Title of the Research paper:

Identifying the role played by children in the purchase of few High Involvement Products.

AUTHOR'S DETAILS

Name of the Author: Mrs. Pallavi K. Mhatre

Affiliation: Asst. Prof. MET Institute of Management, Mumbai.

CONTACT DETAILS

Email id: pallavikmhatre@rediffmail.com, pallavim_iom@met.edu

Telephone Nos.: 9833807687, 26208613

Postal Addresses :

Official: MET Institute of Management, Bandra Reclamation, Bandra, Mumbai - 400050

<u>Residential</u>: Annapurna Sadan, 2nd floor, Juhu church Rd., Opp. Juhu Laundry, Juhu, Mumbai- 400 049

Track Name: Innovative Marketing Strategies

Brief profile: Mrs. Pallavi K. Mhatre has completed her Bachelor's in Commerce integrated with a three years UGC sponsored course in Advertising, Sales Promotion and Sales Management and Master's in Management Studies, both from the University of Mumbai, India. She has also pursued M.Phil from Madurai Kamaraj University, India and possesses over one decade of teaching experience in Marketing and General Management and is

currently pursuing PhD from SNDT women's University in Marketing. With a flair for Research, she has presented papers at National and International Conferences and has special interest in the area of Marketing to Children and has also been awarded as the Best Paper presentation, first prize at a National Conference in the recent past. She is presently associated as an Asst. Prof. with MET Institute of Management, Mumbai, India.

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<u>Abstract</u>

The objectives are to understand the influence of children on the purchase decisions made by parents, to Identify the product categories for which children's influence felt by the parents on the purchase decisions made by them is the most and to Identify the role played by children in the purchase of few High Involvement Products.

A Stratified Random Sampling style using Age of the Child as a Stratification Variable has been used, sample size being fifty.

Questionnaire has been used as the instrument for Data Collection which has been facilitated through the 'Facebook' and 'Email Post' of "Survey Monkey" and also through the offline mode.

Using Descriptive Statistics, the following conclusions have been arrived at.

Cornflakes, Chocolates, Biscuits, Namkeen Indian Snacks are among the Product categories for which children's influence felt by the parents on the purchase decisions made by them is the most and majority of the parents feel that for most high involvement product categories covered in the study, children play the role of 'Initiator' but for Holiday Destination children play the role of 'Influencer'.

Keywords

Children upto eleven, purchase decisions, influence, high involvement product categories.

Introduction

Marketers today are constantly facing new challenges. One such challenge is, understanding the role played by children in the purchase decisions made by the parents. Here, newer perspectives such as; product categories for which parents tend to allow the influence of children on the purchase decisions made by them, what role does the child play in the purchase decisions of High Involvement Product Categories made by the parents may be explored especially with reference to Understanding of Consumer Behaviour ; i.e. the role of an initiator, an influencer, a decision maker, or a user played by the children.

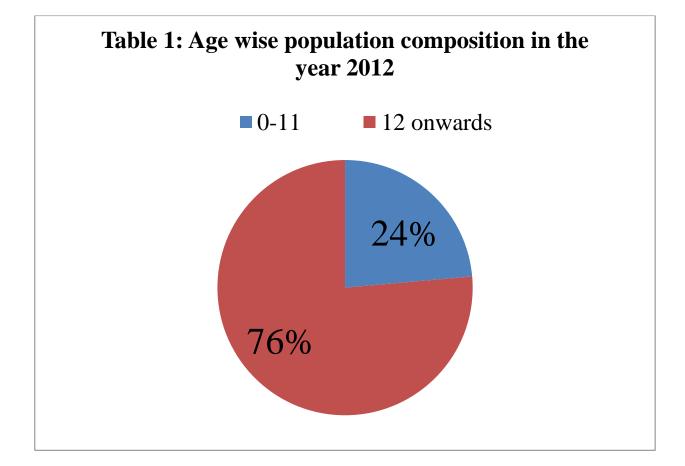
The role of the child in the family purchase decisions is prominent and increasing over the years. Children today are understood to be exerting influence on products which are meant not only for their direct consumption but also on those which are generally infrequent and high involvement products purchased by the family (Pollay, 1968).

It means that children are not just influencing purchases made by the family of products such as chocolates, school stationary, health drinks but also of products such as cars, investment products etc. which are high involvement products purchased by the family (Sethi, The Kid in the Driver's Seat, 2011). This can also be witnessed by the growing trend of especially Television advertisements of these products endorsing children.

The present study is aimed at understanding the influence of children on the purchase decisions made by parents, also at Identifying product categories for which children's influence felt by the parents on the purchase decisions made by them is the most and at Identifying the role played by children in the purchase of few High Involvement Products.

As per the data available on U.S. Census Bureau, Children in India in the age group of upto eleven years constitute approximately one-fourth of the population as in the year 2012. United States Census Bureau, 2012, Mid- year Population by Single Year Age Groups – Custom Region – India <u>http://www.census.gov/population/international/data/idb/region.php</u> (Accessed on June

25, 2012)



Source: U.S. Census Bureau, International Data base

As seen in the graph above, children in the age group of upto eleven years cover nearly twenty five percent of the Population of India in the year 2012 which is a sizeable market.

Research Questions

1. Children's influence on purchase decisions made by parents?

2. Identifying the product categories for which children's influence felt by the parents on the purchase decisions made by them is the most.

3. Identifying the role played by the child in purchasing few High Involvement Products.

Literature Review

Children constitute an important target market segment and merit attention from a marketing perspective. The role that children play in making decisions concerning the entire family unit has prompted researchers' attention.

The general findings of one study conducted in Nigeria suggest that children's influence on family decision making in Nigeria is limited to products of *direct use to children*. Findings also reveal that the children are more influential on *need recognition, where to buy, when to buy* and *which to buy sub-decisions*. On the other hand, the parents perceive children to have very little influence on family decision making, as they (parents) state themselves as the most influential units of family decision making. Thus, the study also suggests that parents underestimate the role of children in family buying decisions. (Akinyele, 2010).

According to the statistics given by Indian Television (2006), children drive 84 to 96 percent of the purchase decisions for themselves and their family for the products like ice creams, candies, books. Generally the products covered here are low value products which children tend to consume more often and mothers claim that they consult children or let children

choose for themselves and the family. Indian Television.com, 2006, Market Database, Demographics

http://www.indiantelevision.com/marketdatabase/demographics/kidpower.htm

(Accessed on July 6, 2012)

The work on the broad area of *Consumer Behaviour with respect to Children in India* is relatively scarce. In one such study (Swati Soni, 2007) the focus has been on three areas; Rising Consumerism in children owing to the flood of new TV programming, premature brand learning that plays an important role in future brand selection behaviour, children's culture which is over dominated by technologically mediated entertainment and advertising. The findings of the study have been as follows; kids are emerging as a homogenous consumer cluster of their own with peer group factor and mass media having an overwhelming impact on their brand choice, consumption behaviour and consumption patterns. Kids are ever experimenting, they do not take anything for granted and want to learn while having fun. There is no stickiness, no brand loyalty, ultimate materialism and consumerism in sync with the latest trends and fads.

A study undertaken in India indicates that Indian children love watching television and prefer it over social interaction, physical and developmental activities. It also indicates that Television advertisements provide children the knowledge about products and brands. It demonstrates that children demand more of the product whose advertisements *they like*. (Manish Mittal, 2010).

In a study undertaken by Lewis A. Berey and Richard W. Pollay related to the role of the child as an influencer of consumer decisions, purchase behaviour by the *mother* of a child's

preferred packaged cereals was related to the *child's assertiveness* and the *mother's child-centeredness* (Pollay, 1968). It was found that though child-centeredness of the mother may increase her receptivity to influence by the child, for cereals there is apparently the stronger effect of the mother being in strong disagreement with the child over what brands to purchase. Awareness of the strength of this "gatekeeper" effect has some strong implications for marketing firms with the child being involved. Given that the mother is not only a purchasing agent for the child but also an agent who superimposes her preferences over those of the child, it is clear that a lot of advertising would be well directed at the mother, even if the mother is not a 'consumer' of the product. Without such advertising, the child's influence attempts may be largely ignored if the mother thinks the brand desired is an inferior one.

Based on the study conducted by Berey and Pollay, Scott Ward and Daniel B. Wackman, have studied children's attempts to influence mothers' purchases of various products and mothers' yielding to these attempts (Wackman, 1972). The focus of their study being television advertising's influence on intrafamily interaction and behaviour. In their study mothers were asked to indicate the frequency of their child's purchase influence attempts. The twenty-two product categories covered here, were heavily advertised, but varied in price, frequency of purchase, and relevance to the child (direct consumption or use by the child versus consumption or use by other family members). Analysis indicated that, children frequently attempted to influence purchases for food products, but these attempts decreased with age. Mothers of younger children (five to seven year olds) indicated frequent influence attempts for game and toy purchases, while mothers of older children (eleven to twelve year olds) indicated frequent purchase influence attempts for clothing and record albums. For

parental yielding, across most product categories, the older the child, the more likely mothers are to yield to influence attempts, perhaps because older children generally ask for less. Thus, while parents may receive more purchase influence attempts from young children, they are more likely to act on them as the child grows older.

There has also been a study indicating that no unique characteristics or set of characteristics increases the likelihood of a *mother's* yielding to her children's influence attempts. Rather the data suggest that variables which increase the likelihood of parental yielding are *product specific*. (Sunil Mehrotra, 1977).

In his book, Children as Consumers: Insights and Implications, James U. McNeal (Becker, 1987) has affirmed that children are in fact consumers and do, in fact, constitute a 'market'. His concern emphasized throughout the book is that, children should be both better educated for their consumer roles and better served by the businesses that seek them as customers. However, the larger issue on a child not only being a '*consumer but also a human being*' has not been tapped enough in the book.

There are other books such as Kidfluence : The Marketer's Guide to Understanding and Reaching Generation Y -- Kids, Tweens and Teens by Anne Sutherland and Beth Thompson, Why we Buy: The Science of Shopping by Paco Underhill, among other titles which the researcher aims to review as a part of this study.

As per an article in (Leonhardt David, 1997), referring the market in the USA, Marketers had long ignored children but are now systematically pursuing them – even when the tykes are years away from being able to buy their products. In the article there is a mention of various non-traditional marketing programmes, loyalty programmes etc. As per the article,

at age 7, *collectibles* is the attraction. It states that, 'Already avid consumers, these kids are way past merely wanting everything they see. Now they have cravings, created in part by the ads they see and the toy friends amass. Shopping has become a competitive sport; from Beanie Babies to Barbies, they want more of them.'

As per a newspaper article based on a study conducted by Insight Instore, which is into Trend Research and Retail Shopper Marketing Consultancy (Sethi, 2011), "What is quite interesting is apart from sectors that are directly related to children – like games, toys, apparel etc. – they are also influencing categories that do not relate to them directly. Like which car to buy, their Dad's mobile or even the cosmetics their mother uses. But then, should such awareness be surprising? With early maturing and awareness comes opinion, which is encouraged and heard by parents. Brand pundits for some time now have been talking about the KGOY generation – Kids Getting Older Younger. (Seybold, 2005). "The urban nuclear family relies on each other to accomplish tasks at home", says Sheetal Jayaraj of Bangalore based marketing consultancy, Insight Instore. "Children today seamlessly merge the physical and digital. They learn early on how to heat their food when their parents are late from work, how to get the washing machine going and so on....this participation has an impact on the decision making process.

The author Millward Brown along with other authors including a team of 500 people has conducted the world's most extensive study on tween attitudes and their relationship to brands (Seybold, 2005). In this book he has made a reference to KGOY – (Kids grow up Young) generation. It has been stated that the present generation has been tagged as the 'age of compression', it is a 24-7 generation expecting 24-7 brands.

However, given the brief literature review, it has been found that there has been no specific study on Identifying the role played by children in the purchase of few High Involvement Products.

Through this study, there is an attempt made to address this issue.

Contribution of the study

The present study is aimed at understanding the influence of children on the purchase decisions made by parents and also at Identifying the role played by children in the purchase of few High Involvement Products. This study aims at a kick start in the area of the influence that Children have on the purchase decisions made by parents as it is one of the initial ones in the Indian context which will identify few High Involvement product categories where parents tend to allow the influence of children on the purchase decisions made by them. Thus, despite the developments in the area of Understanding of the Consumer Behaviour, this study aims at contributing for the above issues.

Research Design and Methodology

1. Objectives of the Study:

a. To find out if children do have an influence on purchase decisions made by parents.

b. To identify the product categories for which children's influence felt by the parents on the purchase decisions made by them is the most.

c. To identify the role played by the child in purchasing few High Involvement Products.

2. Sample Design

Sample Size: About 50 Parents

Sample Type: Parents having atleast one child in the age group of upto eleven years.

A *stratified Random Sampling* style using *Age as a Stratification Variable* will be used for the purpose of data collection.

3. The instrument

Based on the facilities available in the 'Basic Account' of Survey Monkey, the world's leading provider of web-based survey solutions, a Questionnaire has been designed by the Researcher comprising the required Questions including Demographic information of respondents. These questions had been prepared based on the Research Questions stated earlier. The Five point scale has been used for all the questions except the demographic information of respondents.

4. Procedure of Data Collection

Data Collection has been planned and executed through the online and offline means.

The researcher has enabled the *online* data collection process with the help of Survey Monkey. Their Basic product has been used and data has been collected with the help of sending 'Email invitation' and 'Facebook Post'. Data has also been collected *offline* by circulating the printed questionnaires among the respondents. *Telephonic interviews* have also been conducted.

5. Results and discussion

After scrutiny of the questionnaires, only those which have been completely filled in have been considered as *usable* responses.

Such usable responses have been considered for further analysis.

The concerned data which has been collected as above has been entered in SPSS Statistics 20 for analysis.

With the help of mean values, the influence of children on the purchase decisions made by parents and the role played by the child in purchasing few High Involvement Products has been analysed.

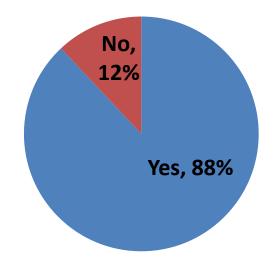


Table 2:Do children influence purchase decisions made by parents?

Table 3 Product categories for which children's influence felt by the parents on thepurchase decisions made by them is the most.

Always	Often	Sometimes	Never
 Cornflakes Chocolates Biscuits Namkeen	•Bath Soap	 Holiday	 Laptops Smartphones Detergent Banking
Indian Snacks Noodles Chips Shampoo	•Dining Outside	Destination Toothpaste	Products Vehicle Playstations

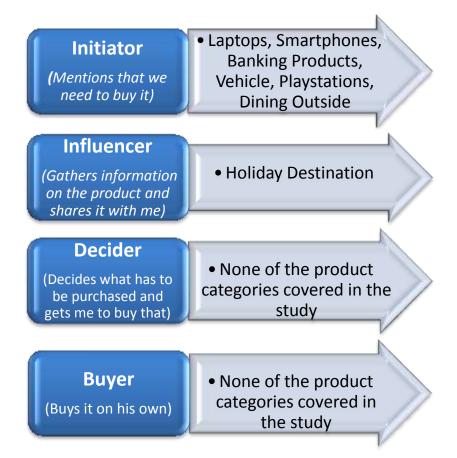


 Table 4: Role played by children in purchasing few High Involvement Products.

Implications of the study

The present study is aimed at understanding the influence of children on the purchase decisions made by parents, also at Identifying product categories for which children's influence felt by the parents on the purchase decisions made by them is the most and at Identifying the role played by children in the purchase of few High Involvement Products.

Having identified such product categories, they can be considered for further research related to Understanding of Consumer Behaviour i.e. the role of an initiator, an influencer, a

decision maker, or a user played by children for the selected High Involvement product categories.

Research Limitations

The study is limited to children in the age group of upto eleven years. The sample selected has geographic limitations.

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