

CHILDREN AS CONSUMERS - A TARGET MARKET

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Abstract:

The child is born innocent, but quickly becomes prescribers and consumer. This is what the masters of marketing and communication understood and that is why, our kids quickly become full participants, often at the expenses of their parents. Marketers are considering children not only as existing consumers but also as future consumers. Thus the purpose of this paper is to highlight the reasons that lead marketers to give greater importance to children and targeting them as their future consumers.

Key Words : Children, Consumer, Target Market, Buying Decisions etc.

Introduction:

World has witnessed a tremendous change in past decades. Families are changing globally with a growing trend towards small and nuclear families. India has been part of these changes too. Indian families have been previously characterized as Joint Families, however owing to influences from the western countries, the structure of Indian families has changed to nuclear or extended families. Exposure to globalized world and changing family profile has given a big push to Indian Consumerism and today Indian consumer is totally different from the previous ones, marketers are focusing on New Consumers – The Children.

Marketers today are targeting the children as their consumer because of two main reasons, first, both the discretionary income of children and their power to influence parent purchases have increased overtime, second as the enormous increase in the number of available Television channel has led to smaller audience for each channel, thereby creating a growing space just for children and children's products.

Children shape the buying pattern of their families. From vacation choices to car purchase, to meal selections, they exert a tremendous power over the family pocket book. Thus to influence children is to influence the entire family's buying decisions.

Background

❖ Changing Family Structure

There are so many major changes in a family's structure and environment in which a child is brought up which are:

- More single parent households.
- More women working.
- More dual income families.
- More disposable income.
- More small families
- More exposure of information to children through technology and mass media.

Consequently parents today are willing to buy more for their children because they have

- More disposable income

- More stress in life
- Lesser time with family
- Guilt for not spending enough time with their children.

Therefore, more and more parents today substitute material goods for the time spent with their children and so the children have higher say in household buying.

❖ Kids are Kings !

Children represent three different markets:

- Children influence household buying (influence market)
- Children have money of their own to spend (current market)
- Children are open to advertising campaigns designed to make them future consumers (Future market)

❖ Theory of Pester Power

Today's children have more decision making power within household than in previous generations which follows that children are vocal about what they want their parents to buy. "Pester Power" refers to children's ability to nag their parents into purchasing items they may not otherwise buy.

❖ Media Preferences

We talk to circulation readership and the like, but only for adults. Yet children too impact media, marketing, advertising in two crucial ways, they are large consumers and major influencers of the buying decision as can be seen in the advertising that uses children. Children watch these advertisements and force their parents to buy, these brands or commodities which attract them during the advertisements.

❖ Commercialization in Education

A school setting delivers a captive youth audience and implies the endorsement of teachers and the education system. Marketers are eagerly exploiting this medium for promoting their products in a number of ways including.

- Exclusive deals with fast food or soft drinks companies to offer their product in a school.
- Advertising posted in classrooms, school buses, on computer etc. in exchange for funds.
- Sponsoring school events.

All these marketing strategies attract the children and they convince their parents to buy that commodity which attract them most.

❖ The Internet

The internet is another medium which supplies information about new products to children.

❖ Pocket Money

Parents strongly desire to prepare their children for adulthood or at least for self sufficiency. This desire takes the form of providing skills to the youngsters so that they may cope without the assistance of parents. Being a consumer is one of these skills. It seems clear that children are turned into consumers at a very early age in our society through the desire and encouragement of parents, who also provide the youngsters with the necessary financial support in form of pocket money. Most of the children get pocket money the result of which is that the children become a relatively big market for such items as sweets, soft drinks and toys as they purchase self gratification and self sufficiently.

❖ Kid Convinces and Mother Buys

Adult consumer behaviour is the direct antecedent of child consumer behaviour which reflects that parents sought their opinion even in making purchase of products not directly related to the children such as cars because they have higher knowledge of brands, models and the latest trends. Also children stated that parents bought product that made the kids happy.

❖ Mobile Advertisement

The advent of mobile advertising to children is another game changer. Now young people can be reached with advertising messages throughout the day, not only when they are sitting in front of a T.V. set or a computer. As with online advertising, the content is interactive. Mobile advertisement can be targeted to children more narrowly than other online advertising. Since it can track their locations in relation to specific retail outlets or fast food venues. As of 2012, 41% of all 12 to 27 years olds had a smart phone and two out of three has some type of mobile device that could connect to internet, such as a Tablet or an iPad Touch.

❖ Children an emerging market

In these days children are emerging as a big market. The companies are introducing various products in the market keeping in view the children who are their target customers perfect example of marketing to children are Beyblades. Beyblades are the weapon of choice for animal hero Tyson in cartoon network's popular show Toonami, and close to a million have been sold in India.

Review of Literature

- Plavini and Pattanayak (2011) in their study aimed to understand consumer's acceptance of mobile advertising that was available to consumers owning mobile phones. The study tried to find out the factors that affected consumers' acceptance of mobile advertising and also identified the type of consumers who accept mobile advertising and also identified the type of consumers who accept mobile advertising in Indian context. To test the hypotheses, a survey was conducted among 124 Indian consumers. All variables were measured using 7-point Likert scale. Regression analysis was used. It was found that message credibility, consumer perception of message customization, message content, and consumer's ability to use mobile phone positively influence their attitude towards acceptance of mobile advertising. But consumer inertia negatively influence consumer mobile advertising acceptance.
- Kotwal, Gupta and Devi (2008) conducted a study on 100 adolescent girls, studying in class 9th-12th, to know the impact of T.V. advertisement on their buying pattern. They observed that the girls viewed T.V. advertisements with interest and found them entertaining and informative. The main reasons for liking an advertisement was the information it provided regarding the discount, special gifts attached, brands and quality of the product. The non-informative factors like celebrities, catchy slogans, visual effects funny advertisements, good music and action were also the reasons for liking an advertisement, in order of priority.
- Singh and Aggarwal (2012) assessed the influence of celebrities on children buying behaviour. His study mainly targeted children between 5-14 years of age. 800 respondents were taken randomly from 70 cities of Punjab and Chandigarh. It was a comparative study of three groups of children in the age groups of 5-8 years; 9-11 years; and 12-14 years belonging to urban and rural areas. The results indicated that children of all age groups were careful about the celebrity endorsements in advertising but were strongly influenced by the presence of celebrities in the advertisements as they like their presence and mostly try to buy the products which were promoted by them.
- Jawaid, Rajput and Naqvi (2013) Study was performed to come across impact of celebrity endorsement on impulsive buying behaviour of youngsters in Pakistan. Statistics were composed of non-probability convenience sampling technique and survey research method was applied. Sample size of 150 young people (male and female) of Islamabad city was taken. Results show that star support has significant impact on impulsive buying style. It also spots impact of icon endorsement on impulsive buying manners of youth in Pakistan have strong relation with each other. Hence celebrity endorsement was done in ad; it promotes attitudes of adolescents impulsive buying.

- Teeni-Harari and Hornik (2010) examined the variables that influence product involvement among young people. Their study aimed to explore five variables: age, subjective product knowledge, influence of parents, influence of peers and product category. Research was founded on a quantitative field study, whose sample was comprised of 252 young people, ages 4-15. Interesting outcome came to light for each one of the age groups: Young children's product-involvement level was influenced by parents and peers. The product-involvement level for children was influenced by peers and product category. Adolescents' product-involvement relies on subjective product knowledge and product category.
- Ogden and Ogden (2011) in their research explored parents' perceptions of children's influence on purchase decisions based on selected demographic variables including ethnicity, age of the child, product type (durable, non-durable and child-related) and gender of the parent. The study was based on a survey of 135 parents from the United States with children between the ages of 4-18. The results indicated that the type of product and age of the child impact parents' perceptions of children's influence on purchase decisions. There was no difference in parents perceptions of children's influence based on gender or ethnicity. The perception of children's influence was highest for products that related directly to the child. Following child-related products, non-durables came in second and the least amount of influence was found in durable products. The age of the child also influenced parents' perceptions of influence. The older the child, the more influence he/she was perceived to have.
- Akhter,et. Al. (2012) study is based on survey approach and aimed to examine the impact of demographic factors/variables like gender and age of children and parental profession on children in Delhi (India). A sample of 60 parents and 60 children between the age group 6-16 years were studied by two different close ended questionnaires. Analysis of the data showed that children especially boys in the age group of 14-16 years had more influence than the girls in the same age group. Moreover this influence increased when parents are professionally more involved than otherwise.
- Ramzy,et. al. (2012) explored parents' perceptions of children's influence on purchase decisions based on selected demographic variables between a U.S. and Egyptian sample. Hypotheses were validated through surveys in Egypt and the U.S. 46 valid responses represented the U.S.; and 38 valid responses represented Egypt. The paper focused on parents' perceptions of child's influence (aged 4-18) on purchase decisions. The paper examined child influence in fifteen different products in three product categories (non-durable, durable and child-related). Results indicated that there were differences between product type, age and parent's communication style. In terms of gender, there were differences between women but there were no differences between U.S. and Egyptian men when it came to perceived children's influence.

Objectives of the Study

- To study the role of children as consumer (Buying the Product for own consumption)
- To examine the role of children as influencer (Influence Parents' buying decisions)
- To know the main source of information of children designed to make them future consumers (Future Market)

Research Methodology

Data were collected from the Bathinda City of Punjab. Parents of the Children (either mother or father) were the basic sampling unit for the present study. Parents of children in two schools were approached. The children were asked to take the questionnaire home and get it filled by their parents. Parents of children in age category of 5-12 years were contacted. 125 questionnaires were distributed to the children from which 100 questionnaires (filled) were returned. This resulted in a total sample of 100 parents of childrens.

Analysis and Results

(1) Parents agree to their child's demands.

Table 1.1

	Never	Some times	Very often	Always	Total
No. of Responses	0	30	60	10	100
	(0%)	(30%)	(60%)	(10%)	(100%)

Table 1.1 shows that majority of the parents (60%) agree that very often they agree to their child's demand where 10% parents always agree to their Kid's demand. However not a single parent agree that they never agree to their Kid's demands which shows that parents always listen to their child's demands and also tries to fulfill their demands.

(2) Provision of Pocket Money to Children

Table 1.2

	Yes	No	Total
No. of Responses	85	15	100
	(85%)	(15%)	(100%)

When asked (85%) of parents favoured provision of pocket money to children, while (15%) parents disagree to this. Children have sufficient pocket money which converts them into independent consumer.

(3) Frequency of children accompanying their parents for shopping.

Table 1.3

	Very often	Some times	Never	Always	Total
No. of Responses	55	35	0	10	100
	(55%)	(35%)	(0%)	(10%)	(100%)

55% of parents say that they like their children to accompany them for shopping which clearly shows the role of children as influencers.

(4) Child uses pester power

Table 1.4

	Yes	No	Total
No. of Responses	75%	25	100
	(75%)	(25%)	(100%)

75% of the parents agree that their kids use pester power, when they do not agree to their choice, they cry loud and dominate the parents with their choice.

(5) Source of information

Table 1.5

Source of Information	Family	Advertisement	School	Peer group	Total
No. of respondents	10	55	15	20	100
	(10%)	(55%)	(10%)	(20%)	(100%)

According to table 1.5 (55%) of the parents agree that main source of information of child is advertisements. They also agree that children get information about new products from peer groups and school friends.

(6) Buying Role Identification

Under this question observations were taken for the different type of products and then two broad categories of products were classified as consumer durables and fast moving consumer goods (FMCG).

Table 1.6

Buying Role	Initiator	Influences	Decider	Buyers	No. Participation	Total
Consumer Durables	37 (37%)	42 (42%)	7 (7%)	4 (4%)	10 (10%)	100
FMCG	11 (11%)	4 (4%)	45 (45%)	30 (30%)	10 (10%)	100 (100%)

Table 1.6 clearly depicts that in the category consumer durables, maximum number of responses of parents were for children buying role as influencer (42%), followed by initiator (37%). Some even agreed that children do not participate but the majority is with their role as influencer. In the similar manner from the category of fast moving consumer goods, it was observed that most of time it is the children who decide the product to be brought shown by 45% of the total responses, followed by their roles as buyers (30% of parents responses). Some even agree that they don't participate at all.

This observation very significantly tells how, the buying role of children shifts with the involvement associated with the product. The involvement of the product is on dimensions of usability, price and family interest for the product i.e. high involvement, corresponding to high price, high usability and high interest and vice versa. Because of high involvement associated with buying of consumer durables, parents tend to take less risk hence rely less on children and so their role just restricts to the role of influencer and initiator. Whereas in case of fast moving consumer goods, being low involvement products, they operate oppositely and role shifts from influencer and initiator to the role of decider and buyer.

Conclusion:

From the foregoing analysis it can be concluded that, children represent an important target market for the marketers, because in addition to their own purchasing power, they influence their parents' buying decisions and are the adult consumers of the future. The survey clearly indicates parents' strong desire to prepare their child for adulthood or at least for self sufficiency. This desire takes the form of providing skills to the youngsters so that they may cope with the rapidly changing economic scenario, without the assistance of parents. Being a consumer is one of those skills. It seems clear that children are being turned into consumers at a very early age through the desires and with the encouragement of their parents, who also provide the necessary financial support in the form of pocket money.

The study emphatically indicates that adult consumer behaviour is the direct antecedent of child consumer behaviour, realizing this fact marketer are giving serious consideration to this segment, they are targeting the consumers by using children not only in the case of product meant for them but also for the product used or purchase in household sector.

Hence it can be concluded that, children today are the prime target market for the marketers as they have realized that targeting kids is the best bet today.

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