

# Influence of Family on Consumer Behaviour

# Influence of Family

- The importance of the family or household unit in consumer behavior arises for two reasons:
  1. Many products are purchased by a family unit.
  2. Individuals' buying decisions may be heavily influenced by other family members.
- How families or households make purchase decisions depends on the roles of the various family members in the purchase, consumption, and influence of products.

# What is a Family?

- A family is a group of two or more persons related by blood, marriage, or adoption who reside together. The **nuclear family** is the immediate group of father, mother, and child(ren) living together. The **extended family** is the nuclear family, plus other relatives, such as grandparents, uncles and aunts, cousins, and parents-in-law. The family into which one is born is called the **family of orientation**, whereas the one established by marriage is the **family of procreation**. In a more dynamic sense, the individuals who constitute a family might be described as members of the most basic social group who live together and interact to satisfy their personal and mutual needs.

# Sociological Variables Affecting Families and Households

- Marketers can understand family and household decisions better by examining the sociological dimensions of how families make consumer decisions. Three sociological variables that help explain how family's function includes:
  - Cohesion
  - Adaptability
  - Communication
- To determine how the family makes its purchase decisions and how the family affects the future purchase behavior of its members, it is useful to understand the functions provided and the roles played by family members to fulfill their consumption needs.

# Family Life Cycle Characteristic

<b>Stages in Family Life Cycle</b>	<b>Economic Circumstances</b>	<b>Likely Buying Behavior</b>
Bachelorhood (Young, single staying alone)	Earning reasonable good salary, no financial burdens	Buy, basic kitchen equipment basic furniture, two wheeler, vacation with friends
Parenthood (young married just attained parenthood)	Better off financially, though home purchases at peak, less liquid assets, not able to save more.	Buys baby food, toys, diapers, chest & cough medicines
Post parenthood (growing children or grown up children)	Financial position improved with wife working, probability of home ownership on the higher side).	Concentrates on home improvements. Buy more tasteful furniture, car, home appliances, and magazines. Interested in vacation packages.
Dissolution (retired & lone surviving spouse)	Income though good, not interested in spending. At times drastic cut in income is likely.	Buy more medicinal products ant other products like the retired people. Seeks more of attention, affection and security conscious.

# Family Decision-Making

- Families use products even though individuals usually buy them. Determining what products should be bought, which retail outlet to use, how and when products are used, and who should buy them is a complicated process involving a variety of roles and actors.

- **Role Behavior:**

Families and other groups exhibit what sociologist Talcott Parsons called instrumental and expressive role behaviors.

- **Instrumental roles**, also known as functional or economic roles, involve financial, performance, and other functions performed by group members.

- **Expressive roles** involve supporting other family members in the decision-making process and expressing the family's aesthetic or emotional needs, including upholding family norms.

# Key Family Consumption Roles

- The roles played by the different family members will vary from product to product. While shopping in the market, a housewife comes across a new variety of juice that she buys for the family. Her decision to purchase does not directly involve the influence of other family members. She is the decider, buyer; but she may or may not be the preparer and is not the only user. In case of products such as television, car, music systems, furniture or any other product which is likely to be used by some or all the family members, the purchase decision is likely to be joint or group decision.
- There are eight distinct roles in the family decision-making process. A look at these roles provides further insight into how family members act in their various consumption-related roles:

- **1. Influencers:** Those family members who provide information and advice and thus influence the purchase. The housewife tells her family about the new eatery that has opened in the neighborhood and her favorable description about it influences her husband and teenaged children.
- **2. Gatekeepers:** Those family members who control the flow of information about a product/service thus influencing the decisions of other family members. The teenage son, who wants a racing bicycle, may withhold from his father much of the relevant information on all brands except the one that he fancies, thereby influencing his father's decision in favour of his preferred brand.



- **3. Deciders:** Family members who have the power to unilaterally or jointly decide whether or not to buy a product or service. The husband and wife may jointly decide about the purchase of a new refrigerator.
- **4. Buyers:** Those family members who actually buy a particular product or service. A housewife may be the person who actually buys all the foodstuffs, rations and toiletries, which are consumed by all the family members.
- **5. Preparers:** Those family members who transform or prepare the product into the form in which it is actually consumed. The housewife may prepare the family meal using raw vegetables, lentils, spices, oil and other ingredients.

- **6. Users:** Those family members who use or consume a particular product or service. All family members may use the car, watch the television, and listen to the stereo music system
- **7. Maintainers:** Family member(s) who service or repair the product so that it will provide continued satisfaction.
- **8. Disposers:** Family member(s) who initiate or carry out the disposal or discontinuation of a particular product or service.

# Consumer Activities Occurring in Various Life Cycles

**There are total of 11 family life cycles stages:**

- **Young Singles:** Young singles may live alone, with their nuclear families, or with friends, or they may co-habitate with partners in this stage. Although earnings tend to be relatively low, these consumers usually don't have many financial obligations and don't feel the need to save for their futures or retirement. Many of them find themselves spending as much as they make on cars, furnishings for first residences away from home, fashions, recreation, alcoholic beverages, food away from home, vacations, and other products.

- **Newly Married:** Couples Newly married couples without children are usually better off financially than they were when they were single, since they often have two incomes available to spend on one household. These families tend to spend a substantial amount of their incomes on cars, clothing, vacations, and other leisure activities. They also have the highest purchase rate and highest average purchases of durable good (particularly furniture and appliances) and appear to be more susceptible to advertising.

- **Full Nest I:** With the arrival of the first child, parents begin to change their roles in the family, and decide if one parent will stay to care for the child or if they will both work and buy daycare services. In this stage, families are likely to move into their first home; purchase furniture and furnishings for the child; and purchase new items such as baby food, toys, sleds, and skates. These requirements reduce families' ability to save, and the husband and wife are often dissatisfied with their financial position.
- **Full Nest II:** In this stage, the youngest child has reached school age, the employed spouse's income has improved. Consequently, the family's financial position usually improves, but the family finds itself consuming more and in larger quantities. Consumption patterns continue to be heavily influenced by the children, since the family tends to buy large-sized packages of food and cleaning supplies, bicycles, music lessons, clothing, sports equipment, and a computer.

- **Full Nest III:** As the family grows older and parents enter their mid-40s, their financial position usually continues to improve because the primary wage earner's income rises, the second wage earner is receiving a higher salary, and the children earn from occasional and part-time employment. The family typically replaces some worn pieces of furniture, buys some luxury appliances, and spends money on education. Families also spend more on computers in this stage, buying additional PCs for their older children. Depending on where children go to college and how many are seeking higher education, the financial position of the family may be tighter than other instances.

- **Married, No Kids:** Couples who marry and do not have children are likely to have more disposable income to spend on charities, travel, and entertainment than others in their age range. Not only do they have fewer expenses, these couples are more likely to be dual-wage earners, making it easier for them to retire earlier if they save appropriately.
- **Older Singles:** Single, age 40 or older, may be single again (ending married status because of divorce or death of a spouse), or never married (because they prefer to live independently or because they co-habitate with partners), either group of which may or may not have children living in the household. This group now has more available income to spend on travel and leisure but feels the pressure to save for the future, since there is no second income on which to rely as they get older.

- **Empty Nest I:** At this stage, the family is most satisfied with its financial position. The children have left home and are financially independent allowing the family to save more. In this stage discretionary income is spent on what the couple wants rather than on what the children need. Therefore, they spend on home improvements, luxury items, vacations, sports utility vehicles, food away from home, travel, and product for their grand children.
- **Empty Nest II:** But this time, the income earners have retired, usually resulting in a reduction in income and disposable income. Expenditures become health oriented, centering on such items as medical appliances and health, and medicines. But many of these families continue to be active and in good health, allowing them to spend time traveling, exercising, and volunteering. Many continue working part time to supplement their retirement and keep them socially involved.



- **Solitary Survivor:** Solitary survivors be either employed or not employed. If the surviving spouse has worked outside the home in the past, he or she usually continues employment or goes back to work to live on earned income (rather than saving) and remain socially active. Expenditures for clothing and food usually decline in this stage, with income spent on health care, sickness care, travel entertainment, and services.. Those who are not employed are often on fixed incomes and may move in with friends to share housing expenses and companionship, and some may choose to remarry.
- **Retired Solitary Survivor:** Retired solitary survivors follow the same general consumption patterns as solitary survivors; however, their income may not be as high. Depending on how much they have been able to save throughout their lifetimes, they can afford to buy a wide range of products. These individuals have special needs for attention, affection, and security based on their lifestyle choices.

- *Marketers use the descriptions of these FLC stages when analyzing marketing and communication strategies for products and services, but they often add additional information about consumer markets to analyze their needs, identify niches, and develop consumer-specific marketing strategies.*