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Children as Consumers

A psychological analysis
of the young people's market

BARRIE GUNTER AND ADRIAN FURNHAM

Children as Consumers

The children's and teenagers' market has become increasingly significant as young people have become more affluent, and have an ever growing disposable income. *Children as Consumers* traces the stages of consumer development which children pass through and examines the key sources of influence upon young people's consumer socialisation.

Barrie Gunter and Adrian Furnham examine the kinds of things young people consume, how they use their money, how they respond to different types of advertising, and whether they need to be protected through special legislation and regulation. They also examine market research techniques which can work well with young people.

Children as Consumers will be useful to students of psychology, sociology, business and media studies, as well as professionals in advertising and marketing.

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A psychological analysis of the young people's market

Barrie Gunter and Adrian Furnham



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Preface

Despite the importance of the children's and adolescent market to the educational, financial and retail sectors we know surprisingly little about where and how young people acquire their money, where and why they spend and save it, and their knowledge of the financial world and its opportunities. Before embarking on commercial or educational programmes, it is important to have an accurate picture of the beliefs and behaviours of young people and their parents, regarding money. In short, we need to know more about children as consumers.

Young people, or more specifically, children between 8 and 12 years and adolescents between 13 and 19 years are, because of their wealth, a very big market. It is difficult to estimate the market potential of young people. A recent American survey estimated that American children have around \$9 billion from their families and directly influence \$130 billion of parental purchases. At the beginning of the 1990s German 7–15-year-olds received 7.5 billion DM in pocket money and gifts, while the spending power of 12–21-year-olds amounted to 33 billion DM annually.

In Great Britain in 1990, it was estimated that 14–16-year-olds alone had nearly £10 per week in disposable cash. By 1996, the Walls survey showed even 5-year-olds had nearly £2.50 per week. The same survey showed that over a quarter save a considerable portion of their money in a variety of places. There is also concern, debate and speculation about how children and adolescents acquire and dispose of their money, as well as discussion about the hopes of their parents, but there are relatively few hard facts.

In this book, we have tried to bring together the very diverse literature and data on children as consumers spread over many different disciplines. Advertising and media specialists, sociologists and psychologists, political scientists and economists, all have a particular interest in how, why and where children develop into economically active members of our society. Policy makers too have taken an active interest in the way companies try to promote their products to children.

An overview of these discourses and an appreciation of the psychological factors involved in the role of children as consumers can help manufacturers, retailers, and those who advise them on their advertising and marketing strategies to design products and services which will appeal more effectively to their current tastes, and to plan promotional and marketing campaigns which will appeal to their core values and needs. Such information and understanding is equally important to those charged with regulating the marketing of products and services to this market segment. Regulations and public policy regarding advertising to young consumers should be informed by a proper understanding of the psychology of this age group, so that rules and regulations safeguard the public interest while placing no undue and unfair constraints on advertisers, and those whom they represent, to operate as openly as possible in a competitive marketplace.

A wealth of data has been collected from around the world by academic researchers who have approached their investigation of the young persons' market from a psychological perspective. This book represents an attempt to collate, review and critique

this body of research. Having set the scene by examining the demographic and economic characteristics of the young consumers' market, the book then focuses on work conducted largely in the spheres of social and cognitive psychology, which has shed light on consumer socialization, particularly where learning about money is concerned, the psychological composition of young consumers as defined by their core values and needs, and their understanding of advertising. An important aspect of the interface between young consumers and the marketplace are the mass media. It is important, therefore, for marketers to have information about young consumers' media-related behaviours and preferences. There is an examination of how to conduct research on young consumers in order to obtain a better understanding of their consumer behaviour and the ways they think about consumerism. The book also takes a look at the issue of regulations and controls over marketing and advertising aimed at young consumers, which continues to be a major issue in the context of the rapid growth of mass media. While few people would argue against the protection of young consumers, there are different ways in which such protection could be implemented. In particular, we explore the tensions between the notion of tighter centralized regulation of consumer marketing and the idea of a more educated and consumer literate society for a deregulated consumer environment.

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The Importance of the Children's Market

As the purchasing power of young people exhibits continued growth, marketers, manufacturers and advertisers have become increasingly interested in devising effective methods of reaching the young persons' market. Achieving this aim requires a full understanding of children as consumers: what they believe, what they want, and how they behave. The initial focus of this effort was upon teenagers who represent a substantial group of young people with considerable autonomy, distinctive tastes and perhaps more importantly money to spend. Lately, attention has also been directed at the *child market*, comprising young people up to the age of 12. This book will examine the nature of consumerism among young people up to their mid- to late teens. Young people, both children and adolescents, are richer and better informed than they have ever been. In some countries, particularly in the developing world, over half the population is under 21 years of age. With the globalization of mass media, the style of consumerism associated with modern industrialized societies of the western world has spread all around the planet. Young people can thus be recognized as a unique all-important market in their own right.

Interest in young consumers really began with the baby boom generation after the Second World War (McNeal, 1992). The idea of the 'teenager' as a distinct life cycle phase, for example, coupled with the emergence of a so-called 'youth market' did not really attract much specific marketing significance until the mid-1950s (Davis, 1990). The projection of youth or 'teenagers' as a distinct sub-culture, with its own consumer-related priorities was an outgrowth of the booming post-war economy in many industrialized societies. The United States probably led the way, but Europe soon followed. Full employment meant relatively high wages for the teenage worker, a situation which was in marked contrast to the depression years before the war. By the late 1950s in Britain, for example, average teenage earnings had increased by more than 50 per cent in real terms from pre-war levels (Davis, 1990). Earnings increased for everyone in work, in fact, meaning that family households in general were better off.

The booming economy spawned commercial interests across many sectors of society, creating faster-growing markets for an array of goods and services, from fashions and entertainment to food and drink. Many of these commodities were aimed specifically at satisfying the needs and aspirations of young consumers (Stewart, 1992). Some markets, such as financial services, quickly realized that if customers could be captured early enough, they might remain loyal consumers for life.

By the 1960s this generation was spending \$2 billion a year in America alone. By the end of the 1980s, this figure had risen to \$6 billion among young Americans. In addition to the amount they spend directly, it has been estimated that children and teenagers exert a considerable indirect effect on consumer activity, influencing annually some \$132 billion worth of household purchases in that country (McNeal, 1992). Later in

this book we will examine both the influence of parents on their children and the reverse influence of children upon their parents' purchases in more detail. Further various changes that took place in most developed countries in the 1980s contributed to the increased economic power of children. These included fewer children per parent, the postponement of having children, and dual-working families. Richer parents with fewer, but better educated children, have created a more sophisticated young people's market which comprises a body of individuals with money to spend and increasingly well-informed tastes and opinions in the sphere of consumerism.

The importance of the young people's market is underlined by the fact that the older segment of it, namely the teenage market has become more affluent while declining in number. In the United States, despite a 15.5 per cent drop in the number of teenagers during the 1980s, their spending increased nearly 43 per cent, growing from \$1422 to \$2409 per capita (Tootelian and Gaedeke, 1992). Even considering the effects of inflation, this figure represents a real growth in spending of nearly 25 per cent.

Whether this growth of the youth market will be sustained is another question. The annual entry of people into the labour market has been declining throughout the 1980s and 1990s (Ermisch, 1990). In the mid-1980s, 29 per cent of 16-year-olds, 45 per cent of 17-year-olds, and 59 per cent of 18-year-olds in England and Wales were in full-time employment. By 1993/4, these figures had dropped to eight per cent, 15 per cent and 33 per cent respectively. Over the same period, the number of teenagers remaining in full-time education increased dramatically. Even those in full-time education, however, had sources of income, with around one in five maintaining a part-time job (Department for Education and Employment (DFEE), 1996). As a result of these demographic changes, one argument is that the commercial and cultural centre of gravity will shift up the age spectrum to the middle-age group, or even to the late-middle-age/early old age groups—the so-called 'grey market'—whose members are not only growing rapidly, but whose discretionary spending power will become very significant.

Children and teenagers buy a wide range of products and services. Given the size of the teenage market especially, in terms of spending power, considerable attention has been directed towards understanding the types of products and services they purchase and the extent to which they influence family purchase decisions. Young people are major buyers of sweet things and play things. They spend a lot on clothing, consumer electronics, entertainment and hobbies (Hall, 1987; Tootelian and Windeschausen, 1975). Figures for the United States have indicated that over 60 per cent of young people aged between 12 and 15 purchase groceries and make decisions, and over 50 per cent of all teenagers cook for their families at least once a week (Gonzales, 1988). They also make purchases from a wide range of retail outlets. The youth orientation has pervaded so many different product markets that it has spilled over into more mainstream culture, with images of youth in the mass media becoming dominant marketing icons (Stewart, 1992).

As we will see later, children's earliest experiences of consumer activity occur in the first few years of their lives. They have already begun to make independent purchases on a small scale and through local retail outlets by the age of four or five, and by the age of ten they have been found in the United States to make over 250 purchase visits a year to a variety of different kinds of stores (McNeal, 1992).

For McNeal (1992), children and teenagers are:

- a primary market in their own right;
- an influential market given their influence on parental household purchase;
- a market for the future of all nations;
- a particular demographic segment;
- a specific life-style segment according to the same criteria as their parents;
- a benefit segment such as educational benefits.

Modern marketing has, of course, clearly recognized for some time the important role children can play in influencing certain types of household purchases. Advertising for some fast-moving consumer goods, especially foodstuffs, attempts to embrace this role by portraying children prominently in commercial messages as models who encourage the purchase of certain commodities. Indeed an inspection of 'children's television' shows the number and range of products aimed specifically at younger people.

There is a distinction to be made, however, between children as mediators or triggers of household purchasing by parents, and children as consumers who purchase specific goods and services for personal use and satisfaction (see Chapter 3). Insofar as pre-teens have the desire and financial means to buy products for themselves they represent a potentially active consumer group in their own right.

A willingness to purchase is only part of the story. Children must have the financial ability to participate as consumers. This suggests that there must be a source of money and an understanding of money and of how to purchase. In this book we will examine how children develop as consumers. In doing so, we will discuss the major consumer socialization influences which work to shape children's consumerism. Research in the United States has noted that American children often make their first independent purchase by around the age of five (McNeal, 1965). Even earlier than this, parents can be seen training their children in various aspects of consumption. This preliminary training may involve allowing the infant to give money to a supermarket cashier or selecting items from supermarket shelves. Lessons may also be offered in testing for the quality of foods—the ripeness of fruits or freshness of bread. Furthermore, some schools offer courses in Consumerism (see Chapter 8). Banks, building societies and other financial institutions now provide educational packs and special accounts for children and teenagers across the age spectrum.

Size of the Child Market

There are two important questions to ask in establishing the size of the child market. First of all, how many children are there in a particular area, region or country? Second, how much money do they have to spend? The marketer and manufacturer need to know what proportion of this potential market will buy each product and how much they will buy.

A look at the population statistics reveals clearly that this represents a growing consumer group. This is true of many western industrialized countries. In the United States, for example, there were 36,732,000 children aged 5 to 13 years in 1967. By 1985 this group had grown to more than 40 million. According to McNeal (1992) American children's average annual income grew from \$137 in 1984 to \$229 in 1989 which

represents over \$8 billion. Their savings alone in 1989 were \$2 billion. Table 1.1 below shows how children allocated this income to different items of expenditure. More than half their money was spent on snacks or sweets and toys or games. From 1984 to 1989, however, while overall expenditure increased by a significant margin, spending on video arcades and movies or sports dropped markedly. Although not shown in the table, McNeal also estimated a 50 per cent increase in the personal expenditure of American children had occurred during the six years up to 1984.

TABLE 1.1 *Products purchased by children with their own money, 1984 and 1989*

<i>Product/service</i>	<i>Expenditure and share</i>		<i>Expenditure and share</i>	
	<i>1984</i>	<i>%</i>	<i>1989</i>	<i>%</i>
Snacks/sweets	\$1,440,600,000	(33.9)	\$2,076,852,544	(34.6)
Toys/games/crafts	1,104,100,000	(26.0)	1,878,771,232	(31.3)
Clothes	NA		690,282,360	(11.5)
Movies/sports	771,200,000	(18.2)	606,248,864	(10.1)
Video arcades	765,900,000	(18.1)	486,199,584	(8.1)
Other	162,300,000	(3.8)	264,108,416	(4.4)
	\$4,244,029,967	(100.0)	\$6,002,464,504	(100.0)

Source: McNeal, 1992, p. 40

The children's market in the United Kingdom is also substantial. Marketing agency Mintel estimated in 1979 that there were around 10 million children aged 5 to 15 years, representing about 17 per cent of the population. This group was reckoned to have a total direct spending power of around £600 million. Population projections estimate that this age group will grow in number until early into the next century.

The new teen explosion has already begun in the United States where advertisers and marketing corporations have woken up to the demographic wave that will form the most important American spending group in the next century. The ageing Baby Boomers, whose aspirations have dominated popular culture for the past 25 years, are in for a shock, as are today's so-called Generation X of disaffected teenagers bemoaning how life is passing them by.

In America the number of teenagers has started to grow at such a rate that by 2010 there will be more than ever before, peaking at 30.8 million, 900,000 more than the Boomer height of 1976, according to the latest census projections. In Britain, the teen wave will be less of a 'surfer's dream'. Projections suggest there will be 5.6 million teenagers in 2010, 800,000 (16%) more than 1992 but 300,000 fewer than the British Boomer year of 1976. All these youngsters have cash to burn; last year America's 28 million teenagers were estimated to have spent \$57 billion of their own money and influenced much more of their parents' expenditure. They are used to deciding what stereo is best, what car is 'cool', what vacation to go on.

Many organizations are desperate to discover how to tap this market and have been disconcerted by the emergence of 'slackers', today's sub-culture of teenagers who appear to have rejected conventional working lives. They are supposed to be the heirs of Generation X, the bunch of angry, disengaged youths immortalized in Douglas

Coupland's eponymous novel published in the early 1990s. Neither idle nor stupid, they are sceptical, well educated, computer-literate and take a perverse enjoyment in television trash-culture. In addition they are characterized by a potentially considerable purchasing power.

In general, although population growth has slowed down in most developed industrialized countries in Europe and America it is growing substantially in the rapidly developing countries of the Pacific Rim. Nevertheless, even in those countries where populations in general are stabilizing, the affluence of young people continues to grow. Tootelian and Gaedeke (1992), examining American data, found that despite a 15 per cent decline in the number of teenagers in the 1990s, their spending power increased by 43 per cent, which (taking inflation into consideration) is a real growth of nearly 25 per cent. They also noted that an astounding 20 per cent of American teenagers had access to credit cards. This growth is now occurring across Europe, especially in the wealthier nations such as Germany.

Establishing how much money youngsters have to spend is not easy. Children have a number of sources of purchasing power. These include gifts of money from parents or relatives, earned income from odd-jobs, and allowances or pocket money which may also be partially earned. Although the amount of disposable cash that children have varies considerably over time there is a clear pattern of growth especially in early adolescence. Income data for this group, however, is not always available and often only rough estimates exist. How children use their money is examined in more detail in Chapter 3.

Children represent a current market; a potential future market but also an influential market (McNeal, 1987). That is, children have substantial influence on the purchases of their parents. The increase in the pocket money of British children is considerable (see Table 1.2). This means that a 12-year-old may have well over £200 per annum to spend.

TABLE 1.2 *Average weekly total income 1990/91 by age and sex*

<i>Year</i>	<i>All children</i>	<i>Boys</i>	<i>Girls</i>	<i>5-7</i>	<i>8-10</i>	<i>11-13</i>	<i>14-16</i>
1987	220p	219p	220p	84p	121p	228p	458p
1988	208p	213p	201p	100p	154p	236p	351p
1989	271p	273p	269p	124p	161p	280p	605p
1990	354p	323p	385p	129p	190p	353p	916p
1991	396p	411p	381p	148p	235p	401p	920p
<i>% change</i>							
1990/91	+12%	+27%	-1%	+15%	+24%	+14%	+0.5%

Source: Walls Pocket Money Monitor by Gallup

A large scale survey of children's 'pocket money' conducted on behalf of Walls Ice Cream (Birds Eye Walls, 1990) provides some useful data on the average spending of 14- to 16-year-olds. By 1990 the average weekly total income for this age group was £9.16p, representing a 51 per cent increase on 1989. Of this, earnings accounted for about 40 per cent, parental contribution for a further third, the balance being accounted for by 'hand-outs' from family friends and relatives. This gave 14- to 16-year-olds an average annual per capita income of £476.32p. Multiplied by the number of 14-16s in the

population at the time, this age band had a total annual spending of around £1 billion (Stewart, 1992).

Thus, children have considerable spending power in their own right. A subsequent analysis reported that pocket money for British children rises from 58p average per week at age 5 to £3.85p at 14, but that this forms less than half the total income. This money is enhanced by earnings from part-time jobs, errands and gifts, which boost the total to £1.72p on average for five-year-olds, £3.80p for 10-year-olds and £9.57p for 14-year-olds. Extrapolated to the total population for a year this represents some £1.5 billion (James, 1994). Indirect spending by children adds hugely to these figures. Gift purchases, entertainment and purchase of food, drink and in-house products reflect the persuasive powers of children and their involvement in family discussions about what to do and what to buy.

In 1991 the Halifax Building Society conducted a major survey of British youngsters. They found that eight out of ten British children regularly got pocket money, which averaged £1.40 a week. Of these, 51 per cent earned part of the money in return for doing household chores such as washing the dishes, keeping their bedrooms tidy and making their own beds. In all, 23 per cent claimed to save all the money they received, while 9 per cent said they spent all their money. For teenagers (12–16s), average earnings reached £4.20 a week. One in three teenagers, however, had a part-time job which brought in an average of £12.70 per week. Finally, girls tended to earn more than boys. These findings underline the spending potential associated with the young people's market.

Demands of the Child Market

In many respects, the child consumer resembles all other consumers. Children want to purchase things to satisfy various needs. Satisfaction may be gained directly from the items purchased. This may be particularly true of foods and toys, and also of clothes, books, magazines and personal entertainment items as they grow older. Satisfaction may also be obtained from the act of purchase itself rather than solely from what is purchased.

It has been observed, however, that the inherent value of the consumption act declines with age, while satisfactions obtained through owning certain possessions and using particular products become increasingly important (McNeal, 1969). As the child's needs change, so too do the nature and pattern of consumption. What children buy and consume at different stages is discussed more fully in Chapter 3.

Surveys of young people have revealed them to be sophisticated consumers with a high level of interest in shopping, able to distinguish between what they like and dislike, and quite capable of rejecting hype. In the United States, for example, a 1993 Yankelovich Partners Youth Monitor survey among 6- to 17-year-olds found children and adolescents to be enthusiastic and discerning shoppers. Young people expressed a firm interest in advertising, which they claimed to use for information to guide their buying decisions. Young consumers are not brand loyal, however, and tend to make many different brand choices in response to rapidly changing fads and fashions. In this sense they are probably less consistent, but paradoxically easier to predict than their parents because of their sensitivity to fashion trends.

The Yankelovich Monitor yielded a profile of young people as knowledgeable consumers who often held pragmatic attitudes about the future. Even pre-teenage children, for instance, indicated saving for the future. They were often self-reliant, with 36 per cent claiming to prepare meals for themselves in 1993, compared with 13 per cent in 1987. Sixty-two per cent said they had visited a supermarket in the previous week.

Young people can be active and discerning consumers. Their consumer behaviour, however, develops gradually and progressively throughout childhood, and it yields and is susceptible to many social influences. Consumer socialization is characterized by a number of key influential agents, including parents, peers and various mass media, as well as direct experience. This book will examine the character of children as consumers, indicate how young consumers develop consumer awareness, and consider what freedoms they should be allowed and what controls should be implemented to protect the child consumer.

Overall the results suggest, as McNeal puts it:

before there is a geographic culture there is a children's culture; that children are very much alike around the industrialized world. The result is that they very much want the same things that they generally translate their needs into similar wants that tend to transcend culture. Therefore, it appears that fairly standardized multinational marketing strategies to children around the globe are viable.

(1992, p. 250)

If McNeal is right, findings on children as consumers will translate well across countries and across time. But parental habits and beliefs as well as the influence of the media are not likely to yield universal findings. Young people may not be the same everywhere, but the growth of the world economy and the increase in wealth particularly of the Pacific Rim countries means that young people as consumers worldwide are likely to share more common interests and tastes than did their parents' generation.

Given the nature of an increasingly consumer-oriented society, the commercial influences on young people's lives have grown to a point where they can have a profound impact on them (Gardner and Sheppard, 1989). Consumption fulfils symbolic needs as well as bodily ones. The influences of consumption-related messages in the news media and points of purchase may reach into young people's beliefs and value systems, cultivating social and moral norms with far-reaching implications for society. This situation creates an obvious need to understand as much as we can about children and consumerism.

2

Socialization of Child Consumers

As children grow up, they increasingly become involved in decisions related to the purchase of products or services. They may observe, request and select goods with permission while accompanying their parents shopping as well as make independent forays to shops themselves (McNeal, 1992). Effective decision making requires having in place the necessary skills to make judgments about different aspects of consumerism. These skills are acquired through a process of consumer socialization. This can be defined as the process by which children acquire the skills, knowledge and attitudes necessary to function fully as consumers. A variety of studies have focused on how and when children develop consumption skills involved in earning and understanding money, attending to advertisements, making consumer choices and purchasing goods. This process is shaped by a number of sociocultural forces including parents, peers, school, shopping experiences and the mass media (Carlson and Grossbart, 1988; Peracchio, 1992). Inevitably the process is also influenced by the prevailing state of the local, national and global economy.

Children's consumer socialization begins at a very early age. Long before children are able to purchase products they are already expressing their preferences to parents (Reynolds and Wells, 1977). Involvement with the consumption process has been observed to occur as early as age five (McNeal, 1969). Research has indicated that mothers may instruct their children about brand preferences, frequently by having potential young consumers observe their own brand choices (Bahn, 1987). Mothers take their children shopping from two to three years of age onwards and often explain to them what they are doing, thus providing a powerful role model. By the time children have reached nine years most have acquired fairly sophisticated consumption orientations though this may differ by gender and class. Consumer attitudes and values are likely to undergo change during childhood, in line with cognitive development theory which postulates successive stages in the development of cognitive ability with age.

Co-shopping experiences (i.e. when mother and child shop together) have been found to give children an opportunity to acquire in-store shopping skills. Possibly because of their more harried life styles, working mothers are more likely to undertake co-shopping with their children than are non-working mothers (Grossbart *et al.*, 1988). This style of shopping enables mothers to get certain domestic chores done, while spending important time with their children from which the latter can benefit as young consumers.

The consumer knowledge structure of children becomes more sophisticated and global as they grow older. Thus, young children (4–6 years) describe grocery shopping with their mothers in highly specific (i.e. episodic) terms. Older children (7–10 years), on the other hand, tend to give very general (i.e. categorical) descriptions (John, 1984). In fact McNeal (1992) found 4- to 12-year-old children amazingly brand conscious as Table 2.1 illustrates.

Young children have been found to display consumer-related skills beyond what would be expected given their theoretical stage of cognitive development (Ward *et al.*, 1977). With appropriate tuition, pre-school children can acquire a degree of consumer literacy which would not develop naturally before the age of eight (Moschis *et al.*, 1980).

The early school years also find the child changing in the way he or she interacts with agents of socialization. Television viewing increases throughout childhood years and so does its use as a source of consumer information (Adler *et al.*, 1980). Similarly, the use of newspapers, magazines and books appears to increase between the ages of 5 and 11 (Wartella *et al.*, 1979). Peer influence, on the other hand, seems to begin at about mid-childhood (McNeal, 1969). Parents also seem to treat their children differently according to the child's age. Overt parent-child interaction about consumerism is likely to be of importance during early childhood; it may be supplemented or followed by observation of parental behaviours in later childhood (Ward *et al.*, 1977).

Adolescence, the period covering ages 12 to 18, is an important area for illustrating the socialization perspective in relation to consumerism. Adolescence is a period of rapid change in consumer behaviour. In the short space of half a dozen years, the relatively dependent child is transformed into the relatively autonomous young consumer.

Several patterns of consumer behaviour appear to undergo formation and change during the adolescent years. The adolescent's discretionary income as well as expenditures constantly rise with age during this period (e.g. Moore and Moschis, 1978, 1979) (see Chapter 4). In addition, preferences for products and brands are likely to be formed and changed (Moschis and Moore, 1981d; Reynolds and Wells, 1977). During adolescence, the young person generally acquires several consumption-related skills and is transformed into a fairly sophisticated consumer (e.g. Moschis, 1978, 1981; Moschis and Moore, 1979a). Furthermore, several of the consumer-related orientations adolescents acquire are likely to persist well into adulthood. For example, a study of brand loyalty prepared for Yankelovich, Skelly and White for *Seventeen* magazine found that a significant percentage of adult women were using the same brands they first chose as teenagers (Madison Avenue, 1980).

TABLE 2.1 *Extent of brand consciousness among children*

<i>Product</i>	<i>Brand indicated</i>	<i>Frequency</i>
<i>Foods</i>		
Cereal	Yes	5
Candy	Yes	4
Cookies	Yes	4
Soft drinks	Yes	4
Chips	Yes	3
Ice cream	Yes	3
Fruit juice	Yes	2
Peanut butter	Yes	2
Bakery foods	No	—

Bottled water	No	—
Butter	No	—
Canned vegetables	No	—
Coffee	No	—
Detergent	No	—
Eggs	No	—
Fish	No	—
Fruits	No	—
Meat	No	—
Milk	No	—
Popcorn	No	—
Vegetables	No	—
<i>Nonfoods</i>		
Toys	Yes	16
Clothing	Yes	8
Records/cassettes	Yes	7
Video games	Yes	7
Sporting goods	Yes	6
Cosmetics/toiletries	Yes	5
Shoes	Yes	4
Stereos/jam boxes	Yes	3
Bicycles	Yes	2
Computer/software	Yes	2
Skate Boards/skates	Yes	2
Television sets	Yes	1
Books	No	—

Jewellery	No	—
Stickers	No	—
Telephones	No	—

Source: McNeal, 1992, p. 561

With increasing age adolescents are likely to develop more egalitarian sex roles regarding decision making (e.g. Moschis and Moore, 1979a). They also exert greater influence on adult and family purchases. Adolescence is a period of rapid change in interaction patterns with socialization agents. With respect to the adolescent's interaction with the mass media, research shows that television viewing and use of books declines, whereas radio listening, record playing and newspaper reading all increase (e.g. Avery, 1979; Lyle and Hoffman, 1971; Moschis and Moore, 1981a; Moschis and Churchill, 1978).

During this period, the adolescent's need for independence from his or her parents leads to greater dependency on peers (Coleman, 1961). In consequence, adolescents spend more time away from their family and home. This seems to affect adolescents' frequency of interaction with parents and peers. Thus, it is not surprising that age has been found to be associated negatively with frequency of communication about consumption with parents and positively with peers (Moschis and Churchill, 1978). While the frequency of communication with peers and parents seems to change, it is not quite clear whether the actual influence of these agents undergoes corresponding changes with age. Some studies have shown that parents are still the main influence affecting buying decisions (e.g. Moschis and Moore, 1979a), although their significance may be declining (Gilkison, 1973). Other evidence also suggests that such influence may be situation specific (e.g. Moschis and Moore, 1979a). Much may also depend on differences between the social background and status of the child's parents and his or her friends. Parents have a tendency to worry about their children mixing with the 'wrong crowd' who may exert more influence over their children's attitudes and behaviour than they do.

Consumer socialization can serve as a tool by which parents influence other aspects of the socialization process. For instance, parents frequently use the promise or reward of material goods as a device to modify or control a child's behaviour. A mother may reward her child with a gift if the child does something to please her, or may withhold or remove it if the child disobeys.

Research has supported this behaviour controlling function (Kourilsky and Murray, 1981). Specifically, adolescents reported that their parents frequently used the promise of chocolate as a means of controlling their behaviour (e.g. to complete homework or clean their rooms). Others have found that parents can teach children to apply economic reasoning. Children who were taught that they cannot have everything and must choose between realistic alternatives were found to be more satisfied with their choices (Kourilsky and Murray, 1981).

Consumer socialization has two distinct components: direct socialization related to consumption, such as the acquisition of skills, knowledge and attitudes concerned with

budgeting, pricing and brand attitudes; and indirect socialization related to consumption, such as the underlying motivations that spur a male adolescent to purchase his first razor or a young girl to want her first bra. While both are significant, the indirect component of consumer socialization is of most interest to marketers, who want to understand why people buy their products.

Consumer Socialization

The term 'socialization' refers to the process by which young people acquire various patterns of beliefs and behaviours (e.g. Goslin, 1969), while 'consumer socialization' refers specifically to the process of learning consumer-related skills, knowledge and attitudes (Ward, 1974). Socialization explanations of human behaviour make the following key assumption: To understand human behaviour we must specify its social origins and the process by which it is learned and maintained.' (McLeod and O'Keefe, 1972, pp 127–128.)

The adaptation of the socialization approach to consumer research was only proposed as a vehicle for the study of consumer behaviour in the mid-1970s (Ward, 1974). The area commonly known as consumer socialization has received considerable interest and attention mainly as a result of various contemporary issues related to public and corporate policy formulation. *Public policy makers* have developed an interest in the area because of various issues surrounding the effects of marketing activities (advertising in particular) on young people and their families. *Marketers* are primarily interested in understanding how young people develop consumer-related thoughts and behaviours, as a means of improving their communication campaigns directed at this rather lucrative segment of the market. *Consumer educators* need to understand consumer socialization in order to design appropriate consumer education materials and prepare young people for efficient and effective interaction with the marketplace. Finally, the area has become of interest to students of socialization and consumer behaviour because it seems to present new directions and opportunities for studying and understanding consumer behaviour.

Consumer socialization research is typically based on two models of human learning: the *social learning model* and the *cognitive development model*. Studies using the social learning approach attempt to explain socialization as a function of environmental influences applied to the person. Learning is assumed to take place during the individual's interaction with socialization agents in various social (structural) settings. The cognitive development model, on the other hand, seeks explanations for the formation of cognitions and behaviour on the basis of qualitative changes (stages) in the cognitive organization occurring between infancy and adulthood. These stages are defined in terms of cognitive structures that a child can use in perceiving and dealing with the environment at different ages (Kohlberg, 1969). There is considerable criticism of stage-wise theories, however (Furnham and Stacey, 1991). Learning is viewed as a cognitive-psychological process of adjustment to one's environment.

A model of consumer development has been produced by Moschis and his colleagues (Moschis and Churchill, 1978; Moschis and Moore, 1978, 1979a). This conceptual model consists of five types of variables derived from general socialization theories: socialization agents, learning processes, social structural variables, age or life cycle, and