When you finish this chapter, you should understand why:

1. Marketers often need to understand in many cases more than one person decides what to buy
2. Our traditional notions about families are outdated
3. Marketers must understand the household structure and decision making
4. Member play different roles and have different amount of influence
5. Children learn over time what and how to consume
More than one person makes many purchasing decisions.

- Collective decision-making
  - Two or more people evaluate, select, or use a product or service.
  - May not both have same interest

- In families, members play several different roles during the decision-making process.
ROLES IN COLLECTIVE DECISION MAKING

- Initiator
- Gatekeeper
- Influencer
- Buyer
- User
Assume that you are a car salesman working with a family that is purchasing a new car for their 16 year old daughter.

- List all the people that may be involved in the decision making and their roles

  - Initiator
  - Gatekeeper
  - Influencer
  - Buyer
  - User
OBJECTIVE 3: OUR TRADITIONAL NOTIONS ABOUT FAMILIES ARE OUTDATED.

- **1950 – 78% of households - Two parent household**
  - Mom and a dad
  - Divorce was not a common thing (societal pressure, carried a stigma)
  - Only 9% of all US homes had only a single occupant

- **Moms were younger**
  - People married at about 22 years old for men and 20 for women
  - About 60% of all married couples owned their home
  - Complete plumbing (bath, shower, flush toilet) only available in 64% of homes
  - Every TV family was portrayed as “perfect”. Any problem could be resolved in a 30 minute episode.

- **Dinner was eaten together, as a family, 7 nights a week**
  - After dinner the family would sit and watch TV – the whole family watched the same show
  - Only one phone in the whole house (party lines)
  - Kids owned a small record player, a transistor radio
WHAT IS A FAMILY?

- Traditional family structure (mom, dad, children) continues to decline
- Many other types of families taking their place
  - Greater emphasis on siblings
  - Close friends
  - Relatives
  - Social support (big brothers and sisters)
WHAT IS A FAMILY?
1. **Intentional families**
   - Groups of unrelated people who meet regularly for meals and who spend holidays together.

2. **The extended family**
   - Once most common family unit
   - Consisted of three generations living together and often included the grandparents, aunts, uncles, and cousins.

3. **The nuclear family**—
   - A mother, father, and one or more children

The U.S. Census Bureau regards any occupied housing unit as a **household**, regardless of the relationships between the people who live there. (one person, 3 roommates, 2 partners, etc)
51% of American women now live without a spouse
- Younger women marry later
- Older women live longer as widows
- Women delay marriage once divorced

5% households consist of unmarried opposite sex partners
- Living together
- POSSLQ (persons of opposite sex sharing living quarters)

Same sex households
- Marketers targeting as a family unit (gayweddings.com, twobrides.com)
Many factors which affect the size of a family.

- The higher the education of the parents, the fewer children
- Fertility rate in women waiting to give birth
- Religious beliefs and the availability of birth control
- Worldwide, women tend to want smaller families than in past
- There is a growing trend toward voluntary childlessness
Sandwich generation: adults who care for their parents as well as their own children

Boomerang kids: adult children who return to live with their parents

- Spend less on household items and more on entertainment
Childless couples, including those who define themselves as voluntarily childless, are an attractive segment for some companies.

DINKS (dual income, no kids) couples are better educated on average than those with kids are.
Pets are treated like family members

Pet-smart marketing strategies:
- Name-brand pet products
- Lavish kennel clubs
- Pet accessories

Americans are humanizing their dogs and cats
- Pet insurance
- Birthday and holiday presents for pets
Factors that determine how family spends money:
- Children present
- Age of children
- Both spouses work

Marketers apply the Family life cycle (FLC) to segment households.
- Combines trends in income and family composition over time
VARIABLES AFFECTING FLC

- Age
- Marital Status
- Children in the Home
- Ages of Children in the Home
Members of a family unit play different roles and have different amounts of influence when the family makes purchase decisions.
**Consensual purchase decision**

- Members agree on the desired purchase
- Disagree only in terms of how they will make it happen
  - Getting a dog – some voice concern who will care for it
  - Solution: chart assigning duties

**Accommodative purchase decision**

- Group members have different preferences
- Can’t agree on a purchase to satisfy everyone’s needs
  - Movie night, buying a PS 3
- Use bargaining, coercion, and compromise to achieve agreement on what to buy and who uses it.
- **Interpersonal needs** – a person’s level of investment in the group
- **Product involvement and utility** – the degree to which a person will use the product to satisfy a need
- **Responsibility** – for care, procurement, maintenance, payment, etc.
- **Power** – the degree to which one family member exerts influence over the others
WHO MAKES KEY DECISIONS IN THE FAMILY?

- **Autonomic decision**: one family member chooses a product
- **Syncretic decision**: involve both partners
  - Used for cars, vacations, homes, appliances, furniture, home electronics, interior design, phone service
  - As education increases, so does syncretic decision making
FACTORS AFFECTING DECISION-MAKING PATTERNS AMONG COUPLES

- Sex-role stereotypes
- Spousal Resources
- Decision Making Experience
- Socioeconomic Status
OBJECTIVE 6: CHILDREN AS DECISION MAKERS

- Children learn over time what and how to consume.
Children make up three distinct markets:

- **Primary market:**
  - kids spend their own money

- **Influence market:**
  - parents buy what their kids tell them to buy (parental yielding)

- **Future market:**
  - kids “grow up” quickly and purchase items that normally adults purchase (e.g., iPods, cell phones, fashion)
HOW DO KIDS KNOW WHAT THEY LIKE?

- Learn to consume through the socialization process.
- Learn to act as consumers from the environment around them.
- Parents are a big influence also teachers.
- Learn from television, which for many is akin to an electronic babysitter.
  - Computer (iPad)
- The culture all around us influences are beliefs and patterns.
A CONSUMER IS BORN

Children start accompanying parents to the marketplace as early as one month old and begin to make independent purchases as early as four years old.

- **Stage 1: Observing**
- **Stage 2: Making requests**
- **Stage 3: Making selections**
- **Stage 4: Making assisted purchases**
- **Stage 5: Making independent purchases**

![Graph showing the earliest and median ages for each stage of consumer development.](image)
Sex-Role Socialization

- Children pick up on the concept of gender identity at an earlier age than was previously believed (age 1 or 2).
- Adulthood rehearsal (you're the mommy, I'm the daddy)
- Often “traditional” sex roles are stressed in children’s products
The purchase decisions made by many may differ from those made by individuals.

Our traditional notions of family are outdated.

Family members play different roles and varying levels of influence.

Children learn over time how to consume.
BUILDING PERSONAL BRAND RELATIONSHIPS