

Impact of Pester-Power on Parents Purchasing Pattern for Child-Centric Products

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ABSTRACT

In today's market children as consumer play very vital role. They have strong voice in decision to *purchase their products*. They constitute major consumer market and have important say in family purchase decision. Children these days have more influential place in the society as compared to their parents when they were of their age. Children of this generation are more informed, connected and use various tactics to influence their parents. This pesting behavior of children to be focus by many agencies across the world. This paper explores the various strategies used by children to persuade their parents. It focuses on "Pester Power" or "Nagging Ability" of children to purchase the product they like or want to buy. Children's demand these days are taken more seriously by their parents, whereas in earlier time when they were children they were expected to be content with whatever they were given. The responses were collected from the parents from different cities of Northern India. Various hypotheses were considered and the effects of various demographic factors on pester power of children examined in this paper. However results reveal that majority of parents affected by pestering power of their kids due to their occupation and sibling relationship with parents.

Keywords: Children, Consumer, Pester Power, Nagging, Child-Centric Products

INTRODUCTION

There have been tremendous changes across globe in past decades. Family structure and pattern have changed with growing trend towards nuclear families. These changes have been witnessed by India too. Changing family structure has changed the demands of consumer and also the way consumer behaves. Indian consumerism has a major shift owing to exposure to the globalized world and today's consumers are totally different from the earlier times.

When we talk about consumer behavior, family as a decision making unit is always at the center of the study. Every member of the family has unique role and responsibility in buying any category of product. The roles can be categorized as that of originator, influencer, gatekeeper and decision maker (Kumit, 2005). The role children play as an influencer was not taken much into consideration and main focus was on husband and wife (McNeal & Yeh, 2003). Children have gained attention of marketer and now they are treated as integral part of family purchase decision and are also considered as different segment (Calvert, 2008). Children influence parent's decision not only for their personal products but also for the products to be used by the whole family (Rose et al., 2002; Gaumer & Arnone, 2010). Marketers today are shifting their focus on new set of segment- The Children.

Consumer is always treated as king and marketers cannot afford to ignore this major segment. Companies are making an effort to increase their profits by focusing on role the children play as a consumer. Children of this generation have more exposure to information and they are well connected, well informed and have power to influence the purchase decision.

Children play a significant role in the consumer market by influencing their parents purchase decisions either for the products for family use or for their personal use (Rose et al., 2002; Caruana & Vassallo, 2003; Gaumer & Arnone, 2010, Akhter et al 2012.,). The influencer role children exhibit over purchase decisions in family along with the nagging effect that they have on their parents has increased drastically ahead of what he or she can earn when their purchase influence is considered (Shoham & Dalakas, 2005; Kaur & Singh, 2006). Owing to the role that children has in purchase decision or buying process focus of research has shifted to children. The advertisement these days whether the subject of advertisement is the product to be used by the child or product is to be used by family is directed at the child owing to their increasing role in purchase decision. According to McNeal a child start observing market even when child is 2 months old and are actively involved and start influencing the purchase decision from the age of two years itself.

According to study done by Kaur and Singh (2006) though Indian children doesn't have much purchasing power as compared to western counterparts but still they play very important role in influencing the parent's decision. For Indian families children are always the center of universe and they can actually pressurize their parents for a particular thing.

CHILDREN COMPOSITION IN INDIAN POPULATION

India has second largest population in the world after China. Its population was 1.277 billion in 2015. India is a young country with more than its 50% of the population below the age of 25 years. Child also has a major share in Indian population. As per Census 2011, 29.5% of the population was in age group of 0-14 years. This has been depicted in the Table 1.

Table 1: Percentage distribution of population by broad age groups to total population by sex and residence, India, 2011

Residence	Sex	Broad age groups (years)							
		0-4	5-9	10-14	0-14	15-59	60+	15-64	65+
Total	Total	9.7	9.2	10.5	29.5	62.5	8.0	65.2	5.3
	Male	9.9	9.4	10.7	30.0	62.2	7.7	65.0	5.0
	Female	9.5	9.0	10.3	28.8	62.8	8.4	65.5	5.7
Rural	Total	10.3	9.5	11.0	30.9	61.0	8.1	63.7	5.4
	Male	10.5	9.7	11.3	31.5	60.7	7.8	63.4	5.1
	Female	10.1	9.4	10.8	30.3	61.3	8.4	63.9	5.8
Urban	Total	8.2	8.3	9.0	25.5	66.6	7.9	69.4	5.1
	Male	8.3	8.6	9.2	26.1	66.2	7.6	69.1	4.8
	Female	8.0	8.1	8.8	24.9	66.9	8.2	69.7	5.5

Note: Total percentage may not add to 100 on account of rounding in broad age groups

Source: Census of India, 2011

Pestering means when the child keeps on asking or keeps on nagging for the things they can't have or their parents won't otherwise buy and if the parents accept their demand that becomes pester power. Kids today are exposed to lot of information and they communicate with parents and peer groups a lot. This has led to increase in demand of products by kids and they have choices of their own. Marketers are also using this 'Pester Power' as a tool for increasing the sale of their product. Marketers target children not only for child-centric product but also for the product used by other family members.

Drivers of Pester Power:

- More disposable income
- Increase in number of working women
- Dual income families
- Exposure of kids to technology
- Exposure of kids to mass media
- Single parent households
- Guilt of parents not giving adequate time to children
- Parents becoming more friendly with kids
- Advertisement targeting children mind
- Hurried Child Syndrome: Child growing too fast

There are various pestering methods used by kids in order to get their wishes fulfilled by parents.

James U. McNeal in his book "Kids as Customers" divides the pestering methods into 7 categories:

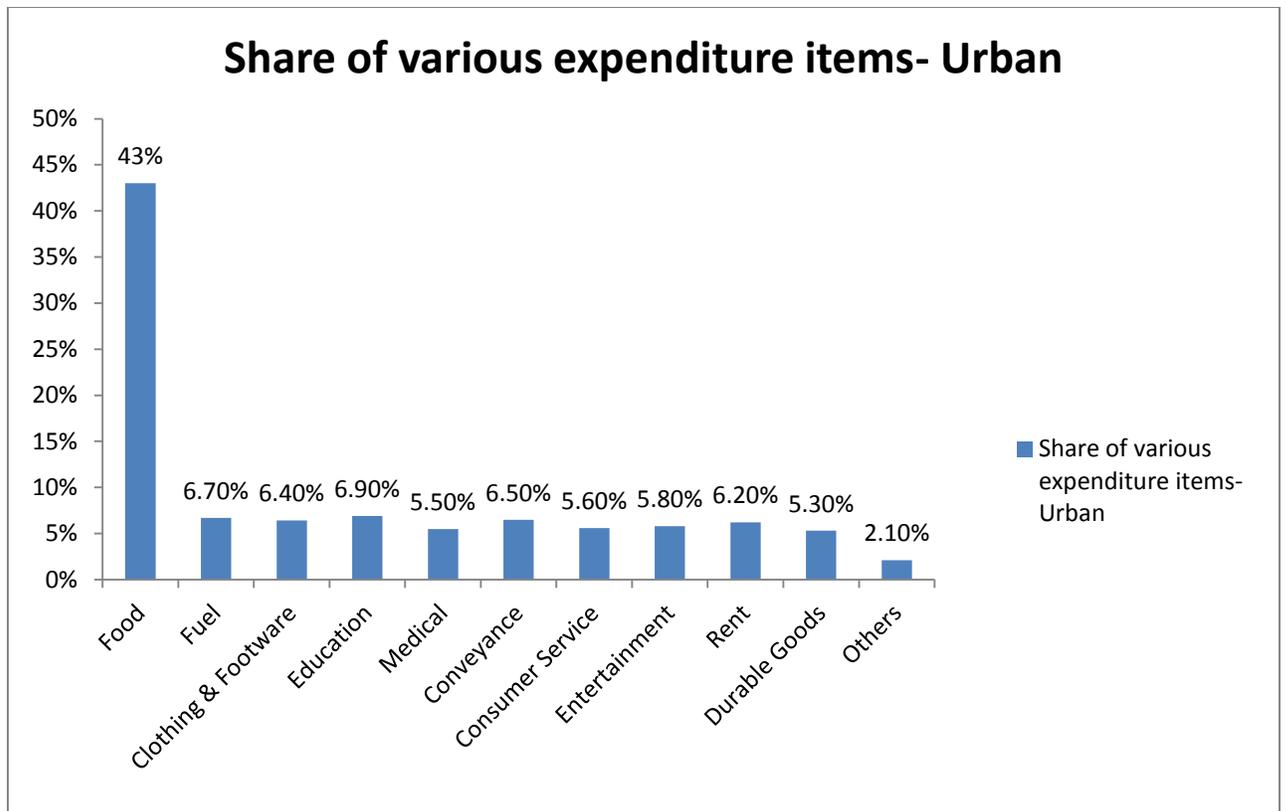
1. **The Demonstrative Nag-** When child throws tantrums at public place. It usually results into embarrassment for parents. Sometimes parents punish child for such behavior.
2. **The Persistent Nag-** When the child keeps on asking for the same thing again and again with a hope that parents will eventually agree to their demand.
3. **The Forceful Nag-** When child push parents for something and they may use phrases like “Well mom, if you won’t buy this for me, I will go and ask dad and he will buy that for me”
4. **The Pleading Nag-** When Child repeatedly nag parents by pleading them and using words such as “please” “mom, mom, mom”, “please mom please”.
5. **The Pity Nag-** When child would link parents refusal to the negative social outcomes for child.
6. **The Sugar-Coated Nag-** When child tries to be more affectionate for making parents fulfill his/her demand. They may try to convince their parents by praising them and using phrases like “you are the best mom”, “I love you dad”.
7. **The Threatening Nag-** When child threaten parents with severe outcomes in case their demand is not met such as refusing to go to school, not talking to parents or not eating food till they buy product for the child.

Pester power ability vary from child to child. Some children have more pestering power than other and children learn pestering their parents at very early age.

FOOD AND BEVERAGE INDUSTRY IN INDIA

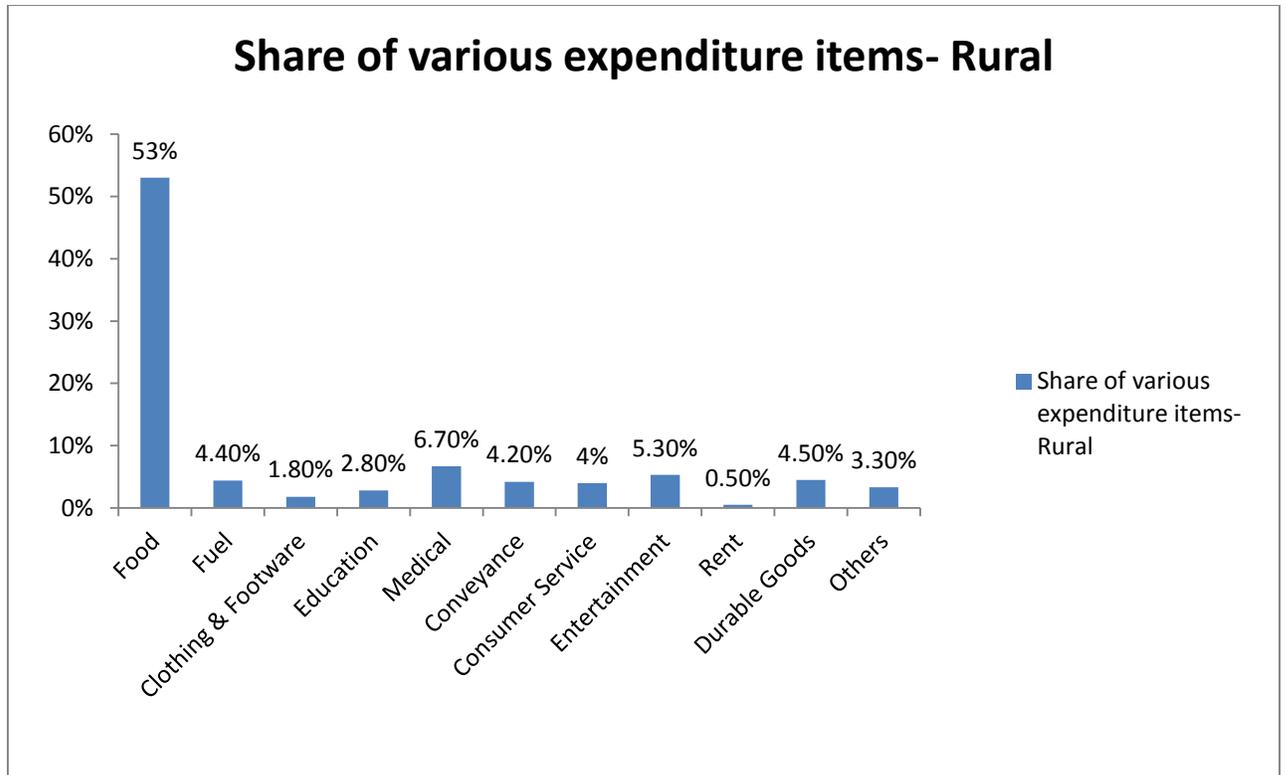
India’s food and beverage sector is growing at a very high rate. India is a young nation with half of the population under the age of 25. Owing to changes in lifestyle and standard of living of people this sector is gaining huge profits. According to FICCI- Grant Thornton Report this sector is growing at 23-24% per annum and is expected to reach Rs. 3.80 lakh crores by the year 2017. Within food and beverages sector there is growing trend towards branded food items, packaged food items and beverages. Food also constitute major portion of the household expenditure. According to NSSO (National Sample Survey office) report food constitute 42.6% of the total household expenditure in cities and town. In rural area the share of food in total expenditure is even more. It accounts for 52.9% of the total expenditure in rural area. The share of expenditure on different items such as food, fuel, clothing, medical, conveyance etc is shown in figure 1 and 2.

Figure 1: Household Consumption Pattern in India- Urban



Source: NSSO Report No. 558

Figure 2: Household Consumption Pattern in India- Rural



Source: NSSO Report No. 558

ADVERTISEMENT AND CHILDREN

There are various sources of information for children. Advertisement is one of the major sources of information. Children spent lot of time watching television and it still hold top position where kids spend majority of their media time. According to survey conducted by Common Sense Media- Advertising to Children and Teen children aged between 2 to 11 years see an average of 25,600 ads in a year. There is also increase in the number of promotion tying food or beverages product to some cartoon character, toy, movie, theme parks, video games etc. In earlier times only the companies producing child centric products used to target children in the advertisement. But these days even the automobiles companies, clothing companies, mobile companies etc are also directing their promotional activities towards children owing to the increasing role they play in the family purchase decision. The advertising and marketing sector in India is growing at a rapid rate. According to India Brand Equity Foundation industry is expected to be worth Rs. 63,000 crores (US\$ 10 billion) by the year 2017. Online advertisement is also gaining important share in the advertisement industry.

PESTER POWER MARKETING TACTICS

Food Industry spends a large amount of money in promoting the processed food. Children these days are very well aware about the food products available in the market and they are influenced by the advertisement they see while watching television. Another contributing

factor is increasing independence of children and their role in the purchase decision. This has led to 'obesogenic' environment i.e. children are more interested in eating food items that are low in energy and nutrition and their likings towards healthy food is fading away. All this effect the health of children and obesity is one of the problems. Marketers are making use of this and their aim is promoting their food products to children in such a way that the child make use of the pester power in nagging their parents to buy the product of their choice. Popular animated characters are used in catching the attention of children. Other very powerful tools in the hands of marketers are 'premiums' or 'giveaways'. Most of the time child request or demand for a particular item is because of the free gift or toy attached with the product. McDonald's happy meal, free toy inside eatables (e.g Kinder Joy) and placements of these items near the billing counter are also market tactics used to attract children.

RESEARCH OBJECTIVES AND METHODOLOGY

Objectives of this research were to examine the pestering effects while making the family purchase decisions of kid's centric products. Further this study also understands the effects of demographic factors like age, working status of parents, sibling, and the parent child relationship on purchasing of kids centric products.

RESEARCH DESIGN

A survey was conducted on 200 parents having children aged between 4-10 years in Northern India. The parents were randomly selected using convenience sampling technique or by getting their references from the researcher peer groups. Questionnaire was designed for the parents. It is divided into parts, first part focus on demographic characteristics of parents and second consists of the variables which influence the parents' decisions. Unstructured interview for parents was conducted through pilot study for getting the constructive inputs .The parents were personally contacted for getting questionnaire filled and to gain more insight into the behavior their child exhibit.

DISCUSSION

H₁: There is no significant relation between the age of the children and they exert of influence.

H₂: There is no significant relation between children's pestering power and parents-child purchases relationship.

H₃: There is no significant relation between the parents working condition with pester effect of kids.

H₄: Advertisement that endorsing kids products through kids endorsement will not have more effect on pester power of kids.

Hypothesis Testing

The objective of the paper was to understand the pestering effect of kids on while making purchase decisions of their parents. The hypothesis were developed on the basis of interaction with parents and tested using the regression analyses at 95% confidence level.

Table 2: Standardized coefficients and t-statistics for the structural model

Hypothesis	β	Standard Error	t-values	Sig(2-tailed)
H ₁	.345	.059	7.154**	.000
H ₂	.375	.050	10.792*	.006
H ₃	.615	.049	18.121*	.009
H ₄	.423	.072	16.106*	.010

In the case of first hypothesis the t-value is 6.096 > 2, p < .05 which posits that hypothesis has no significant relation between the age of the kids and their pester power of influence to their parents. It means age is not the major driver of kids pestering power. Further result support reject all the null hypothesis because the p value is p > .05 hence it can be concluded that parents working condition having the strong impact on kids influencing power for making decision of purchases of their products. It is also evident from the above table that kids endorsement in advertisement having more impact on kids pestering behavior.

Cluster Analysis

Cluster analysis has been conducted in order to analyze the various clusters of parents that exist in our data and how they differ or are similar to each other on the effects of pester power of kids towards their items. A set of 11 statements were drafted, which according to the study measured variables of the interest.

Table3: Number of Cases in each Cluster

Cluster	1	121.000
	2	45.000
	3	34.000
Valid		200.000
Missing		.000

From Table3, three clusters have been formed with 121 parents in the first cluster, 45 respondents in the cluster-2 and rest were in cluster-3.

Statements	Cluster		Error		F	Sig.
	Mean Square	df	Mean Square	df		
Advertisements endorsed by kids have influence the parents for purchasing decisions	.452	2	1.365	197	.331	.718
I consider the demand of my kids due to the lack of involvement	4.316	2	.724	197	5.964	.000
It is very difficult to manage the kids when they were threatening.	2.542	2	.731	197	3.479	.003
There is too much advertisement give more knowledge to kids	3.514	2	.567	197	6.195	.002
My kid knows the difference between the healthy and junk food but still they demand for junk food.	.253	2	.992	197	.255	.775
Advertising to children makes false claims about nutrition content of food products	27.888	2	.765	197	36.437	.000
Sibling also gave good knowledge about the kids centric products	11.066	2	.951	197	11.635	.000
Kids use tricks and gimmicks to influence us for purchasing the products	8.882	2	.980	197	9.060	.000
Advertisers follow ethical practices in advertisements directed towards children	30.584	2	.878	197	34.817	.000
The use of kids is unethical for kids centric items directed towards children	31.339	2	.992	197	31.576	.000
I usually pay attention to kids informative products but not all advertisement	60.392	2	.454	197	133.024	.000

Interpretation: Table-3 depicts that except two items “Advertisements endorsed by kids have influence the parents for purchasing decisions” and “My kid knows the difference between the healthy and junk food but still they demand for junk food”, all other items have been significant at the 0.05 level in the formation of clusters.

Table4: Final Cluster Centers			
	Cluster		
	1	2	3
Advertisements endorsed by kids have influence the parents for purchasing decisions	1	2	3
I consider the demand of my kids due to the lack of involvement	1	2	3
It is very difficult to manage the kids when they were threatening.	1	2	3
There is too much advertisement give more knowledge to kids	2	1	2
My kid knows the difference between the healthy and junk food but still they demand for junk food.	1	2	2
Advertising to children makes false claims about nutrition content of food products	3	1	2
Sibling also gave good knowledge about the kids centric products	3	1	3
Kids use tricks and gimmicks to influence us for purchasing the products	1	1	2
Advertisers follow ethical practices in advertisements directed towards children	2	1	1
The use of kids is unethical for kids centric items directed towards children	3	1	3
I usually pay attention to kids informative products but not all advertisement	4	1	3

Notes: 1=strongly Agree, 2=Agree, 3=Neutral, 4=Disagree and 5=Highly Disagree

The *Italicized items* have not been used for interpretation of the clusters (as a result of findings of Table3)

Cluster1

The first cluster has a total of 121 respondents forming a part of this cluster. This cluster is in favor of the kids pestering behavior due to the lack of involvement and very informative skills of their kids. This group of parents are strongly agree with kids pestering behavior towards kids centric products.

- They consider the demand of kids due to the lack of involvement
- It is very difficult to manage the kids when they were threatening.
- My kid knows the difference between the healthy and junk food but still they demand for junk food.

Cluster 2

The second cluster has large number of respondents with a total of 45. They are unhappy with the pestering behavior of their kids and they strongly believe that this is not right practices of companies to endorsement the products through kids that having undue pressure on kids and their parents. There attributes are-

- Advertisers follow ethical practices in advertisements directed towards children

- They believe that advertisers inculcate bad habits in children.
- Kids use tricks and gimmicks to influence us for purchasing the products
- The use of kids is unethical for kids centric items directed towards children

Cluster 3

The third has a population of 34 respondents who were mostly neutral towards the impact of pestering behavior of their kids. It can be seen by their responses as. They are neutral to the statements like Advertisements endorsed by kids have influence the parents for purchasing decisions and they are undecided stage for considering the demand of kids due to the lack of involvement Thus, this cluster is majorly neutral to the impact of pestering on parents purchasing behavior of kids centric products.

CONCLUSION

Children these days are emerging as one of the homogenous cluster with identity of its own as consumer. Child share in the total expenditure of family is increasing. Kids have more knowledge and information these days owing to more exposure to television and advertisement and they are well aware about the items available in the market. Research revealed that parents also agreed and supported the pestering behavior of their kids due to the lack of involvements with kids. Parents also agreed that premium and giveaways attached with the child centric products was one of the major factors influencing the child decision for selection of the products. They often go out for shopping with their parents and parents also consult child before buying products. Children use various tactics to get their demand fulfilled. They pressurize their parents in getting their demand fulfilled. Parents have more disposable income (especially where both parents are working) and less spare time for kids. They tend to compensate their kids with fulfilling their demand rather than giving them time. As far as marketers are concerned they are well versed with the role the child play and how important kids are for Indian parents. Pester Power is considered as a very powerful tools by food industry to sell its products. But in Indian scenario parents were do agree to the child demand when the product in question is not so costly but when it comes to an expensive item they were more firm in saying 'No' to the kids. The Children these days have more knowledge about the brands and remember the brand name and they can easily differentiate between products. So Parents should keep a balance between accepting demand and they should know when they should say "No".

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