

Influence of the Indian Youth on Decision Making of Their Parents

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Abstract

The times are changing fast and so are the family structures. There was a time when it was the parents who used to take decision for the family and then share it with their children. But now the dynamics is changing and is indeed changing very fast. The children today are a part of the decision making process of the family rather the parents also have started giving importance to the choice options of their children. Pester power has in recent times gained a lot of importance reflecting the power the children influence on their parents. Children have started influencing the decision making. The purchasing decision is split between the child and the parental figure, each of whom have different considerations at each stage in the purchasing decision. The final decision represents a combination of these concerns. Pester power is becoming an increasingly effective method for the young consumer to alter the balance in the purchasing decision in their favour. The paper aims to understand the purchase categories of products and services where the parents get influenced by their young kids.

Key Words

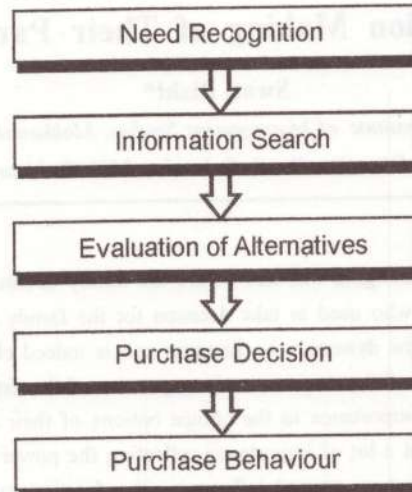
Buyer Decision Making, Pester Power, Youth-fluence

INTRODUCTION

Family structures are changing and there is a transition towards nuclear families. The bonds among family members are also changing swiftly with children, and young adults are not only taking decisions for themselves but are also participating in the decision making process of their family (especially their parents

on the consumption of products and services by their parents). Parents have also started listening to their young children, who through their social life and media consumption, know more about the products and services in trend.

Buyer decision processes are the decision making processes undertaken by consumers in regard to a potential purchase before, during, and after the purchase of a product or service. Decision making is the cognitive process of selecting a course of action from among multiple alternatives. It is a simple five-staged process starting with problem recognition, information search, evaluation of alternatives, purchase and post-purchase evaluation.



Family Structure and Gender

Generally it was found that male children exercise more influence over their parents compared to their female counterparts. Furthermore, in single parent households the children appear to have more influence on their parents' choices of high technology (hi-tech) products during the initiation stage of purchases, than children from other family structures. Children from modern families are shown to have greater influence than those from relatively traditional families. From the parents' perspective, it is shown that children from middle and high income families exert more influence over their parents during the search and decision stage of high technology purchases than children from low income families (Justin Beneke *et al.*, 2011).

REVIEW OF LITERATURE

Festinger (1954) claims that in the organic nature of man, man would try to evaluate his opinions and abilities and in the absence of any objective measurement means or criteria, people evaluate their opinions and abilities by comparison with the opinions and abilities of others

The changes in the structure of the traditional family have been found to elevate children's decision making status (Flurry, 2007). Thus, the influence that adolescents have on the decision making in their family may vary across different types of families, particularly in an emerging market context (Alam and Khalifah, 2009). Mangleburg et al. (1999) propose that in some families, children are treated more as equals by parents, whereas, in others, children are viewed as subordinate to their parents' authority. Dimensions of family authority are likely to be affected by family structures such as single parent, step-parent or intact families (Carlson and Grossbart, 1988; Mangleburg et al., 1999) and are expected to affect children's influence on family and child-related purchase decisions (Kaur and Singh, 2006).

Furthermore, during the search and decision stage, it was found that an increase in both the age of the child and the average age of all children resulted in an increase in the influence from both the youth and parents perception. This corresponds with past research where the influence of children on parents decision-making increases with age (Atkin, 1978; Darley and Lim, 1986; Mehrotra and Torges, 1977; Moschis and Mitchell, 1986). A suggested reason for this finding is that as children grow older, they have more experience with products (Mangleburg, 1990) and their opinions are thus more highly regarded.

However, numerous studies assert that children who are members of middle class and higher income families have greater influence in purchasing decisions (both for family and personal goods) than children in lower income, lower social class families (Atkin, 1978; Moschis and Mitchell, 1986).

Thus, with age, children gain a stronger position in persuasion and negotiation (John, 1999). Adolescents may employ various more or less advanced strategies, since they, according to Chavda *et al.* (2005), have greater knowledge of products, demonstrate more understanding of economic concepts (Strauss, 1952), develop consumer skills related to information processing (Wackman & Wartelle, 1977; John 1981), and are more likely to model their consumer behavior on that of adults (Lerner & Shea, 1982).

For durables, parents perceive their children to exert most influence on decisions related to mobile phones and vacations, and least influence on decisions related to cars and computer equipment. This is in accordance with the results seen in Jenkins (1979)

Kaur and Singh (2006) found that as the financial risk of the purchases increases, parents associate greater importance with the purchase and increase their own involvement in the search and evaluation of product attributes. The greater involvement leads to less persuasive power for their children. These counteracting influences, therefore, lead to the conclusion that it is not a forgone conclusion that children will always be in a position to influence their parents in the high technology realm. This study, therefore, aims to shed insight on youth influence of such purchasing decisions.

What is Pester Power?

The power children have, of influencing their parents, to buy items they want is referred to as Pester Power.

Sheth G. *et al.* (2008) define pester power as "the nagging ability of children to purchase the product they desire due to some reason." It is also described as the technique of selling to adults (who have the money) by succumbing to children (who do not) and relying on them to pester their parents into buying the item for them.

Youth Influence - Youthfluence

Youthfluence or youth influence is defined as the influence the youth have on people around them be it their family, friends, peer members or even acquaintances at times. Youth are better versed with the latest in different products and services in the world around them. The reasons for this could be that they have more time than their parents especially when both the parents are working. Even when one of the parents is working the other takes care of the home in our country. So, most parents ask for opinions on most products and services from their children. Especially when it is an opinion about a purchase of a technology related product and services related to it the parents think to ask their children about what decision to take. Influence is inferred when one person acts in such a way as to change the behavior of another in some intended manner (Cartwright, 1959). Thus children's influence is characterized by actions that make a difference during one or more of the family decision stages. An influencer in a family does not necessarily have expertise, and he/she can influence one or more of the decision making stages in varying roles and with varying impacts.

Youth fluence on Parents

The youth influence the decisions of their parents for the parent's product consumption as they think they can be the right guide to their parents purchase decisions. A brand aware child is the father of a brand unaware man. Especially in some categories of products like cell phones, technology products, fashion , travel, hairstyles , cars, laptops, what to eat what not to eat etc. This is all because of the fact that the youth of today have a more evolved lifestyle and they regularly read, explore and discuss with their friends on what is in the trend and what is not. Youth there become the mirror to the modern world for their parents and impose their choices on them. Most parents whole heartedly believe in their children and because of the generation gap also follow them blindly.

Youth and Media Consumption

The cell phone and the Internet have become "near-ubiquitous" in the life of today's youth. It just goes to show that you constantly must keep your finger on the pulse. Things change rapidly. What's hot yesterday isn't hot today. According to a study conducted by Amanda Lenhart *et al.* (2010) three-fourths have cell phones and 93 per cent go online. Almost two-thirds (63 per cent) go online at least every day and 36 per cent go online several times a day. This reflects that young adults have a high media consumption and because of the level of the awareness that media offers to the youth on diverse issues and marketers understand and acknowledge the importance of media on youth.

Benefits of Involving Youth in Decision-Making Process

Many politicians, community leaders and others are far from convinced that harnessing the active involvement of youth represents an effective strategy for achieving better outcomes.

Involving youth in an initiative/decision-making process may result in the following benefits (Klindera & Menderweld, 2001) :

- New perspectives on decision-making, including more relevant information about the needs and interests of youth,
- Open and honest responses about existing programs or services,
- Additional human resources due to the sharing of responsibilities between youth and adults,
- Greater willingness by youth to accept the services and messages of programs and activities,

- Greater credibility of the decision to both youth and advocates.

RESEARCH OBJECTIVES

- (1) To find out the impact of youth on the purchase decision of their parents
- (2) To study the category of products youth make an influence on their parents for the parent's consumption.
- (3) To identify who amongst the parent group (mother or father) get influenced by their young children more.

RESEARCH METHODOLOGY

A structured questionnaire was prepared and administered on about 200 college going students in the age group of 18-24 years. A convenient random sample was taken from the State of Uttarakhand, India

Employment Demographics of Parents

Working / Business	Father	197
	Mother	11
Non-Working	Father	02
	Mother	183

The missing nos. are assumed to be nos. for youth who have either lost their parents or somewhere who do not want to talk about them

Reliability of the Questionnaire

The questionnaire was tested on reliability by performing a Cronbach's Alpha Test which is a measure of internal consistency that is, how closely related a set of items are as a group.

The value for the Cronbach Alpha has a value of 0.688 since it is more than 0.5 shows a level of consistency and shows the reliability of the questionnaire.

Analysis

A One Sample T-Test was conducted to test the hypothesis and test the significance of the items in the questionnaire.

H_0 : Youth do not have an influence on the purchase decision of their parents

H_1 : Youth have an influence on the purchase decision of their parents

One-Sample Test

	Test Value = 2.5					
	t	df	Sig. (2- tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
I influence the decision of my parents when it comes to buying a technology product (mobile phone connection, computer etc.)	13.193	550	.000	1.313	1.12	1.51

After the test we reject the hypothesis as Sig value is .000 (since it is less than .05) meaning that there is an influence of youth on the buying behavior of their parents when it is concerned with buying a technology product (mobile phone connection, computer etc).

Impact of Youth on Product Selection of their Parents

Product / Service Category	T-Test	Significance
Smartphone / Mobile Phone	5.19	0.000
Four Wheeler (Family Car)	2.33	0.030
Home Appliance	-1.75	0.46
Eating Out (Family Meal)	4.18	0.000
Food Items	3.17	0.61
Fashion Clothes	-1.68	0.001
Family Holiday India	-1.77	0.38
Family Holiday Abroad	-1.88	0.09
Other Technology Products	5.16	0.00
Home / Flat	1.17	0.700
Cell-Phone Connection	1.95	0.001
Job Change (Parents)	3.23	0.78
Fashion (Bags, shoes etc.)	3.36	0.000

Interpretation of Level of Significance

When the value is less than .05 it shows significance and when it is more than .05 that means it is non-significant. The above results show that the youth of today makes an impact on the product / service purchase decisions of their parents for the consumption of their parents. It shows that a significant impact of youth on the decisions (of their parents) pertaining to the categories of mobile phones / smart phones (sig 0.00), family car (sig 0.30), eating out (family meal) (Sig 0.00), fashion clothes for the parents (sig 0.001), fashion accessories like bags, shoes (sig 0.00), cell phone connection (which companies SIM Card to use and which one not to use)(sig 0.001) all for their parents consumption. Youth do not significantly influence the decisions of their parents when it comes to the purchase of home/ flat (0.700), home appliance(sig 0.46), food items (sig 0.61), family holiday India (sig 0.38) and family holiday abroad (sig 0.09)

Youth and Parents' Decision-Making

Responses were taken about who is most vulnerable to the pressure by the children. Results of the analysis, show that mother is more vulnerable compared to the father.

Whose decision amongst your parents do you influence more?

Parent	Response	%
Mother	95	47.5
Father	49	24.5
Both equally	45	22.5
I don't influence the decision of my parents	11	5.5
Total	200	100

It is found that youth influence the decisions of their mothers more than their father. It can be assumed that women are softer compared to men and therefore in most Indian family structure most children route the requests for making a purchase through their mother to the father. Also most Indian mothers are still homemakers and hence remain relatively indoor compared to their father. Most fathers go to their offices and also interact with their colleagues so it is assumed that office people also could act as a source of influence for the father but for most mothers who stay indoor their children act as a source of information for technology products. In the recent times, we see that youth especially impact the decision

making of their parents when it comes to buying mobile phone

CONCLUSION

The study reflects that youth have a significant impact on the purchase decision of their parents, decisions on purchase of products and services for their individual consumption. It may vary according to category of products / services. Parents listen to their children who are young adults when it is related to the purchase of fashion products (clothes, bags and shoes), technology products, mobile , mobile phone connection, a four wheeler purchase. Similarly, there are some categories of purchases where the young adults do not make a significant influence on the purchase decisions of their parents. Such products include home appliances, holiday (both within the country and abroad), food items, home/ flat and job change of parents.

It is also concluded that the mothers are more influenced compared to fathers when it comes to buying technology products assuming that most mothers are non-working and are homemakers and therefore, because of staying at home will have a limited access to technology compared to their partners who mostly work for somebody or themselves. This study is complimented by the fact that youth of today is well-read and more aware of the latest in the fashion and technology world around them. This can be attributed to high media consumption of the young adults and their association with their peer group where they discuss and talk about brand.

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