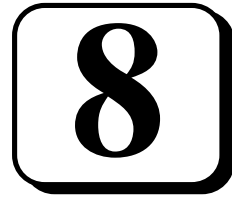


CONSUMER BEHAVIOR AND FAMILY



Although the family is a reference group, it is treated separately because of its special importance. The family usually is the most significant primary group for the consumer, exerting a stronger and more wide-ranging influence on lifestyles and purchasing behavior. The actual influence within the family, however, depends very much on the type of product or service being purchased.

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Lesson - 1: Family – Basic Concepts

Objectives of this lesson

After reading this lesson, you will be able to:

- Know the background of using family concept in understanding consumer behavior
- Define family and household
- Identify and explain different types of family.

Introduction

In fact all products are aimed at some family member or other. Therefore, an understanding of what a family is, what is the difference between a family and a household, as well as the types of family is essential for a marketer.



Background of Using Family Concept in Understanding Consumer Behavior

Why marketers pay attention to family concept in understanding consumer behavior? They pay special attention to the family as a reference group because it is there that people are socialized and endowed with their initial social status. Consumer behavior analysts often address the family as a consumption unit, because families make group purchasing decisions and shape the consuming behavior of their members. Families are involved in consumer decisions which involve more than one person. Families make purchase decisions believing that it will maximize the welfare of their members. Families pool their financial resources, although some members might have special allocations or more power over how the pooled resources are used.

A family is an important social unit for at least two consumer related reasons. You know that a large number of food, shelter, recreational, and other products and services are consumed jointly by the family members. Moreover, the purchase and use of many products and services, which we think of as individually consumed, are usually influenced by the family. Thus, consumers' attitudes toward spending and saving and even the brands and products purchased have been influenced by the families they grew up.

A family is an important social unit for at least two consumer related reasons.

Family structure specifies the power, responsibilities, activities, and role expectations of each member. Family structures are also changing gradually making family purchase decision patterns different than before. Marketers must be sensitive to these changes and the way they influence family purchase decisions and consumption activities. You can thus, argue that, the family should be the main focus for studying consumer behavior. Marketers, therefore, need to understand the nature of the family's influence on its members and the way in which purchase decisions are made by the family members. This knowledge will definitely help them

better in developing marketing programs and in formulating strategies to implement those.

Family and Household Defined

The term family is very difficult to define because of its composition or structure. A family may be defined as a group of two or more people related by blood, marriage, or adoption living together in a household. This term is used to designate a variety of distinct social groups. Persons constituting a family may be described as members of the most basic social group who live together and interact to meet their personal and mutual needs. Families are like organizations which are formed to accomplish particular functions more effectively and efficiently than individuals can do on their own. Mr. Charls Horton Cooley in his book 'Social Organization', describes family as one type of primary group characterized by face to face association and cooperation, which is fundamental in forming the social nature and ideas of the individual. The relationships among the members of a family are characterized by mutual feelings, commitment, intimacy, affection, respect, and obligation. The relationship among family members are very fluid unlike other groups. Family may also termed as a social organization which defines the roles and behaviors of its members.

Sociologists classify family functions on three dimensions.

Families, you know, are formed to perform certain functions better for the members constituting the family. Sociologists classify family functions on three dimensions. The dimensions are: (1) cohesion, (2) adaptability, and, (3) communication. The first one, cohesion, is the emotional bonding that family members have toward each other. It measures the intimacy, degree of mutual feelings, as well as the sense of separateness of members from each other. The second dimension, adaptability, is the ability of a marital or family system to change the power structure, role relationships, and relationship rules in response to situational and developmental stress. It measures the family's degree of facing the challenges of changing needs of family members. Communication ability, on the other hand, enables the family to share with each other's needs. It also plays role in cohesion and adaptability. Poor communication ability of family members affects sharing, cohesion, and adaptability, within the family. If the cohesion level is high in a family, there will be high identification with the family, and such a family does most things together and probably chooses the same items and brands.

The terms 'family' and 'household' are often used synonymously in consumer behavior study. Though they carry almost same meaning, but there is basic difference between these two terms. The term household implies a broader concept. It relates to a dwelling rather than relationship. It consists of a single person, a family, or any group of unrelated persons who occupy a housing unit. For example an unmarried homeowner and a university student sharing an apartment, or cohabiting couples may be termed as households. Household may also be termed as 'an individual or group of people who share a common dwelling'. It includes the related family members and all the unrelated persons who occupy a housing unit.

It differs from the family in that household describes all persons, both related and unrelated, who occupy a housing unit. Thus single individuals living alone, same-sex couples, unmarried couples living together, and larger groups living under the same roof are examples of households.

From the above description, it is clear that there could be three types of households. The family households, the non-family households, and the single-person household. A *family household* consists of two or more persons living together who are related by marriage or birth. A married couple, with or without children in the home is the most common kind of family household. Other family households include a single parent with one or more children, or a variation of family members living together, such as two brothers who share a residence.

Nonfamily household, on the otherhand, consists of two or more unrelated persons sharing living quarters. Members may be roommates or may be nonmarried couples of the opposite or the same sex. An individual who lives alone in a separate residence is classified as a *single-person household*.

Types of Family

Individuals are members of a number of kinds of families. They could be members simultaneously of an extended family and a nuclear family. This can create confusion for marketers in understanding the family decision making unless each type of family is not clearly distinguished. In the following few paragraphs, we shall discuss different types of families:

- **Family of Orientation or Consanguine Family**

This is one of the basic forms of family. It is the family primarily based upon blood relation into which we are born. This is known as family of orientation, because an individual is oriented on basic values, beliefs, and attitudes by this family which significantly shape his behavior. Thus, the family into which one is born is known as the consanguine family or family of orientation. This is the family that cares for and socializes us as children and gives us our initial class status.

- **The Conjugal Family or Family of Procreation**

The family that is established by marriage is known as the conjugal family or family of procreation. It is established by choosing a mate and rearing children. Thus, it consists of husband and the wife. They may have blood relation or not. This is the simplest type of family in number of members. It is found in every society around the world. With the establishment of the conjugal family or family of procreation, one's lifestyle changes significantly, as a new consumption unit is created as soon as such a family is established.

The family that is established by marriage is known as the conjugal family or family of procreation.

- **Nuclear Family**

This is the basic form of family. It is found in almost all societies. Two parents and their children constitute the nuclear family. Thus, it is made

Nuclear family is the basic form of family.

up of the conjugal family and their children. This is also the immediate group of father, mother, and child/children living together. G. R. Leslie defines it as 'the family consists of two adults of opposite sex, living in a socially approved sex relationship with their own or adopted children. This family is virtually universal in every society, and play an important role in an individual consumer behavior. Thus, this type of family is culturally desirable and most common type of family found around the globe. There are several variation of the nuclear family. There could be single-parent family caused by the death of one spouse, or separation or divorce.

- **The Extended Family**

The extended family includes relatives other than parents and their children, spans all generations of living members, and derives from the nuclear family. This type of family may include grandparents, great-grandparents, aunts and uncles, cousins, step-relatives, and in-laws. Thus, it is the nuclear family and additional relations. It also involves the inclusion of one or both sets of grandparents. Berkman and Gilson describe the extended family as consisting of the nuclear family and their relatives. Other writers are found to be conservative in defining the extended family. According to some of them, it is the nuclear family, together with at least one grandparent living within the household.

Extended family was once the normal mode of living of the people of Bangladesh.

Extended family was once the normal mode of living of the people of Bangladesh. But, over the last 25 years it is found to be declining. The reasons are numerous. Some of them could be increased urbanization, geographic mobility, involvement of women in professions at a greater numbers, and increased cost of living and raising children. The big cities now a days experience nuclear families at a greater numbers. Marketing activities thus carried in urban areas are, thus, increasingly aimed at the members of the nuclear families.

Self Evaluation

Objective Questions

1. Marketers pay special attention to the family as a reference group because it is there that –
 - a. People are socialized
 - b. People are endowed with their initial social status
 - c. Both a & b
 - d. None of the above.

2. Consumer behavior analysts often address the family as a consumption unit, because –
 - a. Families make group purchasing decisions
 - b. Shape the consuming behavior of their members
 - c. Both a & b
 - d. None of the above.

3. A family is an important social unit for at least –
 - a. Two consumer related reasons
 - b. Three consumer related reasons
 - c. One consumer related reasons
 - d. None of the above.

4. Family structure specifies –
 - a. The power of each member
 - b. The responsibilities of each member
 - c. Activities, and role expectations of each member
 - d. All of the above.

5. A family may be defined as a group of two or more people related by–
 - a. Blood, living together in a household
 - b. Marriage, living together in a household
 - c. Adoption living together in a household
 - d. All of the above.

6. Persons constituting a family may be described as members of the most basic social group –
 - a. Who live together
 - b. Who interact to meet their personal and mutual needs
 - c. Both a & a
 - d. None of the above.

7. The relationships among the members of a family are characterized by –
 - a. Mutual feelings and commitment
 - b. Intimacy and affection
 - c. Respect and obligation
 - d. All of the above.
8. Cohesion measures –
 - a. The intimacy
 - b. The degree of mutual feelings
 - c. Both a & b
 - d. None of the above.
9. Household consists of –
 - a. Single person who occupies a housing unit
 - b. A family that occupies a housing unit
 - c. Any group of unrelated persons who occupy a housing unit
 - d. All of the above.
10. A family household consists of –
 - a. Two or more persons living together
 - b. Two or more persons living together who are related by marriage
 - c. Two or more persons living together who are related by birth
 - d. All of the above.
11. The family into which one is born is known as –
 - a. The consanguine family
 - b. Family of orientation
 - c. Both a & b
 - d. None of the above.
12. The family that is established by marriage is known as –
 - a. The conjugal family
 - b. Family of procreation
 - c. Both a & b
 - d. None of the above.

Answers:

1. c, 2. c, 3. a, 4. d, 5. d, 6. c, 7. d, 8. c, 9. d,
10. d, 11. c, 12. c.

Descriptive Questions

1. Explain the background of using family concept in understanding consumer behavior.
2. Define family and household. Identify and explain different types of family.



Lesson – 2: Family Consumption Decision

Objectives of this lesson

After reading this lesson, you will be able to:

- Understand the cultural influences on family purchase and consumption decision
- Know the social influences on family consumption pattern
- Understand the concept of family life cycle
- Identify the family consumption patterns over different stages of family life cycle
- Find out how personality traits of family members affect their behavior.

Introduction

We have already noted the influence of primary reference groups upon consumer behavior. The family, of course, is an especially important primary group. Accordingly, let us examine the framework in which buying decisions are made within the family and some of the factors that influence product and brand choice in this setting. Families are like different groups in many ways. We know that groups face problems and they take decisions to solve problems. Families, like other organizations also face problems, in this case, purchase related problems, and work out solutions to those problems by purchasing specific kinds of products and services. As marketers frequently wish to influence the decisions made by families, it is essential to understand how consumption decisions are made within the family. Marketers should understand that each member plays some role in family decision making. They should also understand that during a particular purchase decision, one member may play an active role, where others passive, and vice versa.



The importance of roles of the members may not be equal in every purchase decision. The role and influence of family members in consumer decision making varies depending on the product and family characteristics. The actual influences within the family unit depend very much on the type of product or service being purchased. In certain purchasing decisions, we may find husband exerting more influence over the wife, where in other cases wife is found to exert more control over the purchase decisions. You may also find situations where husband and wife are arriving at purchase decisions jointly. Yet again, there are situations where children come on to the surface and play roles in the purchase decisions. Families, we know, are small-scale social units which have structures developed by their members according to prevailing cultural norms. Thus, the society and culture of which the family is a part determine roles of family members in the purchasing decisions. Such influences basically come from the culture, subculture, social class, and

other reference groups. The purchasing behavior of a family also changes as it progresses through its life cycle. In addition, personalities of family members vary, which also determine who will play what type of role in family purchase decision making. In the following few sections, we shall discuss how cultural and social influences, reference groups, stages of family life cycle, and the personality traits of family members influence decision making within the family.

Influence of Culture on Family Decision Making

Culture, you know, is everything in our surroundings that are made by human beings. Cultural influences have broad effects on family buying behavior because they permeate our daily lives. Our culture determines what we buy and use, and how we buy them. Some of the important values of our culture are: retaining traditions, organized religion, conventional marriage and having children. These values are gradually eroding, particularly in urban areas. For example, some 25 years back even, most urban families in our culture ate at least two meals and breakfast a day together. Mothers were found to devote four to six hours a day preparing those meals. But, today, about 50% of the urban women are employed out of the home, and average family incomes have risen considerably. These changes have led to changes in the roles of husbands and wives in family decision making. As more women are finding employment outside home, they can give less time taking care of their children and educating them certain values and norms. These have also brought significant changes in family purchase decisions and consumption patterns. Since same cultural traits do not prevail in all cultures, the roles of husbands and wives also differ from culture to culture. In our culture, wives usually play passive roles in family purchase decision, particularly in rural areas. Their husbands particularly in taking family purchase decisions consider them subordinates. In urban areas, the picture is relatively different. Their husbands at a greater number here take wives' opinions into consideration.

In our culture, husbands usually play goal directed roles, where wives play emotional and expressive roles.

As people occupy numerous positions, they also have many roles.

Culture also determines the roles of husbands and wives within the family. A role is a set of actions and activities that a person in a particular position is supposed to perform, based on the expectations of both the individual and the surrounding persons. In our culture, husbands usually play goal directed roles, where wives play emotional and expressive roles. Husbands are found to influence decisions on products related to family needs, where wives are found to be concerned with aesthetic aspects of products. Though family roles have changed a good deal over the years, traditionally a married male parent has held two positions in the family: husband and father. The purchasing behavior and activities that make up a man's role as father are determined by the expectations that he, his wife, and his children have regarding the behavior of a father. As people occupy numerous positions, they also have many roles. The male in our society, for example, not only performs the roles of a husband and father but also may perform the roles of an office executive, political activist, office

bearer of a local sports club, and student in an evening university class. Thus, several sets of expectations are placed on each person's behavior. His roles not only influence his general behavior, but also buying behavior. The demands of a person's many roles may be confusing and inconsistent. Assume that the father in a family is thinking to buy a car. His wife may want him to buy it next year. His older son is hoping for a brand new car. His daughter wants a 1500 cc car. His fellow activists of the same political party are casually suggesting that he increases his contribution to the party. Several classmates at the university are urging him to buy a specific brand. A colleague indicates that he should buy a different brand. Thus, his behavior is a function of the input and opinions of many including family members.

Family roles relate directly to purchase behavior. The husband in the family is likely to be involved heavily in the purchase of products like car, VCD players, and cigarettes. Wife makes buying decisions related to many household items such as microwave oven, sewing machine, toaster, decorative items and so on. The actual influence depends on who uses the product. One using a particular product will try to dominate the purchase decision process of that product. Husband and wife participate jointly in the purchase of a variety of products, especially durable products. When two or more family members participate in a purchase, their roles may dictate that each is responsible for performing certain tasks: initiating the idea, gathering information, deciding on whether to buy the product, or selecting the specific brand. The particular jobs performed depend on the types of products being considered. The role patterns that we have discussed above are changing gradually as more and more women are entering into careers and earning and spending monies for their families. This results in husbands' involvement in some of the household works that were traditionally the wives domain. This also changing the role patterns of husbands and wives in family related purchases. Husbands are now found to influence in household purchases, traditionally the wives domain. As women become economically self-sufficient, they can make more purchasing decisions. Moreover, if husband is found to be liberal with his wife, that wife will play more influence in family related purchases, which is an urban phenomenon.

Family roles relate directly to purchase behavior.

Influence of Subculture on Family Decision Making

By this time you are well aware that culture influences family purchase decisions. In unit 5, you came to know that subcultures exist, i.e., culture again may be divided into different subgroups known as subculture. Sub-cultural differences have significant impact on family purchase decisions. Due to sub-cultural differences, roles of husbands and wives also vary within the family. Moreover, relative to other subcultures, individuals in a certain subculture may have stronger preferences for certain types of clothing, housing, furniture, or foods.

One of the subcultures, the religious subculture may shape family consumption and determines significantly the roles of husbands and wives

in the family unit. For example, families belonging to the Muslim subculture here in Bangladesh do not buy and consume certain products and services such as alcoholic beverages, pork, etc. Families having strong bondage to the said religion will be conservative in buying and consuming material goods. Again, in Hindu religious subculture here in Bangladesh, it is known that husbands dominate more in the family purchase decisions.

In Bangladesh, husbands dominate more in the family purchase decisions.

Regional subculture also influences family purchase decisions. The products families will buy and consume as well the roles husbands and wives will play in family purchase decisions are affected to a great extent by the regional subculture. Climatic condition of a particular region may dictate the pattern of housing and clothing consumption of families. For example, people of Chittagong Hill-Tracts are found to live in different type of house and wear different type of clothing unlike people of other regions of the country. Fashion consciousness is also affected by the regional subcultures. People of certain regions are found to be more conscious about fashions than people of other regions. Roles that husbands and wives play in family purchase decisions are as well affected by the regional subculture. In Bangladesh, it is known that, in northern districts, women enjoy dominating family purchase decision. On the other hand, in the southern districts, wives are found to enjoy their husbands' dominance in family related purchases. Again, in the urban areas, middle class families are found to take family purchase decisions jointly by husbands and wives. In the rural areas, husbands are found to dominate family purchases.

Family purchase decisions are affected to a great extent by the regional subculture.

Influence of Social Class on Family Decision Making

Within all societies, people rank others into higher and lower social classes of status. This placement results in social classes. To a great degree, individuals within social classes develop and take on common patterns of behavior. They may have similar attitudes, values, language patterns, and possessions. Social class, thus, influences family decision making to a great extent. Family lifestyle is dictated by the class to which it belongs, and consequently the products and services as well as the brands and stores they select. Upper class families usually buy many high ticket items than middle and lower class families. Moreover, they also prefer to buy unique products and services. For example, families of upper classes prefer to buy apartments in areas like Gulshan, Dhanmondi, and Banani of Dhaka city as these are the posh areas of the city which signifies upper class status. Media use of families is also related to social class. Lower and lower middle class families usually are the heavier TV viewers, where upper middle and upper class families are the heavier users of magazines.

Family lifestyle is dictated by the class to which it belongs.

The leisure activities undertaken by families are also affected by their social classes. It is found that in lower class families, husbands and wives enjoy their leisure times independently. The same picture is also seen in the upper class families here in Bangladesh. In the middle class families,

on the other hand, husbands and wives are found to enjoy their leisure jointly alongwith the children. Lower and middle class families spend most of their leisure time in indoor activities, such as visiting friends and relatives. Upper class families, on the contrary, spend their leisure in outdoor and social activities as well as traveling abroad.

The class to which the family belongs also influences the role playing in family related purchase decisions. In Bangladesh, in the majority of cases, husbands dominate family purchase decisions in the lower class families. In the middle class families, husbands and wives are found to reach collective decisions regarding family related purchases. Upper-class families here in Bangladesh reveal a different picture. Most of the family related purchase decisions in the upper classes are usually taken by the wives. Husbands are least concerned about how much is being spent on household purchases. They are also not concerned about where the money is being spent, I mean on what items.

Influence of Other Reference Groups on Family Decision Making

In addition to cultural, sub-cultural, and social class influences, decision making in families are also affected by other groups, known as '*significant others*'. They include parents, friends, associates, and peers of both husbands and wives. We learn certain purchase-related behaviors and roles from our parents when we live with them. Later, in our conjugal lives, we are likely to display those behaviors and exercise those roles that we have learned from our respective parents. For example, if a husband learns from his parents that family purchase decisions should be taken collectively by husband and wife, this particular husband is likely to practice this pattern in his conjugal family. If a wife, for example, learns from her parents' family that wife plays a dominant role in family related purchases, she is likely to practice that pattern in her conjugal family.

In addition to parents' influences, families are also influenced by their intimate friends, and associates. They give families purchase related stimuli. Families always try to keep pace with their friends and associates, and, as a result, they are likely to assume same lifestyles of their close friends, and acquaintances by buying similar types of products and services as well as selecting same brands and stores. Other reference groups, particularly in major purchases, such as furniture, television, apartments, and so on, as well as in selecting clothing styles, and entertainment activities, influence families.

Colleagues also play a major role in particular family related purchases. Because of working in a particular organization, husband of a particular family may need to wear a particular dress, drive a particular brand of automobile, or even living in a particular area.

The Concept of Family Life Cycle

Marketers are using the concept of family life cycle over last 60 years. In analyzing and predicting the consumer behavior of families, they have recognized the various stages in family life cycle, and the characteristics of each of these stages. It combines age, marital status, presence or absence of children, and the ages of children. Family life cycle describes the orderly progression of stages through which households tend to pass during their lives. You should note that not all people, of course, go through each of these nine stages, particularly here in Bangladesh. Yet, the life cycle model does reflect a basic pattern of movement which was developed by Wells Gubar in 1966. The basic assumption underlying the family life cycle approach is that most households pass through an orderly progression of stages, each with its own features, financial position, and purchasing patterns. "Family life cycle is the classification of family and non-family households based on the assumption that these entities, like individuals, move through a series of relatively distinct and well-defined stages with the passage of time."¹ The nine stages comprising the family life cycle are: (1) Bachelor stage; (2) Newly married couples; (3) Full nest – 1; (4) Full nest – 2; (5) Full nest – 3; (6) Empty nest – 1; (7) Empty nest – 2; (8) Solitary survivor in work force; and, (9) Solitary survivor retired. Now you will be given the basic idea on each of these stages in the following section:

- **Bachelor Stage:** It consists of young single people not living at home. They have got few financial burdens. They are usually fashion opinion leaders. People of this stage are recreation oriented.
- **Newly Married Couples:** They are young individuals of opposite sex, married recently, and having no children. They are usually better off financially than they will be in near future. Highest purchase rate and highest average purchase of durables are the two other characteristics of this stage of family life cycle.
- **Full Nest – 1:** It starts when the newly married couple have their first child born. The stage continues up to the youngest child becomes six years of age. Their liquid assets are found to be low. They are also found to be dissatisfied with their financial position and amount of money saved.
- **Full Nest – 2:** This stage starts when the youngest child becomes six year or over. Family financial position is found to be better at this stage. This is because of the career progress of the husband. Moreover, wife is found to start finding employment and earns money contributing to total family income. Families of this stage are found to be influenced less by advertising.

¹ Hawkins D.L., Best R.J., and Coney K.A., *Consumer Behavior – Implications for Marketing Strategy*, BusinessPublications, INC, Texas, USA, 1983, p., 246.

- **Full Nest – 3:** This stage comprises of the older married couple with dependant children. Family financial position still remains better. More wives of this stage are found to work and earn money. Some children are also found to get job becoming self-dependant thus relieving family financial burden. Advertising can hardly influence people of this stage in the family life cycle,
- **Empty Nest – 1:** It consists of older married couples having no burden of children as they leave their parents. Children usually head in labor force becoming economically self-reliant and living separate. Families are found to be most satisfied with their financial positions. They can save a significant amount of their incomes at this stage. They enjoy making gifts and contributing to charities and social causes. They are usually not interested in new products at this stage.
- **Empty Nest – 2:** It consists of older married couple, no children living at home and the family head is retired. Because the family head retires, family income drops at this stage. But, as the wife continues to work, family income is usually not dissatisfactory at this stage.
- **Solitary Survivor in Work Force:** This stage usually consists of the wife. She still works and has a good income in the sense that she can spend the entire amount of her income solely for herself.
- **Solitary Survivor Retired:** This is the last stage of the family life cycle. It usually consists of wife who retires from the active work, and as a result family financial position drastically falls. Moreover, emotional difficulties start at this stage. Family requires special need for attention, affection and security.

Consumption Patterns Over Different Stages of Family Life Cycle

Buying behavior and consumption vary according to the stage in the family life cycle. The rationale for the family life cycle approach is that buying relates more to stage of family development than to any single demographic factor within the life cycle composite. Quite a few number of studies have found relationships between life cycle stages and buying differences. The purchasing behavior of a family changes as it progresses through its life cycle. Consumer's arrival at each stage of the life cycle initiates needs for new classes of products. When single persons move into a separate apartment, they need to buy basic household equipment. When these persons marry, there is a need for more furnishings, and the arrival of children triggers a host of baby related purchases. Thus, each stage of the family life cycle opens new vistas of needs that can be met by marketing people who watch for these opportunities. In the following few paragraphs you will be given ideas on purchases during different stages of family life cycle.

During the bachelor stage earnings are usually low as the individual starts his career. Yet again, due to limited financial burden, family can spend

Buying behavior and consumption vary according to the stage in the family life cycle.

more on personal care items, clothing, recreation, and, travel. Families also buy basic kitchen equipment, basic furniture and so on during this stage.

As the newly married couple is financially better off, they buy lot of items, particularly durables. They buy refrigerators, televisions, stereos, sensible and durable furniture, and vacations. They are also found to buy appliances, cars, and lot of clothing at this stage. They may also start investing to build a reserve for the future. The marketers of such goods, including financial services, and apartments may successfully target this group.

When the first child is born, the full nest 1 stage begins, and the presence of child alters family consumption pattern over night. Here, home purchasing reaches at the peak. Lot of money is being spent on child related purchases. Families are found to be interested in new products at this stage. They are also attracted to advertised products at this stage. Families buy products like baby food, toys, baby furnishing, washers, TV, chest rubs and cough medicine, vitamins etc. A significant amount of family income is also spent on paying medical bills.

In the full nest 2 stage child oriented purchases continue. But, as the family's financial position improves, family still remains oriented toward new purchases. In this stage family buys more of the food items, children clothing, bicycles, junior sports equipment, larger sized items such as bigger TVs and refrigerators, musical instruments and so on. Family also starts saving for their children' education.

In the full nest 3 stage family's financial position further improves. They spend lot of money on children education as their studies begin. Advertising can influence less at this stage as the family becomes more experienced in purchasing. There is a high average purchase of durables at this stage. New, more tasteful furniture, automobiles, non necessary appliances, magazines, dental services, and luxury items are bought heavily at this stage.

During the empty nest 1 stage home ownership reaches at the peak. Families become interested in travel, recreation, and self-education at this stage. Families make lot of gifts and contributions at this stage. Families are not interested in new products at this stage, rather buy vacations, and luxuries, as well as spend money on home improvements. Families also spend a portion of their incomes on protective investments to make their retired lives comfortable.

At the empty nest 2 stage, family's income falls, and couple spend much of their time at home. They buy medical appliances, spend money on medical care, buy products which aid health, sleep, and digestion.

In the solitary survivor (in labor force) stage, more money is spent on vacations, recreation, and health oriented products. Out of these

expenditures, the major portion is spent on health care and medicare purposes.

During the last stage, family financial position deteriorates significantly as the regular income generating activities cease. Most of the family income is being spent on paying medical bills and buying medicines. Many of the individuals belonging to this stage are now moving to old people's home as they need special care, attention, affection, and security.

Findings such as these are useful in devising marketing strategies including promotional messages. Marketers find that the stage in the family life cycle often predicts consumer behavior better than age does. One couple may postpone having children until their middle thirties; another may begin their family in their middle twenties. Thus, even though the couples are 10 years apart in age, they are at the same stage of the family life cycle and exhibit similar buying behavior. Marketers should be aware of important nuances, however. Even though the two couples purchase the same kinds of products, the older couple may be better able to afford more expensive items. In conclusion we can say that family life cycle concept is a very useful tool for marketers. Marketing managers for numerous products can use this concept to identify market segments and explain their behavior. This can help them devising appropriate marketing strategies, thus combating competitors successfully .

Activity:

Interview one individual from each stage in the family life cycle. Determine and report the extent to which these individuals conform to the descriptions provided in this text.



How Personality Traits of Family Members Affect Their Behavior?

Personality is the composite of a person's patterned, enduring, and interacting characteristics. In general, how these traits are organized determines how a person responds to stimuli. Certain traits dominate others, and therefore we commonly label people as aggressive and compliant, obnoxious, or charismatic, friendly or aloof. A great deal of research into the effects of dominant personality traits on consumer behavior was carried out during 1950s. Marketers hoped to achieve substantial insights into why people bought certain products and not others. Since personality will be dealt with in unit 11, here we shall only highlight on two family related personality characteristics affecting purchase decision making. They are: (1) birth order differences, and, (2) conformity orientation.

- ***Birth Order Differences of Family Members Affecting Consumer Behavior:*** An individual's birth order is responsible for the development certain traits in his personality. These traits have

obvious influences on his roles in the family, and ultimately family consumption decision. Those who born first usually are found to lack self-confidence. As parents and other members of the family show more concern for the firstborns, they gradually become dependent on others, and cannot decide many things independently. Thus, they can easily be convinced by the others, which is a good lesson for the marketers. On the other hand, those who born in the middle, usually receive less attention by the family members, and, as a result they are found to develop self-confidence doing things independently. This ultimately has a direct bearing on their roles in family decision making and consumption behaviors. The younger ones, on the other hand, are found to be more sentimental and emotional, and expect their anxieties to be released by others. They also are found to lack confidence, are susceptible to interpersonal influence.

- ***Conformity Orientation Influencing Roles of Family Members in Purchase Decisions and Family Consumption Patterns:*** Not all people conform equally to the norms and to others' opinions. Some conform fully while others do not. The conformity orientation an individual has, determines his role in family purchase decisions, as well as his consumption patterns. Individuals who are low in self-esteem usually conform quickly in order to avoid conflicts. Such persons, as a result, cannot play any decisive role in family purchase decisions. Their selection of different products and brands are also influenced by significant others. Persons who are of authoritarian type (who have strong parental need, are submissive, or traditional), usually conform more readily than others. This type of persons usually may be convinced by their reference groups or by advertising appeals very easily which the marketers should note.

Self Evaluation

Objective Questions

1. The role and influence of family members in consumer decision making varies depending on –
 - a. The product
 - b. Family characteristics
 - c. Both a & b
 - d. None of the above.

2. Some of the important values of our culture are –
 - a. Retaining traditions
 - b. Organized religion
 - c. Conventional marriage and having children
 - d. All of the above

3. As more women are finding employment outside home –
 - a. They can give less time taking care of their children
 - b. They can give less time educating their children
 - c. Certain values and norms
 - d. Both a & b.

4. A role is –
 - a. A set of actions and activities
 - b. A set of actions and activities that a person in a particular position is supposed to perform
 - c. A set of actions and activities that a person in a particular position is supposed to perform, based on the expectations of the individual
 - d. A set of actions and activities that a person in a particular position is supposed to perform, based on the expectations of both the individual and the surrounding persons.

5. In our culture, wives usually play –
 - a. Emotional roles
 - b. Expressive roles
 - c. Both a & b
 - d. All of the above

6. The purchasing behavior and activities that make up a man's role as father are determined by –
 - a. The expectations that he, and his children have regarding the behavior of a father
 - b. The expectations that his wife, and his children have regarding the behavior of a father
 - c. The expectations that he, and his wife have regarding the behavior of a father
 - d. The expectations that he, his wife, and his children have regarding the behavior of a father.

7. Religious subculture may –
 - a. Shape family consumption
 - b. Determine significantly the roles of husbands and wives in the family unit
 - c. Both a & b
 - d. None of the above.

8. Climatic condition of a particular region –
 - a. May dictate the pattern of housing
 - b. May dictate clothing consumption of families
 - c. Both a & b
 - d. None of the above

9. In the middle class families husbands and wives are found to enjoy their leisure –
 - a. Jointly alongwith the children
 - b. Jointly
 - c. Independently
 - d. None of the above.

10. Most of the family related purchase decisions in the upper classes are usually taken by –
 - a. The husbands
 - b. The wives
 - c. Husbands and wives jointly
 - d. None of the above.

11. Families are likely to assume –
 - a. Same lifestyles of their close friends, and acquaintances by buying similar types of products
 - b. Same lifestyles of their close friends, and acquaintances by buying similar types of products and services as well as selecting same brands and stores
 - c. Same lifestyles of their close friends, and acquaintances by buying similar types of products and services
 - d. None of the above.

12. The basic assumption underlying the family life cycle approach is that –
 - a. Most households pass through an orderly progression of stages, each with its own features, financial position, and purchasing

patterns most households pass through an orderly progression of stages, each with its own features

- c. Most households pass through an orderly progression of stages, each with its own financial position, and purchasing patterns
 - d. None of the above.
13. In the full nest - 2 stage, family buys –
- a. More of the food items, children clothing, and bicycles
 - b. More of the junior sports equipment, and larger sized items such as bigger TVs and refrigerators
 - c. More of the larger sized items such as bigger TVs and refrigerators, musical instruments and so on
 - d. All of the above.
14. The younger ones in the family are found to –
- a. Be more sentimental
 - b. Be more emotional
 - c. Expect their anxieties to be released by others
 - d. All of the above.

Answers:

1. c, 2. d, 3. c, 4. d, 5. c, 6. d, 7. c, 8. c, 9. a, 10. b, 11. b, 12. a, 13. d, 14. d.



Descriptive Questions

1. Explain in detail the cultural influences on family purchase and consumption decision.
2. Discuss how the social influences affect family consumption pattern. Explain the concept of family life cycle.
3. Show how family consumption patterns change over different stages of family life cycle. Discuss the personality traits of family members affecting their roles in family purchase and consumption decisions.

Lesson - 3: Family Consumption and Children

Objectives of this lesson

After reading this lesson, you will be able to:

- Know how the presence of children affect family consumption
- Identify the influences on children's behavior
- Understand some important aspects of children's consumption behavior
- Understand how to use family concepts in marketing.

Introduction



Except few exceptions, every family consists of children. The presence of children dramatically alters family consumption patterns. Consumption behavior of children is influenced by many parties, including parents and friends. An understanding of this will help a marketer in developing right product for children and reaching them effectively.

Children's Influence on Family Purchase Decisions and Consumption

Most of the studies conducted so far on family purchase behavior actually focused on husband-wife decision making. Researchers, in the majority of cases ignored the influence and roles of children on family purchase decisions and consumption decision. But the reality says that, children exert a substantial control and influence on family related purchase decisions. It should be noted that, consumer behavior studies on children's roles mainly took into account the direct influences. Researchers overlooked the influence of indirect influences children make on family purchase decisions. Children usually start influencing family purchase decisions as soon as they learn the basic communication skills of interacting with others in the family. As they become older, they start influencing family purchase decisions more than before. Their influences are not restricted in one or particular area of purchase, rather influences are seen in quite a number of areas. As families become smaller, children continue to play an important role in certain family buying decisions. Teenagers are likely to become involved in decisions to purchase home computers, stereo systems, furniture, durables, and even automobiles. Marketers realize that, although parents eventually make actual buying decisions, their children can exert an important influence. The extent of children's decision making influence varies from product to product and from family to family. The influence depends not only on the age of children but also on the values of their parents. "A research study of children's influence on family decision processes for twenty-five products found that for child-centered (e.g., vacations, restaurant choices, outside entertainment) children were perceived to be influential by most

The extent of children's decision making influence varies from product to product and from family to family.

households. Children participate much more in problem recognition than in later decision stages, and older children are more influential than younger children.”²

Different studies found that children affect family consumption in a number of ways. **First**, children in any family are considered very expensive dependents. During first few years of infancy, they cannot verbalize their needs. Parents must anticipate those and make provisions for their satisfaction. Moreover, the long-run needs of children must also be anticipated by their parents and should make a provision so that they are met in due course of time. **Second**, when they become older, they start thinking them as very important members of the family. They prefer certain products and brands that parents should buy. If it happens otherwise, children may even show use inertia. Therefore, parents should actively consider their children’s preferences while buying major items. **Third**, when children grow older, they like to take independent purchase decisions in case of certain specific items such as under garments, shoes, dress materials and so on. Most families are found to give freedom to their children in these purchases. Thus, marketers of these specific items may successfully aim this group through advertising and promotional activities. Modern urban families are found to influence their children indirectly in their purchase decisions instead of direct control. Parents are now found to be free and intimate with their children than ever before, which also has a bearing on children’s influence on family purchase decisions. These have transformed families into child oriented ones changing the patterns of children’s influence on family purchase decisions.

Influences on Children’s Behavior

The behaviors that children display are shaped by their basic values, attitudes, interaction, and orientation. There are number of factors that determine children basics. Some of the notable factors are: parents, peer groups, social class, subcultural differences, and gender difference. We are now going to highlight on these in turn:

- **Parents’ Influences on Children’s Behavior:** Consumption behavior of children is affected or influenced by their parents in many instances. With regards to parents’ influences on children’s behavior, it is found from different studies that children do not always take their parents’ advice regarding their purchase/ consumption decisions. They are found to depend more on their parents, when they find the purchase difficult and involve more money. The reason is that they are dependent on parents for the money required to make such purchases. Studies also revealed that teen age children rely less on their parents than the younger children in taking purchase related decisions. The reason for this is that, during this age children are found to spend less

Parents’ influence on children’s behavior depends on the age of the children.

² William R. Swinyard and Cheng Peng Sim, “Perception of Children’s influence on Family Decision Processes,” *The Journal of Consumer Marketing*, 4:25-38, Winter 1987.

time with their parents, and as a result, parents' influences diminish. Some other studies revealed that, in purchases of clothing, sports equipment, small appliances, and some food products, older children rely more on their parents. Parents' influences on children are found to be more particularly in difficult purchase situations. Again, between boys and girls, it is found that girls are influenced more by their parents in arriving at their purchase decisions. In general, the influence of parents on children's behavior depends on the product or service in question or the problem context.

Children rely on peers for purchase decisions.

- **Peers' Influences on Children's Behavior:** Regarding peer group influence on children's behavior, it is known that teen-aged children are influenced more by their peers in assuming the purchase behavior models. Children rely on peers for purchase decisions, first of all, to identify themselves with a particular group. Second, they are subject to peer influence more to satisfy their psychological, social, or physical needs. It is also found from different studies that secondary school students are influenced more by the peers than elementary school students. As children of secondary school levels spend more time with their peers they naturally develop an intimate relationship with their peers and are influenced by them more. Children of this age group consider their peers as better judges in a number of specific purchase decisions such as clothing and entertainment. Studies also revealed that boys are more influenced by their peers than girls in purchase related decisions.

Different social classes have different bearing on children's behavior.

- **Influence of Social Class on Children's Behavior:** Attitudes that children form, depend to a great extent, by the class to which their parents belong. These attitudes in turn influence their consumption behavior. Thus, social classes influence children behavior, particularly consumption behavior, to a great extent. Different social classes have different bearing on children's behavior. It is found from different studies that lower class children enjoy more freedom from their families in taking purchase decisions than middle class children. In the middle class families, children are subject to more supervision by their parents in their purchase and consumption behavior. Though some middle class families allow their children to buy certain items independently, children are made accountable for their decisions to parents. In the upper class families here in Bangladesh, children enjoy even more freedom in taking purchase decisions than lower class families. This is particularly true when children reach their teen age.
- **Influence of Subculture on Children's Behavior:** Subculture is also an important determinant of children's consumption behavior. In unit five, you have been given quite an idea of what a subculture is, and what are the different types of subculture. In Bangladesh, families belonging to Muslim subculture usually exert more influence on their children's behavior including purchase behavior. Again, the study of regional subculture reveals that, in urban subculture (one of the

regional subcultures), children themselves can decide independently regarding many of their purchases. But, in general, in rural subculture, children cannot think of buying and consuming many items even though their families can afford those. This is because of the differences in mentalities, education, orientation, and attitudes of rural and urban families.

- ***Influence of Gender Difference on Children's Behavior:*** You know that, in our society, the roles of males and females are discrete. This is taught in the family from the very childhood. We teach our children, the differences in their roles, through the purchase of products, among others. When parents buy cloths for their children, they buy different types and designs for boys and girls. This practice has a far-reaching impact on children's consumption behavior as it is instilled in their minds. When children grow up they start behaving differently keeping in mind their gender differences.

Some Important Aspects of Children's Consumption Behavior

In the following few paragraphs, you will be given a brief idea on some of the important aspects related to children's consumption behavior:

- ***Television and Children's Behavior:*** In this age of mass communication and sky culture, children of all classes, areas, and ages are exposed to televisions. This exposure influences their behavior in turn. Studies on children behavior reveal that, older children, and those who are heavily exposed to televisions, can remember more of the TV commercials. That is, retention of advertisements is high in case of these children. As ages of children vary, the impacts of television advertising on their behaviors vary. Different studies suggest that, television advertising influences even the behaviors of very young children as they can differentiate TV programs and commercials. As a result of which, children's behaviors are even influenced by the advertisements aimed at adults. Therefore, younger children at times press their parents to buy some of the items for them that are actually targeted to the adults. As children get older, they can understand the symbolic meaning of advertisements, which influence their consumption behavior in turn.
- ***Behavior of Teen-age Children:*** The marketers, for a variety of reasons, now consider Teen-age children very significant. Marketers therefore, pay a special attention to the teenagers. As parents give their teen-aged children some money to spend, they decide independently on number of purchase decisions. Therefore, they deserve special attention of the marketers. In certain families, teenagers are to buy certain household items because of their parents' involvement in job or profession for which they cannot give time for family purchases. Thus, children can decide on the brands to buy with regards to those household products. It suggests that, marketers of certain household products may develop advertising messages

aimed at teenagers. Moreover, teenagers sometimes accompany their parents when they go for shopping, and may influence the brand selection of different items. Teenagers also expect that they will receive due attention of their parents in the selection of certain important and durable products. This aspect also carries a marketing significance from advertising and product design points of views. Teenagers not only influence family purchase decisions, they are also future consumers of certain items, such as cosmetics, hygiene products, and undergarments. Marketers of such products should take a note of this and develop strategies accordingly.

- ***College/University-Going Students and Family Consumption:*** When children approach colleges or universities, they become independent buyers and consumers of many items. Some of these items include books, reading materials, and so on. During this stage, they also start developing brand preferences as they become more aware of different products. Moreover, they start influencing family purchase decisions more than ever. These few aspects of college/university-going children also bear marketing significance. Smart marketers take note of them and act accordingly.

How to Use Family Concepts in Marketing?

It is very important for the marketers to take family aspects into consideration as most of the products are aimed at families. Not that a particular product will be used by all in the family, but there are products that are used jointly by the family members. From the previous discussion of this unit, you came to learn that, in certain purchases, husbands play the only role, in others, wives play the only role. Again, in some other cases children take purchase decisions independently. You have also noticed that, certain purchase decisions are taken jointly by husbands and wives. There are also occasions, though husbands and wives take joint purchase decisions, husbands play more important roles than wives. Yet again, there are areas of some joint purchase decisions, where wives play more dominant roles than husbands. Marketers should know specifically which of the above situations prevail in case of his product. The answer to this question may be known from the answers to five relevant questions. The questions are summed up below:

Purchase decisions are not instant.

- ***Question one:*** Who initiates the purchase decision process? Purchase decisions, as you know are not instant. They are, rather complicated processes involving number of stages. The first of these is the initiation of the purchase decision process. Who will initiate the decision process depends on the type of the product or service in question. Generally, one likely to get most benefit out of the purchase initiates the purchase decision process. For example, in case of kitchen appliance, wife is likely to initiate the purchase decision process, as she will get most benefit out of this purchase.

- **Question two:** Who dominates the decision process? Purchase decisions, in most of the cases are taken after the evaluation of purchase related information. The involvement of family members in the evaluation process depends on the type of product considered as well as the difficulty of the purchase situation. In complex purchase situations more of the family members take part in the evaluation process. If the product is used exclusively by only one member of the family, he is likely to play role in the evaluative process as seen in shaving cream purchasing decision.
- **Question three:** Who makes the price decision? It basically depends on the role structure of the family and the price of the product. In case of costly items, husbands usually take price decisions as the money comes out of their pockets. In families, where wives are dominant, price decisions are mainly taken by them. In addition, this role is also determined by the social class and subcultural differences which we have discussed before.
- **Question four:** Who makes the final purchasing decision? This is again depends on the product's nature and its importance as well as uses. If the product is likely to be used by everyone in the family, such as a car, husbands, wives, and children together arrive at the final purchase decision.
- **Question five:** Who makes the overt act of purchasing? Though this is not very important as the final decision is made, but the marketer should know the answer to this question for the last attempt to make for convincing the purchaser. This depends on the type of product/service considered. If the item, for example, is a life insurance policy, husband is most likely to make the actual purchasing.

It is imperative for appropriate marketing decision that marketer knows the answers to the above mentioned questions. The answers to these question depend basically on the social, cultural, and individual perspectives of the buyer.

Self Evaluation

Objective Questions

1. Reality says that, children exert –
 - a. Substantial control over family related purchase decisions
 - b. Substantial influence on family related purchase decisions
 - c. Both a & b
 - d. None of the above.

2. Children usually start influencing family purchase decisions –
 - a. As soon as they learn the basic communication skills
 - b. As soon as they are sent to schools
 - c. Both a & b
 - d. None of the above.

3. Teenagers are likely to become involved in decisions to purchase –
 - a. Home computers and stereo systems
 - b. Furniture and durables
 - c. Automobiles
 - d. All of the above.

4. The extent of children's decision making influence varies -
 - a. From product to product
 - b. From family to family
 - c. Both a & b
 - d. None of the above.

5. Children participate much more in –
 - a. Problem recognition stage of purchase decision
 - b. Later decision stages
 - c. Both a & b
 - d. All of the above.

6. When children grow older, they like to take independent purchase decisions in case of certain specific items such as –
 - a. Under garments
 - b. Shoes
 - c. Dress materials
 - d. All of the above

7. The behaviors that children display are shaped by –
 - a. Their basic values
 - b. Their attitudes
 - c. Their interaction and orientation
 - d. All of the above

8. The influence of parents on children's behavior depends –
 - a. When they find the purchase difficult
 - b. When they find the purchase involve more money -
 - c. Both a & b
 - d. None of the above.

9. In general, the influence of parents on children's behavior depends –
 - a. On the product or service in question
 - b. On the problem context.
 - c. Both a & b
 - d. None of the above.

10. Children rely on peers for purchase decisions –
 - a. To identify themselves with a particular group
 - b. To satisfy their psychological needs
 - c. To satisfy their social, or physical needs
 - d. All of the above.

11. It is found from different studies that –
 - a. Lower class children enjoy more freedom from their families in taking purchase decisions
 - b. Middle class children enjoy more freedom from their families in taking purchase decisions
 - c. Upper class children enjoy more freedom from their families in taking purchase
 - d. None of the above.

12. The involvement of family members in the evaluation process depends on -
 - a. The type of product considered
 - b. The difficulty of the purchase situation
 - c. Both a & b
 - d. None of the above.

13. In case of costly items –
 - a. Husbands usually take price decisions
 - b. Wives usually take price decisions
 - c. Children usually take price decisions
 - d. Joint decision is taken.



Answers:

1. c, 2. a, 3. d, 4. c, 5. a, 6. d, 7. d, 8. c, 9. c, 10. d, 11. a, 12. c, 13. a.

Descriptive Questions

1. Describe how the presence of children affect family consumption. Identify and explain the influences on children's behavior.
2. Discuss some important aspects of children's consumption behavior. Discuss how to use family concepts in marketing.