Chapter No.3

Review of Literature
3.1 Introduction

A literature review gives an overview of the field of enquiry: what has already been said on the topics, who are the key writers, what are the prevailing theories and hypothesis, what questions are being asked and what methodologies and methods are appropriate and useful.

According to Bourner there are good reasons for spending time and effort on a review of the literature before embarking on a research project. These reasons are:

- To identify gaps in the literature.
- To avoid reinventing the wheel (at the very least this will save time and it can stop you from making the same mistakes as done by others).
- To carry on from where others have already reached (reviewing the field allows you to build on the platform of existing knowledge and ideas).
- To identify other people working in the same fields (a researcher network is as valuable resource).
- To increase your breadth of knowledge of your subject area.
- To identify seminal works in your area.
- To provide the intellectual context for your own work, enabling you to position your project relative to other work.
- To identify opposing views.
- To put your work into perspective.
- To demonstrate that you can access previous work in an area.
- To identify information and ideas that may be relevant to your project.
- To identify methods that could be relevant to your project.
Keeping all these facts in mind, the researcher studiously reviewed the available literature related to the present study. The following existing concepts will be helpful to get an insight into the role and influence of children in family buying decisions:

- Influence of children by product category.
- Children’s influence across stages of decision making process.
- Consumer socialization of children.
- Media effects on children.
- Changing pattern of the market.
- Changing structure of the family.

3.2 Literature Review

Berey and Pollay (1968) were the first to understand the role of children. They measured the assertiveness of the child (in favour 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 favourite 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. Berey and Pollay also found that the assertiveness of the child enhanced the recall of the child’s favourite brand among mothers. Examining shifts in such influence across age, Ward and Wackman (1972) found that attempts by children at influencing purchase were negatively related to the age of the child; however the tendency of mothers to yield to such influence rose with the age of the child but varied across product categories. Mehrotra and Torges (1977) and Williams and Veeck (1998) suggested that no particular attitude or set of attitudes uniquely determines 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 sensitive to children’s influence. Mothers co-viewing television programmes with their children were more likely to yield to children’s influencing attempt for products advertised on those shows. Atkin (1978) found that while children do tend to make forceful demands at the point of purchase, their success depends on whether they “ask” or “tell”. Atkin reported a greater success rate in case of children that “tell” rather than “ask”.

Sheth (1974) has developed a general theoretical model outlining family decision-making and related explanatory factors. However, this model centres especially on the “choice” stage,
and does not put much emphasis on "need recognition", "information collection" and "evaluation of alternatives" as do other recognised consumer decision-making models.

Moschis and Churchill (1978) explained that "Consumer socialization is the process by which young people develop consumer-related skills, knowledge, and attitudes". The consumer role of the child is significant in today's society. The child first involves himself in the consumer role at approximately age five. By age ten, the child is performing in the consumer role with a relatively high degree of independence and maturity. As a young consumer, he is involved in purchasing, saving money, reading advertisements, reading labels, comparing prices and contents of various products, and using goods and services that satisfy his material wants or needs.

Moschis and Moore (1979) found that adolescents preferred to consult with their parents and/or rely on information they receive from them. In spite of this, parents are not as instrumental in the child's decision regarding which product to buy as compared to brand name and reduced prices. The amount of parent-adolescent communication about consumption was not related to the adolescent's propensity to use price in evaluating the desirability of various products.

Belch, Belch, and Ceresino (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 assertion of Szybillo and Sosanie (1977) that the roles of husbands, wives, and children vary across stages of decision making. They found that while the role of the teen age child was most prominent at the initiation stage, it was limited thereafter. Belch et al. were also the first to report, in marketing journals, the discrepancy in reports of influence. They detected that while children attributed greater influence in decision making to them, they consistently attributed more influence to the father than mother. Subsequently, Foxman, Tansuhaj, and Ekstorm (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 and 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. Beatty and Talpade also supported Belch et
al.'s (1985) findings about discrepancy in reports when they found that the discrepancy was greater between father and child, rather than between mother and child.

Moschis George P. (1985) has introduced the related concept of consumer socialization. He has given the conceptual framework and the measurement models of socialization. Along with the theoretical perspective he attempted to explain the family influences of the buying behaviour of customer, he pointed out various factors responsible for the purchase decisions. In his book, he gave 197 propositions on the consumer socialization. Out of which 14 propositions were only on the family influences, 19 proposition of peer influences, 37 propositions of mass media influences, 14 propositions of effect of other socializing agents, 38 propositions of effect of age and life cycle and 17 proposition of cultural factors along with a number of other factor propositions.

Ekstrom, Tansuhaj and Foxman (1987) took a reciprocal view of consumer socialization of children and proposed that children contribute to decision outcome through routes — one by influencing their parents by direct expression of preferences and secondly by communicating new knowledge to the parents and influencing purchases. They proposed that children whose family communication pattern is characterized by a high concept-orientation will influence (socialize) their parents more than children whose family communication pattern is characterized by a high socio-orientation. A child in a single parent family, higher socio-economic status, and higher personal resources and in a sex role egalitarian family will have more influence. A child will have greater influence for product purchase decisions that he/she considers important or for which he/she has high product knowledge. His/her participation in family decision making will tend to increase his/her satisfaction with family purchase decisions.

Peracchio (1992) has done the experiments to examine young children's knowledge-acquisition abilities, relative to older children, with the goal of identifying how young children learn and then using this understanding to design situations in which age differences in learning are eliminated. The results indicate that young children are able to acquire knowledge equivalent to that of older children when the experimental materials and response formats are congruent with their encoding and retrieval abilities. Younger children's learning was enhanced by (1) the repetition of the same event in an audiovisual format, (2) the presentation of somewhat different events in which the goal of the event and the steps
involved in enacting the event were made salient, and (3) contextual response formats that enhanced their retrieval skills.

Jorgensen (1992) studied the first informal patterns which affect a child’s consumer socialization in contemporary societies is determined by a complex set of factors, economic as well as social and cultural. In this way, differences in economic, social and cultural capital among families affects a child’s consumer values, attitudes and practices from infancy to adolescence and even beyond those life-stages. This understanding of the influence of different types of family background is common knowledge. Therefore, it comes as no surprise that indicators of family background, as e.g. social class, income, education and so forth, correlate with children’s and youth’s views on consumption and advertising.

Singh (1992) studied the role played by family members while purchasing a television across five occupational categories: teachers, doctors, business people, lawyers, and engineers. Children of engineers and doctors were found to have remarkable influence in the purchase decisions.

Ahuja and Stinson (1993) examined the role of children in women 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.

Robert Mayer (1994) has observed that it is quite evident that children not only attempt to influence their parents to make purchases of products of special interest to them, but also products of remote interest (e.g. laundry detergents). For which they see advertisements on television.

Robert and Chris (1994) have argued that it is commonly expected that advertising effects will be diluted when consumers encounter ads for competing brands. Consequently, advertisers attempt to avoid competitor’s ads when buying media. It has been suggested that advertising for mature and familiar brands may not work in the same way as advertising for unfamiliar brands. Relative to information related to the more familiar brands advertised in the market place may be less susceptible to competitive inference.
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Paxton and John (1995), in their study of age differences in information search behaviour of children, found that older children gather more information for favourable product profiles and less information when the cost-versus-benefit of acquiring information is high. Other studies indicate that younger kids use few dimensions to compare and evaluate brands (Bahn, 1986; Capon and Kuhn, 1980). They reported that children tend to rely on dominant perceptual features (vs. functional features) of products in gathering information and making choices. They also suggested that children increase the amount of information gathered in response to choice situations that are irreversible, recognize the need to spend more time in gathering information for decisions that are important to their perception, and voice the need to examine more brands before making a choice (Davidson and Hudson, 1988). As the number of alternatives increases, children restrict their search on more promising alternatives (Paxton and John, 1997). The choice process/cue set used by younger children is different and simpler from the categorisation schemes used by older children who use more structured cues to categorise products (John and Lakshmi-Ratan, 1992).

Jennifer and Deborah (1995) has concluded in their study that younger kids tend to use fewer dimensions to compare and evaluate brands, use simple choice mechanisms based on single attribute rather than employing compensatory choice strategies of products in gathering information and making choices.

Jensen (1995) proposed that parents' involvement is a function of financial risk, their role as users and their perception of product differentiation whereas children are mostly involved in the purchase due to their role as users. She explored the influence of children in making purchases and concluded that besides product for direct consumption, children display influence in purchasing products for family consumption where parents are less involved and perceive little or no product differentiation (for food products).

Johnson (1995) found that product type is an important variable in determining the way children will behave in family decision making. She observed that bargaining was the most common strategy adopted by children when trying to influence the purchase of products for personal use. Conflict avoidance was most commonly used for family use products. However, for products for home use, such as a personal computer, they resorted to problem solving tactics to resolve conflicts. The author also pointed out while bargaining is most common in dyadic interactions (Qualls and Jaffe, 1992), problem solving is more frequent in
triadic interactions between mother, father and child. These results supported the results of Belch et al. (1980). In the study by Belch et al. (1980), it was found that children see the problem solving strategies being used less often. It was felt that children were either not a part of the decision making process for those products or that discussion took place outside the presence of children. A significant relationship was also found to exist between the situation in which the family purchase decision making occurred (for example, presence / absence of a family member decision taken in the retail shop) and the choice of a conflict resolution strategy.

Palan and Wilkes (1997) has conducted an adolescent parent interaction in family decision making and concluded that younger children are more likely to simply ask for products, whereas adolescents are more likely to use a variety of influence strategies. It is through this interaction that adolescents attempt to influence decision outcomes. Adolescents do influence family decisions and that this influence may vary across different factors. For example adolescents have greater influence in family purchasing decisions in a concept oriented communication environment (in which children are encouraged to develop their own ideas) and when their personal sources are greater.

Schiffman (1997) has observed that over the past several decades, there has been a trend towards children playing an active role in what the family buys, as well as in the family decision making process. This shift in influence has occurred as a result of families having fewer children, more dual-income couples who can afford to permit their children to make a greater number of the choices and the encouragement by the media to allow children to “express themselves”. Still further single parent households often push their children towards family participation and self reliance.

Diancrispell (1998) explains how baby boomer children differ from their parents across a broad spectrum of consumer preferences, attitudes, influences and demographics, including:

- Pervasiveness of technology especially computers and its effect and perception.
- More single-parent households and working mothers.
- Acceptance of racial and ethnic diversity.
- More control of things that are purchased by or for them, even to the extent of influencing family cars and homes.
Claude Pecheux and Christian Derbix (1999) have said that children's attitude towards particular brand is more crucial to understand than their choice behaviour and this is important not only to understand their consumer behaviour as children but also their future behaviour as adults.

D. R. John (1999) classified consumer socialization stages of children as being the perceptual stage (3-7 years), the analytical stage (7-11 years) and reflective stage (11-16 years). On the basis of an exhaustive review, she contended that children in perceptual stage focus on perceptually salient features of products use direct requests and emotional appeals to influence purchases, and possess limited ability to adapt strategy to a person or a situation. They are expedient in making decision, are egocentric (as validated by Johnson (1995), and have the emerging ability to adapt to cost-benefit trade-offs. However, children in analytical stage are more thoughtful, focus on important attribute information to generate an expanded repertoire of strategies (especially non-compensatory ones), and are capable of adapting strategies to tasks. In the reflective stage, children have substantial brand awareness for adult-oriented as well as child-oriented product categories, possess ability to gather information on functional, perceptual, and social aspects, and are capable of adapting strategies to tasks in adult-like manner.

Dickerson Tasha (1999) is of the opinion that consumer socialization of children includes many different elements, such as age, family communication structure, co-shopping and advertisements/ mass media. Consumer socialization also influences the development of brand preferences, as well as materialistic tendencies. “Consumer socialization is the Process by which young people acquire skills, knowledge and attitude relevant to their functioning in the market place” (Carlson and Grossbart, 1988). In other words, consumer socialization is how children learn to be consumers. Children spend most of the time with their family members and thus family is the most influential agent of socialization.

E. Martinez and Y. Polo (1999) studied that the family has traditionally been considered as an important decision-making unit with respect to the large quantity of products and services which are purchased by households on a daily basis. Sets out to determine the variables which exert an influence when choosing a product or service (socio-economic, individual, etc.). Concentration is centred on an analysis of the role of the spouses in an attempt to
determine whether there exists a particular purchasing pattern according to the sex of the consumer.

### Table 3.1
**Consumer Products and Children**

<table>
<thead>
<tr>
<th></th>
<th>Personal Products</th>
<th>Family Toiletries</th>
<th>Household Durables</th>
<th>Family Automobiles</th>
<th>Consumables</th>
<th>Financial Products</th>
<th>Vacations</th>
<th>Educational Products</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Father</strong></td>
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<td></td>
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<tr>
<td>Passive Users</td>
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<td></td>
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<tr>
<td>Decider/Buyer</td>
<td>User / initiator / Gate Keeper</td>
<td>User</td>
<td>Co-decider/ initiator/ influencer</td>
<td>Influencer</td>
<td>Co-decider / Buyer / Gate keeper</td>
<td>Influencer</td>
<td>Buyer / Co-decider</td>
<td>Co-decider</td>
</tr>
<tr>
<td><strong>Mother</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Buyer</td>
<td>User</td>
<td>User</td>
<td>Passive Users</td>
<td>Decider / Buyer</td>
<td>Passive Users</td>
<td>Decider / Buyer</td>
<td>Passive Users</td>
<td>Decider / Buyer</td>
</tr>
<tr>
<td>Decider / Influencer</td>
<td>Influencer / Decider</td>
<td>Influencer / Co-decider</td>
<td>Initiator</td>
<td>Influencers / Co-decider</td>
<td>Co-decider</td>
<td>Co-decider</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Children</strong></td>
<td>Influencer / Co-deciders</td>
<td>Buyers</td>
<td>Initiator / Gate Keeper</td>
<td>Co-deciders / Users</td>
<td>Influencers</td>
<td>Co-deciders / Users</td>
<td>Co-deciders</td>
<td>Co-deciders</td>
</tr>
</tbody>
</table>

(Source: Business Today, February 22, March 6, 1999, Vol. 8 No. 4)

*Dobhal Shailesh (1999)* explained the changing role of children for making the buying decisions in different product categories. He explained that children now act as influencers / co-deciders for personal product, for vacations and for consumables. Whereas they are buyers for family toiletries, initiator / gatekeeper for household durables and co-deciders / users for family automobiles, financial products and vacations. He also explained the changing role of father and mother regarding the consumer products.

In the same article *Rajan Banerjee*, Director Renaissance Management Consultants, Pune, (A and M) discussed the rising importance of children in the retail purchase decision, and how stores need to evolve to retain the adults of tomorrow. He also said that in the consumer products, international research shows that children tend to influence purchase decision of many products, which they consume. According to him in any Indian middle class family with a child between five and ten years of age, the child is often the most advertising ‘*savvy*’ person in the entire household. ‘*Savvy*’ means aware and not necessarily discerning.
International manufacturers of packaged food have gone beyond merely making the product accessible and attractive to the children. He counts two reasons for this, firstly in the era of double-income, families have more outing with the children and secondly, if we satisfy child of today he grows into the adult of tomorrow. In a nutshell, he wants to conclude that earlier, it was ‘sell to the parents and close with the child’. Now, the mantra is ‘Sell to the child and close with the parents’.

James U. Mc Neal (1999) explained that children represent three different markets:

1. Children have money of their own to spend (current market)
2. They influence family decisions (influence market)
3. They are open to advertising campaigns designed to make them future consumers (future market)

Mc Neal further explained that in the 1960s, children aged 2-14 directly influence about $ 5 billion in parental purchases. Mc Neal wrote “In the mid-1970s, the figure was $ 20 billion, and it rose to $ 50 billion by 1984. By 1990, kids direct influence had reached $ 132 billion, and in 1997, it may have peaked at around $ 188 billion. Estimates show that children’s aggregate spending roughly doubled during each decade of the 1960s, 1970s, and 1980s and has tripled so far in the 1990s”.

Lee and Collins (1999) proposed that when more than two family members are in conflict during the purchase decision processes the third parties (children) may form alliance 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 tend to use emotive strategies to gain influence. At the same time, the influence of family members varies in response to the gender mix of the children. Daughters were generally more influential than sons and the gender of elder children appeared to have more significance on the influence structure of the family than that of younger children. Interestingly, fathers and elder daughters and mothers and sons were found to work together to gain influence. The influence of a mother in the family was the strongest during the Negotiation and Outcome stage when both her children were male. Her influence was also strong if her first child was male and the second child was a female. The mother-son and father-daughter pattern changed
when parents had two daughters. The father had less influence during the *Configuration* stage when they had a younger daughter and his influence increased in the *Outcome* stage if the couple had an elder daughter and a younger son. Moreover, mothers in two girl families had greater decision power than when the family has an elder daughter and a younger son.

Abhilasha Mehta (Gallup and Robinson Inc. 2000) has concluded that print advertising performance is influenced by consumer’s attitudes towards advertising in general. Respondents with more favourable attitude towards advertising recalled a higher number of advertisements the day after exposure and were more persuaded by them. The research shows that to be effective, an advertisement should be something people should like looking at, believe and find utility with keeping up to date about products and services.

Gene Del Vecchio (O and M, Los Angeles 2000) has argued that marketers must gain an intimate understanding of a child’s emotional needs, their hopes and fantasies in order to succeed in creating and sustaining bonds with almost universal child appeals.

Steven M. Edward (2000) has pointed to adolescent population of 30 million (in U.S.A) which is rapidly growing in both size and consumption power. Teenager’s preferences are also influencing household consumption choices and therefore advertisers must begin to understand and address the unique needs of this younger group of consumers.

Williams and Burns (2000) using social power theory, investigated the ways in which children make direct influence attempts. They found that when children feel ‘entitled’ or ‘privileged’ to act in their own way, they resort to negative influence attempts such as deception, displaying anger, begging or pleading to exert influence. If they find that their parents have the right or legitimate power to direct their actions, they utilize positive influence attempts such as asking nicely, showing affection or bargaining. When they feel that they can manipulate their parents, they try to deceive the parents, display anger, or beg and plead. If the children expect to be punished as a result of non-compliance, they behave in ways as is perceived positive by the parents. This implies that when parents resort to coercive tactics, the children try to have their own way by asking nicely, bargaining or showing affection. Many times children also express compliance in exchange for a future gain; that is, they bargain for a future reward in exchange for a present one.
Business Management Club (2001) explains the present trend in the consumer market as:

Table 3.2
Present Trends in the Consumer Market

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Changing demographic environment where the 75 million “baby boomers” (born after the second world war) now account for about one third of the total population.</td>
</tr>
<tr>
<td>2</td>
<td>People marry later in life and have fewer children.</td>
</tr>
<tr>
<td>3</td>
<td>The number of married couples continues to decline.</td>
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<tr>
<td>4</td>
<td>Number of working women increasing drastically.</td>
</tr>
<tr>
<td>5</td>
<td>About 65% of women will be in labour force by 2005.</td>
</tr>
<tr>
<td>6</td>
<td>47% of all households will be non family or single parent households by the year 2005.</td>
</tr>
<tr>
<td>7</td>
<td>Younger adults move out of their parent’s home earlier in life.</td>
</tr>
<tr>
<td>8</td>
<td>The divorce rate is increasing.</td>
</tr>
<tr>
<td>9</td>
<td>The percentage of the more educated people is increasing.</td>
</tr>
<tr>
<td>10</td>
<td>People are becoming increasingly health conscious.</td>
</tr>
<tr>
<td>11</td>
<td>People generally live longer.</td>
</tr>
</tbody>
</table>

(Source: Marketing and Sales Management, Business Management Club, 2001)

Hundal (2001) in a study of rural buying behaviour in the Amritsar district of Punjab investigated the role of family members in making purchase decisions for durables including refrigerators, televisions, air coolers, and washing machines. His findings projected that product selection decisions in rural families were mostly made by spouses together but they were highly influenced by children.

Kapoor (2001) collected information from families in Delhi in regard to their roles across stages of purchase decision making for six durables - televisions, refrigerators, washing machines, personal computers, audio systems and cars. She found that individual members were associated with multiple roles. The initiator for purchase in a family was typically a young female member, who was likely to be the wife or one of the children. She illustrated that the need for an audio system, personal computer and television was likely to be first expressed by the children in the family. As influencers, younger members, especially children, were found to affect purchase of a personal computer, audio system, and television.
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The final purchases were found to be decided upon after consultation with other family members, mainly the husband.

*Deepak Halan (2002)* opines 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 have a lot of information because of exposure to television, other media, and friends. They reflected that parents sought their opinion even in making purchase of products not directly related to the children, such as cars, because of their higher knowledge of brands, models and the latest trends. Also, children stated that parents bought products that made the kids happy.

*Lee and Beatty (2002)* examines the effect of family structure in the family decision-making process. In particular, it seeks to determine if sex-role orientation and the wives’ occupational status make a difference in the amount of influence adolescents and their parents have in family purchase decisions. The amount of influence exerted by adolescents is found to be dependent on their families’ sex-role orientation and mother’s occupational status.

*Anup Shah (2003)* explains that marketers see children as a future as well as current market and hence brand loyalty at a young age helps in the quest of continued sales, later. He further explains that the journal of American Medical Association has said that children between the age of two and seventeen watch an annual average of 15,000 to 18,000 hours of television compared with 12,000 hours spent per year in school. Children are also major targets for television advertising, whose impact is greater than usual because there is an apparent lessening of influence by parents and others in the older generation. Nevertheless, $1 billion a year is spent on ads and commercials directed at children.

*Shoham and Dalakas, (2003)* replicates an earlier study connected in the USA and examined Israeli families’ decision making regarding various products and decision-making stages. The results revealed that teenage children have influence over family purchases particularly for products relevant to them (like cereals and vacation) and during the initiation stage.

*Kamaruddin Abdul Razak and Safeik Mokhlis (2003)* investigate how the process of consumer socialization will determine adolescents’ decision-making styles. Eight decision-
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making styles were conceptualized as outcomes of the socialization process, which are acquired via interaction with socialization agents namely parents, peers, printed media, television commercials and in-school education. The study also proposes five social structural variables (social class, gender, ethnicity, residence and religion) as being associated with the socialization agents and decision making styles. There is a significant relationship between the social structural factors and socialization process. The most revealing finding of this study is that parents did not contribute to the formulation of decision making orientation for adolescents.

Singh and Kumar (2003) explains that children today do not only make their buying decisions themselves but also play a great role in other buying decisions of the products to be purchased in household. They not only attempt to influence their parents to make purchases of special interest to them, but also with regard to remote interest, e.g. laundry detergents, for which they see advertisements on television. They further analyzed that 90% of the children get pocket money which they spend on comics, ice-creams, toffees and on other eatables available in the market. So they are targeted by the companies with great efforts and are emerging as a big market. Thus this segment can very well be exploited in order to peep into parents’ mind.

Bansal (2004) opines that ‘It’s all a kid’s play anyway’. Today’s youngsters have profound influence over purchases in all kinds of product categories. They are the centre of the aspirations of the family. The findings of a survey named as New Generations 2001, conducted on Indian kids by Cartoon Network, reconfirm the power of the kids to make their parents dance to their tune when it comes to purchasing a product. The study also throws light on some of the compelling aspects of the child as a consumer. Insistence power emerged as one of the New Generations 2001 study’s important findings by virtue of which the kids pester their parents and make them invest on their asked for favourites. In the study mothers were interviewed in order to validate the claims made about the children’s power of insistence. It measured the level of influence children have on purchase and brand decisions across 37 product categories. And the results primarily confirmed the stretch of the influence of the kids beyond traditional products, observes Duncan Morris, Vice- President, Research, Turner International Asia Pacific, advertisers ought to tailor their messages keeping the kid sector in their minds, he remarks. The survey indicates that today’s children usually have a strong opinion on brands. For instance, the study conducted on kids aged 7 -14 revealed that
Santro is their favourite car followed by Maruti 800 and Zen. And Nokia was voted as their most favourite mobile brand. An international comparison on the extent of influence on parents’ purchases, conducted across 30 product categories, revealed that while South Korea and Japan were at the upper end of the spectrum, Singapore and Malaysia figured at the bottom and India hovered somewhere in the middle.

*Kaur and Singh (2004)* observed that children are individually active in initiating the idea to purchase a durable. In other stages of the decision making process, they exhibit joint influence along with other members of the family. This implies that they provide support to the member exerting influence to increase pressure but do not wield much influence individually.

*D.P.S. Verma and Neetu Kapoor (2004)* in their study revealed that parents give due recognition to the increasing role of children above the age of eight years in the family purchase decisions. However the parents’ response has been influenced by the age of the child, price of the product and income of the family. Children perceived their role to be highly important in the family’s decisions. They claimed to play the role of influencer and decider in the purchase of a majority of personal products, consumables, household durables and even family automobiles. They also said that they play the role of buyer for a number of products.

*Belch et al’s (2005)* proposed that since teenagers are high users of the internet, they have greater access to market information, which could impact their influence in family decision making. They found that teens who perceive themselves to be ‘Internet mavens’ (individual who are relied upon more for providing information from the virtual market place) 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 television advertising in a comprehensive study in Delhi. Their findings revealed those children as young as six years could understand the purpose of television ads and distinguish between a commercial and a television programme. With an increase in the age of the child, cognitive understanding of the
ads increased and children above the age of eight years were able to respond to television ads in a mature and informed manner. Heavy viewing was positively associated with favourable attitudes towards television ads and conversely, interest in ads decline with age. Children's exposure to television 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. Both parents and children noted the impact of television ads on children's purchase requests.

Shoham and Dalakas (2005) found that preteens in the study had significant influence on purchase decisions. Key results of interest include the finding that the mere presence of siblings weakened the perception of influence, yet interestingly, results indicate that later-born/only children have more influence on certain purchases than firstborns. In addition, results indicate that preteens felt they have more influence on purchases that are intended for their use as opposed to purchases that are for family use. Parents also felt that children have more influence on purchases for the child, but parents did not perceive the levels to be as high as their children did.

David Buckingham (2005) provided a comprehensive review of the academic literature relating to children's and young people's media literacy. It focuses primarily on television, radio, the internet and mobile telephony; and specifically addresses the various barriers to, and enablers of, media literacy.

Kaur and Singh (2006) explained that children constitute three different markets: the primary, the influencer, and the future market. Certain products are simply children's products for which they are the primary users/buyers. They sometimes either purchase a product themselves or select the product before it is purchased by the parents. For other products such as ones which are used by the entire family unit they may influence purchases made by the parents. There are some products where children wield direct influence or pester power by overtly specifying their preferences and voicing them aloud. For other products parents' buying patterns are affected by prior knowledge of the tastes and preferences of their children. This 'Passive Dictation' of choice is prevalent for a wide variety of daily consumed product items as well as products for household consumption.
Kaur and Singh (2006) studied that the amount of influence exerted by children varies by product category and stage of the decision making process. For some products, they are active initiators, information seekers, and buyers; whereas for other product categories, they influence purchases made by the parents. The purchasing act is governed by how they have been socialized to act as consumers. Family, peers, and media are key socializing agents for children wherein family-specific characteristics such as parental style, family’s Sex Role Orientation (SRO), and patterns of communication play key roles.

Kathyy Hamilton and Miriam Catterall (2006) explore consumption practices in poor families focusing on children’s influence on consumption decisions. They explore the consumption experiences of poor families who face significant restrictions in consumption opportunities. Findings demonstrate that the children in these families are very influential in the family’s consumption activities as parents use consumption to reduce the visibility of their poverty. One of the overriding aims of this is the protection of children in terms of potential stigmatisation or social difference from peers.

Mallalieu and Palan (2006) in order to identify the extent, to which shopping competence is developed in teenage girls, developed a model of adolescent shopping competence in a shopping mall context. They investigated whether teenage girls were competent shoppers or whether they indulged in compulsive shopping behaviours. Shopping competence was defined as a multi-faceted construct composed of effectively utilizing environmental resources, having and using knowledge related to shopping and possessing the degree of self-confidence and self-control necessary to utilize environmental and individual based resources fully. The teenage girls described their mothers as being competent shoppers. The results of discussions with teenage girls indicated that they exhibited competence in using environmental and knowledge based resources ‘Partially’. This implies that if they revealed competency in some aspects of shopping, they came up short in other aspects they themselves perceived as being associated with shopping competence. The girls’ responses also indicated that they were lacking in self confidence and self control, and this also moderated the degree to which the teenage girls utilized environmental and individual resources in achieving positive shopping outcomes.

Nivedita Mukherjee (2006) says that the young Indian is emerging as the biggest and most influential consumer in the market place. Armed with an overload of information and
entertainment options, they now induce parents, who grew up on a ‘necessary consumption’ life style to spend without a thought and challenge marketers to drum up stronger brand creation exercises. This is the age when channels like MTV belt out their favourite numbers at hours convenient to their segment, when multiplexes shy away from screening blockbusters during exam time, when consumers giants like UNILEVER draw upon kid power to position a detergent as “dirt is good” and mobile operators play cupid with anonymous dates. Teenomics has hit the country with a vengeance.

Fig 3.2
Viewership by Channel (TVR)
Viewership among 10-14 years old

<table>
<thead>
<tr>
<th>Channel</th>
<th>TVR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disney Channel</td>
<td>0.09</td>
</tr>
<tr>
<td>Toon Disney</td>
<td>0.14</td>
</tr>
<tr>
<td>Nick</td>
<td>0.02</td>
</tr>
<tr>
<td>Hungama TV</td>
<td>0.12</td>
</tr>
<tr>
<td>Animax</td>
<td>0.16</td>
</tr>
<tr>
<td>Pogo</td>
<td>0.33</td>
</tr>
<tr>
<td>Cartoon Network</td>
<td>0.33</td>
</tr>
</tbody>
</table>

TVR: Television Viewership Rating  Market: India
(Source: Business Today, Jan, 1st 2006)

Fig 3.3
Viewership by Channel (Share)
Viewership among 10-14 years old

<table>
<thead>
<tr>
<th>Channel</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cartoon Network</td>
<td>9.8</td>
</tr>
<tr>
<td>Animax</td>
<td>16.3</td>
</tr>
<tr>
<td>Nick</td>
<td>13</td>
</tr>
<tr>
<td>Disney Channel</td>
<td>18.5</td>
</tr>
</tbody>
</table>

Market: India
(Source: Business Today, Jan, 1st 2006)

Priya Srinivasan with Rahul Sachita nand and Archana Shukla (2006) explained that children, especially tweens, are the largest consumers of media and entertainment products.
While adults spend just around two hours a day watching television, kids are glued to the tube for over four hours a day. And according to the media analysis, they are much more involved viewers than adults, "Ad recall among kids is much higher than adults, simply because they are quite active viewers as against adults who are largely becoming passive T.V. consumers" say Sandeep, Tarkas, CEO Media Direction. That's a fact; most children don't just remember ads, they even do the Jingles that go with them. Not all the four hours are spent watching the kiddies channel, children actually spend more time watching Hindi movies and Hindi mass entertainment channels (the kind that feature game shows and weepies) than they do cartoons or other such programming targeted exclusively at them. And some of them actually watch news channel. However, the media habits of tweens have more to them than just television. Older tweens read newspapers and general interest magazines; most tweens from higher income households surf the net; and a significant proportion frequent multiplexes with their parents sometimes with friends. All that adds up to a very media savvy consumer in the market. Fig. 3.1, Fig. 3.2 and Fig. 3.3, Fig. 3.4 shows viewership by channel and viewership by genre respectively among the children of up to 14 years in all India market survey done by Business Today from October 16, 2005 to November 11, 2005.

Fig 3.3

Viewership by Genre (South)

![South 4-14 Years](Image)

(Source: Business Today 1st Jan, 2006)
Malini Bhupta and Aditi Pai (2007) explained that if India is a consumerist society today, where the adults are living it up, the juniors are not far behind from pester power to direct consumption, the teens and pre teens segment is driving consumption and forcing marketers to create new categories, product lines and service offerings. So from saloons, gyms to exclusive clothes and jewellery lines are available for the very demanding market segment. The market for kids is evidently on a boil, if the numbers are to be believed. According to Technopark, the overall market size for kids (12-16 Years) in urban areas is estimated to be Rs. 15,000 crore. The total market size of apparel for kids (12-16 Years) in urban areas is estimated to be Rs. 1,600 crore which is growing at 25-30 % per annum.

Elizabeth Thompson et al (2007) studied how children are playing an important role within family purchase decisions, with their ability to directly and indirectly influence purchase decisions. They demonstrated a range of sophisticated influence behaviours that included justifying and highlighting the benefits of purchases, forming coalitions, compromising and remaining persistent. These behaviours were underpinned and enhanced by the use of product-related knowledge and information, which was viewed positively and encouraged by parents.

Md. Sidin, Md. Abdul Rahman, AbuBakar and Md. Rashid (2008) says that children of different age group measured from different gender group taken from four different cities
have different preferential attitude towards product, producer, brand, store, and price when performing their consumer roles. Similarly, the results show that age, gender, and city of dwelling may significantly influence the development of children consumption attitude, behaviour intention and purchase behaviour outcome patterns.

Damyanti Datta (2008) explained that time has gone when Indian parents controlled children with an iron rod. Obedience was expected and no was a household word. But in a world where families spend “Quality Time” at the mall, those norms are going the way of the dodo. By every measure, parents are bending over backwards to please their children, over 50 percent want their children to move ahead in life. She further explained that according to a 2006-07 survey conducted by Cartoon Network on 9000 respondents, children want more because there is so much more to get today: about 70 percent nag parents for things, 84 percent influence parents buying decisions, 40 percent have computers and mobile phones in 50 percent Indian homes. In the same article Rupa Murghai, student counselor of IIT Delhi, points out that in the traditional set-up it was easier for parents to pull back as children grew older, But with modernity kicking in, children have moved from the margins to the centre of the family. And the struggle to set limits has become tougher than ever.

Garima Sharma (2008) explained that kids becoming as fashion conscious as their parents, it is no surprise that their preferences too are being addressed by top international brands. Proving the points are international brands like Reebok, Adidas, United Colours of Benetton (UCB), Kappa etc. which are offering kids wear based on animated characters something that children can relate to.

Singh and Khatri (2008) for their scientific investigation adopts a cross-cultural perspective in studying the relationship between parental over-indulgence and perception of parents regarding the influence of children in bringing in awareness, creating interest desire and influencing actual purchase decisions (AIDA) of food products. According to them child rearing practices differ from culture to culture and can be an important factor influencing the buying behaviour of families. Parenting styles in two cultures (American and Indian) were studied to gauge the level of influence of children to the four levels of AIDA and the results indicate that there exists no significant difference in the two cultures regarding the contribution of children in bringing in initial information, creating interest and desire about packaged food products in the family but the two cultures differed significantly in terms of
the contribution kids have in influencing the actual buying decisions regarding packaged food products. The influence of American children was lower in final purchase than Indian children. The level of indulgence was found to move backward on actual buying behaviour of parents. Their study points at the shift of Indian parents towards overindulgence as a result of invasive marketing practices targeted at the children.

B. Guneri, O. Yurt, M.D. Kaplan and M. Delen (2009) studied that the children are more influential on need-recognition, where to buy, when to buy and which to buy sub-divisions. On the other hand, parents perceive children to have very little influence on family decision-making, as they state themselves, as the most influential units of family decision making. This study suggests that parents underestimate the role of their children on family buying decisions.

Seema Schdeva (2009) says that the bustling and burgeoning “Great Indian Family” has become a thing of the past. More and more young couples are not only opting for nuclear families but are also happy going in for one child. From something that was considered a rarity even 20 or 30 years ago, having a single child is fast becoming the norm in the urban milieu. This also makes sound financial sense in the current economic scenario wherein it is becoming imperative for both parents to be working so as to provide their child with the best of facilities and the outcome of these changes are that a child becomes only centre of attraction for the parents.

Vikram Bakshi, Managing Director, Mc Donald’s, India, says “kids are no longer passive members of the family.” Today, children are the essential part of the family decision making process, their likes and dislikes are taken into account by the family in taking decisions for the household and the family. They become friendlier to their parents. He also explained that the nineties in India really mirrored the baby boom period of the Americans – major shift to nuclear families, increasing democratization of the family decision making process and of course availability of wide variety of choice to the consumers.

Witt Susan D has done research on the influence of television on gender role socialization and explains that as children move through childhood and adolescence, television is an important influence on their gender role socialization.
Table 3.3

TV Facts

- American children aged 2-17 watch television on an average almost 25 hours a week or 3.5 hours a day. Almost one in five watches more than 35 hours of TV every week (Gentile & Walsh, 2002)
- 20% of 2-7 year old, 46% of 8 – 12 year old and 56% of 13 – 17 year old have TVs in their bedrooms (Gentile & Walsh, 2002)
- Children spend more time watching television than indulging in any other activity except sleeping.
- Television’s impact on reading and other academic skills depends not only on the amount of television watched, but also on what is being watched as well as the age of the child (Reinking, 1990)
- 68% of 8 – 18 year olds have a T.V in their bedroom; 54% have a DVD / VCR player, 37% have cable / satellite TV and 20% have premium channels.
- In 63% of households, the TV is ‘usually’ on during meals.
- In 53% of households of 7th to 12th graders, there are no rules about T.V. watching.
- In 51% of households, the T.V. on ‘most’ of the time.
- Kids with a T.V. in their bedroom spend an average of almost 1.5 hours more a day watching TV than kids without a TV in the bedroom.

(Source: http://www.mediafamily.org/facts/facts-childandtv.shtml)

The impact of television advertising on pre-school and elementary school-aged children occurs at multiple levels, including the relatively immediate product persuasion effects intended by the advertiser, as well as broader and / or more cumulative types of influences that accrue from exposure to large number of commercials over time. For example a cereal may have the immediate effect of generating product purchase requests and increasing product consumption, but it may also contribute to outcomes. Such as misperceptions about proper nutritional habits. Celebrities and cartoon characters (zoo-zoo in case of advertisement of Vodafone) are commonly used by marketers, as children’s views of advertising appeals are largely influenced by them. The practice is largely witnessed in restaurants giving a small toy
as a token of remembrance to children such as McDonalds (William and Veeck, 1998) or associating a cartoon character with a cereal.

Approximately 80 percent of advertisements target the children not only in the case of toys, cereals, candies and fast food restaurants, but also in case of laundry detergent, water purifier system (Aqua-guard and R.O. system), mobile phone advertisements and money investment plans like Kotak Mahindra Bank.

‘National Institute on Media and the Family’ shows the following facts:

**Advertising Industry Spends Billions to Target Kids**
- More than $2 billion is now spent annually on advertising directed at children; over 20 times the amount spent just 10 years ago.
- Channel One is twelve-minutes in classroom broadcast and has a daily teen audience comparable to that the super bowl the most watched television event of the year. In fact teens watch Channel One 50 times more than MTV.
- A 1998 Federal Trade Commission Survey examined 212 websites aimed at kids and found that 89 percent solicited personnel information such as name, postal address and security number, while only 23 percent were asked to seek their parents’ permission before providing information.

**Little Big Spenders – Children and Teen Spending Skyrockets**
- The spending, by children has roughly doubled every ten years for the past three decades, and it has tripled in the 1990s.
- Kids 4-12 spent $2.2 billion in 1968, and $4.2 billion in 1984, the figure climbed to $17.1 billion and only three years later in 1997 their spending reached $23.4 billion.
- Older kids 12-19, spent a record $155 billion of their own money in 2001, up from $63 billion just four years earlier.

**The “Nag” Factor Works – Kids Influence on Parents’ Purchase Continues to Grow**
- In 1960s, children influenced about $5 billion of their parents’ purchases. By 1984 that figure increased ten fold to $50 billion. By 1997, it has tripled to $188 billion.
Chapter 3

Review of Literature

- Kids marketing expert, James Mc Neal, estimates that by 2000, children below the age of 12 influenced household purchases to the tune of $ 500 billion.

Kids are Glued to the Tube and Bombarded by Commercials

- It is estimated that on an average a child watches between 20,000-40,000 commercials every year. That works out to at least 55 commercials per day.
- Children spend a daily average of 4 hours and 40 min in front of a screen of some kind—two and a half hour of which are watching television.
- The children have a television set in their bedroom and it was found that 24 percent of children under the age of 6 also had a television set in their bedroom.

Creating Brand Conscious Babies

- At six months of age, when a child starts to follow the simple sounds like "Mama" he also starts forming mental images of corporate logos and mascots.
- In a 1991 study, 91 percent of six year olds correctly associate Joe Camel with camel cigarettes.
- As per recent marketing industry studies, a person’s "Brand Loyalty" may begin as early as age two.
- At three years of age, before they can read, one out of five American children starts already making specific requests for brand name products.
- By age 5 children are ready to make their own (parent-financed) purchases.
- And by age 7, they are totally in control. With this control comes power—a power to make own their decisions.
- Experts say a life time customer may be worth $ 1,00,000 to a retailer, making effective “Cradle to Grave” strategies extremely valuable.

The studies conclude that influences of children in household buying decisions can be seen in India also. As so many changes in the social-cultural environment of India (such as emergence of dual career, single parent and nuclear families) have taken place, role of children has also increased in Indian households. But the review of previous literature has shown that maximum research regarding the children's influences has been done by western researchers. In India research on household buying decisions has been confined to spouses.
Women were seen to be the purchasing agent of the household and role of third party influences such as children have been neglected.

Only a few studies related to this topic, which have partially investigated the role of children along with other members in the household is found in India. Verma (1982) partially investigated the role of family members for purchase of a refrigerator. Singh (1992) studied the role played by family members while purchasing a television, Singh (1998) further investigated the role of children as buyers and found that purchase requests by children are strongly stimulated by commercials or by a friend who has recently purchased a product.


Singh and Kaur (2006) investigated the role of children in family purchase decision in India and in the West. She concluded that Indian society vastly differs from West in terms of family composition and structure, values, norms and behaviour which affect the role that children play in purchase decision making in the household sector. She further concluded that Western researchers have taken into account the effect of family type and composition, sex role orientation, parent style etc. to bring out a complete picture regarding the role of children; the Indian literature is more limited in this regard. Indian authors have gauged the influence of children only partially and have generally focused on spouses or all family members. So, research especially centred on children is needed.

Therefore, it can be concluded from the above review of literature that the problem in hand requires more research, as it is yet an emerging phenomena in the Indian society. Indian society is still characterized by a large proportion of rural population with joint - families. Emergence of the urban population with joint as well as nuclear families can also be seen. So
a comparison of children's influence in urban population and in two advanced cities by recognizing a variety of factors can definitely yield fruitful insight.
Chapter 3

Review of Literature

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