

Research Article

Role of Children in Family Purchase Decision Making: The Impact of Advertising

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ABSTRACT

Gone are the days when children had minimal participation in family purchase decisions. Their opinion is now not only sought in purchasing products relating to them but also for the products which are not related to them. They constitute a huge market and specially designed advertisements are targeted to them. The purpose of this paper is to analyze the various advertisement strategies used by marketers to draw child's attention, the issues and possible cure. The paper is based on secondary data collected from various journals, magazines and other sources. It draws heavily from previous researches/discussions. This paper is divided in three sections. Section one contains children's role in family purchase decision making, various marketing techniques are in second section and impact of various marketing techniques in third section. The finding suggests that effective advertising, such as stealth advertising, celebrity endorsements, use of various cartoon characters, etc. has enabled the marketers to attract the children's attention and use the pester power of children to sell the products. However, some negative impacts have been found, such as obesity in children, less physical activity, exposure to violence, etc. which has to be dealt with strictly. The above research can be used to monitor the content of advertisements targeted at children. The role of schools, parents and policy makers/regulators can be defined so that we have a generation which is morally sound and physically fit.

Keywords: Advertisements, Children, Family purchase decisions, Marketing techniques, Pester power

INTRODUCTION

“Observe a child and parent in a store. That high-pitched whining you’ll hear coming from the cereal aisle is more than just the pleadings of single kid bent on getting a box of Fruit Loops into the shopping cart. It is the sound of thousands of hours of market research, of an immense coordination of people, ideas and resources, of decades of social and economic change all rolled into a single, **“Mommy, pleeease!”**”

Cook, 2001, Assistant Professor of Advertising and Sociology at the University of Illinois.

Family decision making has always been considered as the major influence on consumer behavior and it has been of keen interest to marketer, sociologists and academicians. However, there has been a substantial change in the family decision making structure in the last decade. The focus has shifted from husband-wife dyad to the husband-wife-child triad in the family buying decisions (Szybillo and Sosanie, 1977; Guneri *et al.*, 2009). This is due to three reasons: firstly, the spending power of children and their influence on parents’ purchase decisions has increased manifold; secondly, the exposure to media has also increased which has led to a growing media space especially for children and children’s products; and, thirdly they are the adult consumers of the future. Children as small as of age three can today recognize brands and differentiate the products from each other. This change in roles in family decision making process has reflected in the market place too.

The marketers today are designing advertisements which are specifically targeted to children. Children today are shaping the family patterns for buying the goods. They exert tremendous influence on purchases of furniture, electronics, foods & beverages, vacations, where to dine, etc. Television has served as an important medium in reaching the children and familiarizing the kids with their products. It has been a staple in advertising items, such as candies, chocolates, cereals, toys and cold drinks. All the advertisements nowadays are targeted on children as the marketers are aware the degree of influence children have over their parents in purchases.

The earlier studies focused the parents in the family and the children were neglected in the enquiry. But recently many researches have been done on how children are influencing their parents or pestering them into buying things of their choice. This change in trends can be attributed to many reasons, such as double income, nuclear family, fewer children, delay in having children, proliferation of technology in everyday life, guilt of parents for not giving enough time to their children which they compensate by purchasing things of their choice.

According to Ekasasi (2005), the family members have a variety of role in decision making. They play roles of *the information gatherer, the influencer, the decision maker, the purchasing agent and the end user*. (Mcneal, 1992) in his book has identified children as a primary market, the influencer and the future market. They directly influence selection of toys, beverages, apparels, furniture, video games, electronics, etc. They also have an indirect influence on the decisions of where to go on vacation, which car to buy, what color to paint the house, where to go for dinner, etc. As a result, the marketers are increasing their efforts to capture this market through various techniques of advertisements and strategies. The researchers are trying to understand the mechanisms of influence of children in the household decision making and the impact of advertising.

OBJECTIVES OF THE PAPER

The objectives of the paper are as follows:

1. To understand the role of children in family purchase decision making
2. To study the various techniques of marketing to children
3. To highlight the issues regarding advertising to children and suggest the remedies to it

METHODOLOGY

The paper attempts to analyze the impact of advertising on children, its issues and remedies. The paper is based on secondary data collected from journals, magazines and Internet. It draws its content heavily from earlier researches and discussions.

HOW MARKETERS TARGET CHILDREN

The industry spending on children advertisement has exploded from a mere USD 100 million in 1990 to USD 10 billion in 2012. The reason for such explosion is the huge children's market is estimated to be of USD 500 billion consisting both personal spending and directly influenced spending on snacks, soft drinks, entertainment, clothes and toys, school supplies, etc. Another USD 500 million market is estimated for indirectly influenced purchases, such as technology, recreation and vacations. Hence, the total spending power of children has been estimated to be around USD 1 trillion. This is a huge market which cannot be ignored by any marketer.

Sensing these new trends, marketers have come with new marketing strategies , such as television spot advertisements of toys and food products, product placement in movies and popular shows, online advertising, using special characters like Cinderella, Mickey Mouse and Ben 10 to promote the products. However, children are very vulnerable to advertising as they are unable to understand the actual purpose of these (to sell the product).

They take advertisement as entertainment and enjoy it to the fullest, learning the jingles, imitating the characters of advertisements and finally pressurizing their parents to purchase them commonly known as “pester power or nag factor”.

In India, the numbers of kids influencing their parents major purchase decisions are on rise. A recently concluded convention on visual media at Mumbai had found out that after schooling, the main activity of children is to watch television. It has been estimated that on an average a child watches 20,000 advertisements per year, i.e., roughly around 55 commercials per day. It is more preferred to reading and around 71 percent of children influence their parents in buying decisions of high priced items like cars.

The ad men and industrialists have recognized this factor very well and have started developing tomorrow’s market. According to a recent marketing industry study kids as young of age two can recognize logos, mascots and be brand conscious. At the age of two, the kid starts speaking clearly and the amount of advertisements he has seen, he starts singing few bits of popular ad jingles and takes names of cold drinks, burgers and other beverages (Table 1). This is what the ad men want—a new breed of *brand conscious babies*. (Rai, 2010)

MARKETING TECHNIQUES

The marketers have used television and internet as their main source of disseminating information to the kids. Television advertising contributes about 70% in reinforcing the brands in the minds of their young consumers. Television advertising include catchy and interesting features use of branded characters, repetition of commercials and premiums, celebrity endorsements, such as Shahrukh Khan, cricket icon Sachin Tendulkar, Amitabh Bachchan, Kajol and M.S. Dhoni.

Stealth Advertisements

Today marketers have found a new technique of attracting kids by stealth advertising. Here the lines between advertisements and programs are so blurred that the actual purpose of the ad is not recognized but however it leaves an impact on the mind of the consumers. Stealth advertising is possible in online media only, where children can interact with characters who promote the specific brands, disguised advertisements as video news releases, online collection of information and views from youth. All these are done with single motive of nurturing brand loyalty.

Branded Characters and Premiums

For making the ads more persuasive the admen are using branded characters that appeal to children and youth. The use of popular cartoon characters, such as Ben 10, Chota Bheem and Mickey Mouse is used widely to push the product. Another

Table 1: List of Some Products Targeted at Children & Youths

S. No.	Products	Brand
1.	Health drinks	Bournvita, Women's Horlicks
2.	Body cream	Vaseline
3.	Cold drinks	Coke , Pepsi, Thums up, Fanta
4.	Biscuits/Cookies	Britannia Good Day/Cadbury Oreo
5.	Toothpastes	Colgate
6.	Snacks	Crax, Kurkure
7.	Soaps	Pears
8.	Technology	Internet games and various applications
9.	Mosquito killer	Good Night
10.	Beverages	Real juices, Rasna
11.	Hair color	Godrej hair dye
12.	Telecom services	Vodafone
13.	Cereals	Kellogg's Chocos
14.	Detergents	Surf Excel
15.	Spectacles	Tata Eye Plus
16.	Shoes	Relaxo
17.	Vacations	Make my trip
18.	Noodles	Maggi, Yippee, Knorr noodles
19.	Automobiles	Ford
20.	Insurance	LIC Life Insurance
21.	Chocolates	Cadbury
22.	Ice-cream	Kwality Walls, Amul
23.	Medicines	Vicks Vaporub, Honeytus
24.	Shampoo	Clinic Plus
25.	Watches	Maxima
26.	Water parks/fun parks	Essel World, Water Kingdom, Disney
27.	Apparels	Giny and Johny, Lilliput
28.	Home Products	Odonil Air freshener
29.	Fast food	McDonalds
30.	Pen	Reynolds, Cello

Source: own

example can be the use of character Ronald McDonalds to sell the products. McDonalds along with small toys as premiums in McDonalds Happy meal menu. These all are done to increase the purchase of products by kids.

Product Placement

A product placement is the inclusion of a product, brand name or the name of the firm in a movie, television programmes, serials, etc. for increasing memorability of the brand and instant recognition at the point of purchase (Singh, 2013). This is today's most popular way of selling the product to kids. This technique was used in famous Hollywood director Steven Spielberg's movie in 1982, when E.T. ate Reese's pieces which resulted in 66% hike in product sales. In India too this technique is widely used, the first product placement was of Rajdoot motorcycle in Raj Kapoor's movie, 'Bobby'. It made maiden appearance in the movie along with Dimple Kapadia and therefore, famously known as Bobby motorcycle amongst consumers. However, the first recognized product placement was of Coke in Bollywood's director Subhash Ghai's movie, 'Taal'. Product placement is common on websites too. Marketers also use product placement in gaming and are increasingly building brand awareness and loyalty through video games. A successful game means a successful product as the consumer is engaged, interested, and focused on the product (Calvert, 2008).

Celebrity Endorsements

Another popular form of selling the product when movie stars, athletes, cricketers, etc. are used in advertisements praising the products. Children are very much influenced and then they use their influence to get the products by their parents, for example, Sachin Tendulkar for Boost, Amitabh Bachchan for Parle Kachchaam, for Maggi noodles, Dabur Chyawanprash, etc (Table 2).

Viral Marketing

Viral marketing means the curiosity generated by a product and people talk about it in real or virtual conversations. It uses the Internet to encourage consumers to market to one another either via blogs or newsgroups, or through personal contact (email) stimulated by a firm's marketing efforts. This has been one of newest way to influence the sales of the product. Viral marketing is especially effective with teens, if it involves big discounts, attractive products, and meaningful freebies and various "advergates".

Marketing in Schools

School systems are being now used to advertise the products and create brand recognition among the kids. The buses, school book covers, stationeries, all are

bearing the ads. Marketers have realized the power of school and its impact on child. Many marketers are using this medium in a number of ways, such as sponsored education materials, sponsoring sports or cultural events in the school and organizing many other events. For example, Camel every year organizes drawing competition in various schools where they advertise their products.

Online Interactive Agents

Online interactive agents are a type of stealth advertising. Marketers program robots, or bots, to reply to surfers who initiate a conversation. Such bots are programmed to respond to users in a one-on-one relational way that builds brand loyalty. These feature humor, games, and hip language to appeal to minors.

The question is why are marketers making so much effort to target kids? What is at stake? With the use of new and kids enchanting technology these marketers are trying to get hold of this important demography. The toy marketers like Barbie, etc. the food marketers like McDonalds, the beverage marketers like Coke India and PepsiCo, the kids apparel marketers are too eager to market to kids. According James McNeal, a kids marketer consultant and author of the book *Kids as Consumers: A Handbook of Marketing to Children*, says “**children had influenced \$1.12 trillion purchases in 2011 and they will influence more in coming years. This is very attractive to marketers.**”

ADVERTISING ISSUES AND REMEDIES

The result of the various marketing techniques has had quite an impact on lifestyle of children and is becoming a reason of concern for parents and child psychologists. These impacts have been cited in the following:

1. It has been found that children view 20,000 to 40,000 commercials on television every day (Bhattacharyya and Kohli, 2007).
2. 60% of children are overweight due to over viewing of TV (Chaudhari and Marathe, 2007).
3. Food is the heaviest advertised product on television.
4. There has been an increasing consumption of junk and unhealthy food by kids rich in fat, salt and sugar (France, Meredith and Murdock, 2008).
5. Children view an estimated 10,000 acts of violence each year (business-ethics.com).
6. Each year, teenagers view nearly 15000 sexual references, innuendoes, and jokes, of which <170 will deal with abstinence, birth control, sexually transmitted diseases, or pregnancy which has resulted in rise of teenage pregnancy (Chaudhari and Marathe, 2007).

Table 2: Television & Internet marketing techniques

Marketing technique	Definition	Used on television	Used on Internet
Repetition of the message	Repeating the same commercial message over and over.	√	√
Branded characters	Branded characters, popular animated characters used to sell products ranging from cereal to vacations.	√	√
Attention-getting production features	Audio-visual production features such as action, sound effects and music	√	√
Animation	Visually drawn moving images	√	√
Celebrity endorsements	Popular actors, athletes and musicians are either depicted on the product itself or are shown using and approving of the product	√	√
Premiums	Small toys or products that are offered with product purchase; for example, a toy in a Happy Meal or screen savers for filling out an online survey.	√	√
Product placement	Placing a product within program content so it does not seem to be an advertisement; for example, E.T. eating the candy Reese's pieces or Bournvita in 'Koi Mil Gaya' movie.	√	√
AdvergAMES	Online video games with subtle or overt commercial messages		√
Viral marketing	The "buzz" about a product that is spread by word of mouth		√
Tracking software and spyware	Software that makes it possible to collect data about time spent on a Website		√
Online interactive agents	A virtual form of stealth advertising where robots are programmed to converse with visitors to a website to maintain and increase interest in the site and its products.		√
Integrated marketing strategies	Marketing products across different media; for example, the toy in a cereal box is also a product placement in a film.	√	√
Video news releases	Circulated stories to news media about a product that are broadcast as a news release.	√	√

Source: Calvert, 2008 From The Future of Children, a collaboration of the Woodrow Wilson School of Public and International Affairs at Princeton University and the Brookings Institution.

7. The most alarming impact is the reduction of physical activity by children, low interaction with friends and less outdoor activities which help the child to grow and develop. They start believing and living in the virtual world.
8. Susan Linn, director and co-founder of National Coalition for Health care Professionals, educators, parents and others called the campaign for “commercial free childhood”. Linn further added that targeting to kids have resulted in issues, such as youth violence, sexualization, underage drinking and smoking, excessive materialism and erosion of creativity. According to a programme on National Geographic Channel, children in Indonesia can get cigarettes from a nearby store without any objection. The Marlboro cowboy advertised on television there makes it cool for them to smoke cigarettes.
9. The Canadian pediatrics society had objected on the content shown on advertisements and campaigned for commercial free childhood citing similar issues as that of Susan Linn.

REMEDIES TO PROTECT CHILDREN

Children are vulnerable and are unable to understand the content of the advertisements. They take it as real and pester their parents. Moreover the marketers use psychologists and effective research techniques to know about children and how they can influence them through their advertisements. Here the role of school and parents is very important.

Role of Schools

Schools have a very important role in the developing years of a child. Therefore, schools should take utmost care. They should avoid sponsorships from companies and disallow the beverages, candies and ice creams companies to campaign in the campuses. They should mandate and implement physical education and nutrition education programmes.

Role of Parents

The parents have an effective role in guiding the children. They should talk to their children about healthy lifestyle and prepare healthy food at home. They should tell their children about the intent of the advertisement. They should tell them how the advertisement works and how marketers target children. This will help them in becoming active viewers rather than passive. Parents should also talk about fast food restaurants use tie-ins with popular movies and TV shows in order to attract kids. Apart from these children parents should also discuss about value of money and money management skills and watching television along with children so that the queries can be solved at the root itself.

Role of Media

The mass media should be strategically used for public policy and spreading of the messages that do not adversely affect the children.

Role of Government

Government must ensure the healthy growing environment for the children. Government should impose several regulations and restrictions on industries, media owners and advertisers to maintain bare minimum ethical standards.

Legislation: Acts and Regulations, The Marketing Practices Act

Section 8(1) of The Marketing Practices Act sets out that- ‘Marketing activities directed at children and young people must be framed with reference to their natural credulity, lack of experience and critical sense, as a result of which they are readily influenced and easy to impress’.

Section 8(2) sets out that- ‘Marketing directed at children and young people must not directly incite them to violence, use of intoxicants (including alcohol) or other dangerous or inconsiderate behavior, not make unwarrantable use of violence, fear or superstition in order to influence them’.

Along with this youth and communities, policymakers and health professionals can monitor, document marketing and promotions of unhealthy foods and counter marketing efforts who are contributing to poor health of the children. Policymakers can sponsor legislation that protects vulnerable population from excessive or unfair advertising and promotions practices. Health professionals can engage in community education and act as powerful advocates for community health issues. Regulators should also address the issue of whether and how to make the regulation of newer online marketing activities consistent with traditional television and film guidelines.

CONCLUSION

Marketing to children and adolescents is becoming the way of life of children all over the world. Children today have disposable income and have influence on the parents. Animated and catchy advertisements, marketing practices, such as repetition, celebrity endorsements, use of favorite cartoon characters and freebies like toys are effective in attracting the children’s attention.

However, the vulnerability and tender age of children make them unable to understand the marketing tricks and they have difficulty in understanding the difference between the advertising content and the reality. Moreover, aggressive advertisements have resulted in various other issues, such as obesity in children, violent behavior, fear or superstition and other behavior disorders.

The parents, schools, health professionals, regulators have an important role in arresting the commercialization of childhood. The gaps and weaknesses in the infrastructure should be fixed. Not only the traditional methods of advertising should come under the purview of legislation but it should also bring the newer ways of targeting children and youth under its scanner.

Thus, only we can get future citizens who are morally sound, physically fit children who will in turn make a healthy society and lead a quality life.

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