CHAPTER 2

REVIEW OF THE LITERATURE

2.1 An Overview of Family as a Decision making Unit

The family is the most important consumer-buying organization in society, and family members constitute the most influential primary reference group (Kotler, 2003). According to Moschis (1985) a person acquires an orientation towards religion, politics and economics and a sense of personal ambition, self worth and love from his parents i.e. his family of orientation. Even if the buyer no longer interacts very much with his parents, their influence on the buyer behaviour can be significant. In countries where parents live with grown children, their influence can be substantial. A more direct influence on everyday buying behaviour is the family of procreation - namely, one’s spouse and children.

One of the trickiest problems for marketers is trying to figure out who makes purchase decisions for a household. The problem being that there is rarely consensus among couples themselves. This may be caused, in part, by a difference in understanding what influence means (Klein, 1998). The information about who influences the purchase decision within a family setup serves as the basic input in designing the marketing communication and subsequently in media selection.

Since 1970 the interest of consumer researchers increased in examining the extent and nature of husband-wife influence in purchase decisions after the pioneering work of Davis (1970, 1971, 1974, and 1976). Davis’ studies provided an impetus to the other researchers who too focused their energies on the dynamics of home buying by the families and the roles played by the various members. Not surprisingly, they note a high degree of joint decision making in this respect (Blood & Wolfe, 1960; Bernhardt, 1974; Cunningham & Green, 1974; Davis & Rigaux,
1974; Hempel, 1974; and Munsinger, Weber & Hasnen, 1975). Those studies that subdivided the purchase into several interrelated decisions (Bernhardt, 1974) found considerable variability in the relative involvement of husband and wife.

Family-member influence in durable goods buying has been a popular arena of research. Research in this area is more abundant than that on frequently purchased items. This is due to the simple reason that one-time purchases are likely to involve more than one household member. In contrast to non-durables, purchases of durable goods are often preceded by a progression of interrelated and critical decisions (like timing of purchase, acquisition of funds etc.) and activities through time. Husbands, wives, and children have more opportunities to become involved at one or more steps in the process.

Another popular area of research has been in the case of automobile purchase (Blood & Wolfe, 1960; Brehl & Callahan Research, 1967; Conway / Milliken Research, 1969; Davis, 1970, 1972; Green & Cuningham, 1975; and Haley, Overholer & Associates, 1975; Kapoor, 2003). Some researchers have used overall measures of influence on “deciding about buying a new car”. Others have focused on husband-wife influence regarding specific product attributes (e.g., make, model, color, interior, accessories, size, performance, features), shopping or use characteristics and budget considerations (e.g., price or when to buy).

Researchers have categorised household decision making as husband dominated, wife dominated, syncratic (joint decision) and autonomic (individualised decisions) (Herbst, 1952; Davis & Rigaux, 1974 and Lavin, 1985). Husband dominated decisions were more prevalent in the purchase of such products as automobiles (Cunningham & Green, 1974; Kapoor, 2003). Wife was found to exert considerable influence on furniture purchase (Burns, 1981) food products (Haley and Overholser, 1975; Sayulu & Reddy, 1998; Ramaswamy & Namakumari, 2002; Kotler, 2003; Nagaraja, 2004) and small appliances (Burns & Diverse, 1981). In a number of purchase decisions syncratic pattern was found such as buying home (Munsinger, Weber & Hansen, 1975) and vacation (Filiatrault & Ritchie, 1980).
Market researchers Filiatrault & Ritchie (1980) suggest that seven variables are associated with joint decision-making. In their view, families are likely to make decisions together when the perceived risk associated with the decision is high, when ample time is available for the decision, when the family places great importance on the decision, when there are no children in the family, and when the family contains two spouses but only one breadwinner. When all members of the family are also decision-makers, the family makes it consumer choice “as a family”.

Research in this area has indicated that husband/wife influence in purchase decision process depends to a great extent on three factors. Firstly, this influence is product specific (Converse, et al., 1958; Wolff, 1958; Beckman & Davidson, 1962, Ferber & Lee, 1974; Wilkes, 1975; Davis, 1976; Woodside & Motes, 1979 and Belch et al., 1985); Woodside & Motes, (1979). Secondly, within a specific product category the husband-wife influence is also the function of stages in purchase decision process (Davis & Rigaux, 1974; Park & Lutz, 1982 and Belch et al., 1985). Thirdly, it also depends on the specific purchase factors (Bonfield, 1978 and Belch et al., 1985).

According to Aronoff & Crano (1975) and Davis (1976) the marital role influence was found to vary among families while Cunningham and Green (1974) found that relative roles of husband and wife in purchase decisions change with the passage of time. Various mediating variables, which may have influence on family decision making, have been examined by a number of researchers (e.g. Kim & Khoury, 1987; Komarovsky, 1961; Michman, 1980). For example, Hallenbeck (1966) looked at the relative influence of referent power in the marriage and its possible link to decision making. Sheth (1974) and Hill (1988) have examined the impact of stage of the family life cycle. The role of social networks has been explored by Rogler & Procidano (1986).

The role of family members also varies widely between countries and social classes (Kotler, 2003). Vietnamese Americans, for example, are more likely to adhere to traditional model where man makes the decisions for any large purchase.

It is only recently has research begun to examine more in-depth cross-cultural aspects of family (i.e. husband-wife) purchase decision making (Cunningham &
Green, 1974; Callan & Gallois, 1985; Green, Leonardi, Chandon, Cunningham, Vertage & Strazzieri, 1983; and Ford, LaTaur & Herthorne, 1995). At the forefront among these efforts is the work of Sullivan & O'Connor (1988). The typology of international societal sex role development refined by Sullivan & O'Connor (1988) utilizes societal development as a predictor variable on family decision making. This typology ranges from a patriarchal (or, to a lesser extent, matriarchal) orientation typical of many developing nations (e.g. India) to an orientation more fully characterized by egalitarianism or the joint sharing of decision responsibilities typically found in more developed nations (e.g. the US). Imperia, O'Guinn & Adams (1985) in a cross-cultural study found that Mexican-American families tend to be more husband-dominant than Anglo-Saxon families and that Anglo-Saxon families engage in more syncratic purchase decisions. Husbands in less developed nations were found to make more unilateral decisions than their counterparts in the developed nations and that significantly more syncratic decisions take place in developed nations as compared to less developed nations (Green et al., 1983).

2.2 The Role of Women and Children in Family Decision Making

Women are rapidly gaining purchasing power in the household. Given women's great strides in the workplace, especially in non-traditional jobs, traditional household purchasing patterns are gradually changing. Shifts in social values regarding the division of domestic labour have also weakened such standard conceptions as "women buy all the household goods" (Kotler, 2003). Studies have shown that baby boomer husbands and wives are more willing to shop jointly for products traditionally thought to be under the separate control of one spouse or the other (Lavin, 1993). In fact, in US, women now make up 50 percent of luxury car market (Kotler, 2003).

Whether working wives would differ significantly from non-working wives in terms of how they shopped (Douglas, 1976) has also been a topic of debate which is seldom resolved. The debate has been about what convenience products and time saving appliances would find their way into the kitchens of women in the labor force and other sub-streams included the effect of the wife's employment on her decision role structure and on the effect of income on decision role structure. Decision role
structure in family decision making has been defined as the role in a purchase decision, e.g. whether the husband or the wife makes the purchase decision.

Green & Cunningham (1970) were the first to examine the effects of the wife's employment on decision role structure. They found that husbands of employed women made significantly fewer decisions by themselves than husbands of women not in the labor force. Another important finding of this research was that the influence given up by husbands was more likely to be shared by the couple rather than the decision turning into a wife-dominated one. More recently, Ruth & Commuri (1998) identified women's entry into labor force as an important influence on how decision roles shift in a household. Strober & Weinberg (1977) controlled for income, and found that income and assets and not wife's labor force behavior were the significant predictors of resource outlay decisions. Strober & Weinberg also initiated the discussion about the relationship between the wife's labor force behavior and the purchase of time saving durables when they found no significant relationship between the two. Nickols & Fox (1983) clarified convenience as being made up of time saving and time buying strategies, and found evidence that certain time saving (preparing fewer meals at home, reduced time for leisure) and time buying (child care, disposable diapers) strategies were more prominent among women in the labor force.

Further, evidence of this contention was presented later by Soberon-Ferrer & Dardis (1991). Bellante & Foster (1984) reported that the effects of labor force participation on the use of time saving strategies were more a function of income and stage in the family life cycle.

Schaninger & Allen (1981) suggested that there was much merit in treating the wife's occupational status as a summary construct because it represented a cluster of lifestyle and consumption patterns. They found differences between women employed in lower occupational status jobs and women employed in higher occupational status jobs, but these findings were not dissimilar from those reported across socio-income classes in general.
One significant departure in this stream of research was a recent study by Webster & Rice (1996) that reported that when husbands and wives retire, a shift in power (favoring wives) occurred only when the incomes of the couple were significantly unequal. Such longer term implications of women's earnings on decision making and decision role structure hold relevance in the context of the rising incidence of the employment of women.

A cursory review of research on family consumption and decision making behavior would lead one to wonder whether the field should be called spousal decision making or whether one should continue to use the misleading term "family." Much of this research has focused only on the husband and the wife, and the role of children often has been ignored (Lackman & Lanasa, 1993). Considering the complexity of relative influence between two decision makers, it is easy to understand why the three-factor interaction (father-mother-child iterative influence in decision making) is even more challenging.

The first attempt, in marketing, to understand the role of children was made by Berry & Pollay (1968). They measured the assertiveness of the child (in favor of a brand preferred by the child) and the child-centeredness of the mother in the case of purchase of a brand of breakfast cereal. They found that high child-centered mothers purchased the child's favorite brand less frequently, implying that when a mother is child centered, she would purchase a brand that is good for the child and not necessarily one that is preferred by the child. Berry & Pollay also found that the assertiveness of the child enhanced the recall of the child's favorite brand among mothers. Examining shifts in such influence across age, Mehrotra & Torges (1977) suggested that the extent to which mothers yielded to the influence of the child also depended on the extent to which mothers and children were exposed to advertising together. Attempting to refine the construct of influence by the child, Atkin (1978) found that while children do tend to make forceful demands at the point of purchase, their success depended on whether they "ask" or "tell." Atkin reported a greater success rate in the case of children that "tell" rather than "ask".

Increased attention is being given to children and their role in family decision-making (Foxman et al., 1989a; and McNeal 1998) with the realization that the role...
of children in family decision making has significantly grown over the past two decades (Sellers, 1989). Lackman & Lanasa (1993) note that the influence of children in consumer decision making appear to be growing, possibly due to greater affluence, higher consumer socialization of children, and increasing independence of children as more mothers work outside the home.

Shannon (1997) found that children are very capable of making choices between brands, and that majority of parents are content for this to happen. In addition, children with the latest brand name products reflect favourably on their parents' financial status. Once children enter school and are increasingly influenced by their peers, many parents feel subject to excessive demands for products such as expensive fashion-clothing (Darian, 1998). This issue has been addressed under the label of child pester power, where children who have been targeted with commercial messages harass their parents into buying products (Marshall, 1997; Tylee, 1997). In dual earning families there is paucity of time and such time poor families may permit or actively encourage their child’s increased participation in family decision making.

With respect to specific attributes Foxman et al. (1989a) and Szybillo & Sosanie (1977) found that both parents and children perceived that children had low influence with respect to price, and several researchers found that children are more involved in color, style and brand decisions (Belch et al., 1985; Jenkins, 1979; and Nelson, 1979).

Research on children’s influence in family purchase decisions has examined many different age groups. Five studies (Mehrotra & Torges, 1976; Jenkins, 1979; Nelson 1979; Roberts, Wortzel & Berkeley, 1981; and Darley & Lim, 1986) examined the influence of all children living at home, not focusing on a specific age group. Three studies focused on young children and the parental yielding aspect of child influence; Bercy & Pollay (1978) included children of ages eight to 11; Atkin (1978) observed mothers and their three-to-12-years-old children; Ward & Wackman (1972) focused on children from ages five to 12. Two studies surveyed college-aged children (Coverse & Crawford, 1949; and Perreault & Russ, 1971).
Kidsense—a study conducted by Walt Disney Company with media investment management company GroupM (Mishra, 2006) classified three age bands as toothagers (1-4 yrs), toonagers (6-9 yrs.) and teenagers (10-12 yrs.). It points out that a four year old kid does not see the world like an eight year old i.e. children cannot be classified into a holistic segment of 4-14 years as they tend to process the information around them very differently.

Belch et al. (1985) later studied the diversity in the influence of children and reported that the extent of such influence varied with product and stage in the decision making process, thus supporting the assertions of Szybillo & Sosanie (1977) that the roles of husbands, wives, and children vary across stages of decision making. They found that while the role of the teenage child was most prominent at the initiation stage, it was limited thereafter. Subsequently, Foxman et al. (1989a, 1989b) reported more evidence supporting discrepancies in reports. Foxman et al. (1989b) also found that personal resources of the child (such as grades in school) and perceived product knowledge determined the extent of the influence. Supporting Foxman et al.'s (1989a) evidence, Beatty & Talpade (1994) reported similar effects of the usage of the product by the child and child's product knowledge on the extent of the child's influence. Ahuja & Stinson (1993) examined the role of children in woman-led households and found that the influence of the child varied across several parameters such as product, the age of the child, and the sex-role orientation of the mother. No conclusive patterns could be detected. Finally, more recently, Palan & Wilkes (1997) presented a classification of influence strategies and reported that adolescents were most successful in their influence attempts when they mirrored their parents' strategies.

Certain retailers who recognize the fact that children influence spending of parents, display the products in such a manner that they are within their easy reach (Khan, 2000). Recognizing the fact that children will interact with anything displayed at their height, Frito Lay, for example, has developed a display rack—"Chip City"—to catch the attention of children ages 3 to 8. The display rack which houses small bags has a proximity sensor. When people approach, they are greeted by the voice of the Cheetos Cartoon Spokesman, Chester Cheetah. The parents love the display — Chip
City features small inexpensive bags, so parents can satisfy their kids with a cheap treat.

2.2.1 The Role of Women and Children in Family Decision Making in the Indian Context

In India also gradual changes are taking place in the cultural and sociological ethos, which has triggered changes in the purchase process and consumption patterns of Indians (Gupta & Chundavat, 2002). Traditionally, unequal status relationship between males and females in the family, was considered one of the key features of the Indian society. The social norms prevalent in India emphasized seniority among family members and the dominant role of the male (Khan, 2000). Such masculine cultures typically emphasize strongly differentiated sex roles (Hofstede, 1980; Brislin, 1993) with husbands making more unilateral decisions than their counterparts in the developed nations.

With the rise in literacy rate and income level, rise in consumerism, transition from an agrarian to an industrial economy, from a rural to an urban and from traditional family to democratic family setup, increasing financial independence of women, more convenience oriented lifestyles, fewer children per household, increased media exposure and many more factors have led to a paradigm shift in the roles played by family members in buying decision making. The role of women is changing and is further expected to change greatly. The male (breadwinner) is no longer the sole authority in purchase decision-making (Dobhal, 1999). Thus, the involvement of women in purchase decision-making and actual buying has also undergone a drastic change.

Another striking feature of contemporary India is the rise of a confident new middle class which is the fastest growing segment of Indian society. It is full of energy and drive, and it is making things happen. The middle class male is not the sole decision maker in purchases for the family. He is influenced in his buying decisions by his family, especially his wife (Ramaswamy & Namakumari, 2002). Whether it is car or TV, toothpaste or hair oil, magazines or music the wife plays a role in the purchasing decisions. According to Kapoor (2003) even in cases where husbands
were the buyers, wives were found to be most preferred companion during the purchase.

Today, particularly in the urban parts the middle class woman is an active partner in the family (Gupta & Chundawat, 2002; Ramaswamy & Namakumari, 2002). She is no longer confined to the four walls of the kitchen. She is the major factor in all purchase decisions of the family; in fact, in respect of a majority of purchases she is practically the sole decision maker and in the rest a powerful influencer. She is actually the family’s purchasing agent for most products; she is the cashier and budgeter; she is also the image builder. For several products she is the gate-keeper; a new cooking medium or a fast-food item cannot find an entry into the house without her clearance and consent.

Many studies made comparisons between dual earner and single earner families [e.g., Ramu 1987; Rani & Khandelwal, 1992; Shukla 1987; Shukla & Kapoor 1990; Bharat 1995], and found that while dual earner wives had more decision-making power as compared to single earner wives, their work status gave them more power vis-à-vis their husbands in seemingly less important areas such as menu making or home decoration whereas decisions on matters involving finances were generally made by husbands.

Vincent (2006) in his study found high level of brand awareness among the children, their influence in the decision making process and independent decision making in case of FMCG’s. He also found parents preference for branded product to be dependent upon children’s insistence for them.

According to findings of Kidsense—a study conducted by Walt Disney Company with media investment management company GroupM (Mishra, 2006), children have an articulate brand preference in the choice of higher end consumer goods like AC’s, cars, computers, cell phones etc. and that in many cases parents value the child’s suggestion. Gupta & Chundawat (2002) also found high involvement of children in the purchase of television.

Even in India with the growth in the number nuclear families, dual-earner two-parent families, lack of domestic help in urban environs, child safety concerns,
bringing children along is often a shopper's only option (Khan, 2000). Children may add to or detract a customer interaction, but retailers and service providers should never ignore their presence. *As long as kids are in stores, stores need to think about kids.*

### 2.3 Gender of Children and Family Purchase Decisions

Sociological literature on the involvement of fathers and mothers in parenting sons and daughters, offers some guidance regarding the effects of gender and gender composition on the formation of parent-child coalitions. Fathers have more parental involvement with sons, as opposed to daughters (Morgan, Lye & Condran, 1988; Powell & Steelman, 1989; and Harris, 1998).

The crucial variable in studying family differences is not the gender of the child, but gender composition of the children (Harris & Morgan, 1991). The position occupied by the children (i.e. whether the child is the eldest or the youngest in the family) can also affect levels of paternal participation; children occupying the first and second position benefit from less dilution of parental energies because they are part of a smaller family.

The same-sex identification process expounded by psychoanalysts may also provide some clues to the question of gender related coalitions between parents and children. This theory suggests that mothers and daughters will be more similar in their orientations than mothers and sons, suggesting that parents are more responsive to same-sex children (Baumrind, 1971; Acock & Bengston, 1978; Margolin & Patterson, 1975; and Noller, 1980). In their research on the personal relationships of adolescents with their parents, Furman & Buhrmester (1992) found that boys perceived their relationship with the father as more supportive than the girls did. Beatty & Talpade (1994) both predicted and found a higher level of agreement, in the perception of influence between mothers and daughters, than between mothers and sons. This evidence suggests the formation of an alliance between a parent and child of the same sex might play a significant role influencing the outcome of family decision-making. Atkin (1978) also found that female children were slightly more
successful than male children in persuading their parents to make purchase decisions.

2.4 Household or Family Life Cycle

People buy different goods and services over a lifetime. Their taste in not only food but also clothes, furniture and recreation is also age related. Thus Family Life Cycle stage is of interest to marketers because it has a major bearing on the type of goods that a family is interested in.

Households change over time at relatively predictable intervals based largely on demographic (and thus readily measurable) variables. The household life cycle is, therefore, a very valuable tool because its stages provide marketers with segments that face similar consumption problems.

Although, different researchers have expressed various preferences in terms of the number of Family Life Cycle stages, the traditional Family Life Cycle models proposed over the years can be synthesized into just five basic stages (Schiffman & Kanuk 1995):

- **Stage I**: Bachelorhood: Young single adult living apart from parents
- **Stage II**: Honemooners: Young married couple
- **Stage III**: Parenthood: Married couple with at least one child living at home
- **Stage IV**: Post-parenthood: An older married couple with no children at home
- **Stage V**: Dissolution: One surviving spouse

*In the context of Western culture, the Family Life Cycle is now known as Household Life Cycle. The Family Life Cycle concept has been "modernised" (into Household Life Cycle) by incorporating nontraditional household such as single parent and never-married single households.*
The stages of family life cycle represent several different types of consumers with different patterns of consumption behaviour. The traditional family life cycle is a progression of stages which families pass through, starting with bachelorhood, moving on to marriage (and the creation of the basic family unit) then to family growth (with the birth of children), to family contraction (as grown children leave the household), and ending with the dissolution of the basic unit (due to death of one spouse).

Essentially the Household Life Cycle describes the stages in the formation, growth, and decline in household unit. Each stage differs in its expenditure patterns. Thus, young married couples are heavy buyers of small appliances, furniture, and linens. With the arrival of children, purchases include insurance, washers, medical care, and an assortment of child-oriented products. The study by Wilkes (1995) confirmed that transitions in household situations are related to meaningful changes in spending behaviour, but that it is often difficult to relate these changes to the purchase of specific products.

2.4.1 Household or Family Life Cycle in India

The classical family life-cycle classification may not hold true in its entirety in the Indian context. Thus, it deserves a closer look.

The employed bachelors in India may be living independently, but they continue to remain integrated in the family consumption system to a greater extent than their American counterparts. However, this distinction is vanishing in urban families, especially in big cities.

In most of the Indian families, the young married couples before the birth of the children usually live with the main family. They are usually required to spend an “apprenticeship” period with the more “experienced” parents before they are trusted to be able to live independently. Thus, during this period, they remain integrated with the original family system of consumption.

The stages of Empty Nest (older married couple with no children living with them) and Solitary Survivors (older people who have lost their spouse and are living alone
away from their children) is more a Western phenomenon than an Indian one. In the Western system the “senior citizen” has been assigned virtually no role in the “family” of his grown up and married children. Therefore, unless he is the owner of his own property or business, he has to survive on social security benefits and live in “homes” run by charitable institutions or governments, as a measure of public welfare. In the Indian setting, the retired persons either themselves own and manage properties or sometimes with the help of their grown up children. Thus, in a way it is the grown up children who may still be “dependent” on their parents.

According to Hasan (1984) for all practical purposes the Indian family as buying unit may be divided into following groups.

1. Couples or Singles with retired parents living with them
2. Couples only
3. Couples with children and retired parents living with them
4. Couples with children only
5. Couples or Singles without children or parents living with them

The reason for adopting the above classification can be explained in the differing socio-cultural mores and living patterns of Indian families vis-à-vis their Western counterparts:

*First group* would include comparatively younger families. Newly married may have no children in this group and it is more likely that one or either of the parents (or for that matter, the parents-in-law) would stay with the couple just to let them gain some experience in the art of housekeeping before the bride takes over. In this group during the early stages after the birth of the child the retired parents help the couple in raising and managing the children.

*Second group* represents couples without parents living with them and as such all decisions are taken by them.

*Third group*, the family consists of members of different age groups. There may be couples having adolescent children as well as retired parents all living as one family.
However, in such families active role of retired parents is likely to be less significant; but they have moderating effect on the consumption requirements of the whole family. This is particularly so in India where old age is still venerated. The role of couple is likely to be less active as their function would be delegated to grown up children.

*Fourth group* of family is composed of children and *their* earning parents-either of them or both working. The children have most likely entered the adolescent stage. The reason why their grand parents are not living with them is that they may not be alive or they may be having their own business or employment and might be living and managing their livelihood themselves, separately.

*Fifth group* the family consist of issueless couples or bachelors or spinsters. The issueless couples develop identity (uniformity) in taste and views on consumption requirements. In such a case the separate influence of man and wife may be merged in a single influence of husband and wife, more likely the latter. Hence, the couples and singles would be identical in pattern of decision-making and purchasing activity. Therefore, it has been considered appropriate to classify the two families as a single group.

Traditionally in the Indian rural setup the concept of joint family system (all generations living under one roof) was quite prevalent but now although individuals are branching off to form nuclear families (with separate cooking arrangements) still they continue to live in the traditional family compound (under one roof). These hybrid families can be termed as 'individualised joint families' (Kashyap, 2005), which live separately on a daily basis and take purchase decisions independently for FMCGs and consumer durables. But unlike their urban counterparts, they bond with the ‘parent’ family for social occasions such as marriage, childbirth, death, and family disputes.
2.5 Egalitarianism and Cross-Cultural Research on Family Purchase Decisions

Egalitarianism may be referred to as a general value system stressing equality in marital relations (Bott, 1957; Rogler & Procidano, 1989). Blood & Wolfe (1960) asserted that the degree of influence attributed to either the husband or the wife in a family decision is a function of the level of traditional marital values present in the family. For example, if the household is more oriented toward traditional marital-role values, the husband would be expected to make the majority of decisions, whereas the wife's role would typically be limited to domestically oriented tasks (Qualls, 1987).

The level of egalitarianism manifest within the family has been positively related to several variables. Previous research in China (Croll, 1981) indicates that egalitarian-minded couples tend to reside in cosmopolitan (urban) environments. It has also been hypothesized that the greater the resources (e.g., education, occupation, and income) of one family member, the greater the power of that family member. Rodman's (1972) research in France, Greece, and Yugoslavia found that a higher level of participation by the women in family decision making was evident among the more “advanced” families in a given culture. Families who are more highly educated and generally possess a higher level of income rely more heavily on a non-patriarchal decision-making process (Ford, et al., 1995).

In an early study, Udry & Hall (1965) concluded that the higher the wife's level of education attainment, the lower the marital-role segregation (or, the higher the level of egalitarianism). Similar results were obtained by Acock & Edwards (1982). Cunningham & Green (1979), in a study focusing on Venezuelan wives, found increased, although not equal, participation by the wife in family purchase decision making when she was employed outside of the home. Similarly, a study in India has shown that when the wife is employed in an occupational position equal to that of her husband's, she has more power within the family, the husband has less, and the marriage is more egalitarian than when the wife is not employed (Shukla, 1987). According to Rani & Khandelwal (1992), in India most dual earner wives continued to view themselves primarily as homemakers, and their work status did little to alter their sex-role orientation. They bore primary responsibility for housework and child
care. Ironically, women in dual earner families tended to perpetuate sex-role stereotypes by socializing their children, especially daughters to take up traditional roles. A dual-earner lifestyle by itself therefore did not guarantee more egalitarian relationships; rather it depended on the personality and attitude of the wife (Rajadhyaksha & Smita, 2004). Families in which the wife was more androgynous in her sex-role identity were less husband-dominated.

Rosen & Granbois (1983) examined variables influencing the relative role of the husband and wife in family financial-management decisions and found that the degree of egalitarianism within the family significantly affected the propensity toward joint decisions (e.g., the greater the degree of egalitarianism, the greater the likelihood of joint decisions or, conversely, the less egalitarianism present in the family, the less the propensity toward joint decisions). In a study of married women in Venezuela and their views on the roles played in family purchasing, Green & Cuningham (1980) concluded that the traditional patriarchal structural in Latin American culture was so strong that the wishes of the husband typically dominate in family interactions. Similarly, Qualls (1982) and Schaninger, Buss and Grover (1982) explored the moderating impact of traditionality on the family decision making process and concluded that the less traditional the family claim to be, the greater the reliance on joint decision making and the less reliance on husband-dominated decisions. On the basis of research of Greek-heritage young people in Australia, Callan & Gallois (1985) concluded similarly.

Despite its long-standing traditional family structure and culture, India is presently in the throes of volatile developmental changes and economic reforms influenced, at least in part, by Western culture and the economic successes of Western countries. This traditionalism is especially true in the rural areas of the country, where women remain objects of ownership in marriage and where arranged or semi arranged marriages are still considered the archetype. Given, India’s social changes in progress for many years, a movement away from strict patriarchal orientation toward marriage is taking place, especially in urban areas. Therefore, egalitarianism should play an increasingly important part in defining husband and wife purchase decision role orientation within this culture.
2.6 Studies on Indian Rural Consumer and Buying Patterns

The rural buyers in India provide a tremendous range of contradictions and paradoxes which baffle the marketers who had an urban mindset and, even more so, the foreign observers. Rural consumers are far less homogeneous than their urban counterparts and differ from region to region (Bargal, 2004). However not many studies have been carried out to understand the rural buying behaviour, especially the patterns of family purchase behaviour i.e. the role of spouse, children in the family decision making process.

2.6.1 Indian Rural Consumer: Psyche and Needs

The buyer in rural India is strongly bogged down to local social and cultural pressures (customs, habits, religion, attitude and their interplay) with their indomitable influences on the buying pattern (Kashyap, 2000; Mathur, 2005).

According to Kashyap (2000) chairman MART (Marketing and Research Team), in rural areas decision-making is a collective process. Many rural purchases require collective social sanction, unheard off in urban areas. The decision to purchase a product is influenced by a lot of consultations with family members, co-consumers (Nagaraja, 2004) and this approach is indicative of high involvement in the purchase of a product.

In the rural sector, caste and not the economic status defines social status, whereas in urban areas, it is linked to occupation and profession (Kashyap, 2005) People expect them to be exemplary and even their purchase decisions seem to have a significant influence on others. For eg. A progressive farmer is respected more now because he is viewed as a man of knowledge, a man ahead of his time. As innovators of technology and products, they have acquired a special status that makes them good role models.

Besides income level, education and social status, occupation, caste, religion and gender influence the consumption pattern of the rural consumer (Kashyap, 2000; Lokhande, 2004; Venkateshwarlu, 2004). Reasonable prices are considered to be the one of the principle factors affecting the purchase decision and store patronage.
other factors being quality and easy availability (Kumar & Suri, 1996; Sayulu & Reddy, 2002; Lokhande, 2003; Kashyap, 2000; Nagaraja, 2004; Venkateshwarlu, 2004).

A survey by the Federation of Indian Chamber of Commerce and Industry (FICCI) on the buying habits revealed that the rural customers are not eager to buy cheap products (Datta, 2004). Progressive farmers are great bargainers and tough customers to satisfy who need genuine return on their ‘investment’ of time and money (Srinivas, 2005). Rural buyers are quite quality conscious, but value for money is of paramount importance (Kashyap, 2000; Krishnamacharyulu & Ramakrishnan, 2002). Although having limited knowledge and experience of the various products that flood the urban markets a “cheap” or “stripped down” version of the real thing (if it is perceived to be such) is not acceptable to them.

It has been claimed that once induced to buy and use a particular product, if satisfied with its functional utility; rural consumer becomes a staunch supporter and more loyal than his urban counterpart (Mathur, 1995; Kashyap, 2000; Krishnamacharyulu & Ramakrishnan, 2002; Gupta & Sudan, 2003). It has been reported that in many instances, an entire village patronized one particular brand of diesel engine or one brand of motor, or one brand of starter and entry of another brand or another make was found extremely difficult.

A survey of a village conducted by Clarion McCann revealed that brand consciousness among the rural folk is quite significant (Mathur, 2005). According to Nandgopal & Chinnaiyan (2003) the level of awareness among the rural consumers about the brands of soft drinks is high. Rural consumers especially those belonging to the higher income category are becoming more brand conscious. They avoid buying from Haats as branded and premium products are usually not available there (Khairoowala & Siddique, 2001).

*Haats* are the oldest outlets to purchase household goods and for trade in the villages. They are periodic markets whose place changes every week. About 47,000 haats are held annually in India (Chatterjee, 1996).
There is an increase in the mobility of the rural consumers belonging to middle and higher income groups to neighbouring cities for better deals with respect to quality and prices (Sayaulu & Reddy, 2002).

Further different rural geographies display considerable heterogeneity, calling for rural specific and region specific strategies. For instance, a farmer in Punjab* is much more progressive than his counterpart in Bihar, a farmer in Karnataka is much more educated than one in Rajasthan (Datta, 2004; Halan, 2004) The lifestyle needs of a farmer in Punjab are different from that of a farmer living in UP even though they are neighboring states as seen in table 2.1(a).

<table>
<thead>
<tr>
<th>Andhra Pradesh</th>
<th>Maharashtra</th>
<th>Punjab</th>
<th>Tamil Nadu</th>
<th>Uttar Pradesh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grocery</td>
<td>Grocery</td>
<td>Grocery</td>
<td>Grocery</td>
<td>Grocery</td>
</tr>
<tr>
<td>Saving/Investment</td>
<td>Personal Care</td>
<td>Apparel</td>
<td>Saving/Investment</td>
<td>Apparel</td>
</tr>
<tr>
<td>Apparel</td>
<td>Apparel</td>
<td>Personal Care</td>
<td>Durables</td>
<td>Personal Care</td>
</tr>
<tr>
<td>Personal Care</td>
<td>Saving/Investment</td>
<td>Saving/Investment</td>
<td>Apparel</td>
<td>Saving/Investment</td>
</tr>
<tr>
<td>Durables</td>
<td>Entertainment</td>
<td>Durables</td>
<td>Personal Care</td>
<td>-</td>
</tr>
</tbody>
</table>

*Punjab, Bihar, Karnataka, Rajasthan, Tamil Nadu, Andhra Pradesh and Uttar Pradesh are the different states in India.


2.6.2 Concept of Family: Indian Rural Context

According to Sandeep (1999) nuclear family culture has arrived in rural India but Kashyap (2005) asserts that though individuals are branching off to form nuclear families (with separate cooking arrangements) they continue to live in the traditional family compound (under one roof). These hybrid families can be termed as ‘individualized joint families’ (IJF), which live separately on a daily basis and take purchase decisions independently for FMCGs and consumer durables. But unlike their urban counterparts, they bond with the ‘parent’ family for social occasions such as marriage, childbirth, death, and family disputes. For important decisions involving heavy investments or choice of a marriage partner, they seek the advice of
family elders. Therefore the nuclear family continues to live in the same realm as the ‘parent family’, with similar value systems but since the immediate family households are separate, purchase decisions and product choices could be quite disparate because of different set of influences.

Family is the institution that primarily and significantly influences the purchase of goods. The members of the family like husband, wife, children and grandparents are involved in the process of purchasing and the level of involvement depends upon the nature of the product, its importance and individual preferences (Sayulu, & Reddy, 1998; Nagaraja, 2004).

Nagaraja (2004) found housewives particularly involved in the purchase groceries and utensils. Among the different products purchased, groceries and utensils Dominance of fathers / head of the households was observed in the purchase of medicines, durables, tobacco etc. The younger generation were found interested in purchasing cosmetics toiletries), foot wear, groceries etc.

Sayulu & Reddy (1998) observed that involvement of different family members was different for different income groups. In rural areas, particularly among lower income groups, who are in majority, the wife was acting as the purchase agent of family in the areas of groceries, toiletries, cosmetics, utensils, while husband purchased items like tobacco, footwear, medicines, etc. Generally, to purchase expensive items like clothes, utensils, etc., both husband and wife are engaged in purchasing. But in case of higher income groups, items like groceries, etc. were to be brought by either husbands or servants and clothes and utensils by wives.

Relatives and friends seem to play an important role in creating brand awareness (Kumar & Suri, 1996; Nandgopal & Chinnaian, 2003) and have a major influence in the purchase of specific brand of soft drinks in the rural area.
2.7 Shifts in the Purchase Decision Making Patterns in Rural India

2.7.1 Changing Role of Women in Decision Making in Rural India

According to researchers like Kashyap (2005a) in the urban family the husband, wife and often-even children are involved in the buying process. But in a village, because of lack of mobility and their having very little contact with the market, it is the men who make the purchase decisions but this trend is changing slowly but steadily women have started participating in the buying process though not as much as their urban counterpart (Khairoowala & Siddiqui, 2001; Krishnan, 2002; Lokhande, 2004; Nagaraja, 2004). Even though men and children may actually go out and buy the product, it is usually the women who make the brand decision.

According to Khairoowala & Siddiqui (2001) share of women buyers at the haat is generally more than men, an interesting observation was made by Lokhande (2004) according to which women prefer lesser priced products as against men who preferred expensive and higher quality products.


An interesting trend that is emerging and being observed by the researchers (Nagaraja, 2004; Doctor, 2005) is that daughter-in-laws can be important agents for change in the consumption patterns of rural households. At first, this seems counter-intuitive. Rural households are generally seen as being deeply conservative and patriarchal abodes, where as both women and outsiders in the family, daughters-in-law would be at the bottom of the hierarchy. They are expected to defer to everyone — family elders, their husbands and, of course, their mother-in-laws who often consider their daughters-in-law little more than unpaid servants. Yet realities can be complex. Daughter-in-laws are another source of new consumption habits, but their influence works in more subtle ways. Many daughters-in-law come from slightly different backgrounds from the family they marry into (Doctor, 2005). Often they come from small towns so they have slightly more sophisticated habits which they bring to the village and are involved in the purchase of products especially durables,
toiletries and cosmetics (Nagaraja, 2004). Since *dowry* is a reality in most rural households, some products come as part of that.

### 2.7.2 Changing Role of Youth in Decision making in Rural India

According to Kashyap (2005b) rural youth belonging to the age group of 20-22, being educated and exposed to urban conditions, acts as influential in the family decision making process. Openness to changing lifestyle is present among them but it is accompanied by strong association with family and influence of the community value.

Studies by ORG-MARG found products like P&G's Head & Shoulders shampoo, a typical urban, upmarket product, in rural households (Nagaraja, 2004). Such products were usually brought in by privileged sons who had picked up more expensive consumption habits while studying in urban areas.

Ganesamurthy, Radhakrishnan & Bhuvaneswari (2003) indicated the influence of rural youths in the buying process. A study by Lokhande (2004) also revealed that TV and movies have deep impact on the minds of the rural consumers especially the rural youth.

The findings by Arora (2002) suggest rural youth between the ages of 20-22 years has a major influence in family buying decisions and are concerned about latest brands and products. He further adds that for family durable like television, audio system and refrigerator youth can be an important influencer though not the ultimate decision-maker.

In the two-wheeler category, rural youth prefers motorbikes as compared to scooters or mopeds because of the macho and adventurous image associated with them (Kashyap, 2005b). The decision to buy a bike, however, is the prerogative of the head of the family. But with changing times, the eldest son who is considered knowledgeable is consulted. But for the purchase of a tractor, a progressive farmer is consulted.

---

* *Dowry or Dahej (also known as trousseau) is the payment in cash or kind by the bride's family to the bridegroom's family along with the giving away of the bride (called *Kanyadaan*) in Indian marriage. In India, size of the dowry is directly proportional to the groom's social status, and is still very common in arranged marriages and in rural areas. When the dowry amount is not considered sufficient, the bride is often harassed, abused and her life made miserable. Though, in India, demanding dowry is prohibited by a law enacted in 1961, it is still widely recognized as a traditional ritual of marriage.*
consulted and not the elder son, as he is considered to have less knowledge about agricultural products. It is a fact that unlike a few years ago, the rural youth today are playing a far more significant role in influencing the purchases of radios, television.

2.7.3 Changing Role of Children in Decision making in Rural India

In rural India, it is the age group between 8 and 15 that influence most purchases - more than any other group. This is largely because they tend to retain messages and often play back these messages to others too (Krishnan, 2002.). Suri & Singh (2003) found brand awareness present among the rural children. According to Krishnamurthy & Lokhande (2000) decision making is shifting towards the younger population and the wide reach that the television is attributed to be one of the major reasons for the shift. Children sometimes influence the brand decision, especially when they are sent to do the household “shopping” without specifying the brand another typical rural phenomenon (Pareek, 1999; Krishnan, 2002). It may thus be the children who are the early adopters.

With more village children going to schools and improvement in the infrastructure facilities this shift was bound to happen. Companies like HLL and Colgate have begun targeting this age group in their commercials and try to involve the children by distributing height charts along with the soap.

Thus, it is evident that gradual shift is taking place in the roles being played and the level of involvement of various individuals during the purchase of products and services. But, there is dearth of literature in the context of mechanics at work when these individuals are involved in the purchase process in their capacity as family members. Thus, we need to empirically verify their respective roles and levels of involvement during purchase decisions before conclusions are drawn and the findings are used as inputs for formulating marketing strategies.