Chapter 2

Review of Literature
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Research on consumer behaviour of child consumers started during second half of the twentieth century and has accelerated during recent years. Many of studies at national and international levels have been conducted to find out the consumer behaviour in various dimensions. Review of literature helps the researcher in understanding the consumer behaviour of children, factors influencing consumer choice, marketing of toys and consumer decision making. The present chapter of Review of Literature is classified into two parts: consumer behaviour of parents and consumer behaviour of children.

2.1 Consumer behaviour of parents

**Duracell toy survey (2005)** conducted an interview of children and parents in nine European countries. Fifty boys and fifty girls were included in the survey in each country, giving an overall total of 900 children aged five to ten years and their parents to form the sample. The study was carried out in Belgium, France, Italy, Germany, the Netherlands, Portugal, Spain, Sweden and the UK. Within each country, two locations were selected as testing centers and 50 boys and 50 girls were given a selection of toys to assess. The study found that, in order to make decisions when purchasing toys for their children, the important factors considered by parents were

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children’s opinion (89%), and quality of toys (75%). Toys play an important part in child development; and in southern Europe (France, Italy, Spain and Portugal) the number one quality looked for in a toy is educational value. Educational value was identified by 74% of the parents across Europe as the primary quality required for a toy.

Chan and McNeal (2003)\(^{24}\) in a study of Chinese parents, reported that parents indulged in considerable gate keeping for children’s products. They exhibited strict control over the kinds of products that children could buy, while at the same time allowing children some freedom in choosing brands of permissible products.

Kumar (2003)\(^{25}\) revealed that the majority of the consumers were highly enlightened and were concerned about the quality of the products. He also revealed that the consumers, uniformly in urban and rural areas, desired to have quality products at reasonable prices and trusted more on the advice of the retailers.

Vikas Saraf (2003)\(^{26}\) in his study has found that brands are successful because the people prefer branded products to ordinary products. In addition to the psychological factors, brands give consumers the means whereby they can make choice and judgements. Customers can then rely on


chosen brands to guarantee standard quality and services. People believe that the brand itself is something that changes consumer behaviour.

**Gaur and Vaheed (2002)** observed that consumers’ buying behaviour normally included the less observable decision process that accompany consumption including where, how often and under what conditions consumers made their purchase of desired goods and services.

**Rodge (2001)** in his study, “Influence of advertisement on consumers of different age groups and areas” found that rural consumers attached more importance to the advertisement and its impact, as compared to urban consumers. He also point out that rural consumers are more influenced by electronic media than print media.

**Gupta and Verma (2000)** examined the influence of husband, wife and children and the interaction between them in the purchase decision process. The study also focused on the influence of socio-economic variables like age, education, income and employment in the decision dimensions and found that income of the family and women employment were the major factors influencing decision making.

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Woodard (1999)\textsuperscript{30} A study in consumer behaviour among women in US by the National Foundation of Women Business Owners found that 57\% of women business owners, who used the Internet, had purchased online, compared to 40\% of female employees who used the Internet had purchased online. Women contributed more than $3.6\,\text{trillion} in revenues from their purchases online. Also, 30\% of women business owners/executives, compared to 23\% of other working women, had ordered from a catalogue.

Williams and Veeck (1998)\textsuperscript{31} noted that no particular attitude or set of attitudes uniquely determined for all products whether a mother would be influenced by her child or not. Child-centered mothers were more likely to be influenced by their children and family-oriented mothers or women with close-knit families were more susceptible to children’s influence.

Katy and Dipika (1997)\textsuperscript{32} in their study attempted to analyse consumer’s purchase behaviour over two periods in the cities of Mumbai, Calcutta and Delhi. The study showed that Calcutta seemed to be opting for reduced consumption as a way of economizing rather than downgrading on product quality.

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Kulkarni and Murali (1996)\textsuperscript{33} in the study on purchasing practices of consumers of Parbhani town observed that majority of the household’s purchases were done by the husband and wife jointly. Most of the consumers preferred quality of the goods, while purchasing on cash payment method; and brought the goods from retail outlets.

Skinner (1990)\textsuperscript{34} notes that when a consumer purchases an unfamiliar expensive product he/she uses a large number of criteria to evaluate alternative brands and spends a great deal of time seeking information and deciding on the purchase. The type of decision making used varied from person to person and from product to product.

Raut (1987)\textsuperscript{35} in his study on consumer attitudes towards advertising pointed out that 89 percent of the respondents believed that advertising was useful to the consumers for giving convenient information about the products and to increase consumer awareness. It also provided an opportunity to make comparison, and to make shopping easier to the consumers.


Park and Lutz (1982) examined individual’s choice behaviour at different stages of the choice process in a house purchasing decision. The research was designed to study an individual’s choice dynamics by examining three stages of the home purchasing decision on a longitudinal basis, i.e., the pre-search, search and post-search stages. The results revealed bounded stability of the decision maker’s initial decision plan. The decision maker maintained much of the original decision structure while accommodating necessary changes arising from market realities and learning.

Berey and Pollay (1968) studied mother and child dyads making purchases of ready-to-eat breakfast cereals. They noted that most products were not directly available to a child and the parents generally act as intermediary purchasing agents for the child. In such cases, the extent of influence a child may have on a parent’s purchase decision depends on at least two factors: the child’s assertiveness and the parent’s child-centeredness. They hypothesized that the more assertive the child or the more child-centered the mother, the more likely the mother will purchase child’s favorite brands. However, they found that the mother played a “gatekeeper” role and bought cereals that weighed strongly on nutrition. In case of disagreement with the child over brand decisions, the mother tried to

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superimpose her preferences over those of the child. They reasoned that such outcomes stemmed from the mother’s perception of the quality of information possessed by the child. Yet, they found that assertiveness by a child could increase the likelihood of the child having his/her favorite brands purchased.

**Komarovsky 1961**

A study of “class differences in family decision making” indicate that, joint involvement in decision-making is found to occur most in middle income families and among younger couples and is related to the extent of husband-wife communication. Apparently, among older married couples role specialisation become more rigid.

### 2.2 Consumer behaviour of Children

**Rajashree Ajith (2005)** in the study “Potential of Entertainment Marketing in India with Special Reference to Children”, the sample used for the study constituted of 396 children studying in the classes of 5 to 7 in the schools at Thiruvananthapuram. After an interview schedule, 63 respondents were also selected from different areas like Manufacturers/ Publishers/ Producers and Marketers of toys, entertainment parks, books, children’s publications, CD Roms, board games and video games. The study found that

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there was a significant difference between the percentages of children who have branded toys, who know about branded toys and who like branded toys. The analysis reveals that the Barbie range of toys manufactured and marketed by Leo-mattel is the favourite toy of 40.4% of female children and 4.78% of male children. The analysis also shows that 53.53% of children like Indian toys rather than foreign toys. The percentage of distribution of toy marketers with respect to adhering to safety guidelines was analysed. Only 30% of toy marketers conform to safety guidelines, while 20% of the toy marketers try to conform to safety guidelines. Of the remaining, 30% do not conform to any safety guidelines. The remaining 20% did not respond in this regard. 30% of toy marketers offer benefit to their customers. Small gifts like book, toy etc. and guarantee/warranty for specific periods are the other benefits offered. 20% of toy marketers offer after-sale replacement of defective items.

Kaur and Singh (2006) noted that children in India may not have the purchasing power comparable to their Western counterparts, but they are still the centre of the universe in the Indian family system, and they can actually pull the parents to visit a place time and again. Children are an enormously powerful medium for relationship building in India. They not only influence markets in terms of the parental decision-making to buy certain kinds of products, they are also future consumers with the booming

economy. Indian parents are marching forward in the race of acquiring material possessions for their children which is not found in the American parent sample.

**Belch et al. (2005)** proposed that, teenagers are high users of the Internet, and they have greater access to market information which could impact their influence in family decision making. They found that teens, who perceived themselves to be “Internet mavens” (Individuals who are relied upon more for providing information from the virtual marketplace), as well as their parents believed that teens were more influential in all stages - initiation and information search, alternative evaluation and final decision stages. However, their influence was higher in the initiation and information search stages as compared to alternative evaluation and final decision stages.

**Kapoor and Verma (2005)** investigated children’s understanding of TV advertising in a comprehensive study in Delhi. The study found that child as small as six years old could understand the purpose of TV ads and distinguish between a commercial and a TV program. With an increase in the age of the child, cognitive understanding of the ad increased and children above the age of eight years were able to respond to TV ads in a mature and informed manner. Heavy viewing was positively associated with favourable attitudes towards TV ads and, conversely, interest in ads declined with age.

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Children’s exposure to TV ads was determined to a large extent by parents’ control of their viewing. Parent-child interaction played an important role in the children’s learning of positive consumer values, and their parents perceiving the influence as positive on their children’s buying response.

Halan (2002)\textsuperscript{43} in a focus group study by Kids-Link, the market research group of Kid Stuff Promos and Events with boys and girls in the age group of 13-15 years in Delhi, girls estimated that they were able to influence 50 percent of the decisions. The study highlighted that kids had a lot of information because of exposure to television, other media, and friends.

Page and Ridgway (2001)\textsuperscript{44} conducted two studies, with the same sample of 84 children aged 11-12 years from the same school. In the first study they performed an extensive qualitative evaluation of consumer environments of children from disparate socio-economic backgrounds. In the second study, they surveyed the same children to collect data related to their consumption patterns. Findings showed that their socio-economic background appeared to play a large role in the children’s responses.

Lee and Collins (1999)\textsuperscript{45} proposed that when more than two family members were in conflict during the purchase decision process, the third

\textsuperscript{45} Lee, C.KC and B.A.Collins. (1999). Family Decision Making and Coalition Patterns, Department of Marketing, University of Auckland, New Zealand
parties (children) might form alliances to aid one side against the other. They investigated patterns of influence and coalition patterns across three stages of the decision making process, namely Configuration (synonymous with problem recognition and search for information), Negotiation (synonymous with evaluation of alternatives), and Outcome (final decision) stage. It was found that children tended to use motive strategies to gain influence. At the same time, the influence of family members varied in response to the gender mix of the children.

**Valkenburg (1999)** in a survey of, “The development of a child into a consumer” pointed out that 40% of the parents of 2 year olds, out of a sample of 360 Dutch parents studied, said that their children had recognized an advertised product in the store. This percentage increased rapidly with increase in age. About 60% of the 3 year olds, 84% of the 4 year olds, and 88% of the 5 year olds were reported to have recognized an advertised product in the store.

**Bredehoft et al (1998)** points out that overindulgent parents inundate their children with family resources such as material wealth, time, experience and lack of responsibility. They give children too much of what looks good, too soon, too long and at developmentally inappropriate times.

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46 Valkenburg P.M (1999). Do ontwikkeling van kind tot consument (The development of a child into a consumer). Tijdschrift voor communicatie wetenschap 27, 30-46  
Overindulgent parents may overindulge to meet their own needs, not the needs of their children.

**Acuff (1997)** In a qualitative study, 3 dolls were presented among the 5 year old girls, two of the dolls were very expensive, had beautiful and realistic faces, and came with sophisticated mechanical effects. The third doll was cheaply made, but this doll had a big, red sequined heart on her dress. To the surprise of the researchers, the majority of the girls preferred the cheap doll with the sequined heart. This consumer behavior is typical of preschoolers. When judging a product, they focus their attention on one striking characteristic.

**McNeal and Yeh (1997)** conducted a study to obtain descriptions of the nature and extent of 4 to 12 year old Chinese children’s consumer behaviour, using two pre-tested questionnaires. One of them was used to measure children’s spending and the other their influence on parents’ spending. This study of urban Chinese children’s consumer behaviour suggested that the consumer role was an important factor in urban family life in spite of China’s fundamental socialist structure. Findings indicated that they were given money to participate in the consumer role at an age as early as 4 years and to teach them the consumer behaviour of saving as well as

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that of spending. Moreover, it was found that Chinese children’s overall index of influence on family spending on 25 items was around 68%.

McNeal (1992)\textsuperscript{50} in his study “Kids as customers: a handbook of marketing to children”, found that children of age group of 9-10 years were visiting different types of stores and making purchases on their own, several times a week. Although the children’s consumer behaviour continues to develop during adolescence and adulthood, by age 12, children become acquainted with all aspects of their consumer behavior, at least in a rudimentary form. Typically, they are able to (1) feel wants and preferences (as early as infancy and toddlerhood); (2) search to fulfill them (as early as the pre-school period); (3) make a choice and a purchase (from the early elementary school period on); and (4) evaluate a product and its alternatives (as early as the later elementary school period).

McNeal and Yeh (1990)\textsuperscript{51} conducted a study of Taiwanese children’s consumer behaviour and this information was then compared with that of American children. Results indicated that even though Taiwan was a newly industrialized region, its children ranked high on a scale of consumer socialization compared with American youngsters, and the parents of Taiwanese children asserted greater control over their children’s consumer behaviour than American parents.


\textsuperscript{51} McNeal J.U & Yeh, C.H (1990) Taiwanese children as consumers, European Journal of Marketing, 24, 32-43
Belch et al., 1985\textsuperscript{52} noted that, influence of children varies by product, product sub-division, stage of the decision-making process, nature of socialization of children, families, gender role orientation, demographic features such as age and gender, and also by respondent selected for investigation of relative influence.

Hendrickson, Strain, Tremblay & Shores (1981)\textsuperscript{53} conducted a study of “Relationship between toy and material use and the occurrence of social interactive behaviours by normally developing pre-school children”. The characteristics of groups were 115 children without disabilities, of age group 2-6 years. The study found that majority of toys were used in an isolated manner at sometime, and toys were used in more than one play context.

A. Materials associated mostly with isolated plays are puzzles, templates, parquets, peg boards, toy animals, paper/pencil, sink, car or truck, pull toys, tinker toys, LEGO\textregistered{}s and paper cutouts.

B. Materials associated with parallel play: climbing apparatus, musical instruments, play in loft, erasable tablets, toy trucks and cars, crayons, bottles, toy phone, paint/easel and sand/water table.


C. Materials associated with share/cooperative play: Books, balls, puppet stage, dress up clothes, post office toy, wagon, giant pillow, clay and dough, blocks toy housekeeping materials and records/record player.

D. Materials associated with physical assistance: toy sewing machine

Hemple (1974) in his study of “family buying decision: a cross cultural perspective”, about the most influential parties at the need recognition stage. He pointed out that children are more likely to participate in the need identification stage than in later stages.

Friders (1973) in his research study, looked at the impact of toy advertising upon children between the ages of 5 and 8 years. It was found that 78% of children had first seen or heard of a toy from TV and 22% of them through a playmate or schoolmate. Moreover, findings showed that TV commercials persuaded kids who then persuaded their parents to buy certain brands of toys. Friders, providing further indication that there was a relationship between the decision of purchase and the social classes, has demonstrated that families from middle income levels gave more weight to the preferences of their children while purchasing toys compared to low income level families.

Munn (1971)\textsuperscript{56} in his study of 300 children between the ages of 2 and 8 years has indicated that all children are influenced by the commercials on television intended for children and that the programmes related to children are the most effective means of advertisement. Munn has also expressed that the families are influenced by their children in their purchases.

Sundberg et al. (1969)\textsuperscript{57} reported that Indian girls perceived their families as significantly more cohesive than Indian boys; however, the absolute difference was not great. Sex differences in decision making were also found to be stronger in India than in America.

The research also demonstrated that there were differences between the sexes of the children and their behaviour, knowledge and activities related to consumer behaviour.

Mc Neal J (1965)\textsuperscript{58} Conducted a study in order to determine the consumer behaviour of children. The study found that purchasing power was commonly possessed by the 5-year-olds, that 7-year-old children viewed money as a necessity for acquiring goods, and that by the age of 9, children became practicing consumers. Children’s attitudes towards purchasing goods by themselves greatly increase after the age of 9 years. This


researcher states that the above mentioned habit of children is largely affected by their families’ orienting their children towards this direction and letting them buy things by themselves. The girls dominate when mothers are accompanying them and the boys dominate, when fathers are accompanying. The interaction between the sexes of the children consumers and the accompanying persons is found to be quite significant (p<0.01) for both age groups. The interaction between the socio-economic level and the accompanying persons becomes statistically significant (p<0.05) in the 11-12 years age group. The interaction between the ages of the subjects and the persons accompanying is also found to be statistically significant (p<0.01). Evaluation of the questionnaires showed that the goods which were most likely to be purchased by the subjects could be grouped into six categories: food and drinks, clothes, school and writing materials, book and magazines, toys and gifts. The purchasing tendency increases significantly as they grow up. On the other hand, it is understood that the behaviour of boys and girls is quite different and that girls attribute greater importance towards buying gifts than boys do.
2.3 Operational definitions of the terms used in the study

- EKB model is the most popular one in marketing. The researcher adopted different stages of the model to analyse the buying behaviour of parents in the toys market.

- The terms “toys market” and “toy market” are used in the articles and various publications in national and international journals. However, the researcher used the word “toys market” in the present study.

The review of the literature helps the researcher to identify the important variables like various toys, concept of quality, buyer behaviour, children’s attitude in the toys market, branded toys, retail outlet and demographic variables. These variables are the key factors in the present study of ‘consumer behaviour in toys market’. Operational definitions reveal the usage terms which are being followed in the study, and chapter 3 gives an overview of toys market and consumer behaviour.