1. Values typed in **bold** pertain to the results used for analysis in the present study.

2. DDMS: Disagreements in decision making stages (purchase initiation, information search, and final decision).

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

4. IE: Interaction effect.

5. Significant at p < 0.05

## CONCLUSION

This study has been conducted to examine theextent to which the disagreements exist across stages of the decision making process in the purchase of child product and family product in Indian families. For this purpose, it was hypothesized that: (i) the magnitude of disagreements in family decision making varies across decision making stages (H1), (ii) the magnitude of disagreements in family decision making varies across type of product (H2), and (iii) the pattern of disagreements in decision making stages varies across type of product (H3). Excepting H1, other hypotheses have found no support from aggregative data analysis results.

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