

A STUDY ON FACTORS INFLUENCING CHILDREN IN FMCG BUYING BEHAVIOUR: A STUDY IN Delhi & NCR

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ABSTRACT

Children represent an important target market segment. Children exert a great amount of influence for various product category and different stages of the decision making process. For some products, they are active initiators, information seekers, and buyers; whereas for other product categories, they influence purchases made by the parents. Children often try to influence their parent's purchases of child-related products. Here we attempt to isolate those variables that determine the buying behavior of children. The paper reports a study on aged between 10-13 years (from urban areas) factors influencing children buying behavior. Here we also tried to find out the growing influence of commercial on kids. And, how they perceive about product attributes. With the help of the research this is interesting to know the fact that children tend to pay more attention to nutrition, hygienic conditions and food safety, which shows that children seem to be mature early at this stage and start to behave in a more adult-like fashion when making purchase comparisons.

Keywords : Commercial, Buying Behavior, Kids, Product Attributes, Market

1. INTRODUCTION

Every product you buy, kids have their own opinion and choice. They are not only involved in buying their products but are also involved in the purchase of household items. They are well aware about the products in the market and what new products being launched in the market.

Nearly all of the advertisements of products right from the small tooth paste to plasma TV, cars etc kids are involved. Hence, these advertisements attract children and in return they create demand for those products. They want to eat, drink, wear dresses, accessories, and play with toys which are advertised. So, when they visit departmental stores, malls with their parents, it's the kids who first pick up the products as per their fondness.

If we ask them they have the logic and justification for choosing that particular product. This is because they are very much influenced by the advertisements they watch on TVs. They can tell you the benefits of the products too. Because they go on face value of the advertisements. They do not understand the notion of the advertisements is – “to sell”.

Children enjoy watching TV especially advertisements. The colors, the jingles and everything related to advertisements attract them. So, the companies too have realised this fact and have started making advertisements keeping kids as their targets. Even for adult products they tie up kids in the advertisements to attract them.

With the concept of small nuclear families and both working parents kids role in decision making has increased all the more. The parents try to fulfill all the demands of their kids in order to keep them happy. It's also a fact that advertisements which involve kids are viewed more by children and hence the demand for those products tends to raise high and concurrently the sales. So, the companies have started en-cashing this fact and targeting kids.

2. LITERATURE ASSESS

India has a great population of children. Compared with the children in other countries, Indian children have considerable economic power and unique influence in urban areas. Now a days one child for one couple concept is followed by families in metro cities in India. As the only child in the family, children receive most of the love and attention of both parents as well as from their grandparents. Children of this generation have more flexible income to spend and therefore exert a greater influence on the spending of their. The purpose of the paper is to report an empirical study of influence of Childers on buying behaviour of consumer.

A basic component of children's learning about the marketplace is knowledge of sources of information about products. Parents as the primary socialisation agent Parents are considered as the primary socialisation agents for children and most aspects of parental influence continue well into adulthood (Consumer socialisation is defined as “processes by which young people acquire skills, knowledge, and attitudes relevant to their functioning as consumers in the marketplace” (Ward, 1974). Previous research into the acquisition of cognitive and behavioral patterns that constitute consumer socialisation was based mainly on two theoretical frameworks, the cognitive developmental model and the social learning model (Moschis and Churchill, 1978).

Stage theory of social development, John (1999) proposes a model of consumer socialization in which children learning to be consumers are theorised 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.

Table No.2.1

WHAT DRIVES KIDS' BUYING DECISION		
	India	Asia Pacific
Key Influencers		
TV Advertising	77	66
Peer Group	68	72
Parents	35	41
% of parents giving regular pocket money	36	54
% of parents who give in to kids' wishes	26	34
% of Kids who spend their weekly allowance	26	14

(All figures expressed as a percentage of the sample size-700)

Source: Business Line (International edition) Survey

Among all the social entities from which children might learn, **parents** appear to be the most instrumental in teaching their children consumer behaviour. Parents play the most important role in providing children with information about school-related products; while parents and TV play an almost equal role in children's learning about personal care products. In terms of the relative importance of different information sources, television, parents, store visits and friends were ranked as the most important sources of information by urban children. Compared to other people, parents tend to be perceived as the most rational and trustworthy information source by children.

Peers as socialisation agent like parents, peers can affect child consumer socialisation directly or indirectly. Peers appear to be an important socialisation agent, contributing to the learning of the expressive elements of consumption.

Mass media as socialisation agent A huge amount of scholarly research has been published which focuses mainly on two dimensions of media influencing upon children, namely, advertising and editorial/programming content, which specifically intend to inform young people about products and encourage them to purchase (O'Guinn and Shrum, 1997). Studies determines new product information sources for children shows that television is considered the most important information source for learning about new products; and the perceived importance of television as an information source of new products increases significantly with the age of children.

Retailer and brand as socialisation agent Retailers can be logically expected to be significant consumer socialisation agents due to the regular and frequent store visits by children and the interactions between the two parties. Brands are another potentially strong influence on children's marketplace behaviour.

Its not only advertisements but also other marketing strategy like packaging too influences kids buying behaviour. Like colorful packaging, attractive shapes like heart shapes packaging or packaging with cartoon characters, kids logo attracts them and forms the part of their buying behaviour and point of purchase (POP). So, various educational and other children programs are tied up with kids products to catch up the children's eye and purchases.

3. RESEARCH METHODOLOGY

The empirical research was conducted in five shopping malls in Delhi and NCR. Sampling method which is used is random sampling. The sample consisted of 180 children with the age ranged from 12 to 15 years. The reasons of choosing them as samples were that children of these ages were expected to be mature enough and have been found active, independent shoppers; highly cognitive of their consumption choices knowledgeable about products and brands. The experimental quantitative data was collected by a questionnaire survey. The question list was constructed in English keeping in mind that Indian urban children are well versed with the language. It was tested first with a control group consist of 10 children so that the problems were identified and the list revised to ensure that all questions would be understandable

to the respondents. The findings of the group interviews are reported here. A total of 17 questions were asked that fall into the four categories (the question list is attached in Appendix).

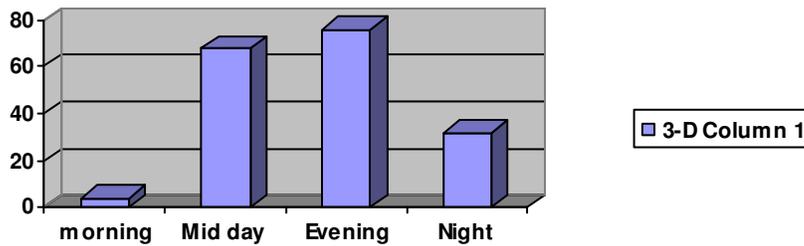
Table No3.1

Sample size(N)	Age group	Boys	Girls
180	10 to 15 years	106 (58.9 %)	74 (41.1%)

4. Analysis and Graphing

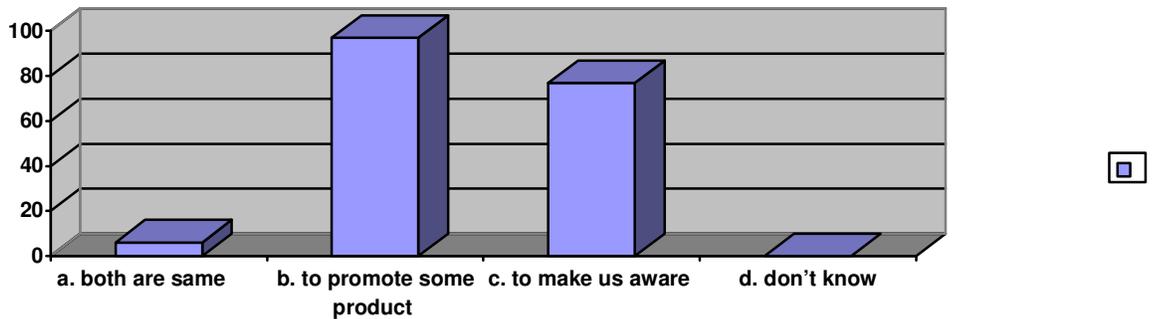
1. When you watch TV you see both programs and commercials.

Chart No.4.1



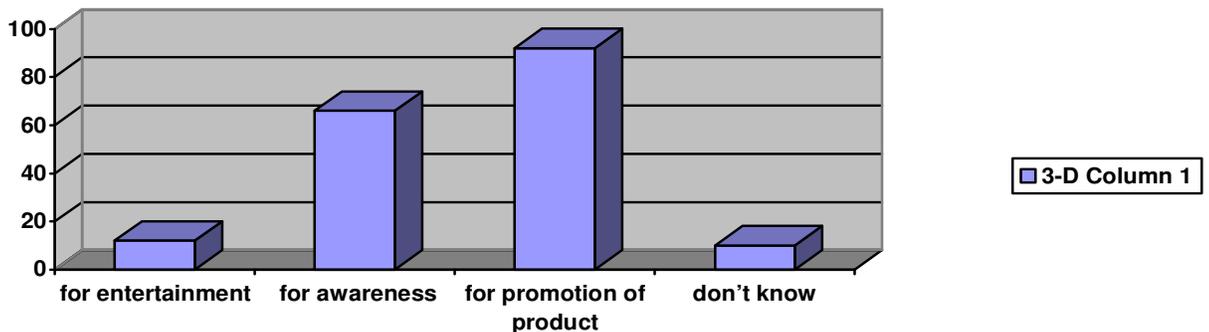
2. What is the difference between a TV program and a TV commercial?

Chart No.4.2



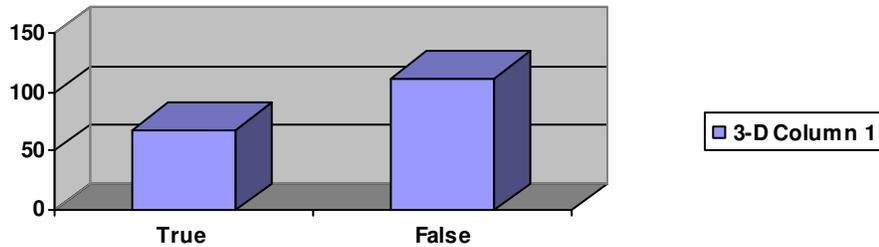
3. Why are commercials shown on television?

Chart No.4.3



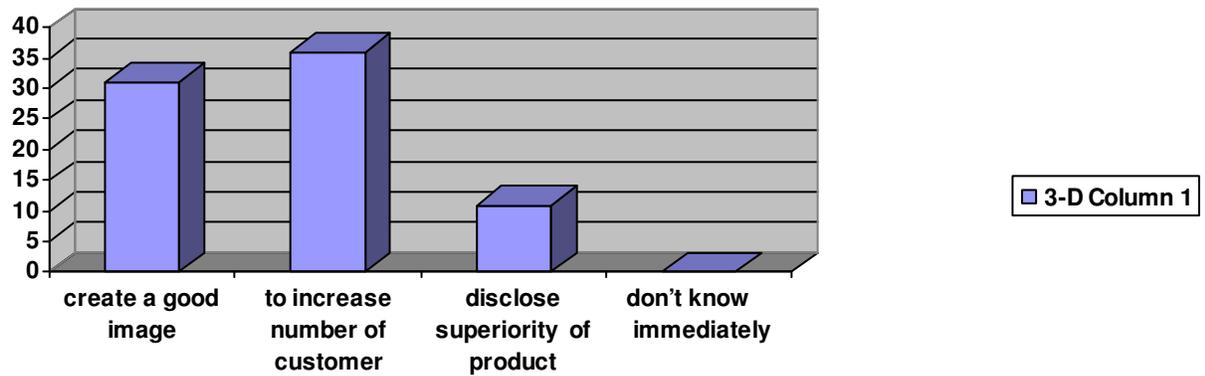
5. Do you think TV commercials always tell the truth?

Chart No.4.4



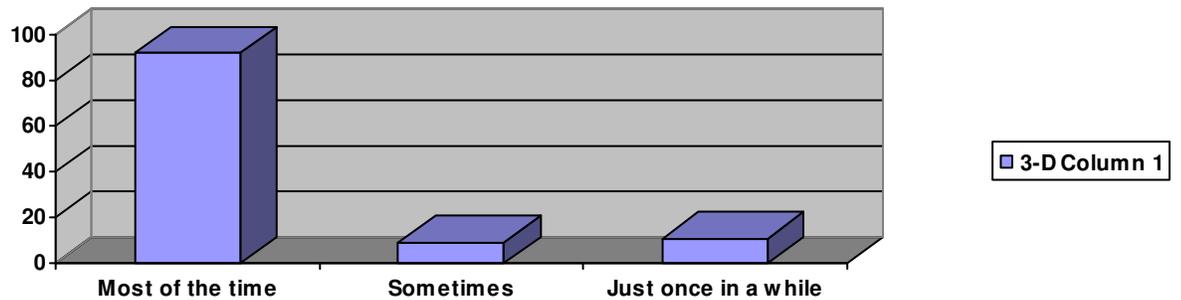
5a. If Yes then what do you think is the reason commercials tell the truth?

Chart No.4.5



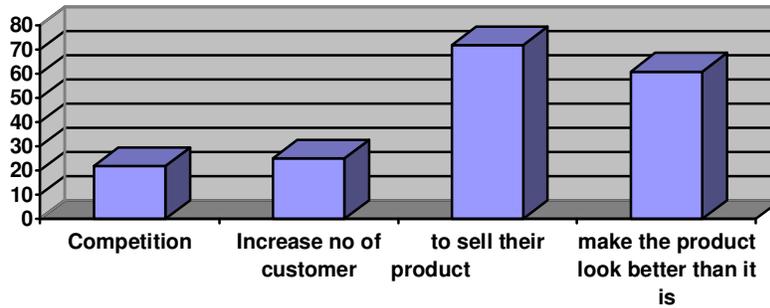
5b. If No then How often do they lie?

Chart No.4.6



6. What do you think is the reason commercials do not tell the truth?

Chart No.4.7

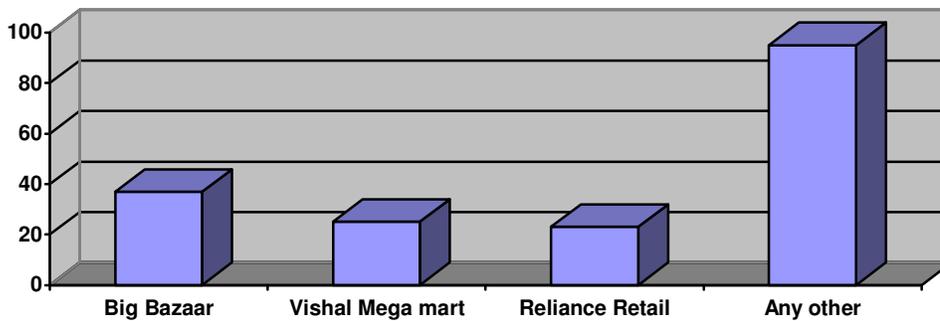


3-D Column 1

(B) Types of stores patronized

8. If you go shopping with your parents, where will you go to buy food?

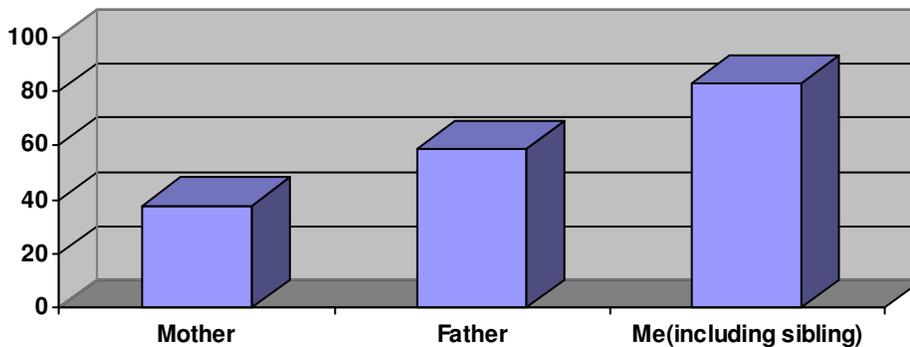
Chart No.4.8



3-D Column 1

9. Who make this choice?

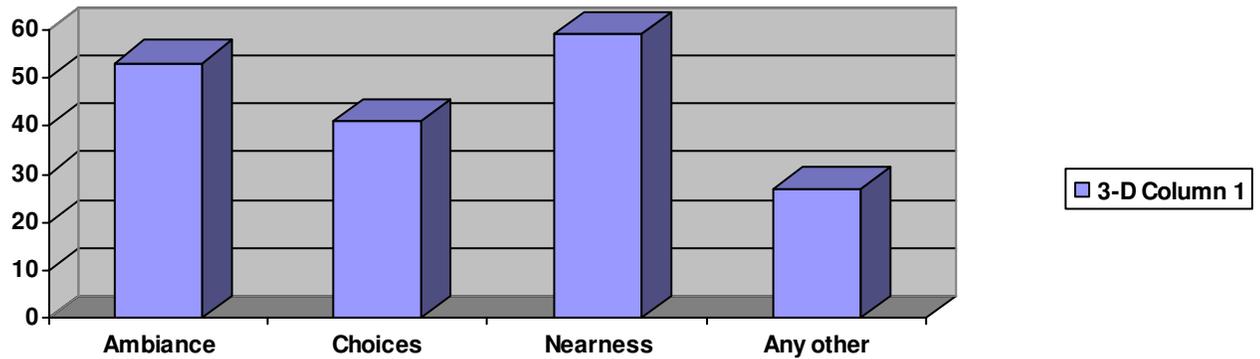
Chart No.4.9



3-D Column 1

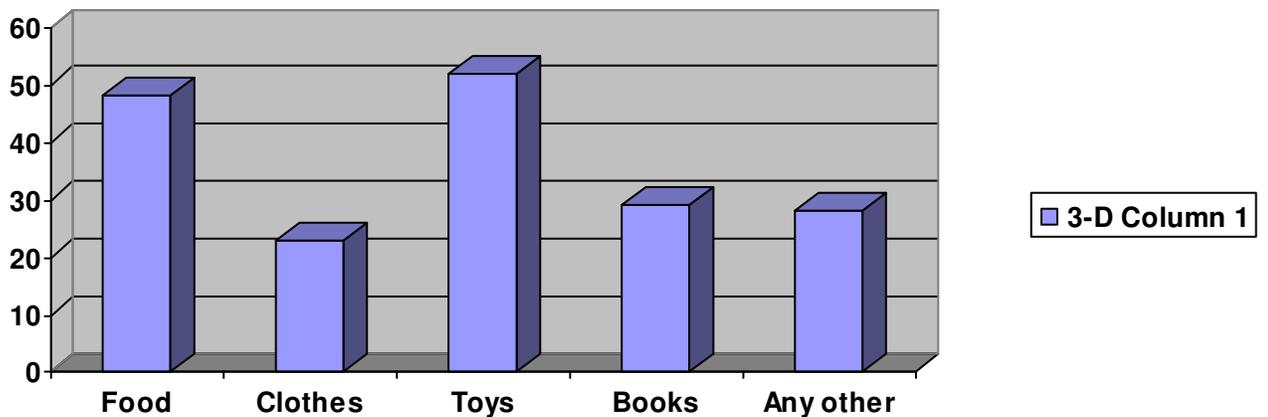
10. If you buy things on your own, where will you go? Why?

Chart No.4.10



11. Given the food products are that you buy with your money on your own, what kinds of products will you spend most of your money?

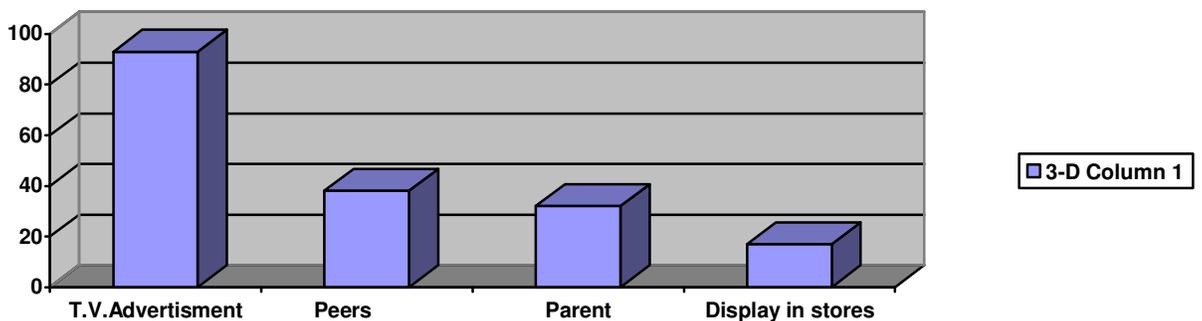
Chart No.4.11



(C) Perceived credibility of information sources

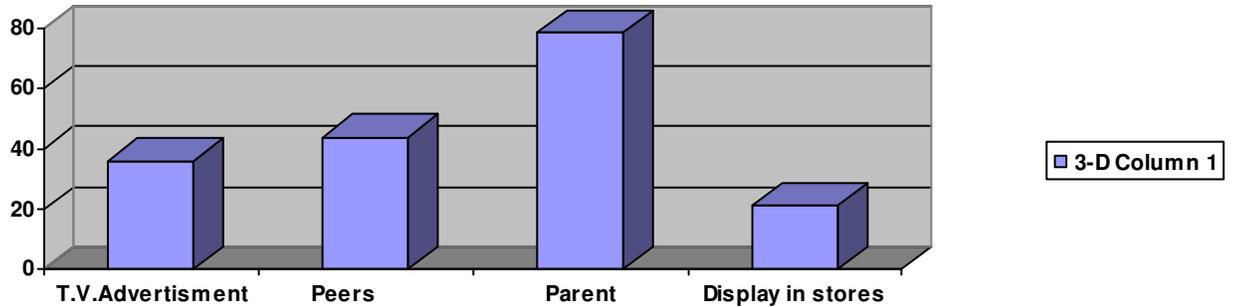
12. How did you learn about the products you bought? (from where)

Chart No.4.12



13. Which information sources do you think is most believable?

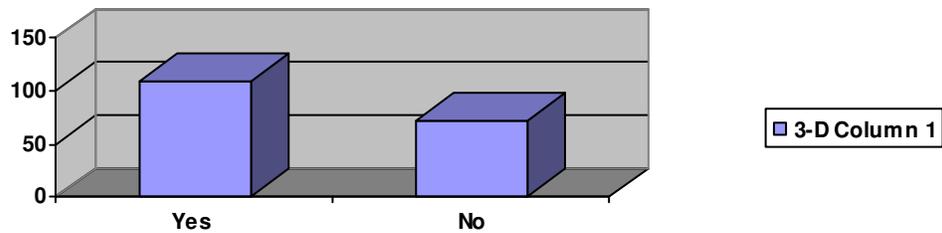
Chart No.4.13



(D) The importance of attributes

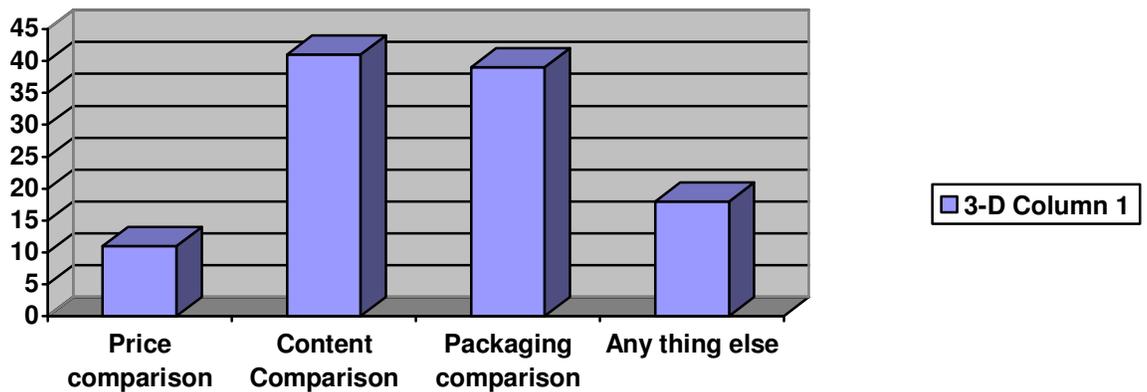
14. While shopping, will you look for different brands for certain kind of product?

Chart No.4.14



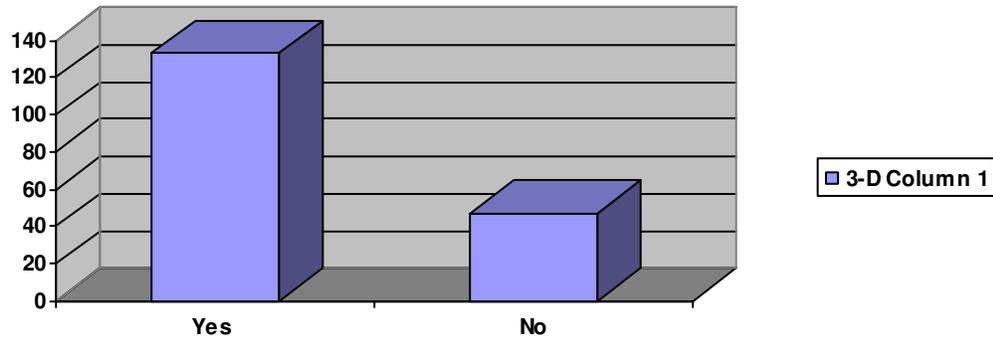
14a. why do you look for different brands?

Chart No.4.15



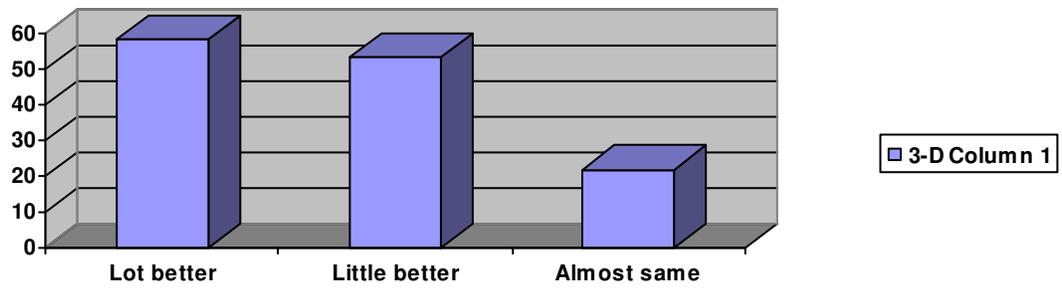
15. Do you have favorite brands for certain kind of products?

Chart No.4.16



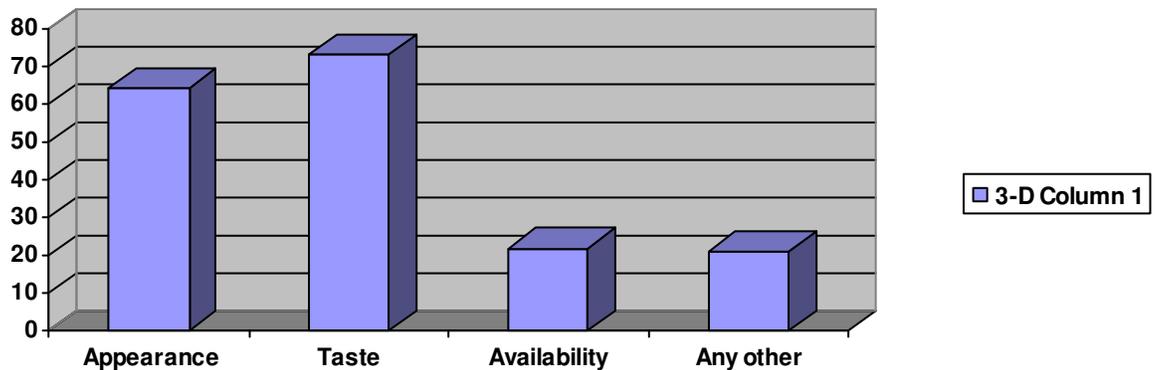
15 a. If Yes then how much better is your favourite brand than other brand?

Chart No.4.17



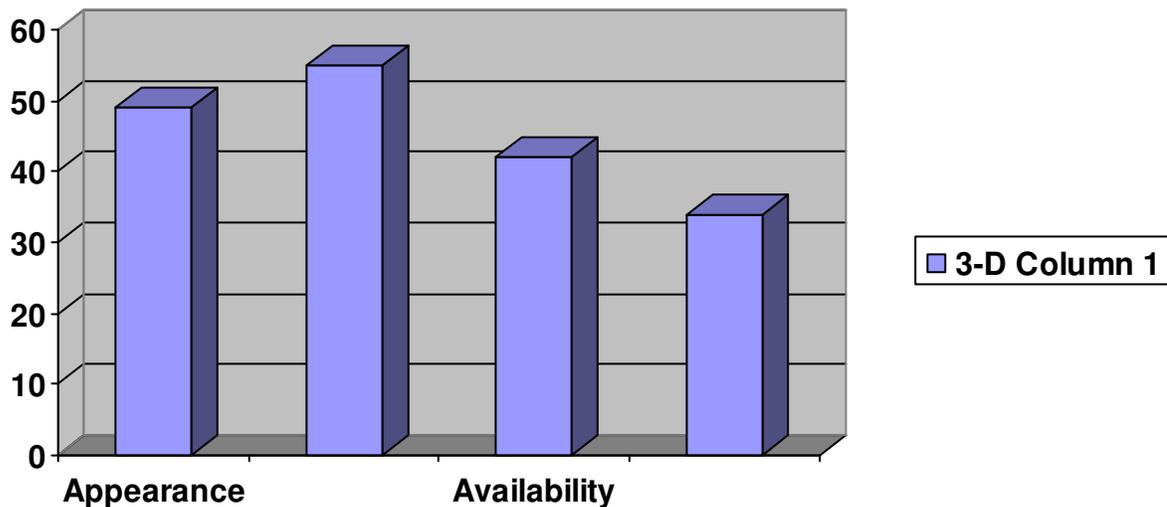
16. Why is the brand you favour better; what is it about your favourite brand that makes it better?

Chart No.4.18



17. When you choose a product, what is your foremost concern?

Chart No.4.19



5. FINDINGS AND DISCUSSION

(A) The attitude towards TV commercials

To measure understanding of the nature and intent of the commercials, a number of questions were asked to find if the respondents knew about the difference between a normal TV programme and a commercial; and whether they believed that the commercial was telling truth. Children did make some discrimination regarding the frequency of truthfulness, although more than sixty percent children felt that commercials lied “most of the time”. When asked how they knew when commercials “lied,” many respondents replied that they cited negative personal experience with a specific product while others relied on the media for determining when advertising “lied.” Those respondents were further asked why TV commercials did not tell the truth, some pointed out that “the company wants to sell products to make money, so they have to make the product look better than it is.” Such responses indicate that they have developed the ability to infer and attribute motives, a more complex information-processing skill. While some children remained sceptical about advertising, other children cited positive experiences with products as a basis for judging advertising truthfulness. However, it is hard to precisely determine to what extent positive or negative experiences with certain products generalised to the attitudes about the credibility of TV advertising. It appears that children’s attitudes toward commercials were complex indeed. Their attitudes were consistent in that they reported disappointment with advertised products, scepticism toward commercials, and general rejection of the proposition that commercials indicate product quality..

(B) Types of stores patronize

In this section a couple of questions were asked in order to determine where/when/what children buy. The results indicated that the children were shopping in a good variety of retail outlets. When they went shopping with parents, their parents were more likely to choose to go to supermarkets to buy things, as the parents believed that the hygiene and safety in supermarkets were up to standard and reassuring. The reason why children themselves preferred shopping at supermarkets themselves is that supermarkets have open shelves, which are convenient for them to choose things. Nowadays, all types of supermarkets are growing rapidly in India, such as superstores, Malls and Mega stores. Many of them are located in residential areas, competing strongly with the traditional stores for the business. As for which type of

stores children spend most of their money on, street merchants were found to be the number one on the basis of patronage, because this is where children can conveniently buy almost any product they desire. In cities, children would pass many shops and kiosks on their way walking to school. Most of the participants indicated that they would buy things with their pocket money on their way to and from school. Furthermore, the children also go to fast-food restaurants to buy some salty snacks. Due to the perception that some snack items are unhealthy or unhygienic, parents would not buy them for the children. Therefore, the children had to purchase those snacks on their way to and from school. As far as question of decision making for choice for store, a clear influence of children can be seen. They try to influence the purchase of food products and toys.

(C) Perceived credibility of information sources

The children's perceptions on the credibility of various information sources for new products were explored. For personal sources, parents were perceived by children as the most trustworthy information sources for learning about new products. Girls were more likely to trust friends and classmates as a credible information source than boys. As for commercial sources, TV commercials were generally perceived being untrustworthy. However, girls were more likely to trust products that were endorsed by a celebrity than boys did. They believed their favourite stars were trustworthy so the product for which they have endorsed must be good. On the other hand, some children remained sceptical of celebrities by saying that "stars deceived the public"; they cited some examples in which products endorsed by celebrities were found shoddy in quality. In general, the perceived credibility of commercial sources was lower than that of personal sources. Furthermore, it was observed that children were likely to evaluate perceived usefulness and credibility on the same dimension, forming an attitude towards a specific information source. This observation, whether there is a significant relationship between perceived usefulness and perceived credibility, needs to be examined in a further study.

(D) Perceived importance of product's attributes

The results of the questionnaire indicate that taste and appearance plays an extremely important role in children's food purchase decision making. In the elaborative questions, however, the participants also confirmed the importance of price, nutrition, and food safety in their decision making process. Many participants said they cared about the price of the product when buying with their own money, as they had only a limited fix allowances. As a result, they would consider how to make good use of their money. The results also provided an indication of the relative importance of the nutritional attributes of food products for children. Many children emphasised that the nutrition of food was also very important, and they confirmed that such notions were heavily influenced by their parents. Food safety was such an interesting topic that was debated in the discussion. Children would look at the best-before-date label when choosing food products and were aware of fake imitations in packaging. They normally preferred regular and large-size stores or supermarkets to purchase food products and choose the restaurants that had clean and hygienic conditions for a meal. They suggested that their consciousness on food safety was derived from some negative reports in the media, and especially from their parents' concern on food safety, which had a big impact on their buying behaviour. Additionally, word of mouth played an important role in children's purchase decision making. The findings have confirmed that Indian families traditionally rely heavily on word of mouth in order to learn about new products. The findings of the study demonstrates that the new consumer generation is more exposed to and more open to commercial sources, and thus is more heavily influenced by the information conveyed in them.

6. SUMMARY OF FINDINGS AND SUGGESTIONS

1. TV commercials were the primary sources of new products for Indian urban children. Children depended more upon commercial sources than interpersonal sources in order to find out about new food products;

2. In terms of perceived importance to product purchase, interpersonal influences (i.e. recommendation from parents and peers) were rated higher than commercial influences such as TV advertisements and celebrity endorsements in food purchase decision making. Interpersonal information sources were also perceived to be more trustworthy than commercial sources, and parents were regarded as the most reliable source of information.
3. The positive attitude to and desire for advertised products was significantly related to the children's level of exposure to the commercial environment, such as hours spent on watching TV as well as the amount of attention paid to advertisements;
4. With regard to the importance of product attributes in product purchase, content and appearance was the most highly rated attribute for all children; price came second; brand name and packaging for promotions were rated similarly as the third. Nutrition and food safety also emerged as important attributes.

7. LIMITATIONS AND FUTURE RESEARCH

The field study was based on a small convenient sample as the 180 participants were chosen from five shopping malls located in Delhi & NCR aged between 10 to 15 years. Care should be taken when generalising the results of the study. Due to the time constraints and difficulty in sampling the children from a wide age range, the differences in children's buying behaviour during different stages of consumer socialisation were not investigated. Furthermore, if parents were invited to participate in the survey, it would be possible to gain a more complementary understanding of children's buying behaviour. Future research may consider using multiple samples in different cities in order to have a better representation of the huge population of Indian urban children.

8. CONCLUSION

Kids in urban India today are very different from yesteryear kids in how they think, process, analyze and respond to stimuli. Very global in their view, this new generation is smart, sharp and sensible. They recognize their skills and find their mission early in life. Often displaying characteristics which make them mini-adults, these kids are active participants in key family decisions. They take the best of the west and merge it effortlessly with the best of Indian values. Rooted yet free to follow their dreams, playful yet mature, opinionated yet receptive to influences, this breed of enlightened kids are a great, big mix of contradictions and a big challenge to parents and marketeers alike!

This paper commence to examine the key sources of information for new food products for Indian urban children, and their relative importance along with children's acquired approaches to influence parental purchasing decisions. One of the most significant findings is the growing influence of commercial environment on children's consumer behaviour. During the learning of consumer behaviour by urban children, the parental role of guidance remains prominent, and their recommendations still have a crucial impact on children's choices. However, advertisement, especially TV commercials, plays an increasingly important role in children's learning about new products and exerts growing influence on their preferences for certain items. Another significant finding is the perceived importance of product attributes by children. Surprisingly, there is a tendency for them to pay more attention to nutrition, hygienic conditions and food safety, which shows that children seem to be mature early at this stage and start to behave in a more adult-like fashion when making comparisons.

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