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The Impact of Children on Parental Purchasing Behavior

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Abstract

Children have a major influence on their parents' purchases of similar products. Children are a dominant market for marketers to consider when making strategy choices since they are part of a family unit. This market is active in three ways: first, it is a large market in and of itself; second, it is a key influencer in facilitating purchasing decisions; and third, it is a possible future market. The focus of this research is on children's second position. They become the focal point of family expectations, and parents are more receptive to their recommendations when making purchases. This research study explains the effect of children on parental purchase behavior in the twin cities of Islamabad and Rawalpindi using a survey as a data collection method. Parents are among the participants in this research. The relationship between parental purchase behavior (PPB) and age of child (AOC), importance of child (IOC), product category (PC), communication pattern (CP), and family orientation is revealed by multiple regression analysis (FO). The age of the child (AOC), family orientation (FO), and Product Category (PC) are the three most significant factors that affect parental buying behavior. The paper concludes that children have a major influence on their parents' decisions.

Key Words: Parental purchase behavior, Family orientation

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INTRODUCTION

In this fast-paced business world, each company tries to research and comprehend consumer behavior in order to remain in business by attracting and keeping customers. The first move to a successful competitive plan in today's competitive landscape is a marketer's understanding of the customer. The first aspect of the marketing concept's focal point is to consider why and how people acquire products. Marketers care a lot about how people want, buy, and use products and services, which means that only a deep, systematic understanding of customer behavior can help a company achieve its marketing objectives. Most advertisers now understand that customer behavior is a long-term research project aimed at determining the various functions of decision-making units in the purchasing decision process. Consumer behavior is a complicated subject, but advertisers aim to learn as much as they can about their consumers and the mechanisms they use to choose products and services. Consumer behavior is described as the comprehension of this process."

Consumer behavior refers to the actions people take when purchasing, using, and discarding goods and services. Many advertisers look at families as a basic consumer decision-making unit because decisions made by a family vary in many ways from decisions made by a person or a company.



Internal factors (demographics, psychographics, personality, motivation, knowledge, attitude, belief, and perceptions) and external factors (culture, subculture, locality, family, social class, reference group, peers, and marketing mix) both influence consumer behavior directly and indirectly; as a result, many businesses study the roles of various family members in purchasing decisions. Similarly, the authors of this study have shown how children influence parental purchasing behavior, especially in the age range of 1-14 years.

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Previous research on child influence has focused on different dimensions such as age, communication, socialization, ethnic identity, parental attitude, family size, child's social forces, socioeconomic status, and household characteristics, and has found that all of these variables have a greater effect on parental purchasing decisions.

The most significant factor in influencing parental purchasing decisions is an infant. The majority of the literature on the topic has cited various factors that affect these purchasing decisions. In terms of children's impact on parental purchasing decisions, research identifies three major factors for such decisions, indicating that the importance of a child's role in decision-making is recognized. For starters, the child market is rapidly expanding. Second, children certainly influence family decisions, and third, adult consumer behavior is a clear antecedent of child consumer behavior (Berey & Pollay, 1968).



Children as influencers

Children influence household purchase decisions. Not only do children influence choices, they actually make purchases through family money and through their own too. A family influence upon a child's brand choice must be recognized by marketers because the influence affects purchase decision later in life as well. In the same way, researchers of this study have illustrated how children influence parental purchase behavior.

The decision to buy is influenced by the positions that different family members play in product consumption and their effect on other family members who buy and consume. The following three factors can influence a consumer's buying decision: personal, psychological, and social. The marketer must know if any reference group has a major impact on consumers, as well as which types of customers are affected by which reference group. In order to formulate an acceptable marketing strategy for its target market, the marketer must be aware of these factors.

When designing successful marketing campaigns, marketers must take into account shifts in population size and age structure. Consumer behavior is heavily influenced by age. Interests, tastes, buying power, political views, and investment behavior are all influenced by a person's age. Pakistan's demographics indicate that 37.6% of the population is between the ages of 0 and 14. This illustrates that advertisers have an ability to target children under this age group because it is a wide market and businesses will build lifetime value by targeting this age group.

This study looks at factors related to children that are likely to affect parental purchasing patterns in Pakistan, as well as how marketers may use these findings to develop effective marketing strategies. It aims to look into the effect of a child's age (AOC), value of the child (IOC), contact pattern (CP) inside and outside the family, product category (PC) for related goods, and family orientation (FO) on parents' purchasing decisions for child-related goods.

Review of the Literature

Children as young as puberty play an important role in family buying decisions, and they have the power to influence such decisions both directly and indirectly. These manipulating tactics are most often used during high-stakes family buying decisions (Thomson, Laing, & McKee 2007). Family, peers, and the media are main socializing factors for children, and family specific characteristics such as parenting style, family's sex role orientation (SRO), and contact habits also play important roles in family purchasing decisions in the West and India, according to the study. (Singh & Kaur, 2006).

Children's and parents' views of children's impact on decision-making are based on family dining out experiences (Labrecque & Ricard, 2001). Adults and children interact in their daily lives, especially in the grocery store, with a focus on young people's participation in food shopping. This interaction demonstrates how, in an informal way, the family serves as a mediator of customer awareness. As a result, the store serves as one of the primary venues for parents to educate and socialize their children (Petterson, Olsson, & Fiellstorm, 2004)."

The position of children in various decision categories, such as appliances, cars, furniture, groceries, investments, life insurance, vacations, and general household decisions, varies as much as the decision category sector (Jenkins, 1979). The reasons for concentrating on the role of children, according to Berey and Pollay (1968), are a variety of factors, including (a) the child's age, (b) the number of other children at home, (c) the mother's job working hours, (d) the number of trips to the store made by the child alone, and (e) the number of trips to the store made by the child alone, and (e) the number of trips to the store made by the child alone, and their parents consume this commodity on a regular basis, which is due to television advertisements that have a significant effect on children's cereal requests (Atkins, 1978).

The control of children is influenced by the social power theory. Variations in children's control can be explained using active social power, passive social power, desire strength, and decision narration (Flurry & Burns, 2005).

Wang, Holloway, Beatty, and Hill (2007) demonstrated the impact of family contact habits (FCP) on various dimensions of consumers' decision-making styles and influence

in family buying decisions as they grow up. There is a connection between the mother's motivation level, family contact patterns (FCP), and consumer attitudes and behaviors (MAB). This indicates that FCP may be interested in the purchasing of market place MAB (Carlson, Walsh, Laczniak, & Grossbart, 1994).

Adolescents' decision-making styles can be determined by the mechanism of customer socialization. The socialization agents and decision-making styles are linked by five social structural variables (social class, gender, ethnicity, residence, and religion). Each of the social systemic variables has a significant impact on how children communicate with their socialization agents (Kamaruddin & Mokhlis, 2003).

Children grow up to be customers.

This developmental sequence describes how consumer awareness, skills, and values evolve as children progress through childhood and adulthood. They will affect their parents' purchases by knowing about goods, brands, ads, shopping, pricing, decision-making strategies, parental influence strategies, and consumption motives and values (John, 2003). To participate successfully in the adult marketplace, children must develop appropriate consumer skills, behavior orientations, awareness, and attitudes (Cram & Ng, 1999).

From infancy to twelve years of age, children's consumer behavior changes. Consumer behavior evolves in four stages, with each stage revealing one of the four features of consumer behavior. A buyer will (1) feel desires and preferences, (2) look for ways to satisfy them, (3) make a decision and buy, and (4) assess the product and its alternatives (Valkenburg & Cantor, 2001). ' Children become customers at a young age, and their purchasing preferences are shaped by a range of factors and experiences. Purchasing power, attitudes, purchasing control of children and adolescents, and commercialism all have an effect on their food purchasing actions. Preschoolers make far more demands than elementary school students (Kraak & Pelletier, 1998).

Parents discuss consumption and advertising with their children. The contact habits of parents from various age groups, as well as various factors, vary. In their families, children can play the role of opinion leader (Chang & McNeal, 2003).

Moschis (1985) claimed that family communication (interpersonal communication) helps in the learning and understanding of products and services by children and teenagers. Communication may involve exchange of information and subsequent effects. Crosssectional designs may not be sufficient for studying certain types of family communication processes. Mothers with alternative parental styles, number of consumer socialization goals, restricting and monitoring consumption and media exposure, and views on advertising also affect consumer learning (Moschis, 1985).

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Children's purchase influence (CPI) is helpful in understanding family consumption behavior and cultural adaptation, including the role of acculturation and ethnic identification, which have effect on children's role in family purchase decisions. Cultural adaptation is of critical importance in understanding children participation in family purchase decisions. (Laroche, Yang, Kim, & Richard, 2007).

There is a positive relationship between ethnic identification and husband dominance in decision making (Hamilton, 2009). There is an issue of financial transfers' motives from parents to children. The motives role is twofold (i) the first one deals with the type of transfer analyzed, (ii) the second one stems from the disaggregation of transfer motives. This diversity of family motivations is considerable (Barnet-Verzat & Wolff, 2002).

The purpose of this research is to identify different factors affecting the purchase behavior of parents. Earlier work done is in different dimension, i.e. either separately or with two combined variables influencing parents purchase. Changes in the competitive landscape in market has led researchers to demonstrate the importance of factors affecting consumer purchase decision in context of children affecting parental purchase behavior. The paper attempts to investigate the impact of Age of Child (AOC), Importance of the child in family (IOC), Product Category (PC) in related goods, Communication Pattern (CP) within and out of the family, and Family Orientation (FO), on parental purchase behavior (PPB).

Methodology: Conceptual Framework



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Operational Definitions

Variables' Explanation

Age:

People switch between goods and services they buy over their lifetime. Tastes in food, clothes, furniture, recreation, etc. are often age related. Children play a major role mainly at the age between 9 to12 and influence most in parental purchase decisions.

Age is considered as one of the most important characteristic. Under this study, it is categorized into three groups: pre-age (1-3 years), primary age (4-8 years), and secondary age (9-14 years).

Importance of Child (IOC):

Adolescents influence family purchase decisions. Importance is given to the children according to their position in the family, e.g. as an elder, younger, single or a sibling.

Product Category (PC):

A child is involved in parental decisions for purchase of goods. There is an interaction between adults and children in everyday life, specifically in grocery store focusing on young people's involvement in food shopping (Pettersson et al., 2004). Children's role vary greatly with diversified product categories as major appliances, automobiles, furniture, groceries, savings, life insurance, vacations, and general household decisions (Jenkins, 1979). Children put influence more in the purchase of related goods, especially focusing on cereal selection because this product is regularly consumed by them and their parents (Later Atkins 1978).

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Thus, a child takes part in parents' purchase decisions in related products to them. Related products are categorized as toys, food items, stationary, garments etc. for this research.

Communication Pattern (CP):

Communication pattern (CP) within the family also forces the children to influence their parents during their purchase. The family communication (interpersonal communication) helps in measuring the consumer learning of children and teenagers (Moschis, 1985). There is an effect of family communication patterns (FCP) on three different dimensions as adolescent consumers' decision-making styles and influence in family purchase decisions (Wang et al., 2007). Parents communicate with their children about the consumption and advertising (Chang & McNeal, 2003).

Consequently, in this study, communication pattern (CP) is divided as informal or formal style within the family, knowledge of children about the product through other external communications like, peers interaction and advertisement of the products.

Family Orientation (FO):

Relationships with other family members influence many aspects of consumer behavior. Family members may also share many attitudes and values, consider each other's opinions, and divide various buying tasks between them.

Family structure mainly depends on child involvement in parental purchase behavior. Family orientation (FO) is categorized as educated, joint family, single parent, and working parents in this study.

Parental Purchase Behavior (PPB)

The purchasing behavior of parents in used as dependent variable in this study. Since parents are the end purchasers of products, therefore data are collected from them, i.e. both mothers and fathers are taken into account for this investigation.

Research Hypotheses

This study uses quantitative data to test hypotheses associated with children's influence on parental purchase behavior. These hypotheses are tested using survey data and are based on the conceptual framework supported by the literature review. The research intends to investigate the influence of age of the child (AOC), importance of child (IOC), product category (PC), communication pattern (CP), and family orientation (FO) on parental purchase behavior (PPB).

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H1: Age of the child has a positive impact on parental purchase behavior

H₂: Importance of child in the family has a positive impact on parental purchase behavior **H₃:** Product category related to the child, has a positive impact on parental purchase behavior

H₄**:** Communication pattern within and outside family has a positive impact on parental purchase behavior

H₅: Family orientation has a positive impact on parental purchase behavior

Multiple Regression Equation

 $PPB = \beta_o + \beta 1 (AOC) + \beta 2 (IOC) + \beta 3 (PCP) + + \beta 4 (CP) + \beta 5 (FO)$ (1)

Where,

PPB= Parental Purchase Behavior

AOC = Age of the child

IOC = Importance of child

PCP = Product Category Purchased

CP = Communication Patterns

FO= Family Orientation

Sampling Design

This study is concerned with assessing the influence of children over parental purchase decisions. Therefore, its respondents are parents. Sample consists of 225 parents. The sample taken is from different schools. Stratified sampling procedure is used to collect the data where strata are divided as (i) Private schools, and (ii) Government schools of Islamabad and Rawalpindi; this is because we have only two major categories of schools classified on the basis of structural ownership. 225 questionnaires were distributed among parents taking their children to schools. Questionnaire items were formed using a 5 points Likert scale (1 for strongly disagree, and 5 for strongly agree). Out of 225 questionnaires, 200 were returned which makes a response rate of 88.9%. Out of these 200 respondents, mother respondents were 116 (58%) and the rest 84 (42%) were fathers.

Data Analysis and Results

Age of the child (AOC), importance of child in the family (IOC), product category (PC), communication Pattern (CP), and family orientation (FO) are taken as the independent variables, whereas parental purchase behavior (PPB) is considered the dependent variable. Multiple regression is used to assess the relationship between these two types of variables. In this study, researchers only wanted to identify whether any relationship exists between dependent and independent variables, and to what extent the latter affect

parental purchase decisions. Data were collected through self-administered questionnaires to test the impact of independent variables on dependent variable. Factor analysis was run to get factors (concepts) from the questionnaire as the tool was self-made. Factor analysis yielded the value of parental purchase behavior (PPB) (.65), Age of Child (AOC) (6) Importance of Child (IOC) (.75) Product Category (PC) (.75) Communication Pattern (CP) (.7) Family Orientation (FO) (.7).

Reliability coefficient indicates how well the items are positively correlated to one another. It defines consistency and stability of the instrument used for the measurement. In order to check the consistency and reliability of data, study used Cronbach's Alpha and its value was found to be 0.764. It shows that there is a high internal consistency and reliability among questionnaire items.

Table 1 demonstrates descriptive statistics for each variable. The mean for Parents Purchase Behavior (PPB) is 3.24 approximately 3 which is in neutral scale. This gives an understanding that; Parents are not assessed hoe they are influenced by their children. Age of Child (AOC) is 3.37 again in neutral scale, means age of the child sometime affects the parents in their purchases. Importance of Child (IOC) and Product Category (PC) mean lies in agreed scale. For Communication Pattern (CP) and Family Orientation (FO) the mean is again in neutral scale. The standard deviation measured the variability (or spread) of the values where N (200) is the number of cases with non-missing value. Entire variable falls at the range of neutral and disagree.

| | Ν | Mean | Std. Deviation |
|-----------------------|-----|--------|----------------|
| PPB | 200 | 3.2400 | .68904 |
| Age of Child (AOC) | 200 | 3.3700 | .78497 |
| Imp of Child | 200 | 3.4950 | .67249 |
| Product Category (PC) | 200 | 3.6950 | .71028 |
| Comm. Pattern | 200 | 3.4650 | .70088 |
| F. Orientation | 200 | 3.4650 | .77575 |

 Table 1: Descriptive statistics

Table 2 shows correlations of all independent variables with the dependent variable. Results show that all variables possess a significant positive relationship with parental purchase behavior.

Table 2: Correlations

| Independent Variables | PPB Correlation |
|---------------------------|-----------------|
| Age of Child (AOC) | .365* |
| Importance of Child (IOC) | .339* |
| Product Category (PC) | .366* |
| Comm. Pattern | .309* |
| Family Orientation (FO) | .270* |

Regression Analysis

Table 3 displays R, R squared, and adjusted R squared values. The value of R (.485) for model produced by the regression technique is very much within the range of 0 to 1. R-squared value is 0.236, which shows that 23.6% of the variation in parents' purchase behavior (PPB) is explained by the independent variables considered.

Table-3: Model Fit

RR SquareAdjusted RStd. ErrorDurbin Watson.485.236.216.610112.045

Table 4 summarizes the results of analysis of variance (ANOVA) model. The p-value of F-statistic is 0.000, which shows that the model fit between dependent and independent variables is significantly good.

| Table 4: ANOVA results | | | | | | | |
|------------------------|----------------|-----|-------------|--------------|------|--|--|
| | Sum of Squares | df | Mean Square | \mathbf{F} | Sig. | | |
| Regression | 22.267 | 5 | 4.453 | 11.964 | .000 | | |
| Residual | 72.213 | 194 | .372 | | | | |
| Total | 94.480 | 199 | | | | | |

Table 5 shows regression results of the study, subject to equation (1). All variables exhibit a significant positive relationship that the most important variable in the model is the Age of the child (AOC) (t=3.394) at significance level of .001 and secondly the product category (PC) (t=2.316) at the significance level of .022 effects the parental

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purchase behavior. It means that the (AOC) is closest variable affecting the parent purchase behavior and also the child is considered the most specially in the product category related to them by their parents. Such results were also illustrated by Thomson et al., (2007), Wang et al., (2007), and Chang and McNeal (2003) respectively.

| Table 3. Regression Results | | | |
|-----------------------------|------|---------|--|
| | Beta | t | |
| PPB | | | |
| Age of Child (AOC) | .232 | 3.394* | |
| Importance of Child (IOC) | .118 | 1.559** | |
| Product Category (PC) | .176 | 2.316* | |
| Communication Pattern (CP) | .121 | 1.642* | |
| Family Orientation (FO) | .034 | .461*** | |

Table 5: Regression Results

Significance level >.01*, .05**, .1***

Conclusion

The aim of this study was to look into the role of children in influencing parental purchasing decisions. To investigate this, a questionnaire was created and data was collected from Pakistan's twin cities, Islamabad and Rawalpindi. The results revealed a connection between the dependent and independent variables. Using factor analysis, all of the variables are also important. As a result, independent variables Age of Child (AOC), Importance of Child (IOC), Product Category (PC), Communication Pattern (CP), and Family Orientation (FO) affect Parental Purchase Behavior (PPB) by 21.6 percent. As a result, we don't rule out the null hypothesis entirely. It has been concluded that children have an impact on parent purchasing conduct (PPB). The age of the child (AOC) and the product type are the most important variables in this context, while family orientation is the least important variable (FO).

Since the research was conducted in only two cities (Islamabad and Rawalpindi), which have different demographic profiles than other small rural and sub-rural areas of Pakistan, the findings may have been influenced by such a diverse group of respondents with different geographic and demographic profiles.

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