CHAPTER 2

LITERATURE REVIEW

2.1 FAMILY AS A CONSUMPTION UNIT

As defined by the Oxford English Dictionary 2009, family is defined as a group consisting of parents and children living together in a household. Families contain varying numbers of persons who are related in particular ways, including mothers, fathers, and children. This view may be extended to include grandparents, in-laws, step-relations, and perhaps even former relatives. In literature there are different meanings of family. The functional definition focuses on the main functions of a family. It is based on the importance of human reproduction and highlights that children need nurturing for a relatively long period of time. Functional theories analyze the effectiveness in accomplishing required functions by families. And if such functions are not performed, these structures are called dysfunctional families. Another view is structural. Structural definition focuses on family’s structure, the composition of its membership. This indicates that family members are related by blood, marriage, or some legal bond. It also relates to different types of relationships among members. Some bonds are created by power, influence, communication, affection and leisure. A family is usually structured by parameters such as gender, age, and generation. Studies usually based on limited structural form; a theory may apply only to mothers, or to married couples or to a single parent family. Interactional definition emphasize on the repeatable process of collective interaction with in families. Pattered interaction is seen in families. It also studies how the family members influence each other and the quality of their relationship. Social Relationship Theories are based on interactional view of family [30]. The last view in which definition of family could be seen is symbolic view. Here the definition is based on family members’ beliefs, perceptions and interpretations. We use different ways to communicate; it may be verbal or non-verbal like body gestures, symbols, photographs, emotions, etc. Studies have been done based on the communication, reaction patterns, language of family members.

There are different types of families existing in the world. “The high mobility of the restless society and its rapid technical and industrial change” [31] has guided the children (unmarried as well as married) away from their parents and from each other [31]. In India, the rich upper
classes do have huge extended families comprising of multiple generations residing in one common household. But, this kind of family is rarely exists in developed country [31]. The family plays very important mediating function. It coalesce individuals with a larger society, where a person learns various roles suitable for an adult life [32]. Family communications with other elements of society are intimate and immediate [3]. “Family as a consuming and decision making unit is a central phenomenon in marketing and consumer behaviour” [3]. Many joint decisions are made by consumers with all or few of the family members, which in turn have an effect on other family member’s desire and attitude [32].

Many researchers had highlighted four major functions of a family: economic well-being, emotional support, suitable lifestyles and childhood socialization. In any developing country like ours, the most important function of a family is to provide economic security to family members. Father is usually the head of family and is the economic provider. The mother usually acts as a home maker. But gradually this traditional set up is changing, joint families are giving place to small nuclear families, both husband and wife work to earn money and jointly take household responsibilities. Contrary to western countries where most of the adolescents work, children are still considered to be taken care of in India. Children rarely assist financially except the children of very poor family. Instead they are expected to complete their formal education till at least eighteen years of age. Emotional Support is another important purpose of a family. All the members of a family assist each other in solving their personal and social problems. Family upbringing, determines the family lifestyle. Importance of education, career, food habits, entertainment, etc. affects the consumption pattern of family members. Lastly, the family also takes care of a child’s socialization. Family imparts training to young children how to develop basic values, behavior and culture which establish their personality, communication, habits, manners and hence complete socialization.

2.1.1 Family structure/type

In western countries, family structure and related theories had seen many phases. In 1950s and 1960s, families were considered as a matter of pride. In late 1960s, many women and student movements had transformed the way we looked at family structure; families were exposed as a place for violence and suppression for women. With 21st century, it became very confusing what constitute a family [33]. Three distinct family types have emerged: intact, blended (step-parent families) and single parent households [34]. Single parent households will typically,
but not exclusively, be headed by females. Blended or stepparent families are the fastest growing type of family in the UK [35]. In India family structure is quite different than in west.

2.1.2 Roles of Family Members

A family's buying power can shape a child's brainpower, even at a very young age [36]. Kotler [37] identified six roles that family members play in buying process. A family member may play the role of initiator, who recognizes problem or express need for a product, influencer persuades other members for a purchase and information gatherer looks for information related to possible purchase or a decision maker, who make the final buying decision. From this Davis and Rigaux [25] adopted a detailed contingency triangle which was later developed by Wolfe [38]. This adaptation provided information on two types of decisions in family: autonomic purchase decisions are the ones made by only one spouse. Joint purchase decisions made by two people are known as syncratic. These decisions were common for cars, furniture, homes etc. [3]. Subsequently, Belch et al [11] found that while husbands made the purchase decisions for automobiles and television, wives dominated decisions about the purchase of appliances, furniture and cereal. The following roles are being played by family members [4]:

- The “initiator” recognizes problem or need for an item. He or she starts the decision-making process.
- The “influencer” exerts personal influence on other family members for a particular purchase situation. The “information gatherer” accumulates the information related to a potential purchase.
- The “gatekeeper” controls flow of information. He controls the information access to family members. This role is usually played by the mother who filters information received by the children.
- The “decision-maker” makes buying decision. He may not be the most important member but has authority to make the final decision. The “purchaser” buys product or service. He physically completes the purchase process.
Some family members may assume more than one role. An adolescent teenager may suggest need for a mobile phone and may also provide information to parents. Contrary to this some family members may restrict themselves to just one role. Father may be the decider who controls family’s money but he may have least interest in the purchase of washing powder. But the actual roles played by family members depend upon product type.

2.1.3 Family Buying Process

Decision making is a cognitive process of selecting a course of action from multiple alternatives. Decision making could also be said as a psychological construction. We cannot see a decision but from observation we can make out that a decision has been made. Decision making is a construction that imputes a future action. By observation we assume that people have made a commitment to effect an action. There are different models of buyer decision making. Frank Nicosia [39] identified three types of buyer decision making models: univariate model in which only one behavioural parameter determines the stimulus to purchase; multivariate model in which numerous independent variables determine buyer behaviour; and finally a system of equations model in which many functional relations interact. He concluded that the third type of model is competent of expressing the intricacy of buyer decision processes. Largely most of the researchers used three step model of purchase decision making:

1. Problem recognition
2. Information search & evaluation of alternatives
3. Final Decision stage

The studies particular to family buying process can be categorized in three different approaches [40]. First is macro approach where households are the primary research object and not individual family members. In micro approach, interaction among the family members is observed and studied. Another approach is descriptive approach in which the process of family decision making is described but its factors/parameters are not explained. Determinants of family decision making process like personality, family orientation, and upbringing are studied in the determinative approach. Attitudinal approach studies the responses from family members to examine the factors of family decision making. And lastly, there is behavioral approach which examines the actual behavior of individual family
Family decision making is different from individual decision making and is more complex because of the likelihood of joint decisions and different role specifications for members [5]. The models indicate that family decision-making is a joint decision process with the direct involvement of several persons, and it can be defined as something lying between consumer and industrial behaviour as it draws on aspects from both areas. Consumer behaviour concerns consumers’ private decision-making with focus on individuals, whereas industrial behaviour concerns professional decision making in companies and includes several persons. There are many shared decisions, made by consumers with the family members, which in turn has an effect on other family member’s wish and attitude [32] [45]. Family decision-making

Figure 2.1: Simplified Description of the Howard-Sheth Model [44]
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concerns consumers’ private decisions but includes several persons [46] [47] [48]. However, on the whole these previous models and empirical studies are very general and concentrate on complex purchases (e.g. buying a car or house), adult couples’ influence on each other [49] [50] [51] [52] [53] [54] [55]. None of the models included children as relevant influencers in family decision process. The family as a consumer entity is under represented in consumer behaviour research and understanding of the process and dynamics of family decision making is limited [56] [57]. There are many factors which affect the family buying process. They are:

1. **Culture**: Family buying process differs from culture to culture. Roles of husband and wife vary depending upon the culture of a family. In India, both Hindu and Muslim culture is very male dominated. Most of the decisions are taken by male member. In Latin America, women are usually considered as a junior member of the family. In other western countries, husband and wife take joint decisions. Rural and urban culture also determines the way a family behaves while making a purchase decision.

2. **Social Class**: Many studies have been done to understand the relationship between social-economic class and purchase decision making of a family and indicated a curvilinear relationship. In upper and lower social class, both husband and wife take decisions in their respective areas but in middle class, joint decisions making is very common.

3. **Reference Group**: Reference group is very influential in family decision making. Friends, neighbors, colleagues act as a reference group for family members.

4. **Family Life Cycle stage**: Philip Kotler [58] very well explained the different stage of a family life cycle-

   Stage 1-Bachelorhood: Bachelor male or female live apart from his/her family. They can be students or newly employed.

   Stage 2-Honeymooners: Newly married couples with no children. They are financially sound as both are earning with no major liability.

   Stage 3-Parenthood: This stage starts after the birth of first child. This could be said as the longest period. Mothers usually leave job to take care of the kid/kids.
Stage 4-Post-parenthood: When children leave their parents alone, the old couple socializes.

In early stage of marriage, both husband and wife usually take joint decisions. However studies show that joint decision making declines over the life cycle of family. Mothers of pre-school children have considerably less independent decisions. In later stages of family life cycle, decisions of husband and wife are taken independently.

5. **Mobility**: Social and geographical mobility of families increase the extent of intra-family communication. Any movement away from the stable primary group such as a family leads to more interaction among family members.

### 2.1.4 Conflicts and Resolution

When many members of family are involved, there is a possibility for disagreement. The high degree of conflict occurred due to vague family relationships, small size of family and changing developmental tasks [59]. Another researcher argued that conflicts among family members occur due to the presence of various thinking abilities that may consist of various goals and evaluative beliefs [40]. Disagreements and conflicts in families need resolution [60]. A successful choice may therefore require direct interaction between the persons involved, for example parents may ask their children directly what they want. Therefore, in many situations a collective decision model seems preferable, and especially when analyzing family buying behavior [61]. Family members can resolve a conflict by utilizing different decision strategies [40]. Sheth [40] classified such resolution strategies as persuasion, problem solving, politics and bargaining. Problem solving looks at more information search for assessing the purchase decision alternatives and looking for sources outside the family [40]. Politics takes place if the family disagrees on goals as well as on fundamental issues [40]. Persuasion and bargaining types of family decision strategies are utilized for attaining accommodation [50]. This included situations where a child’s emotional appeals like crying, pouting and by using other non-verbal method to attain influence over the purchase “decision outcome” [50]. Coalition as a family decision strategy adds a new stream to family conflict study when conflict takes place between two or more family members in purchase decision and the third party makes alliances to help one side against another [62]. A study carried out
by Buizen and Valkenburg [63] suggest that the relation between advertising exposure and parent–child conflict takes place only for children especially boys and who are older than six.

2.2 SOCIALIZATION OF CHILDREN

As quoted by Moschis and Smith [64], the term "socialization" has been around for a long time, even before its study as a concept by social scientists. Socialization had been an anxiety of many researchers in various areas of social sciences: sociology, anthropology, economics and academics. As Ward [65] defines consumer socialization as a “processes by which young people acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the marketplace”. There are a number of theories that explain the process of consumer socialization. Consumer socialization of kids commence when children accompanies their parents while shopping [66]. Young children begin making requests for desired things. At the age of five, they take their parents’, grandparents’ help for purchase decision, and as they grow older, they start making their own purchase decision and become complete consumers [66]. Robertson and Feldman [67] studied consumer socialization as many component problem areas which can then be matched with various theoretical approaches. Earlier studies on consumer socialization are based on broadly two frameworks, cognitive developmental model and social learning model [29]. Socialization agents are the influential sources that convey norms, attitudes, motivations, and behaviors to learner [68]. Research has shown that there are two major classes of socialization agents for children: the cognitive factors and the environmental factors [69]. While cognitive factors are demographics related like age, gender, etc., the environmental factors cover family, media and peers. Studies highlighted that parents, friends, media, schools and brands are the main socialization agents [29] [65] [70] [71] [72]. The most significant work in the area of child’s consumer socialization was conducted by John [26]. He proposed a model in which a child’s consumer learning is theorized to undergo a developmental process in three stages: from the perceptual stage through to the analytical stage, followed by the reflective stage as they mature into adult consumers. Socialization through parents is enforced by cultural settings. In China, parents play the most important role in providing children with information about school-related products [73]. In Hong Kong, children rather than parents have more say in choice of product or service in question [74]. Limited research is done in India to understand the consumer socialization of children. This study will help us to get into the psych of Indian children and understand the factors that shape their consumer behavior.
2.2.1 Parents influence

Family influences in child’s consumer socialization are both direct and indirect [75]. The importance of parents as a socializing agent has been observed by many studies [29] [76] [77]. Parents are not only the primary socializing agents for children but their influence continues well into child’s adulthood [78]. Parents intentionally make efforts to implant their own values about consumption in their children [79]. Earlier, it used to be believed that parents are the main influence until child reaches adolescence [76]. Children usually go shopping with their parents where they get an opportunity to gain knowledge from their parents [79]. Parents have an influence on the extent to which a child successfully acquires consumer knowledge through the type, quantity and quality of consumer experiences and information they share with the child [25].

Parents influence the consumer socialization process of their children in several ways [65]. First is through child’s observation: children observe the consumer behavior of their parents. And second is through parent-child interaction about purchases and consumption [65]. Among parents, mothers have been an imperative consumer socialization agent. Mothers with differential parental style were found to differ in communicating with children regarding consumption, media exposure, views on advertising [80] [81] [82]. Mother’s economics and social status also directly impacts the consumer socialization of children. Mothers’ have dominant influence compared to other family members during the early stages of decision making process. Their influences reduce in the final buying stage and it becomes equal among other family members [16]. Role of fathers has been found to be limited in consumer socialization of children [83] [84] [85]. According to Becker [86], parents are classified as Indulgent, Authoritative, Authoritarian and Neglecting. He suggested that disciple behavior of parents could be explained by a three dimensional model: warmth vs. hostility, restrictiveness vs. permissiveness and calm detachment vs. anxious emotional involvement. Carlson et al. [81] found that parental style depends on the way parents communicate consumer skills and knowledge to their children. Parent’s influences also differ depending on the product type [87]. Influence is week for publicly consumed luxury (golf clubs) and necessity (wristwatch) and strong in the case of privately consumed luxury and necessity (mattresses) [87]. Other researchers further researched by studying inter- and intra-generational impact of family on consumer socialization of child [88]. Parents and elder siblings perceived innovativeness has a great influence on the younger child’s innovativeness [88]. Parents influence their children
with issues like price sensitivity and brand loyalties, to promotion and advertising [87]. Parents also determine the degree to which their children will be exposed to other information sources, such as television, peers and salespeople [89]. Children learn about consumption by watching their parent’s behaviour and imitating it. Differences in parental style account for differences as regards to the way parents attempt to control children’s behaviour with emotions, authority and so on at the time of socializing them [18]. Socialization through parents is enforced by cultural settings. And in a traditional country like India, emphasis is placed on family customs and traditions. In such a conventional setting, young children’s consumer behavior bears a strong resemblance to that of their parents. The whole family is important to understand the psychology of a child. As more families are seeking opportunities together, organizations are providing “experiences” for families to appeal to more customers and increase their revenue in economically challenging times [90] [91].

2.2.2 Peer group influences

Like parents, peers also impact child’s consumer socialization directly or indirectly. Available literature on consumer socialization has found peers to be a significant source of influence for child [29] [71] [92]. Peer influence is greatest when the child is adolescent (age 14 years) and then it gradually decreases through middle and late adolescence [93] [94]. Children gain knowledge of expressive elements (styles and moods) of consumption from friend [95]. Peer group influences child in a way that a parent may not be able to; the reason is child’s desire to conform to peer norms. Children learn “expressive elements of consumption” (materialistic values and social motivations) or “affective consumption” (styles and moods of consumption) from their peers [29] [96] [97] [98]. Peer interaction also provides the child with non-rational sources of consumer socialization [99]. Childers and Rao [87] saw that friends influence more for some type of products like public luxuries and not private necessities. This implicated a peer group influence on understanding of children of consumption symbolism. Friends are likely to help children in assessing products, brands, and stores. Friends enhance a child’s sense of belonging by helping them to establish an identity separate from parents [29] [70]. Children are receptive to their friends’ opinions, similar interests, tastes and value perspective [100].
Studies also highlights that preadolescents are dependent more on their parents whereas, middle or late adolescence have greater sense of maturity and self-identity which decreases susceptibility to peer pressure [93]. Children spend time with their peers for a day-to-day, short term and social decisions, and they spend time with their parents for value-based, long term and ethical decisions.

2.2.3 Television influence

According to Moschis [70], “no other agent of consumer socialization has received more attention (in the literature) than the mass media”. Advertising and content are the two main dimensions of media that confers influence upon children [101] [102] [103] [104] [105]. Media, particularly television, acts an omnipresent socialization agent [25] [70] [106]. The maximum influence of mass media is driven from advertising and programming [29]. Quite a number of studies has shown that the more children interact with the mass media, the more consumer socialization occurs and more consumer behaviour is learned by children [29] [96] [105].

Television advertising for children for toys and games has tripled since late 1970s [107]. “Marketers use television as a medium of communication since it affords access to children at much earlier ages than print media can accomplish, largely because textual literacy does not develop until many years after children have become regular television viewers” [18]. The influence of television advertising on younger children takes place at different levels including the marketers’ “immediate product-persuasion effects” along with more influences that takes place due to more exposure of commercials over time [18]. According to Goldberg et al [108], young children have the ability to distinguish between a television commercial and a program but they are unable to understand the advertising intent till they are eight years of age. When a child’s age increases their attitudes towards advertisements changes from positive to negative, where they become skeptical of advertising [26]. A research by Center for Media Education [109] examined that on an average children watch three to four hours of television per day; this is the number one after-school activity for 6 to 17 year olds. Television is considered the most important information source for learning about new products [110]. It has increased children’s knowledge about products and the ability to distinguish between brands to form preferences and make choices.
2.2.4 Internet influence

The increasing use of internet as a communication tool makes this a strong agent of child’s socialization [111]. Young children experience internet as a physical and social space. It provides a participatory learning environment for through discovery and construction. The internet has formed a new learning culture, which allows children to share, discuss, influence and learn interactively from each other [111]. Commercial internet sites are colorful, friendly, engaging and offer interactive games and products that child recognizes [112]. Children engage in different kind of activities on internet: e-mailing, chatting, listening music, gaming and searching information. They also acquire open product related knowledge regarding performance, prices, features, brands etc. Previous studies in this area indicated that children more rapidly used internet and mastered greater degree than their parents [113] and hence they have more internet knowledge would had greater impact on family decision making since they could easily access the market information [114]. Internet shopping is also becoming quite popular with teenage children. In 2000, a total of $1.3 billion were spent online by children in USA [112]. A study of Indian youth reveals that reliability, accessibility and convenience are the major motivator factors which motivate the Indian consumer to buy online; but need more insight to comment the same for young children [115]. Social networking is another emerging dimension of internet media. Relatively new in India, this phenomenon has been an instantaneous hit especially with the Indian youth; hence marketers are trying hard to understand its commercial viability. As explored by Mishra [116], there are four intentions of young children behind the usage of social networking sites – building association, spending time, self-image formation and acquiring information.

2.2.5 Role of communication in socialization

Consumer research on child’s consumer behaviour has its base on conceptual and theoretical models of socialization [117]. Family communication is seen to affect child’s decision-making [18]. Moschis [71] study stated that though interpersonal communication takes place in various social settings like siblings, parents and peers, interpersonal communication within the family has the most influence on consumer socialization. Family communication influences on acquiring certain consumer skills during adolescence which is an important period in socialization [70]. Moschis and Moore [70] also looked into early approaches to understand how family influences children ranging from broad global nature to specific
situation. Parent-child relations are described as undimensional depiction of power situation within the family (controlling-permissive, autocratic-democratic, traditional-modern). Research on parent-child communication process has found two uncorrelated dimensions of communication pattern [64]. Patterns of family communication, developed by McLeod and Chaffee [64] consisted of socio-oriented and concept-oriented communication styles, which play a critical role in socialization. Socio-oriented communication style focusses more on parental control on children whereas concept-oriented communication focusses where parents permit children to freely produce and express their ideas and views [18]. These two dimensions of parent to child produce four-fold typography of family communication pattern [64]. Laissez-faire families do not stress on any of the dimensions whereas consensual families stress on both the dimensions and protective families focuses on socio-oriented dimension contradicting pluralistic families who emphasizes on concept-oriented dimension [18]. Extensive research on family communication led the researchers to assume that family communication pattern would direct individual in coping up with various situations outside home like mass media use or public affairs issue [10] [64]. According to Moschis [70], family members may communicate specific information to others by using various mechanisms. Firstly, by performing specific acts, they may unconsciously or consciously talk about expectation and norms to others. Secondly, a family member may influence other’s consumer behaviour by using different positive and negative reinforcement, and lastly overt communication process (social interaction mechanism) may affect other member’s consumer behavior [70]. Family communication content is very significant in determining communication quality [64]. Palan [118] used both the absolute and relative measures of frequency and quality to measure influence of adolescent in consumer activities. Moschis [70] stated that parents can influence the consumer learning of their children directly through various communication processes by using reinforcement mechanisms. Parents also get influenced indirectly by youngsters’ interaction with other sources of consumer influences [70]. Communication between parents and children has a major impact on consumer socialization of children [18].
2.2.6 Child’s Socialization Studies in India

Most of the studies on child’s consumer socialization were originated in US and other European nations, but petite research attention was paid to Indian children. The consumer socialization framework evolved by John [26] provides a conceptual framework for many subsequent cross-cultural research endeavors. It has been applied in particular to the studies focusing on television advertising [119], materialism among children [120], and the perception of young consumers on brands [121].

Studies like that of Moschis and Mitchell [117] and Caruana and Vassallo [12] focused on children’s consumer socialization and its impact on their influence level in family buying process. Parents, television and peers were found to be primary socialization agents influencing the role of children in household consumption decisions. Though these studies captured in detail the impact of socialization agents in USA, much remains to be analyzed in a cultural and economic setting which is very different than USA. With regard to family buying also, there are very few studies in India and researchers have only partially examined the role of child. Indian society is witnessing a major societal and economic change. Family structures are undergoing a transformation; nuclear families are rising, single parenting is increasing and dual career families are growing exponentially. Per capita income is increasing, hence more purchasing power for families. Children are getting more and more media and western exposure. In western countries, there exists a good amount of studies in this field. But, studies specific to developing country like India are needed. As one of the researcher mentions “India is an interesting culture in which to explore the antecedents of marital power because its social and intellectual grains operate in ways vastly different from those the West takes for granted” [122]. This all makes it important to understand children’s influence in the purchase decision making in families in the Indian context [22].

2.3 CHILDREN’S INFLUENCE ON FAMILY BUYING

Adults/parents and children are two groups of consumers which are similar in some aspects but different in others – even though the group of children that are recognized as ‘tweens’ strive to be adults and are attributed consumer competences similar to those of adults [19]. Some of the most fundamental differences between adult and child consumers are that children change their needs, preferences and behaviour very fast, and the factors influencing children also change very fast [19]. Recently tweens have been a much discussed consumer
group in public debates and general literature, but compared to older kids, teens have enjoyed less focus in previous research regarding family buying process. However, not much research compares parents and tweens on particular areas in buying.

Family decision-making research was initially directed to spouses, however the role of children on decision making and negotiation strategies had become an important issue of study [18]. Children not only enjoy making regular consumption decisions with their parents but they also insist their parents to buy the products they desire [18]. Previous studies have identified that as children mature from childhood to adolescence, their knowledge on consumer behaviour, values and skills increases [26]. Caruana and Vassallo [12] identified that, ever since the early 1990s, marketers have targeted children as they are not only the consumers but they also influence on family purchasing. Children influence family buying decisions in four different ways [74]. Firstly, children influence their parents to buy products for their own use according to their personal preferences. Secondly, older children generally get pocket money and buy products of their choice directly. Thirdly, children influence their parents’ choice for family’s joint consumption. Lastly, children influence their parents’ own preferences [7].

2.3.1 Influence

When we talk about a child’s influence in the family buying process, we need to be very discrete what do we understand by ‘influence’. Defining ‘influence’ is a major issue in this research area as identified by few researchers [123] [124]. The terms, influence and persuasion have a very strong and distinctive meaning. Influence is the power to affect a person, thing, or course of events, especially one that operates without any direct or apparent effort. While persuasion is the act of influencing mind by arguments or reasons offered, or by anything that moves mind or passions, or inclines will to a determination. Influence occurs any time, when children attempt to change parent’s thoughts, feelings or behaviors. Inducing a change in behavior is called compliance and inducing a change in attitude is called persuasion [125]. Another researcher has very beautifully captured the essence of child’s persuasion as: persuasion attempts to win “the heart and mind” [126]. Influence can be defined as changing an individual’s behavior, beliefs and attitudes [127].
The influence can be a direct and indirect but, to distinguish between the two is problematic. The previous studies rarely discussed “influence” explicitly. Lack of attention is paid to its construct validity [124]. Moreover there has been a problem in differentiating between direct and indirect influence. According to the conceptual framework of social power theory, children's influence may be divided into two categories: direct (i.e. active) and indirect (i.e. passive) [128]. A direct influence attempt may be considered the sum of a child's actions intended to direct a decision outcome according to his or her own preferences. Unlike passive influence where a parent's perception of a child's unstated preferences influences a purchase decision [129]. McNeal [7] refers influence to child's request "styles" as those ways in which a child asks for something. Berry and Pollay [17] measured influence as decision dominance as the exercising of social power theory. Though distinction is needed, to discern accurately the difference between direct and indirect influence is daunting [130]. So, as for this study, there is no distinction between children’s direct and indirect influences in the family buying process and rather took an unsullied perspective as presented in the following chapters.

2.3.2 Child’s Role in family buying

Children constitute a major consumer market, with direct purchasing power for snacks and sweets, and indirect purchasing influence for big-ticket items [131]. Berry and Pollay [17] first tried to understand children’s role in marketing, where children formed a significant, separate market segment for marketers. According to Shoham and Dalakas [132], the amount that children spend in family purchase decisions has risen over the last forty years. Indian children have recently attracted considerable attention from marketers because the market for children's products offers tremendous potential ($1110mn) and is rapidly growing [18]. According to available industry data, the chocolate and confectionary market is estimated at $290 million, the apparel market at $110 million and kids’ footwear at $220 million [133]. Children’s influence differs by the stage of decision-making process (i.e. problem recognition, information search and choice) and product category. For few products, they are information seekers, active initiators and buyers whereas for other categories of product, the purchases are influenced by their parents [18]. As the children grow older, they develop further sophisticated decision-making abilities and skills. As age increases, the competence of child as a consumer also increases [70]. The amount children spend in family purchase decision has risen over the last forty years [54]. However, children as consumers are also growing in other areas where they have a greater authority on bigger family purchases like televisions and cars.
“Children in India may not have the purchasing power comparable to their western counterparts, but they are still the center of the universe in the Indian family system, and they not only influence markets in terms of the parental decision-making to buy certain kinds of products, they are also future consumers” [18]. Research on family decision-making was initially directed to spouses, however, the role of children on decision making and negotiation strategies has become an important issue of study [18]. Previous researchers have identified that as children mature from childhood to adolescence, their knowledge of consumer behavior, values and skills increases [26]. The role that children play in buying decisions has prompted researchers to direct attention to their study. Caruana and Vassallo [12] identified that, ever since the early 1990s, marketers have targeted children as they are not only the consumers but they also influence on family purchasing.

### 2.3.3 Demographic Variables

Past studies argued that children’s influence varies by demographic factors; as the child grows, his/her influence in the buying process also increases [10]. Moschis and Moore [70] study suggested that relationship between communication pattern and demographic variables like age, sex and social class did not exist. McNeal & Yeh [134] cites that the relationship between age and children’s influence is positive. Generally, younger children do not influence family purchase decision as much as the older children [10] [15] [35] [117] [136] [137]. Buying pattern of the child gets defined when he reaches his adolescence [134]. Children less than seven years of age have limited cognitive abilities [12]. This change when a child progresses to the analytical stage (7-11 years). In this age a child can understand concepts such as product categories or prices, child have the ability to analyze multiple dimensions or attributes of a product [26]. However, child’s requests are accepted more when they grow up as they are able to make rational decisions [137]. Research also establishes that children start understanding the selling intent of the advertisement after they attain the age of eight [138]. “Tweens” is the term used for 8 to 12 year-olds who are “in between ages [139]. They are a bit too old to be looked at as children and a bit too young to be teenagers. The “tween” concept originated in marketing [139], and it is a widely used term in marketing and media research. Tweens’ brand awareness is at about the same level as adults’ brand awareness. According to the Danish TNS/Gallup’s “Children and Youth Index”, on an average, eight to ten-year-old tweens know six mobile phone brands versus seven brands among adults (ages 19-30). For breakfast cereals the average is 11 vs 14 brands, for sports clothing five vs six
brands and for soft drinks 11 vs 12 brands. Tweens remember what they have seen, heard and read about the brands; they discuss it with their friends and form their own opinion or form common views on the brands [26]. Therefore, it may be presumed that tweens are relatively aware of what to expect from the brands [140]. Older children have significantly more influence on the family decision making process than younger children [141] [42]. Later-born / only child has more influence on certain purchases than firstborns [143]. Similarly gender, social class, number of siblings and family income also impact the children’s influence on the family buying process. Child’s gender also has a significant influence in family buying process. Boy child dominates for products like toys, movies and videogames and girl child usually have strong influence in household purchase like clothes, bakery items, writing paper, and imported candy [134]. Boys are more money-orientated and independent in their decision-making as compared to girls [144]. Media exposure is also very important element in this area. Children’s influence has been largely moderated by role of media [125] [73]. Parents are also involved in the purchase decision of children. In Lee & Collins [145] study fathers are more comfortable with their sons in purchase decisions as compared to daughters. On the contrary, daughters help their mothers in taking purchase decisions, as mothers feel more relaxed discussing various purchases with their daughters.

2.4 CHILD’S INFLUENCE STRATEGIES

Children use different influence strategies to persuade their parents into buying what they want and to comply with their requests. Wimalasiri [125] in his study used the terms, influence and persuasion to describe the interaction between parents and children. Influence occurs any time a source (children) attempt to change a receiver’s (parents) thoughts, feelings or behaviors. Persuasion attempts to win “the heart and mind” of the target [126]. Children communicate with their parents to influence them for gratifying their needs. Children don’t have means like money persuasion, punishment, inducement, authority, and activation of normative or ethical commitment, as listed by Parson [146] and Emerson [147] as media of exchange for exchanging tangible and intangible entities. As a result, children opt for other means of persuading their tangible and intangible entities. As a result, children opt for other means of persuading their parents in fulfilling their needs. As children do not have direct control over their parents, children of all ages (and cultures) use various tactics to influence their parents [125]. In the context of exchange theory, children receive tangible entities while parents (the giver) receive intangibles such as psychological and social values. The symbolic
exchange of both tangible and intangible entities facilitates social harmony, tolerance and interdependence among family members.

In the past, there have been very few studies that have examined the dimensionality of child’s influence attempts. Children use many manipulation tactics which could be categorized in five dimensions: norm invocation (appeals to rules, fair play, reason, etc.), positive sanctions (gifts, favors, bargaining, politeness, etc.), negative sanctions (physical aggression, nagging, begging, crying, etc.), ask, and don't know or other [148]. Inductive research methods were used in categorization of six influence tactics: assertiveness, rationality, ingratiation, exchange, upward appeals and coalitions [149]. Later, Falbo and Peplau [150] and Cowan et al. [151] explained this through the concept of power strategies to children. According to Cowan et al. [151], there were fourteen influence strategy types namely: asking, begging and pleading, telling or assertion, reasoning, persistence, demanding or arguing, state importance, bargaining, negative effect, positive effect, verbal manipulation, using an advocate, eliciting reciprocity, evasion, and laissez-faire to influence parents. Schriesheim & Hinkin (1990) replicated the study by Kipnis et al [149] and developed new items to measure the same subscales. Yukl & Falbe [152] and Yukl & Tracey [153] examined influence tactics from both the agent and target perspective, and also extended Kipnis et al [149] work by identifying the additional tactics of inspirational appeals, legitimating, consultation, pressure, and personal appeals. Another study captures that direct influence attempt is multi-dimensional [154]. Dimensions found across a number of the aforementioned study includes, asking, begging and pleading, bargaining, politeness, positive effect, manipulation, displaying anger, and crying and pouting. Another study divides the different influence strategies as “upward”, “lateral” and “outward” [155]. Wimalasiri [125] and Yukl and Falbe [152] gave a detailed classification of the most common influence tactics used by children to elicit the desired parental purchasing behavior: pressure tactics, upward appeal, exchange tactics, coalition tactics, ingratiating tactics, rational persuasion, inspirational appeals and consultation tactics. Shoham and Dalakas [132] found that “negotiation and providing what he/she considers to be logical and practical arguments” and “making a direct request without reasons” are the most heavily and effective tactics used by Israeli children; the least used and the least effective are “shouting, anger, and getting mad” and “guilt trips.”
2.5 CHILD’S INFLUENCE FOR DIFFERENT PRODUCTS

It is imperative to understand a child’s influence with regard to product category as it helps marketer to devise better strategies for effective marketing to kids. Copeland [156] had delineated consumer products as convenience, shopping and specialty goods. His classification is based on consumer's purchasing process as defined primarily by shopping effort. Convenience goods are usually purchased frequently, immediately, and with a minimum of effort. Shopping goods are less frequently purchased items. These are those goods which customer in the process of selection and purchase, characteristically compares on bases such as suitability, quality, price and style. Biggest limitation of such a product categorization is the fact that it provides no insight into the manner in which consumers make decisions. Aspinwall [157] incorporated the convenience-shopping goods dichotomy on a color continuum from "red goods" to "yellow goods". Red goods are similar to convenience goods in having a high replacement rate, low search time, low time of consumption and low gross margin. Yellow goods are associated to shipping goods and have the opposite characteristics, with an infinite number of gradations between red and yellow. Here also, there is still no allowance for variations based on the consumer's decision processes. The need remains to establish a link between the marketing characteristics of a product and the consumer's brand choice characteristics in evaluating that product. Low involvement theories [158] [159] [160] have categorized product classes and suggested different types of purchase behavior in each product category. In one category are the so called "low involvement product classes." Frequently purchased, commodity-like goods such as toothpaste or canned peas are examples of what have become referred to as low involvement product classes. Less frequently purchased, and more brand differentiated product classes, such as automobiles or stereo equipment are often given examples of high involvement product classes. A needed breakthrough in perspective was provided in the hedonic, experiential view of consumption. Consumer goods may be grouped according to the nature of the consumption experience [161] [162]. It is acknowledged that all products contain degrees of both hedonic and utilitarian elements, which allows for the placement of objects along a hedonic/utilitarian continuum [163]. Different researchers use varied product classification for research in family buying process. Tinson and Nancarrow [164] conducted the research based on high and low involvement products for children. Medeksiene and Dikcius [165] used the classification as
products for children and products for family. Guneri and Kaplan [90] used a different categorization as family major, family minor, child major, child minor and services.

For planning marketing strategies targeting tweens, it is vital to judge whether the product category is one in which children might have influence [166]. Previous studies show that for almost all product categories, children have an important role [141]. Whether the product is for child’s own use like toys, snacks, clothes, etc. or the product is for family use like family vacation or the product is for joint consumption of the household like rice, food, tea / coffee, child has a very strong influencing power [114]. But the children’s influence in the family buying process differs by product category. It is important to understand a child’s influence in different product categories as it helps the marketer to devise better strategies. According to Mangleburg [124], children seem to have significant influence in product decisions for which they will be the primary consumer, like, breakfast cereals, snack foods, toys, children's clothes and school supplies. Children also influence decisions about family leisure time activities (such as vacations, movie attendance, eating out and cable TV subscriptions), although their influence is less in these decisions than in decisions for products for their own use. In the western countries, children’s influence is maximum in purchase decisions like toys [167]; children’s wear [14]; breakfast cereals [17] [114]. Children also exert influence on family decision making for vacations [114] [168]. Darian [169] investigated family purchase decision relating to family holidays, families eat out decision-making [70] and movies [135]. Foxman et al. [14] concluded that children tend to have greater authority if the products are for their personal consumption and are less expensive. On the other hand, due to children’s limited financial resource, children have less influence on the products related to financial terms [124], or entire family usage (television, refrigerator, car etc.). Ward and Wackman [137] suggested that younger children are likely to influence product categories like toys and games whereas older children between ages eleven to twelve try to influence product categories like “clothing and recorded albums”. Results of McNeal &Yeh [134] also showed noteworthy increase in the influence of children with age for hair care items, chips, movies, cars, videogames and TV and many others in that direction.
Chapter 2

### 2.6 CHILD’S INVOLVEMENT ACROSS BUYING DECISION STAGES

Child’s influence in the family buying process not only differs by product category but also by the stage of family buying process. Davis and Rigaux [25] were the first authors to differentiate stages within the decision-making process. Specifically, they divided the process into three stages: problem recognition, search for internal and external information and final decision. Later Foxman and Tansuhaj [171]; Martinez and Polo [53] also measured children’s influence using the three decision stages. For certain products, children take active participation in initiating the purchase, seeking information about the product, while for others; they are the final decision takers. Szybillo and Sosanie [77] examined the family buying process that involved all the family members; husband, wife, and children taking part in all three decision stages. The studies of Moschis and Mitchell [117] and Beatty and Talpade [172] showed that children dominate influence in the first two stages of decision making i.e. problem recognition and information search, but this influence decreases at the last stage (choice) of the purchase decision stages. Shoham and Dalakas [132] included fourth stage ‘actual purchase’ to family decision-making. This further enabled a deeper and more comprehensive understanding of influence of children in family buying process. Children are to a greater degree initiators rather than influencers in their family’s purchase decisions, independent of the sub-decision stage [125] [141]. Children consistently exerted the most influence in item selection and the least influence in how much to spend [142]. Wut and Chou [74] found that children have more influence in choice-making stage of decision making and parents still control the final decision, which is consistent with previous research findings [114] [117]. Research on Indian children showed that children expressed the need for personal computer, television but the final purchase was made after consultation of parents [173].

#### 2.6.1 Sub-decisions

Other than the three stages of family buying process, there are other buying decisions referred as “sub-decisions” like where to buy, when to buy, which to buy and how much to buy. Many studies reported a lower level of children's influence on decisions about how much to spend [15] [77] [114]. Children also have less influence on decisions about where to purchase [114]. But they can make communicative decisions such as model, colour, brand, shape and time of purchase [14] [114] [135]. Previous studies also highlighted that younger children are likely to use fewer elements to evaluate brands where their mechanism of choice on one attribute
Children usually rely on main “perceptual features of the products” in information gathering and choice stage. Studies also showed that a child would make decisions based on pre-determined boundaries established by parents like parents deciding on the model of car and child choosing the colour. But for products for which children are the primary consumer like toys, food, clothes and school supplies, children dominates influence for all decisions. According to Shoham and Dalakas, the Israeli children have lowest influence regarding how much to spend. Their highest influence was in deciding color and model (for cars), when to buy and model (for televisions), when to go and where to go (for vacations), which to buy and color (for appliances), style and color (for furniture), and what kind and brand (for cereal). The pattern emerging from these studies is that children's influence is lowest in the subdecisions of where to purchase, gathering information and how much to spend. Since parents are very important socialization agents of a child, they attempt to set bounds on children's influence by decreasing child's roles in the choice stage of the decision process, and in the subdecision of how much to spend. Limiting children's influence in these areas may be one way for the parent to teach the child responsibility and appropriate consumer behavior. It also seems that parents reserve more instrumental (i.e., allocation and scheduling) activities for themselves, and permit more children’s influence in the more expressive subdecisions (i.e., color and model decisions). Children may lack the experience necessary to make informed decisions for instrumental activities.

2.7 REVIEW OF RESEARCH METHODOLOGY

Based upon the review of literature, it appears that children's influence varies by product and decision-related factors, as well as by parental, child and family characteristics. However, there are also a number of problems associated with methodology of the previous studies. Mangelberg had beautifully outlined some of the more salient conceptual and methodological limitations of previous studies. According to him, one of the most glaring oversights in studying children's influence is the failure to provide conceptual justification for observed patterns of influence. Previous research had been descriptive and a-theoretical. So we may know that child's influence varies with a number of factors, but, without adequate theoretical explanation, we cannot answer "why" these variations occur. If we wish to
understand family decision-making, there is a need for sound theorizing the concept. Another problem area is the lack of attention paid to construct validity. This could be understood through one of the most important construct of such studies; child’s influence. There is no clear definition of “influence” [15] [128]. Some perceived only the ‘active’ dimension ... while others perceived the word to encompass both the 'active' and 'passive' dimensions." Another issue related to children's influence is the type of measures used to assess influence. Reviewed literature had employed a diversity of operationalizations for influence. Largely studies had used 3, 5, 6 or 7 point Likert scales to measure influence. Some studies had asked respondents to rate influence separately for family members [114] [135] [136] [176], whereas others have included all family members on a single scale [14] [77] [117] [171]. Results on children's influence also varied according to who is the respondent. As far as respondents are concerned, there is lot of variety. Most of the studies had taken teenagers, those who are in the age group 13-18 years as their survey respondents. Many studies had also taken one or both of the parents as their respondents. Wimalasiri [125] considered either of the parents as sampling unit and undertook sample of 255 parents from Fiji islands, Tonga and the Cook islands. Very similar to Wimalasiri [125], Martensen and Gronholdt [141] conducted survey with 779 Danish parents. Flurry and Veeck [142] and Wut and Chou [74] both considered child and both parents as the sampling unit. There are some studies which had taken only mothers as respondents. Fathers were not usually included as previous research had shown a very poor response rate and their less involvement with most purchases. As far as past studies are concerned, most of the researchers had been very miser in studying these young children. A good number of the studies have taken teenagers, those who are in the age group 13-18 years as their survey respondents. The rationale was that very young children have un-developed cognitive abilities and they are unable to understand the questionnaire. There are few researches that have studied younger children but parent are asked to evaluate the degree of influence [141] [165]. But there is just one study which had taken younger children as respondents to study their influence. Martensen and Gronholdt [141] focused is on 5-13-year-old children. The parent was asked to evaluate whether the child was the initiator (yes or no) as well as the degree of influence. A final consideration in this domain of research is the method of data analysis. Questionnaire is the most adopted survey instrument by the researcher. Many of the reviewed studies used structured questionnaire to collect data [125]. One of the studied works had adopted observational approach to examine the family decision making process [145]. In this study; data were collected from videotaped observations of 89
families’ interactions. In another study the researchers conducted an ethnographic study which was followed by a survey to confirm and quantify the findings from the ethnographic study [177]. Conveni ence sampling was used by many researchers [54] [114] [78]. One study had used random sampling to collect data from 1,120 mothers with children aged 10-16 from the TNS Postal Access panel [43].

Data was usually analyzed using the SPSS software package. T-test and Chi-square test in addition to the descriptive statistics were used for the analysis. Where researchers had examined the perceptions of child & parents, analysis of variance (ANOVA) tests were used to determine whether there were significant differences in perceptions. One problem that may occur in using these techniques is violation of the non-independence assumption. Additionally, many studies test numerous relationships within the context of a single sample and study, while failing to adjust the alpha level accordingly. When one fails to adjust alpha in response to numerous tests, significant results may be due partly to chance.

2.8 RESEARCH ON INDIAN CHILDREN

In India, the last two decades had been very remarkable in the growth of consumerism. According to a study, if India continues on its current high growth path, incomes will almost triple over the next two decades, and the country will climb from its position as the twelfth-largest consumer market today to become the world's fifth-largest consumer market by 2025 [179]. In India a family is the most important institution that has survived through the ages. India, like other traditional, eastern societies is a collectivist society that emphasizes family integrity, family loyalty, and family unity. In India, families adhere to a patriarchal ideology, follow the patrilineal rule of descent, have familialistic value orientations, and endorse traditional gender role preferences. The Indian consumers are noted for their high degree of value orientation [180]. Such orientation to value has labeled Indians as one of the most discerning consumers in the world. Indian consumers have a high degree of family orientation. They as consumers are also associated with values of nurturing, care and affection. These values are far more dominant than values of ambition and achievement [181]. The Indian family is considered strong, stable, close, resilient, and enduring. Historically, the traditional, ideal and desired family in India is the joint family. With the advent of urbanization and modernization, younger generations are turning away from the joint family form. Some scholars specify that the modified extended family has replaced the traditional
joint family, in that it does not demand geographical proximity or occupational involvement and does not have a hierarchal authority structure. India is an extremely pronatalistic society, and the desire to have a male child is greatly stressed and is considered by some to be a man's highest duty, a religious necessity, and a source of emotional and familial gratification. In India, the literature on family decision making is scant and researchers have only partially investigated the role of children along with other members in family purchase decision making. Though an impressive body of research exists in this field in the west, these parameters also merit investigation in different cultural settings. India is an interesting culture, studies specific to Indian marketing environment are needed.

One of the major conclusions that can be drawn from the literature review is that most of the studies are based in the western context and there are very few studies focusing on Asia, and particularly India. The consumer socialization framework evolved by John [26] provides a conceptual framework for many subsequent cross-cultural research endeavors. It has been applied in particular to the studies focusing on television advertising [119], materialism among children [120], and perception of young consumers on brands [121].

The Indian consumers are noted for their high degree of value orientation [180]. Such orientation to value has labeled Indians as one of the most discerning consumers in world. Indian consumers also have a high degree of family orientation. As consumers they are also associated with values of nurturing, care and affection. These values are far more dominant than values of ambition and achievement. Over the years, as a result of increasing literacy in the country, exposure to west, satellite television, foreign magazines and newspapers, there is a significant increase of consumer awareness among Indians. The process of development coupled with increasing liberalization and globalization across the country has enabled consumers to realize their increasingly important role in society and governance. Indian consumers are now more aware and discerning, and are knowledgeable about technology, products and market. Family structures are undergoing a transformation and Indian society is also witnessing a major economic and societal change. Per capita income is increasing, nuclear families are on the rise, and there is an increase in the number of single parent and dual career families. Since Indian society differs vastly from the Western society in terms of family composition, family type, structure, norms, values, and behavior; it is important to understand children’s influence in the purchase decision making in families in the Indian context [22]. In Western developed countries, there exists a remarkable body of research in
this field. But, studies specific to the Indian environment are necessary given the size of market for children’s products.

In Europe and other parts of the world, many of the studies have focused on multi-product categories rather than just one or two. Martensen and Gronholdt [141] have used 14 product categories to study, durables (e.g., cars, vacations) and non-durables (e.g., toothpaste, soft drinks). Guneri et al. [90] have used a rather interesting categorization: family-major (home appliances), family-minor (milk), child-major (cellular phone), child-minor (shoes) & a service (dining outside). Belch and Belch [114] have used 6 product categories- Automobile, Vacation, Television, Furniture, House hold appliances and Breakfast cereal. Another research in Israel has just replicated Belch study Dalakas Shoham [54]. Though these studies captured in detail child’s participation in buying process in different countries, much remains to be analyzed in a cultural and economic setting which is very different. As one of the researcher mentions “India is an interesting culture in which to explore the antecedents of marital power because its social and intellectual grains operate in ways vastly different from those the West takes for granted” [182]. This all makes it important to understand children’s influence in the purchase decision making in families in the Indian context [22].

2.9 CONCLUSION

Understanding children’s influence in family buying process has been acknowledged as an area in immense need of research [184]. As stated by Stipp [185], “big gaps exist in our understanding of young people's consumer behavior”. And the variety of strategies used by children needs to be researched [144]. Scores of studies [18] [24] [83] [170] have been done around the world, but little has been done in India. The present study attempts to fill the research lacuna from the perspective of Indian children.