

Impact of Socialization on Children's Purchase Behaviour: A Study in Indian Context

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Abstract: Globalization has paved way to market expansion which poses great challenge marketers due to with its dynamic nature which has redefined marketing and consumers to a great extent. Consumer behaviour literature has been trying to understand consumers and their decision making activities in a new perspective. Family as a decision making unit has experienced a lot of changes due to changing socio-cultural outlook and the onslaught of technology. One of the most visible and important change that happened in family decision-making is the emergence of children as main stream decision-makers in 1990 onwards. The vital role socialization process as a learning procedure have been shaping children's beliefs and attitudes about market and products which redefines family purchases. The interplay of socialization agents like family and peers, media, and technology has contributed to the phenomenon of Children as decision-makers due to their high level of market knowledge and expertise. The inter-connect between the learner (children) and the learnt (family) in family decision-making have opened opportunities for marketers to understand and devise marketing strategies to influence them. Children's raise as three important markets i.e. the current market, an influential market and the future market has garnered lot of attention from consumer researchers and marketers alike which makes this study more attractive and challenging.

Keywords: Children, Consumer Behaviour, Family Socialisation, Group Socialisation. Media Socialisation, Shopping Habits

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I. INTRODUCTION

Family decision making is a complex process and different family members influence the decision to varying degree. The conventional process of decision making in family considers husband and wife interaction as the ultimate decision output to family purchase decision-making. But the role of other family members is growing and children as an emerging key decision-making unit cannot be ignored anymore. Today both academicians and practitioners accept the role of children in decision making process in family. Globalization has impacted Indian consumers with changing lifestyles, changing media environment and most importantly changes in family consumption practices. Today consumers are more flexible in their market related activities with their open mind towards socio-cultural factors dominating the market activities. There is an increasing role played by the family in forming the attitudes, beliefs and values of individuals and teaches them marketing and consumption skills. There is a dearth in literature on children's influence in family buying and decision making process in Indian context.

II. DIMENSIONS OF SOCIALIZATION IN FAMILIES – A LITERATURE REVIEW

In consumer behaviour literature, socialization shapes consumer knowledge to varying degrees and influences their purchase decisions. The concept of socialization is grouped into three necessary dimensions namely Family, Group and Media Socialization. Socialization process can be defined as a continuous process an individual goes through for acquiring and propagating beliefs, values, norms and socio-cultural orientation which equips necessary social skills, habit and behaviour required for involving oneself in society. Socialization process connects individuals socially and culturally and influences their behaviour. In the context of marketing, family is the main focus of marketers and consumer researchers as it consists of a group of people with similar or distinct preferences, tastes and behaviour living in a household. This makes family consumption behaviour dynamic, challenging and gives opportunities and creates trends in consumer's purchase activities and decision making.

2.1. FAMILY SOCIALIZATION

Family plays a huge role in shaping the attitudes, beliefs and values of individuals and teaches marketing and consumption skills. (Zigler and Child, 1969) explains socialization as a developmental process of individuals with continuous interactions with society, cultures, and various mindsets, that polishes socially acceptable behaviour through encounters and experiences. Children as decision makers take a lot of influence from various internal and external social stimuli. Family as a primary socialization agent plays an important role in shaping children's behaviour by modeling (observing and imitating parent's shopping skills), reinforcing (strengthening consumer skills by repeating parent's purchase behaviour) and learning social skills (discovering social interactions) which imparts to children's consumer learning (Banovcinova et al., 2014; John, 1999). Socialization with parents equips children with a rational behavior skill-set which influences their purchase behavior (Moschis and Moore, 1979).

2.2 GROUP SOCIALIZATION

The role of peer groups in children's lives comes when they seek influence outside their families to a group that confirms to their tastes, understands them and influence them in their life. Peer group activities and influence can be termed as Group Socialization which consist of inter-connected groups surrounding children's everyday lives outside their family like friends, community, play mates to name a few. Peer groups are normative reference groups who communicates directly with children and teaches them traits like values, beliefs, and socially acceptable behaviour which impacts their purchase knowledge and choice Subramanian and Subramanian (1995) . Consumer researchers noted the impact and influence peer groups specially friends in this context have on children's consumption behavior activities like their tastes, preferences, and purchasing skills which result in modeling children's quality decision making and enhanced market acumen in family decision-making situations.

2.3 MEDIA SOCIALIZATION

The rapid growth in the areas of internet, telecommunications and technology created an effective socializing medium called "Media Socialization". Since the current marketing environment is very commercial, capturing and using commercial mediums like television, social media, internet has made purchasing activity a media enriching experience. Media has been playing a very crucial role in shaping children's perception, beliefs and consumer skills which have a lasting impact on their personalities (De Run et al., 2010). Mass media like television is one of the most popular media with which children spend maximum time (Wright et al., 2001). Media exposes children with necessary product related information. The most important activity children indulge in is watching television which the marketers exploit to develop commercial messages thereby attracting children into their marketing activities Dietz (1990). Media Socialization has a great impact on children physically and mentally.

III. RESEARCH METHODOLOGY

The study is carried out in seven major towns of eastern India viz. Bhubaneswar, Bandamunda, Rourkela, Ranchi, Jharsuguda, Jamshedpur, and Rajgangpur. A simple random sampling is used for the study. The data is collected using a structured questionnaire which was developed through extensive literature survey and expert opinion. A pilot survey was conducted before finalizing the instruments and the reliability of the scale was checked by calculating Cronbach alpha which was found to be 0.874. All the data was then coded and entered in to the excel file. Gender had only two categories, thus they were taken as dummy variables (male=0 and female=1). Rests of the questions were coded as per respondents answer on the Likert's scale. The questions and responses were coded and entered in the computer using Microsoft Excel Software. 300 responses is collected from Rourkela and, 80 questionnaires are collected from other six towns mentioned above. The responses are collected from both parents and children. A total of 780 pairs of responses are collected. Out of the total data collected, 711 are valid responses complete in all respects. The rest of the data collected are dropped due to incomplete information and missing data. The study uses Factor Analysis for interpretation of results.

IV. DATA ANALYSIS AND INTERPRETATION

The data analysis section begins with the detailed description of the personal profile of the respondents. The findings are grouped in following two parts: one for children and another for the parents.

a. DEMOGRAPHIC PROFILE OF CHILDREN

The first section of the childrens' instrument gathered information about their personal profile which includes age, class, gender, number of siblings, birth-order and education. These characteristics are shown in Table 1.1 below.

Table 1.1: Demographic Profile of Children (n=711)

Category	n(frequency)	Percentage(%)
Children		
Age Group		
8 to 10	133	18.71
11 to 13	257	36.15
14 to 16	321	45.15
Class		
3 to 5	149	20.96
6 to 8	289	40.65
9 to 12	273	38.40
Gender		
Male	319	44.87
Female	392	55.13
Birth Order		
Youngest	317	44.59
Eldest	298	41.91
Middle One	96	13.50
Number of Siblings		
Single Child	406	57.10
With Siblings	305	42.90

b. DEMOGRAPHIC PROFILE OF PARENTS

The second section of the parent's instrument gathered information about personal profile of parents- both mother and father which includes age, qualification, income, and occupation. The demographic profile of parents is as shown in Table 1.2.

Table 1.2: Demographic Profile of Parents (n=711)

Category	n(frequency)	Percentage
Father		
Age group		
31-35	87	13.00
36-40	198	27.85
41-45	302	42.48
>45	124	17.44
Qualification		
10	82	11.53
12	100	14.06
Graduate	382	53.73
Technical Graduate	39	5.49
Post Graduate	98	13.78
Ph.D	10	1.41
Annual Income		
<100000	80	11.25
100000-300000	291	40.93
300000-500000	213	29.96
>500000	127	17.86
Occupation		
Business	289	40.65
Farmer	28	3.94
Professional	54	7.59
Service	340	47.82
Mother		
Age Group		
25-30	70	9.85
31-35	176	24.75
36-40	309	43.46
>40	156	21.94
Qualification		
10	140	19.69
12	140	19.69
Graduate	356	50.07
Technical Graduate	2	0.28
Post Graduate	70	9.85
Ph.D	3	0.42
Annual Income		
Nil	536	75.39
<100000	29	4.08

100000-300000	77	10.83
300000-500000	61	8.58
>500000	8	1.13
Occupation		
Business	15	2.11
Housewife	557	78.34
Professional	87	12.24
Service	52	8.00
Family Structure		
Nuclear Family	404	56.82
Joint Family	307	43.18

c. FACTOR ANALYSIS

An extensive literature survey is carried out to develop the statements to identify the shopping habits of the children for the study. After conducting pilot study, the statements relevant to the study were presented in the questionnaire.

Table 1.3: Statements for Consumer Shopping Habits

V	Statements
1	My parents consider my opinion while shopping
2	My parents allows me to interact with the salesperson to know more about products
3	My parents allows me to decide about where to go to shop
4	My family likes shopping together
5	My parents do not interfere if I take decisions regarding the product of my use
6	My parents ask for my suggestion for products of household consumption
7	My parents teach me to select the best alternative
8	My parent's encourages me to talk about product-related information.
9	I enjoy my shopping experience with my parents
10	My parents allows me to shop alone if the product is of my use
11	I like my parent's purchase decisions regarding product for my own use.
12	My parents ask me to accompany them to shop if the product is of family use
13	I like my parent's purchase decisions regarding product for family use.

A list of thirteen statements as shown in Table 1.3 which is designed on a five point Likert Scale from Strongly Disagree to Strongly Agree .Understanding children's shopping patterns and habits can be an indicator for exploring their impact and influence on family shopping behaviour.

Factor analysis is carried out on the data collected on the variables mentioned in Table 1.3. Factor analysis is a method of data reduction carried out by seeking underlying unobservable (latent) variables that are reflected in the observed variables (manifest variables). Mathematically, Factor Analysis reduces number of linearly related observed variables X_1, X_2, \dots, X_n , to a smaller number of unobservable factors F_1, F_2, \dots, F_k .

Table 1.4 : Reliability Statistics and KMO Test Value (Shopping Habits)

No. of Items (n)	13
Determinant	0.061
Cronbach's Alpha	0.810
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.846
Bartlett's Test of Sphericity	
Approx. Chi-Square	1968.475
Degrees of freedom	78
Sig.	0.000

Table 1.4 shows the reliability statistics, KMO value, chi square value and significance as an adequacy for carrying out factor analysis. The Determinant value is non-zero, if the determinant is 0, and then there will be computational problems with the factor analysis. The internal consistency of the scale is assessed using Cronbach's Alpha. It is a measure of interrelatedness of the items within a group .i.e. it assesses the extent to which the item in a test measure the same concept or construct. It lies in between 0 and 1. The acceptable values of alpha are in the range 0.70 to 0.95 (Tavakol and Dennick, 2011). The value of alpha is found to be 0.908, which is well above the acceptable value of 0.70 for demonstrating internal consistency of the established scale.

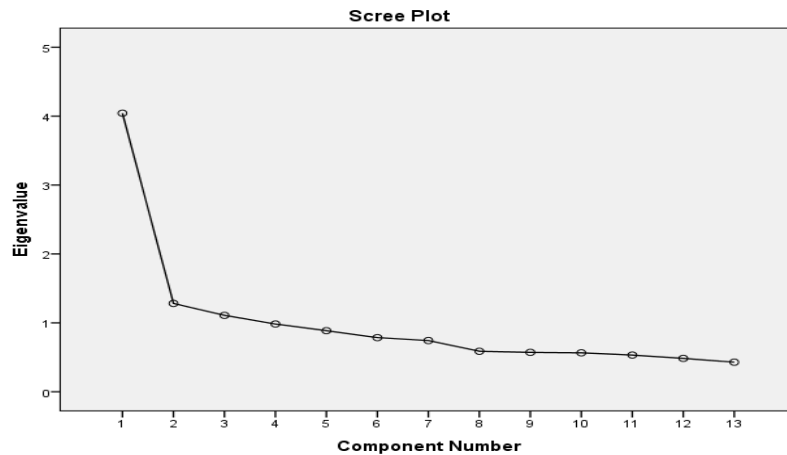


Figure 1.1: Scree Plot

The Kaiser-Meyer-Olkin (KMO > 0.6) and Bartlett's test of sphericity ($p < 0.05$) statistics are used to test empirically whether the data were likely to factor well (Bikker and Thompson, 2006). The value of KMO was found to be 0.846; hence, it can be concluded that the matrix did not suffer from multicollinearity or singularity. The result of Bartlett's test of sphericity shows that it is highly significant ($\text{sig.} = 0.000$) which indicates that the factor analysis is correct and suitable for testing multidimensionality (Othman and Owen, 2001). Therefore, the statistical tests show that the dimensions of instruments are likely to factor well and the questionnaire is multidimensional.

The total variance explained is 49.48% and there are three factors emerging. Factor 1 explains 31.096% of variance, factor 2 explains 9.858% and factor 3 explains the least 8.527% of variance. The factors are named as Pre Purchase, Purchase and Post Purchase. The Scree plot drawn and shown in Figure 1.1 validates the existence of three factors.

Table 1.5: Factor Loading of Shopping Habits

Var No.	Item	Factor Loading	Cronbach Alpha (α)	% variance explained
Factor-1 Pre Purchase				
V1	My parents consider my opinion while shopping	.585	0.810	31.096
V2	My parents allows me to interact with the salesperson to know more about products	.645		
V3	My parents allows me to decide about where to go to shop	.698		
V8	My parent's encourages me to talk about product-related information.	.528		
V10	My parents allows me to shop alone if the product is of my use	.546		
Factor-2 Purchase				
V4	My family likes shopping together	.670	0.721	9.858
V7	My parents teaches me to select the best alternative	.588		
V9	I enjoy my shopping experience with my parents	.726		
V13	I like my parent's purchase decisions regarding product for family use.	.593		
Factor-3 Post Purchase				
V11	I like my parent's purchase decisions regarding product for my own use.	.633	0.789	8.527
V12	My parents ask me to accompany them to shop if the product is of family use	.751		

The three factors extracted for the study known as the shopping habits is shown in the above Table 1.5. The variables whose factor loadings are more than 0.5 is considered for grouping the factor. During the analysis, two variables viz, V5, V6 was dropped from further analysis due to lack of loading.

Factor 1: Pre purchase

Pre-purchase may be defined as the activities, perceptions, intentions, determinants, antecedents, beliefs and attitudes of users prior to the actual acquisition or experience of a product or service (Caru and Cova, 2008). It involves decisions related to discussions related to collection of Information about the product, the place of shopping, interaction with the sales people to name a few.

Factor 2: Purchase

Purchase is the decision to make full use of a new idea as the best option available (Rogers and Shoemaker, 1977). It involves decisions relevant to the number of people going for shopping, the role of family and parents in shopping.

Factor 3: Post purchase

The term post-purchase refers to “continuous and repeated usage” (Ye and Potter, 2011). This stage explains children's post purchase experiences which can be explained in terms of degree of satisfaction experienced from final purchase viz, satisfaction (if the product/service meets expectations), dissatisfaction (if the product/service is below expectation) and finally delightment (if the product/service exceeds expectations). Positive shopping experience is the outcome of these three stages which is important for marketers to understand and subsequently design strategies to provide a positive shopping experience.

4.1. Mean and Standard Deviation of Shopping Habits

The distribution shows that purchase has highest value, indicating that purchase is an important dimension of shopping habit. The ranking using the mean scores and standard deviation are shown in Table 1.6 below.

Table 1.6: Means and Standard Deviation of Shopping Habits

Shopping Habits	Mean	Standard Deviation
Pre Purchase	3.409	1.053
Purchase	3.863	0.961
Post Purchase	3.569	0.996

V. CONCLUSION AND FUTURE SCOPE

Rise of children as powerful market segments have created a lot of space for marketers to innovate and incorporate strategies that fit with market requirements. Children have been able to capture the market actual market (products for their own use), secondary market (influences products for family use) and future market. Emergence of children as active decision makers encourages and engages marketers to know and study more about this market which has a lot of potential in family purchase decision making.

The study is carried out only in major towns of eastern India viz. Bhubaneswar, Bandamunda, Rourkela, and others, so it can be further extended to other parts of India, which can give a clear outlook about the role of children in family purchase decision making. Factors like the impact of gender gender and the no. of siblings in a child's purchase decision making environment can be analysed. The scope of the study can be further extended by conducting regression analysis, to know the impact of demographics on family shopping habits like pre purchase, purchase and post purchase shopping habits. A Structural equation modeling can also be used to predict the influential factors that have a lot of impact on children's consumption behaviour.

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