## Children's Influence on Family Purchase Decision in Pokhara

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### **ABSTRACT**

This article assesses the children's influence on family purchase decision during the purchase of goods and services that explains major influence in purchasing decisions within the family. The main purpose of the study is to understand the relationship between factors of children's influence on family purchase decisions. The social learning theory is used to link the factors that determine the influence of children and, after reviewing various relevant studies, the conceptual framework is developed. The study has used descriptive, explanatory design and quantitative in nature. The sources of data collection are the primary sources. Structured questionnaires are used to know the opinions of parents on their children's influence on family purchase decisions. For the purposes of this survey, total 140 respondents (parents) are sampled by using convenience sampling method. The data collected from the questionnaire has been analyzed and interpreted with the help of SPSS 20 version to analysis the children's influence on family purchase decision. The regression and correlation method has been employed to show the impact and correlation between the dependent and independent variables. The analysis revealed that children have significant influence on family purchase decisions, particularly in categories like durable, vacations, movies, eating. Moreover, types of products and peer influence are playing important role on family purchase decision. The findings reveal to a better understanding of the complex family buying behavior, offer valuable and insightful information for marketers to target family-oriented consumers.

Keywords: Advertisement, childeren, family, parents, purchase

### 1. INTRODUCTION

Children play a significant role in the consumer market by influencing parents' purchases of products used at home or for themselves. More than 50 percent of parents in some Asian countries (India, Indonesia, Malaysia, Pakistan, Philippines and South Korea) say that children are a key factor when it comes to buying decisions, and they even said that "child demand" is the main reason to buy the product. When the parent's career is well established. In this state, children can participate more in the planning of purchases. Finally, in almost 70 percent of households where both parents

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work, children are empowered to contribute more to purchase decisions (Mikkelsen & Norgaard, 2006).

Today, children are not only passive observers, but also occupy a considerable position in the family, which has a significant impact on the purchase decisions of parents. Children exercise various methods to influence their parents' decision on buying. The extend of the child's influence on the parents' purchasing decision depends on the factors such as type of product, the characteristics of the child, parents, family, etc. Most of the research shows that children have a lot of influence on their decision to buy toys, cereals, snacks and child-related products like kids. (Kaur & Singh, 2006).

Children also exert their influence for family-related products like vacations, family eating out decisions and movies, as cited by Ali and Batra (2011). The influence of real children also depends on the parent's education, profession, income, whether the parent is working single or whether the parents are working, family type, product type (high, low, child-centered products) (Kumar, 2013). Today, children play a very decisive role in the decision of family purchases. They have the ability to provoke all members of the family. Their persuasive power cannot be missed in this modern world where they touch on all new market trends (Jain & Dave, 2015).

Children make up three different markets: primary, influencer, and future markets. Certain products are simply children's products because they are the primary user/buyer. They sometimes buy the product themselves or choose the product before their parents buy it. There are also products that allow children to clearly identify their preferences and speak out loud to wield direct influence or harass power and also parents' buying patterns are affected by their child's prior knowledge of their preferences and taste It is also seen that decision-making at home changes only with the presence of a child. (Filiatrault & Ritchie, 1980).

The children have multifaced influence on purchasing decisions and it vary depending on the product category and different stage of the decision-making process. The children may play a crucial role in initiating the purchase decision. Sometimes, they have more influence on the final selection decision either making of decision themselves or convincing the choices of their parents. All of this action is governed by how they have been socialized to purchasing act as a consumer. Socialization plays a crucial role in shaping how children understand and engage with consumption behaviors. Several factors contribute to this influence like family, peers, parental role, media, pattern of communication, sex role. It has also been observed that children are socialized by their parents to act purchasing as rational consumers (Kaur & Singh, 2006). Thus, the social learning factors influencing the socialization process of children. The knowledge of social factors serves not only to concentrate on the child consumer but also provide large sources of warning against influence on children. It's important to focus on the child consumer because children have distinct needs, values, and attitudes that cannot be understood through the lens of adult consumer behavior. Likewise, the behavior of children and young people reflect the characteristics in the present time in which they grow up by which they are formed as the time of their development. The children are influenced by the unique socio-cultural and political environment what they experience and reflects in their values, attitudes, and opinion (Sramova, 2017).

Nowadays children have more flexibility to select rather than things being chosen by the guardians on what they eat, wear, or purchase. They use any information without considering the context or connections between facts and events. However, this generation of children also uses

modern technologies for personal development and learning (Sramova & Hamranova, 2015). In this context, this study provides new insights to the marketers to implement new policy and strategy for product enhancement targeting to children. Therefore, through applying the social learning theory, the theory of social learning plays a crucial role in explaining how children recognize and integrate the world around them into their experience and behavior. Children acquire new behaviors by imitating or observation/modeling the actions of others. They learn consumer behaviors through these mechanisms, a process known as observational learning. The primary models for children's learning are those who are most influential in their lives, such as parents, siblings, peers, and media figures. Children strive to replicate what they observe in their environment. Social learning theory is rooted in behavioral learning theory, which emphasizes concepts like reinforcement and punishment. As a result, children play an active role in learning and reinforcing new behaviors and habits (Bandura, 1986; Shaffer, 2001; Murray 1985), this study tries to analyze the children's influence in family purchase decision in Pokhara. Which has been rarely evaluated in the Pokhara as well as in Nepal. Therefore, it would be helpful to analyze how the influence and dominance of children varies based on socio-demographic and socio-economic variables. Moreover, it is hoped that the findings will provide information for further research, for marketers and factors to be improved in order to meet the demand of customers.

### 2. LITERATURE REVIEW

The family always performs a very important intermediary function. It combines the larger society and the individual, in which a person learns various roles suitable for adult life. The family as the main decision-making unit of society plays an important role in the purchase decision-making process of individuals. Family decision-making is more difficult than individual decision-making because of different possibilities for joint decision-making and role specifications with members. Family can also strongly influence the behavior of the buyer (Communi & Gentry, 2000).

Research on family decision-making is primarily limited to spouses who have been considered relevant decision-making units in the family. Most of the authors tend to look at family decision-making from a gender perspective, so they try to explain the relative impact of the family in the decision-making process. The level of influence within the spouse depends on the contribution to the family and the type of cultural background from which the family comes from. However, the role of third-party influence, such as children, in decision-making strategies and negotiations is essential to take a broader view of the relevant analytical units. The family plays an important role in the socialization of consumers and in the process of how children become consumers. It is a form of education, among those in which children learn to act as consumers, acquire all abilities regarding purchase and consumption, and thus become competent to other consumers. (Pollya, 2012).

Traditionally, women were seen as buying agents for families. Nevertheless, the increased participation of women in the workforce is driving this shift in role, as children are increasingly "buyers" of the whole family. It has been observed that even in families where women do not work; children share this role with their mothers. Children enjoy greater discretion not only in making routine consumption decisions for their families, but also in bothering their parents to buy other products they want. Modern researchers express that children constitute a major consumer market, with direct purchasing power and the influence of indirect purchases while shopping (Kaur & Singh,

2006). Purchase choices inside the family are not continuously the result of person choice, but or maybe, family individuals impact each other. Youths utilize a run of impact procedures counting haggling methodologies such as cash bargains and influence methodologies such as asking to impact the result of family buy choices (Hamilton & Catterall, 2006). Direct influence means joint decision-making, active participation with family members to purchase, or the influence of a child that other family members choose or choose a product or a product of a particular brand can also be passive, when there is no evidence of speech or obvious behavior on the part of the child (Flurry & Burns, 2005).

Today, children are not only passive observers, but also occupy a considerable position in the family, which has a significant impact on the purchase decisions of parents. Children exercise various methods to influence their parents' decision on buying. The influence of the child on the parents who buy the decision depends on the type of product, the characteristics of the child, parents, family, etc. Most of the research shows that children have a lot of influence on their decision to buy toys, cereals, snacks and child-related products like kids. (Kaur & Singh, 2006).

Aggrawal and Khurana (2016) conducted a study on the influence of children in family purchase decisions processes for different product categories (durable, non-durable, child related product and services). The primary and secondary data has been used to conduct the survey. Total 120 parents with children aged 6 to 14 years are selected from the Delhi metropolitan city by using convenience sampling technique. The structure questionnaire is used, the collected data has been analyzed through descriptive and univariate ANOVA statistics. The findings revealed that influence of children is found highest in non-durable product followed by child related products and lowest in durable product. The influence of children has been found all stage of buying process for non-durable product. It is also found that different product categories have variable influence on different stages of buying process. This study helps to the marketer for development of marketing strategies by considering influence of children in different stage of buying process

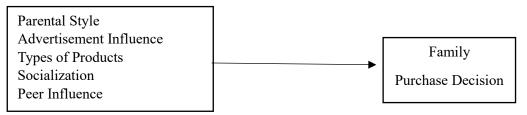
Raju (2018) conducted a study on the parental perception about influence of children aged 7 to 11 years in family purchase decisions. Total 3600 parents from 6 selected cities (Hyderabad, Mumbai, Kolkata, Delhi, Guwahati and Indore) with 10 schools are survey through the convenience sampling method by using structure questionnaire. The data has been analyzed by using descriptive method. The findings revealed that children have quite strong influence on the family purchasing decision process where Television advertising played a major role in identifying needs. Friends also played an important role in identifying needs. The children learned about new products because of their increased exposure to TV commercials. Children were able to identify the store to buy products, and also were able to identify the products in the store. This may be due to the fact that children pre-expose their products through TV commercials and accompany them to shopping malls with their parents. Children also searched for information through product packaging information. The children were able to compare the selected products with other brands based on attributes such as color, size, attractiveness, price and quality. Children in the age group of seven to eleven years were able to focus on both functional and perceptual attributes. Children are less concerned about price information comparisons due to immature financial literacy. More than 50 percent of parents allowed their children to buy the brand they proposed. Parents are therefore giving the freedom of choice of the brand and giving importance to their children's views on the buying process. Hence, the marketing strategy need to develop by considering the role of children.

Nain (2021) conducted a study on the emergence of children as an influence in family consumption decisions. Since children have traditionally extended their participation in the purchase of expensive family products, even considered to be from the domain of their influence, marketers who want to penetrate the family and/or child product market should identify the extent of his involvement to carve out an effective promotional strategy with a person in the family more likely to be involved in the purchase process. It's a good idea. Given the impact children have on the purchase of children's products and family products, it is essential to understand the variables that may have a mitigating effect on the impact children have so that they can make market segmentation based on key variables. Unnoticed segmentation characters, such as family structures, can help with segmentation. As families around the world are undergoing major changes, acquiring new forms, and as a result facing dissimilar decision-making environments, marketers need to effectively predict, plan and implement the right marketing strategy after considering these changes. The final suggestion of the study is that it has proven to be important because children are more adaptive and open to new technologies.

Bhargav and Pujari (2022) conducted a study on family buying decisions: the role of influence in children. Buying is a challenging and complex process, especially when children are involved with their parents and have a direct say in buying. The study revealed that children play an increasingly important role in family buying decisions, but the effect is by possibilities and constraints overall, the study's findings showed that children have a significant impact on family decisions when parents ask for input about what to buy. Research results have discovered that due to the influence of more open family communication and loose parenting styles, today's children have more personal power, more influence and receive more attention from their families, as different to earlier generations of children.

Jain et al. (2023) conducted a study on the influence of children parents' purchasing behavior, with particular reference to Young consumers in India. In today's world, children are a homogeneous group with a certain consumer identity. The cost of raising children is increasing. Due to the growing media and commercial exposure, children today have more knowledge and information and are aware of the items available. Parents agreed and encouraged their children's demanding behavior for lack of connection with them. Parents agreed that bonuses and giveaways linked to child-centric items would affect their children's shopping decisions. Children regularly shop with parents who ask for advice before making a purchase. Kids use some tactics to get what they want. They bother their parents to comply with their demands. Parents have more discretionary cash and less time for their children when both parents are employed. Instead of giving children time as a reward, they give them what they want. Advertisers know the value of their children and how important they are to parents in India. The food sector uses an effective marketing strategy known as "Pester Power" to sell its goods. But parents in India stick to saying "no" to their children when it comes to expensive products. Today children are increasingly accustomed to the brand, remember them and quickly distinguish them. So, it's up to parents to find the right balance between succumbing to pressure and resisting it. Through the study of various literature, a research framework has been prepared which are as follows.

**Figure 1**Conceptual Framework of Children's Influence on Family Purchase Decision
Independent Variables
Dependent Variables.



Various factors influence of children on family buying decision has been stated as independent variable and family purchase decision as dependent variable. Parental style refers to how parents interact and respond to the behavior of a child while socializing the child into their groups. Usually, children get marketplace ideas through their parents. But in today's world, children are more exposed towards more information through internets. So, this is an attempt to check whether socialization has impact on family buying decision or not. Children tend to know more information though advertisement. This has been examined as a independent variable for the study. Children spend most of the time with their friends. With the interaction among friends, they tend to share different ideas and perceptions among them. So, peer influence has also been included as an independent variable and family buying decision has been included as a dependent variable of the research. Family buying decision includes decision regarding purchase of various products from groceries, clothing to household products. Children are part of family and influence the family purchase decision making process.

There have been several studies done in past at different factors influencing children purchase decision using various statistical tools. Jain et al. (2023) conducted a study on the influence of children parents' purchasing behavior, with particular reference to young consumers in India. Bhargav and Pujari (2022) conducted a study on family buying decisions: the role of influence in children. Nain (2021) conducted a study on the emergence of children as an influence in family consumption decisions. Raju (2018) conducted a study on the influence of children in family buying decisions - parental perception. Aggrawal and Khurana (2016) conducted a study on the influence of children on family purchase decisions and many other researchers have tried several studies on the influence of children on family buying decisions. Researchers analyzed the information collected through structured questionnaires. There are still some parts that need to be investigated, rarely survey in Pokhara. Because people's lifestyles are changing and people are being educated, it certainly affects consumption patterns. To fulfill this area and methodological gap, parental style, advertisement influence, type of product, socialization and peer influence has been studied in this research. Therefore, this study aims to bridge the area and methodological gap by formulating the following hypothesis.

- $H_I$ : There is significant relationship between parental style, advertisement, type of product, socialization, peer influence and children influence on family buying decision.
- $H_2$ : There is positive impact of parental style, advertisement, type of product, socialization, and peer influence on family purchase decision.

### 3. METHODS

In order to conduct this research, the descriptive and causal correlation research design is used. The descriptive research design is used to assess the opinions or characteristics of respondents. Causal correlation research design is used to examine the relationship between parental style, advertisement influence, type of product, socialization, and peer pressure with family purchase decision. The source of data is primary and nature of data is quantitative. Parents from different places of Pokhara valley is the population of the study and the convenience sampling method is used. Total 140 parents are selected as sample size. For variation in the sample, parents from different places of Pokhara valley is sampled for data collected. The structure questionnaire has been used to collect the data, it has two sections. The first section aims to collect background of information about gender, age, education level, employment status, income level of respondents and so on and the second part contains the structured statements about the dependent and independent variables of this study, which is scaled from 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree). The structured statements include 5 item each for parental style, socialization, types of products and peer influence, followed by 6 items for advertisement influence for and 8 item for family purchase decision. The questionnaires are developed, used and customized to contextualized according to survey (Sharma & Sonwaney, 2014; Aktar, 2017; Jin, 2023). All data are processed using excel and then SPSS 20 version in order to obtain result. The Mean, standard deviation and Pearson's correlation coefficient. The p-value is used to find significant level of the correlation and the correlation coefficient is used to decide direction of the relation between dependent and independent variables. The multiple regression analysis has been done to find out the impact of children on the family purchase decision therefore, the following model has been developed to show the impact on family purchase decision by children.

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + \dots + b_t X_t + u$$

Where

Y = the variable that you are trying to predict (dependent variable: family purchase decision).

X = the variable that you are using to predict Y (independent variable: parental style, advertisement influence, type of product, socialization and peer influence).

a =the intercept.

b = the slope.

u =the regression residual.

Furthermore, variance influence factor (VIF) and tolerance limit have been computed to assess the multicollinearity situation in the regression model. The ethical issues have been also considered before the data has been collected.

### 4. RESULTS AND DISCUSSION

This section is divided into two parts. The first part deals with results. The second part deals with discussion.

### Results

This sub-section shows the results of demographic background and influence of parental style, advertisement influence, type of product, socialization and peer influence with family purchase decision

 Table 1

 Demographic Profile of the Respondents

Demographic Variables	Sub Categories	Frequency	Percent
Gender	Male	62	44.3
	Female	78	55.7
Age mix	Up to 30	6	4.3
	31-35	30	21.4
	36-40	51	36.4
	above 40	53	37.9
Education level	Up to SLC	1	.7
	+12	8	5.7
	Bachelor	93	66.5
	Masters and above	38	27.1
Occupation level	Employee	33	23.6
-	Business	79	56.4
	Professional	28	20.0
Family type	Nuclear	129	92.1
	Joint	11	7.9
Family income	below 25000	5	3.6
	25000-50000	35	25
	50000-100000	40	28.6
	100000 and above	60	42.8
Spouse working status	Non-working	46	32.9
-	Working	94	67.1
Youngest child type	Boy	41	29.3
-	Girl	99	70.7
Child age mix	3-5 years	32	22.9
-	6-8 years	49	35.0
	9-11 years	28	20.0
	12-14 years	31	22.1

Note. Field Survey, 2024.

Table 1 shows demographic background of the study, where, the gender of the respondent i.e. of the parents who were respondents of the questionnaire. Out of total 140 respondents this shows that 44.3 percent fathers and 55.7 percent mothers provided their opinion through the questionnaire. The survey revealed that 4.3 percent fall in the age group up to 30, 21.4 percent lied in age group 31-35, 36.4 percent lied in age group 36-40 and 37.9 percent fall in age group above 40. As per the collected data, out of the total respondent, 0.7 percent were up to SLC followed by 5.7 percent up to 12, as 66.5 percent up to bachelor and 27.1 percent masters and above. The occupation background of the respondents shows that 23.6 percent of them were employed and other 56.4 percent were involved in business. Similarly, 20 percent were professional. The professional includes engineers, professional photographers and college lecturers. Out of 140 respondents, 7.9 percent respondents belonged to joint family whereas 92.1 percent respondents belonged to nuclear family. This shows the changing family structure of the Nepalese society from joint family to nuclear family. The table also shows the family income level of respondents where

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3.6 percent of them were earning below 25,000, 25 percent of them were earning 25,000-50,000, 28.6% were earning 50,000-100,000 and finally 42.8 percent of them were earning 100,000 and above. Among 140 respondents, 67.1 percent of respondents are working family and rest of the respondents are non-working family. This shows that, parents get involved in some income generating sources to fulfill their needs and demands. the respondents of 29.3 percent family had youngest child boy and rest of family have girl. Only youngest child of the respondents is considered for this research. Finally, table also shows the age group of the youngest child of the respondents, where majority of them represented up to 6-8 years which is 35 percent. Similarly, 22.9 percent respondents revealed that their youngest children lied in age group 3-5 years. 20 percent lies in 9-11 years and remaining 22.1 percent revealed that their youngest children lied in age group 12-14 years.

## Status of Factors Affecting Children's Influence on Family Purchase Decision

This part represents the descriptive analysis of the data collected through the questionnaire. It provides simple summary about the sample and about the observations that have been made. In this research study, there were many factors determining children influence on family purchase decisions. Here, 'Five Point Likert Scale' questions were asked to the respondents which scaled from 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree) for all variables in survey research. The authoritarian parental style questions were included six items. These opinion items are presented as PS1, PS2, PS3, PS4 and PS5. The advertisement was based on six different opinion statements as AI1, AI2, AI3, AI4, AI5 and AI6. Likewise, type of product was analyzed based on five different opinion statements. The family related product type questions were included as TP1, TP2, TP3, TP4 and TP5. The socialization was analyzed based on five separate opinions. These opinion items are showed as S1, S2, S3, S4 and S5. The level of agreement of the respondents towards peer influence was analyzed based on five different opinion statements. These opinion statements are presented as PI1, PI2, PI3, PI4, and PI5. The level of agreement of the respondents towards the dependent variable family purchase decision is analyzed based on eight separate opinions. These opinions are presented as FPD1, FPD2, FPD3, FPD4, FPD5, FPD6, FPD7 and FPD8. Questions related to each determinant and their descriptive statistic are shown below which shows the agreement level of the respondents.

 Table 2

 Descriptive Statistics of Children's Influence on Family Purchase Decision

Construct	Mean	SD	Remarks
Parental style (PS)	3.63	0.851	Agree
Type of product (TP)	3.99	0.592	Agree
Socialization (S)	3.96	0.601	Agree
Peer influence on family (PI)	4.06	0.571	Agree
Advertisement influence	4.15	0.588	Agree
Influence on the family purchase decision (FPD)	4.13	0.628	Agree

Note. Field Survey, 2024.

Table 2 shows the descriptive analysis of study variables. It reveals that overall mean, standard deviation and level of agreement and disagreement on the statement. The mean and standard deviation of parental style (mean=3.63, SD=0.851), type of product (mean=3.99, SD=0.592), socialization (mean=3.96, SD=0.601), peer influence on family (mean=4.06, SD=0.571),

advertisement influence (mean=4.15, SD=0.558), and influence on the family purchase decision (mean=4.13, SD=0.628). the descriptive statistics of mean and standard deviation shows that all the value are above the average and all the value of standard deviation are less than one. The mean value indicates that all the parents are agree that children influence in the family purchase decision. The standard deviation indicates that there is a chance of occurrence of outlier or no outlier and the data sets are around the mean. The SD also indicates that the independent variables consistently affect the dependent variable.

# Relationship between Factors affecting Children's Influence on Family Purchase Decision

This analysis part includes all the statistical analysis made to verify the hypotheses and determine the significance level of children's role on family purchase decisions. Pearson correlation test was conducted to see the correlations between the independent variable such as Parental Style (PS), Advertisement Influence (AI), Type of Product (TP), Socialization(S), Peer Influence (PI) and dependent variables is Family Purchase Decision (FPD)

 Table 3

 Relationship between Children's Influence on Family Purchase Decision

	N	PS	AI	TP	S	PI	FPD
PS	140	1	.288**	.199*	.096	.447**	.279**
AI	140		1	.391**	.349**	.236**	.226**
TP	140			1	.491**	.300**	.322**
S	140				1	.406**	.245**
PI	140					1	.350**
FPD	140						1
Note. **C	Correlation is	significant	at the 0.01 level, a	nd *Correlation	is significant at t	he 0.05 level.	

Table 3 shows the relationship between independent variables such as PS, AI, S, TP, PI with dependent variable FPD. All the independent variables (PS, AI, S, TP, and PI) have positive correlation with dependent variable (FPD). All dependent and independent variables are significant at the 0.01 level of significance. Where, the correlation between of family purchasing decision with influence of children (parental style r (140) = 0.279, p< 0.05, advertisement influence r (140) = 0.226, p< 0.05, type of product r (140) = 0.322, p< 0.05, socialization r (140) = 0.245, p< 0.05 and peer influence r (140) = 0.350, p< 0.05) has low degree of significant correlation. Here, it can be understood that the independent variables (PS, AI, S, TP, and PI) have positive influence on purchase decision. Thus, alternative hypothesis (H¹) is accepted at 0.01 level of significance with as PS, AI, S, TP, PI and FPD.

# Impact of Factors of Children's Influence on Family Purchase Decision

This part includes the test of data in terms of reliability. Reliability ensures that if data were to be collected again under same circumstances, same output would be generated. The research report finding is truthful because it has measured the relationship of independent and dependent variables, the independent variable such as Parental Style (PS), Advertisement Influence (AI), Type of Product (TP), Socialization(S), Peer Influence (PI) and dependent variables is Family Purchase Decision (FPD). According to reliability statistics test, sampled variable has Cronbach's alpha 68 percent which represents data concerning to sampled variable is reliable for this study and remaining 32 percent was error.

**Table 4** *Impact of Factors of Children's Influence on Family Purchase Decision* 

	Unstandardized Coefficients				Collinearity Statistics	
Ī	В	Std. Error	t	Sig.	Tolerance	VIF
(Constant)	2.161	.404	5.343	<.001		
PS	.058	.041	1.429	.155	.737	1.356
AI	.050	.088	.568	.571	.767	1.303
TP	.181	.085	2.127	.035	.693	1.442
S	.028	.082	.345	.730	.643	1.555
PI	.176	.081	2.174	.031	.665	1.504
$\mathbb{R}^2$		0.192				
Adjusted R <sup>2</sup>		0.162				
F-Statistics (5, 144)	)	6.366				
P-value of F-Statist	ics	0.001				

According to Hakuduwal (2019), all the tolerance value greater than 1 and all the variance tolerance factors vales are less than 10, is acceptable. It means there is no multicollinearity between the dependent and independent variables. From the Table 4, the study shows that parental style has positive impact but there is no significant effect on FPD. The study shows that if Parental style increased by 1 percent, leads to increase of FPD by 0.058 percent remaining other variables constant. As children gets older, their influence and decision-making power within the family about purchase tends to increase. Younger children may have preferences, but older children can actively participate in discussion and influence the final decision which is similar to the research of (Swinyard & Sim, 1987).

Advertisement influence has positive impact and insignificant with FPD which shows that if advertisement influence increased by 1 percent, leads to increase of FPD by 0.050 percent remaining other variables constant. Advertisers segment their audience based on age and income demographics to effectively adapt their message. They create ads that appeal to the specific needs, tastes and purchasing power of different family segments. Children usually see advertisement of the product that they want to buy which has positive impact on advertisement influence which is similar to the research done by (Raju, 2018).

Type of product also has positive impact and significant with FPD. The study shows that if type of product increased by 1 percent, leads to increase of FPD by 0.181 percent remaining other variables constant. The age of the child and household income largely shape the type of products a family buys. These factors affect not only the immediate needs and preferences of children, but also the financial considerations and lifestyle aspirations of the entire household. Marketers and product developers need to understand these dynamics to effectively target and meet the diverse needs of families across different age groups and income groups. (Nain, 2021) also concluded similar outcome.

Socialization also has positive impact and insignificant with FPD. The study shows that if socialization increased by 1 percent, leads to increase of FPD by 0.028 percent remaining other variables constant. Children's age and household income intersect to shape how socialization affects family buying decisions. Understanding the dynamics can help marketers and businesses adjust their strategies to relate with families across different age groups and income groups, taking into account social and developmental factors which are similar to result of (Keren & Aylin, 2013) and (Aggrawal & Khurana, 2016).

Lastly, peer influence has positive impact and significant with FPD which shows that if peer influence increased by 1 percent, leads to increase of FPD by 0.176 percent remaining other variables constant. Children are highly influenced by their friends, classmates, and social media peers in their preferences for clothing, electronic toys, music, and leisure activities according to the age. They want what their friend has. This concludes similar result as of (Swinyard & Sim, 1987).

R square to be 19.2 ( $R^2 = 0.192$ ) percent which means that the variation in family buying decision is explained by independent variables such as age, educational level, family structure, type of family, household income, spouse employment status, age of child (youngest child), gender of child (youngest child), parental style, advertisement influence, type of product, socialization and peer influence. The R-square value is less than 50 percent. It explains that children's behavior is harder to predict than things like physical processes but type of product and peer influence have statistically significant coefficient therefore, it represents the mean change in the dependent variable given in one unit shift in independent variable. The adjusted R-square value actually decreases with compare to the R-square. When a model with comparing different independent variable to one variable, the adjusted R-square adjusts the additional input variables in a model but it does not improve and adding the value to the model fit by a sufficient amount. The F-statistic tests the overall significance of the regression model. A larger F-statistic relative to its critical value indicates that the regression model is statistically significant. In this case, the F-statistic is 6.366 with a very low p-value (p = 0.001), indicating that the regression model as a whole is statistically significant. The PS, AI, TP, S and PI have positive impact on family purchase decision. But, PS, AI and S have no significant impact with family purchase decision. However, TP and PI have positive impact and significant relationship with family purchase decision at 0.05 level of significance. Thus, TP and PI have positive impact on family purchase decision. So, the alternative hypothesis (H<sub>2</sub>) is accepted.

## **Discussion**

This study used a descriptive and causal comparative research design to investigate the children's influence on family purchase decision. Primary data was collected with closed ended survey. The outcome was obtained with the use of various statistical tools. The independent variable's mean values are above 3.5 which results indicate that all respondents are agreed that children have influence on family purchase decision. All the independent variables (PS, AI, S, TP, and PI) have positive correlation with dependent variables (FPD) and significant at the 0.01 level of significance. Here, it can be concluded that independent variables impact on family purchase decision. Thus, alternative hypothesis (H1) is accepted at 0.01 level of significance. Here, R2 is 0.192, which indicated that the impact of independent variables on dependent variable is just 19.2%. The result is similar with the study done by Kaur and Singh, (2006) and Sharma and Sonwaney, (2014). People are aware about their family and tends to fulfill their basic needs too. So, they are engaged in any sort of income generating sectors which is similar to research of Jain et al., (2023). The outcome demonstrated that parental style; advertisement influence, socialization, type of product and peer influence significantly impact the family purchase decision. Kerem & Aylin (2013) and Sharma and Sonwaney (2014) concluded same result where children hold significantly more purchasing power and exercise stronger impact on family buying decision. In which, it demonstrated that traditionally, marketer does not considered children is an important consumer segment. A study by Kiriinya et. al, (2014) has been found that family decision is made jointly.

Family has strong influenced on buying behavior decision. This study found that decisions is made by parents because most of them stay in nuclear family. Similarly, Raju (2018) discovered similar results where parents give freedom to their children to buy any brand they want and give them importance to their buying process. A study by Bhargav and Pujari (2022) discovered that buying is a challenging process. The children are involved in buying therefore, they have significant impact on family decision. A study by Jain et al., (2023) found similar result that is the cost of raising children is increasing because of the growing media and commercial exposure. Children have more knowledge and information and they are more aware of the items that they want to pursue.

#### 5. CONCLUSION

Family is a fundamental social unit that consists of parents and their children that are bound with blood or any emotional connections among them. In past, decisions have been limited to the parents i.e. father and mother. But in today's dynamic world, buying procedure has been more complex because of inclusion of child's perception. Advertisements, peer influence, socialization, parental style, and type of product are major determining factors children's exposure to products Parents are agreed with the influence of children in the family purchase decision because of advertisements and peer influence played the key role in identifying the need. With the increased exposure of advertisements, children know about new product. Therefore, children can easily identify the products that which product they want to buy and where the product is available (the location of store) and other side, the peer is one important socialization process that influence the children with respect to different factors. The type of product is one of the significant determinants of children's influence on purchase decision because of they tend to recognize fewer product but focus more on expensive and durable product items. Additionally, that they often express their opinion about the product to their family any time. Children influence their parents to buy the specific product based on product packaging factors such as size, color, price, quantity, attractiveness and so on because they recognize instantly due to advertisement, peer, socialization and parental style as well. The study revealed that children strongly influence on family purchase decision, with parental style; advertisement influence, socialization, type of product and peer influence showing a positive correlation. Although, parents are educated, they often allow their children to buy the products they suggest. Children feel happy when their suggestions are appreciated. This study concludes that developing countries like Nepal, children highly influence their parents' purchase decision, despite the limited variables. Based on the research finding, this study offers valuable insights to the marketing manager, families, and policy maker to understanding the child's role in decision making that can assist with the children's needs, inform targeted marketing strategies, product development and advertisement campaign focusing to both parents and children. It also supports successful product launches, to create brand loyalty among families and policy discussion on protecting children from harmful marketing practices.

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