ROLE OF CHILDREN IN PURCHASE OF TECHNICAL PRODUCTS

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ABSTRACT

Objective- Changing socio economic scenario has changed the equations in the family. The traditional roles have been redefined. The paper attempts to understand the influence of children on family purchase decisions of technical products.

Methodology- Scale to measure influence of the child was validated using exploratory factor analysis and convergent validity test. The hypothesis was tested using regression. In total 329 usable pairs of questionnaires of mother and child were analyzed.

Findings- The results highlight the changing scenario in Indian urban families. Children play an important role in family purchase decisions. Age is a significant predictor of child’s influence on purchase of technical products. Older children have more influence compared to younger children. The results also show that male child has more influence than female child on purchase of technical products. The results indicate that the opinion of the children is sought and valued in Indian urban families for purchase of technical products

Novelty/improvements- The study has indicated the increasing influence of children in India urban families. The study is unique as it has tried understanding the influence on a product category (technical products) rather than a single product. Future research may also try to evaluate the effect of peer, media on influence of children

Keywords: Children, India, socialization, re-socialization, technical products.
INTRODUCTION:
Consumer Socialization has helped the marketers in understanding how children learn consumer skills, acquire market knowledge or in short how they become consumers (Fan and Li, 2009). Changes in social, economic and cultural scenario has also impacted the role of children in the market place. A new area, reverse socialization, started gaining strength and importance. Reverse socialization lays emphasis on the knowledge that children also influence the purchase decisions, help the parents / family members to relearn consumer skills and hence re-socialize the family members (Kerrane et al, 2012).

The process of consumer socialization takes place in three stages: perceptual stage, analytical stage and reflective stage. The perceptual stage takes place in children in the age group of 3-7 years. The child’s consumer knowledge is characterized by features of products that are observable, stand out and are distinct. The Analytical stage marks some important developments as there is a development of information processing skills, better understanding of advertisements and brands. The stage occurs in the age group of 7-11 years. The reflective stage occurs in the age group of 11-16 years, it is characterized by further development in dimensions of cognitive and social development. There is a shift in orientation to a more reflective way of thinking and reasoning. (John, D. R., 1999).

The past research is heavily inclined towards countries other than India. India is a nation of young people. McKinsey report has projected that by 2025 India will become the fifth largest consumer market (Ablett et al, 2007) Indian consumer market is witnessing a metamorphosis. The cultural and regional effects have a strong influence on Indian consumer and hence understanding Indian consumer is important. In this context the paper attempts to understand socialization and reverse socialization. The paper further attempts to understand the effect of demographic variables on the influence of children on purchase of technical products. In the following sections first literature review is done. Then scale to measure influence of child on purchase of technical products is validated. Regression is used to conduct empirical analysis. The paper ends with discussions, managerial implications, limitations and directions for future research.

LITERATURE REVIEW:
CONSUMER SOCIALIZATION:

One of the first definitions of Consumer Socialisation was given by Ward (1974) as “processes by which young people acquire skills, knowledge and attitudes relevant to market place”. This is further divided into cognitive and environmental factors. Cognitive factors are related to age and environmental factors include family, media, peers etc. Consumer socialization is a mechanism and means by which youngsters attain skills, knowledge, abilities, insights, tastes and attitudes pertinent to their role as consumers in the market. Ekstrom, 2006 has argued that consumer socialization is a life long process. Lawlor & Prothero, 2011 has described consumer socialization as a process of learning to become a consumer. This process comprises of primary and secondary socialization. Primary socialization is the process by which a child becomes a member and gets connected with society. Secondary socialization occurs when individuals start exploring new sectors of the society. (Berger & Luckmann, 1967).

INFLUENCE OF CHILD ON PURCHASE DECISIONS:

Children comprises of a very important segment of consumers for marketers (McNeal, 1999) as their attitudes, beliefs and perceptions regarding products and brands are in their developmental stages, their experiences from the products and brands will have a major effect on their future brand preferences. Children have a major influence on the buying decisions of families. In 2006, Gronhøj defined influence as a child’s capability to impact a persons behavior, attitude and feeling and accomplish specific results.

Various factors have changed the role of children in family purchase decisions. The increase in the number of working couples, increase in nuclear families, decrease in number of children per family and increase in exposure to media has resulted in a cash rich but time poor society (Wimalasiry, 2004). This has resulted in involvement of children in family decisions and thus more influence of children. Ekstrom et al (1987) were maybe one of the first to highlight the importance of reciprocal view of how parents and children may learn from each other in socialization process. Children now days are exposed to a large amount of advertisements which are targeted and custom-made directly towards them. Many products are specially aimed at children as buyers through colourful and attractive packaging design, the products’ composition (Honeyman, 2010). The increasing reach accessibility and ease of media through the internet, cell phones, television, etc has resulted in children getting exposed to advertisements at a very early stage. (O’Keeffe and Clarke-Pearson, 2011). Cram
and Ng, 1999 draw the conclusion that, even before children learn to read, write, or do anything, they have already become consumers. The importance of studying the influence of children on buying decision has been at the centre of many studies (Foxman et al, 1989; Dotson and Hyatt, 2005; Thomson et al, 2007; Watne et al, 2011; Wut and Chou, 2009; Cook, 2009; Sharma, A, 2011).

The literature review to understand influence of children on purchase decisions was further divided into:

a) Effect of demographic factors like age and gender
b) Effect of children’s influence with respect to different products.

Gender of the child has a considerable influence in family purchase decisions. As per the research carried out by McNeal and Yeh in 2003 boys influence decisions related to buying products like are seen video games, entertainment, electronic, cars and fun items. Whereas, girls are seen to influence decisions related to household items like clothes, bakery items, furniture and decorative articles. In many studies female children were found to have more influence on the buying decision. (Lee, 1994; Tomko, 2012; Moschis and Michell, 1986; Neely, 2005; Tomko, 2012). This was contrasted in a study by Chavda (2005) where he indicated that no significant difference existed between male and female child’s rating except for large purchases and food categories. However, the study carried out by Maccoby in 1990 show that boys and girls vary in their influence style. Girls use techniques like cognitive reasoning, analysis, asking and persuading and hence tend to be more influential than boys (Moschis and Mitchell, 1986). Beneke et al (2011) further highlighted female child’s influence is stronger during initiation stage and male child’s influence is stronger during search and decision stage.

Age of the child is another important variable effecting the buying decision (Ward et al., 1986). Influence of the child was found to increase with age (Shim and Snyder, 1995; Kerrane and Hog, 2011; Beneke at al, 2011; Ogden et al, 2012). As a child grows, their cognitive ability also increases and hence they may expect more cooperation and socialization from others (John, 1999). Older children possess and use more negotiating and persuading skills to achieve a product than young children. (Cowan et al., 1997) Older children were more brand conscious and price conscious (Shim and Snyder, 1995; Sharma, A and Sonwaney, V, 2013). (Moschis & Mitchell, 1986; McNeal, 2007) stated that as the child grows older their involvement in the family purchases increases.

Research has also indicated that children had more influence on purchase of small products like ice cream, snacks, small and easy prepared meals and unhealthy food (Beyda, 2010; Norgaard et al, 2007). Children were decision makers for hi-tech products (Watne et al, 2011). Many studies have indicated that children have maximum influence on products used by them (Chaudhary and Gupta, 2012; Polya, 2012; Akinwale, 2010; Guneri et al, 2009) However most of the studies have studied influence for single product rather than a product category. This study attempts to study influence for a product category as opposed to a single product.

**WHY TECHNICAL PRODUCTS:**

Technology has changed and affected the lives of adult and children. It is difficult to imagine life today without technical devices. Influence of children on technology acquisition at some level for all technologies was found in a study where the products taken into consideration were desktop computer, laptop, basic mobile, touch mobile, smart phone and internet (Correa, 2016). A report released by Swedish Communication technology and service provider, Ericsson, suggests that by 2020 India will have atleast 1.4 billion mobile subscribers resulting in a population penetration of 100%. Youngsters are known as “digital natives” (Prensky, 2001). Youth’s skills and interest in digital media has increased tremendously and may influence their parents’ adoption of these new technologies. A study conducted revealed that houses with children consume higher rates of Internet, cell phone usage and broadband adoption than houses without children (Wellman, B., Smith, A., Wells, A., & Kennedy, T., 2008).

Based on the literature review the hypothesis for this study were:

**Hypothesis 1:** Age of the urban Indian child has a positive and significant effect on the influence of child on purchase decisions of technical products.

**Hypothesis 2:** Gender has no effect on the influence of child on purchase decisions of technical products.

The present study presents a direct linkage model:
RESEARCH DESIGN:

Questionnaire Development:
Qualitative and Quantitative techniques were used for developing the final questionnaire (Tabachnick and Fidell, 1996). Influence of the child was measured on a five-point likert scale where “1” meant that parents decide completely and “5” meant that child decides completely. The last section included demographic details. The scale to measure influence of the child on purchase of technical products was developed based on literature review and information gathered by interviews and focus group discussions. (Sharma, A and Sonwaney, V, 2015) Scale to measure influence of child on purchase of technical products used by the family was validated in the study. Using a semi-structured script as reference, detailed interviews were conducted with four pairs of mother and child in Pune city, India. Interviews were conducted in house of respondent to provide them a comfortable environment and mother and child were interviewed separately. Duration of the interview was from 45 minutes to one hour. Judgmental sampling technique was used for interviews and focus groups. Three focus groups were held—two were of children and one was of mothers. On an average 6-8 participants were part of each focus group and they lasted 45 minutes to 60 minutes. Children were from 11 years to 16 years. Further interviews and focus groups were recorded with due permission. (Sharma, A and Sonwaney, V, 2015)

DATA COLLECTION:

Children in the age group of 10-16 years were contacted through schools in different parts of Pune, India. They were given two questionnaires—one for the child and one for the mother. Children in this age group are able to analyse on more dimensions than younger children and hence this age group was chosen (Roedder et al, 1992). Also, permission of the Principals of respective schools was taken. In total 329 usable pairs of questionnaires were analysed using SPSS 17. The details of the sample were as follows:

SAMPLE PROFILE:

<table>
<thead>
<tr>
<th>Age: 30-34 years</th>
<th>Mother</th>
<th>41.9%</th>
<th>Joint family</th>
<th>29%</th>
<th>Family</th>
<th>Age: less than 11 years</th>
<th>3.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>35-39 years</td>
<td>41%</td>
<td>Nuclear family</td>
<td>71%</td>
<td>11-13 years</td>
<td>51.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>40-44 years</td>
<td>12.2%</td>
<td>1 child family</td>
<td>26.2%</td>
<td>14-16 years</td>
<td>45.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Above 44 years</td>
<td>4.9%</td>
<td>2 children family</td>
<td>65.5%</td>
<td>Boys</td>
<td>54.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working mother</td>
<td>57%</td>
<td>3 children family</td>
<td>7.9%</td>
<td>Girls</td>
<td>45.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-working mother</td>
<td>43%</td>
<td>More than 4 children family</td>
<td>0.4%</td>
<td></td>
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</tr>
</tbody>
</table>

DATA ANALYSIS:

Scale to measure influence of the child on technical products was subjected to exploratory factor analysis. KMO and Bartletts test of sphericity was used to check the dimension reduction suitability (Hair et al, 2008).
Variables were extracted using Kaiser criterion and only variables with significant loading were retained (greater than 0.5) Principal component analysis and Promax rotation was used. Final perceived influence of the child was calculated as average of child’s and mother’s response as no significant difference was found in opinion of mother and child. All items to measure influence of the child on technical products loaded to a single factor (P1) which included technical products used by family (music system, car, laptop/PC, playstation and mobile). The scale also passed the convergent validity test.

### Table: Convergent validity for Scale to measure child’s influence on purchase of technical products

<table>
<thead>
<tr>
<th>Items</th>
<th>Standardized factor loadings</th>
<th>Variance</th>
<th>Error</th>
<th>SCR</th>
<th>AVE</th>
<th>Cronbach alpha</th>
<th>Means and S.D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Product</td>
<td>Pmusic</td>
<td>.723</td>
<td>0.522</td>
<td>0.477</td>
<td>0.858</td>
<td>0.549</td>
<td>0.805</td>
</tr>
<tr>
<td>Pcar</td>
<td>.674</td>
<td>0.454</td>
<td>0.546</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plaptop</td>
<td>.781</td>
<td>0.611</td>
<td>0.389</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pplaystation</td>
<td>.691</td>
<td>0.477</td>
<td>0.523</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pmobile</td>
<td>.826</td>
<td>0.681</td>
<td>0.318</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The hypothesis were tested using regression. The assumptions for regression were checked by normal plot, VIF statistics using collinearity diagnostics and Durbin Watson statistics. Regression analyses was conducted using influence of the child on purchase of technical products by family (P1) as dependent variable and age of the child and gender of the child as independent variables.

### Table: Regression to test Hypothesis

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Beta</th>
<th>VIF</th>
<th>Standardised Coefficient Beta</th>
<th>Durbin Watson</th>
<th>Significance of model</th>
<th>F value</th>
<th>R^2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age bracket</td>
<td>0.413*</td>
<td>1.05</td>
<td>0.278</td>
<td>1.825</td>
<td>P&lt;0.001</td>
<td>7.774</td>
<td>0.094</td>
</tr>
<tr>
<td>Gender</td>
<td>-0.286*</td>
<td>1.05</td>
<td>-0.171</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Adjusted R^2 (Model )=0.082

### ANALYSIS OF RESULT AND DISCUSSION:

The model was significant with p<0.001. The age of the child and gender of the child were significant variables. The model shows that influence of the child increases on purchase of technical products with age. Thus older children have more influence compared to younger children. **Hypothesis 1 was thus accepted**

The gender of the child was also found to be a significant negative predictor. The analysis showed that male child had more influence on purchase of technical products compared to female child. **Hypothesis 2 was thus rejected**.

The results throw important light on increasing role of children in purchase decisions. Previous research has shown that younger generation adapt to technology more easily (Stone et al, 2001) Parents too have admitted that they believe that children adopt easily to latest technology and hence they consult them for advise (Pechacek, 2007; Marsolen, 2013; Becker, 2005) Past studies have shown that children maybe highly engaged and more knowledgeable for technically complex products than their parents (Watne, Lobo and Brennan,2011)

This study adds to the current body of research by showing that influence of the child increases with age on purchase of technical products used by the family.

The results also indicate that male child has more influence than female child on purchase of technical products. Past research has also indicated that males had stronger influence than girls for high technology products (Beneke et al, 2011) This was contrasted by another study which indicated that girls had a greater influence than boys on adoption of laptops (Correa, 2016) This study also indicates that boy child has more influence on purchase of technical products than girl child.

The results of this study assume importance as they point to a new and changing India. From the time when parents were right and child only followed, this study points to a scenario where parents are discussing with children and value their opinion. The role of child in family purchase decisions is definitely changing in Indian scenario.
MANAGERIAL IMPLICATIONS:
This study can provide insights to marketers for marketing strategy of how to reach out to Indian urban consumer for purchase of technical products. The study shows that taking the child into confidence is as important as taking the parent into confidence. Hence communication should be targeted to both parent and child. The child is an integral part of discussion for purchase of technical products and hence ignoring him/her would be a big mistake for marketers.

UNIQUE CONTRIBUTIONS, LIMITATIONS AND FUTURE RESEARCH:
The study has contributed to existing body of knowledge by showing the importance of increasing role of Indian urban child in purchase decisions of technical products. The study has contributed by validating the scale to measure influence of child on purchase of technical products. This study has thus studied child influence not on single products but a product category
The findings of this research should be interpreted in light of some limitations. The study was conducted on urban population of Pune. Replication elsewhere in India would be helpful. Future research may also try to understand effect of peer, media on influence of child. It would also be interesting to find out at what stage of buying decision is child’s influence maximum/ minimum

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[33] Pechacek, A. (2007). I can't live without my … teens' top ten high-tech gadgets and web sites, Young Adult Library Services, 5(2), 9-16.


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