

ROLE OF FAMILY IN CONSUMER SOCIALIZATION OF CHILDREN: LITERATURE REVIEW

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ABSTRACT

Children have been identified as an important consumer segment. Research on Consumer Socialization of children has led to impressive findings over the years. However majority of the research on the topic has been done in North America and Europe. At the same time India has witnessed enormous changes in the last decade. As per Indian Census 2001 it is a young nation with 36% of its population below the age group of 15 years. The changing family profile, rising disposable incomes, exposure to information has changed the family equations. Research done in trying to understand the socialization of Indian child is very limited. Research has shown that there are two major classes of socialization agents for children: the cognitive factors and the social factors. While cognitive factors are age related, the social factors cover family, media and peers. The paper critically examines the research done in the last three decades to understand the influence of family on consumer socialization of children, define the implications and the road ahead with India as focus.

Keywords: consumer socialization, children, India, family

Introduction:

The world has witnessed huge changes in the business world in the last two decades. India has also been a part of these changes. The changes in India have been vast on both economic and social parameters. In the pre liberalized era the consumer in India was limited by choices. However in the post liberalized era the consumer is the king in terms of number of choices. The Indian consumer profile has undergone a complete change. With rise in disposable incomes, more exposure to the global world and a younger population, the Indian consumer today is completely different from the Indian consumer of two decades back. Indian consumer is identified to be more materialistic, high on consumerism and believes in “Made in India” (Gopal and Srinivasan, 2006) Compared to the rest of the world the Indian consumer is a young consumer. In 2010 the median age in France was 39.9 years, USA 36.9 years, more developed regions 39.7 years and median age in India was 25.1 years (UN) India is poised to become the world’s fifth largest consumer market by 2025 and the average real household disposable income is slated to have a compound annual growth rate of 5.3% from 2005-2025 (Mc Kinsey, 2007) Also the three major emerging segments identified in India are kids, youth (including the young working singles) and urban Indian woman (Spencer Stuart) Beyond doubt India occupies an important place for the marketing world. However what is also true is that many multinationals have failed trying to apply same marketing strategy in India as the west. There is need to understand the Indian consumer.

Children as consumers :

Children have been identified as an important and different consumer segment. They are three markets in one- the present market for their current product requirements, future market for all goods and influential market which influences their parents to spend on different products. (Neal 1987) From an Indian perspective this segment specially becomes important as 30% of our population is below the age of 15 years (Census 2011) Also the age pyramid of Indian population shows that we will continue to be a young nation for some time. Understanding the consumer socialization of Indian child is important for the marketer who wants to reach out to this segment, for the researcher to understand the unique features of this segment and for policy makers to ensure that consumer socialization of children happens in correct and ethical manner. The paper critically highlights the research done in last three decades on family’s influence in consumer socialization of children and identifies areas for future research with India as focus.

Consumer Socialization of children:

One of the first definitions of Consumer Socialization of children was given by Ward (1974) as “processes by which young people acquire skills, knowledge and attitudes relevant to their functioning as consumers in market place”. Over the years two major classes of influence have been identified for socialization process: cognitive and environmental factors (Haynes et al, 1993). The cognitive factors are usually age related and environmental factors include agents like family, mass media, peers.

Family as a socialization agent:

Role of family as an important socialization agent for children has been confirmed over the years. Family was found to develop the consumer information processing skills of children by having an impact on the development of general cognitive abilities, motivating children to apply cognitive abilities in areas of consumer behavior and also by directly teaching consumer skills which are not highly integrated with cognitive abilities (Ward et al, 1977) Family has been evaluated on different parameters (family communication, social status, gender of child, role of mother) to understand the

impact on consumer socialization of children.

Influence of family communication on consumer socialization of children:

The nature and type of communication between parents and children has an important influence in consumer socialization of children. Role of family communication on consumer socialization of children was highlighted by dividing the families into Laissez faire, Protective, Plurastic and Consensual using the 2D model of communication. Different family communication structures at home were found to result in different consumer competencies in children (Moschis and Moore, 1979) More anxious, emotionally involved parents who wanted to avoid conflict or wanted to limit their children's autonomy were found to knowingly indulge their children's wishes (Grossbart and Crosby, 1984) Different family structures result in different consumer socialization of children has been validated in different studies (Moschis et al, 1984; Moschis and Mitchell, 1986; Moschis et al, 1986; Ozgen, 2003; Kim et al, 2009) Children developed norms regarding consumer socialization by observing their parents behavior and receiving positive and negative reinforcement. This trait was linked to age of children with interaction decreasing with increasing age (Moschis et al, 1984) A study on adolescents in Malaysia also indicated that parents influence over apparel brands decreases with increasing age of the child (Ghazali, 2011) Children from Plurastic families were found to be most competent consumers and children from Laissez faire families appeared to be least competent consumers. Research shows that Plurastic families encourage consumer learning without emphasizing monitoring and control of consumption behavior (Moschis et al, 1986; Carbon et al, 1990) Socio oriented family communication style of parents was found to discourage child's participation in consumer decisions, at the same time concept oriented style of family communication was not found to necessarily lead to greater participation (Moschis and Michell, 1986) However using the socio oriented and concept oriented style of communication, another study indicated that as compared to socio oriented communication, it was concept oriented style of communication that was positively linked to children's influence in purchase decision making. (Kim et al, 2009) Multiple factors like warmth, restrictiveness, anxious emotional involvement and content aspects were found to influence parental reactions to toy based programs (Laczniaak et al, 1995) In recent research instead of universal parental socialization style and family communication, it has been suggested that it is the micro environments within the family which help the child to acquire consumer skills (2009) Children's online socialization was also found to be linked to parental mediation. Children's skepticism towards online advertising was positively related to parents active mediation (Wonsun, 2010) Family environment was found to be an important indicator of transfer of food learning between parent and children (Ayadi and Bree, 2010)

Role of mother in consumer socialization of children:

Among family members mother has been identified as an important socialization agent. (Ozgen, 2003; Carlson et al, 1988; Neeley and Coffey, 2007) Mothers with differential parental style were found to differ in communicating with children regarding consumption, media exposure, views on advertising (Carlson et al, 1988; Carlson et al, 1992; Neeley and Coffey, 2007) Mothers social status and economic status was also found to have a direct influence on consumer socialization of children. In order to save time and energy better educated single mothers were attributing less influence on children and taking more burden of grocery shopping on themselves (Roshan et al, 1993) Children of full time employed mothers had more exposure to shopping and were reported to shop for clothing more than children of part time or unemployed mothers (Haynes et al, 1993) Mothers materialism and her communication style alone was found to be a reliable predictor of child's level of materialism (Flouri, 1999) Though importance of fathers role has been emphasized in children's socialization experiences, fathers role has been found to be very limited in consumer

socialization of children (Coley, 1998; Bakir et al, 2006; Kim et al, 2009) One of the exception has been a study conducted on French Canadian adolescents where fathers influence on children was more in developing sensitivity to apparel brands (Lachance et al, 2003)

Other factors influencing family role in consumer socialization of children:

Influence of family on consumer socialization of children was also effected by the social status of the family (Shim and Snyder, 1995; Marshall et al, 2007) Children of parents with higher educational level were able to perceive persuasive intent in commercials (Robertson and Rossiter,1974) Adolescents from families of higher socio economic status were found to socialize faster and were better in consumption role (Moschis and Churchill Jr, 1978) Also female adolescents were perceived to communicate overtly with their parents, while male adolescents had more probability of receiving a negative reinforcement (Moschis et al, 1984) Social orientations for mother was found to be higher for daughters than sons (Carlson et al, 1992) Also intergenerational influence was found to be mainly from mothers to daughters (Mandrik et al, 2005) Girls preferred discussing shopping with their parents (Kotwal et al, 2008; Yossi etal, 2008)

Implications:

Family time and again has been identified as an important socialization agent. Family’s communications style with children in terms of socio oriented/ concept oriented has been used in various studies to highlight the difference in consumer socialization of children. Among various family members role of mother in consumer socialization of children has been found to be more important. Father’s role has been found to be limited. Surprisingly not many researches delve in the role of siblings with whom most probably children spend their childhood and childhood secrets. Other important family parameters effecting the consumer socialization of children were the social status of the family and the gender of the child.

Most of the research is based in USA/ Europe with hardly any research based on influence of Indian family on consumer socialization of children. India occupies an important position on the globe and one of the parameters for predicting India to be the fifth largest consumer market by 2025 is also its young population. (McKinsey, 2007) Also in thepast two decades the Indian scenario has witnessed a lot of changes and so have the families. The nuclear families are on the rise and joint families on the decline.

Number of households across family types(Urban)			
Sector	1999-00	2004-05	2007-08
Nuclear	35155526	38364613	40429014
Joint	4000029	2048223	1370773
Extended	12197465	16540995	19858062
Total	51353019	56953830	61657850

(Source: The Indicus Consumer Handbook, LaveeshBhandari, Pearson Education)

Double income has increased the economic power of parents who are ready to indulge their children. With more and more women taking to working, while incomes have increased the time spent between parents and children has decreased. Housework has become a matter of negotiation and hence children’s role in decision making has increased. Also exposure of the children to the outside world due to advancements of technology is huge. While twenty years ago one could safely say that decision making will be dominated by parents, today the role of children cannot be ignored. Some recent studies have highlighted the need to adopt a reciprocal view of consumer socialization of how parents and children learn from each other (Ekstrom et al, 1987, Dotson and Hyatt, 2000) India has undergone much more social and economic change in last generation than any country. Also the

Indian culture is very different from eth west with different attitudes and orientations towards life. Indian markets cannot be predicted on the basis of research done in the west. Children are an important consumer market in India and the consumer socialization of Indian children needs in-depth research. Based on the literature review some important research areas for influence of family on Consumer socialization of children may be:

- a) Do the Indian families also fit in the traditional family communication matrix?
- b) Does employment status/ education of Indian mother also effect the consumer socialization of Indian child?
- c) Does the socio economic status of Indian family have an effect on consumer socialization of children?
- d) With both parents working, the traditional roles have changed. In such a scenario has fathers role become more important
- e) While joint families have decreased, extended families have shown an increase in India. In this scenario what is the role of grandparents in consumer socialization of children?
- f) Studies say that with increase in age of child, parents influence decreases. With immense exposure to the outside world, how has child's influence increased in decision making?

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