Intergenerational Influences on Brand Preferences: Consumables Vs Durables

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Abstract

Purpose – *The purpose of this paper is to assess the underlying structure of Intergenerational influences (IGI) on brand preferences.*

Design/methodology/approach – *Survey methodology was used to collect the data and a total of 260 families were interviewed for their brand preferences and twelve different product categories were examined during this exercise to measure the IGI on brand preferences.*

Findings – *The descriptive statistical method was used to analyze the data. Results showed that IGI on brand preferences for durable goods structurally differs with consumer goods based. Results also show a clear distinction between IGI preferences for durables and IGI preferences for consumables. There is a significantly larger difference in IGI influences for consumables as compared to durables.*

Research limitations/implications – *The research focuses on only 12 product categories; further research for other services may be necessary before generalization can be made on the services sector as well.*

Practical implications – *Findings of this research can be used in marketing and brand communications. It can also be translated in heritage for brand imagery. This preliminary study highlights a need for further study on this area.*

Originality/value – *Although there are many studies on IGI preferences; research on comparisons between consumables and durables is very limited. This research adds significant value by dissemination of knowledge on the subject area.*

Key words: Intergenerational Influences, IGI, Brand, Consumables, Durables, Consumer Behaviour

1. Introduction

The major objective of this research is to measure the underlying structure of Intergenerational Influences (IGI) on brand preferences for two generations in the same family for consumable products and durable products.

The intergenerational influence (IGI) is defined as transmission of information, believes, attitudes and behaviour from one generation to another generation (Moore, Wikie, & Lutz, 2002). Intergenerational influence has been studied in a variety of ways including political effect (Niemi & Jennigs, 1991), decision making pattern in the family (Davis, 1976; Beatty & Talpade, 1994), social influence (Hoge, Petrillo & Smith, 1982).

Intergenerational influence (IGI) on brand preference is mainly observed in collectivist societies instead of individualist societies (Perez, Padgett, & Burgers, 2011). Furthermore they stress that societies with higher respect towards parents show a strong intergenerational influence. A lot of work has been done in different parts of the world and presented remarkable results about intergenerational influence on brand preferences such as in America, Mexico, Taiwan etc (Moore, Wikie, & Lutz, 2002; Kater, 2004; Perez, Padgett & Burgers, 2011) but there is rare such work in developing countries like Pakistan.

2. Literature Review

Many researchers have done researches on the intergenerational influence (Moore, Wikie, & Lutz, 2002; Perez, Padgett & Burgers, 2011; Schindler, 2008; Bravo, Fraj, & Martinez, 2007). The intergenerational influence is basically emerges through socialization theory. Socialization is defined as the process through which people make the way of social behaviour (Child, 1969) or it is a process through which people learn the role and regulation to live in the society in an effective manner (Brim ,1968). Hence socialization process makes a way for the creation of the intergenerational influence.

Heckler (1989) observed that intergenerational influence is higher among those adults who are not married but after the marriage it starts weakening. IGI on brand preference is more powerful for only selective brand, not for all brands (Moore, Wikie, &Lutz, 2002).

Young adult female livings with the parents have stronger intergenerational but after the marriage as she lives independently, the intergenerational influence diminishes (Perez, Padgett, & Burgers, 2011). They also found that the role of culture is very important in defining intergenerational influence such as the intergenerational influence is stronger in the collectivist society and less in the individualistic society. Hofstede (2001) also pointed out the same kind of cultural relationship in his research. All consumption domains tested, mother –daughter brand association significance is greater than zero which shows that intergenerational influence is greater among mothers and daughters (Mandriket, 2004).

IGI is greater among the teen age child and the parents and have a strong correlation among them but there is a week correlation between non-teen aged child and the parents (Schindler, 2008). He also found some interesting result that child with opposite sex with parents have week correlation in the shape of intergenerational influence (Schindler, 2008).

Young consumers start buying the same brand as that of their parents, but as they grew elder they form their own criteria of buying behavior (Bravo, Fraj & Martinez, 2007). That's why companies should focus on developing the brand loyalty on brand image by taking the advantage of the intergenerational influence. Results also show that family influence affects the brand awareness, association, and perceived quality and brand loyalty.

First, though it was clear that parents had some influence on the brand preferences of their children (Olsen, 1993), but their magnitude is not clear and no about the time period. Generally, it is assumed that parents have the influence on the brand preferences of their adults while the adults lived in the home. Hence, it is assumed that once adults' lives away from the home; they are exposed to more brands and have less influence of the parents on their brand preferences. As a result, the expectation is that IGI should diminish over time as the children become more independent in their brand choices (e.g. Woodson, 1976). In collectivist cultures like Mexico IGI more, adults remain with their parents for long period of time than in the USA where the culture is individualistic (Perez, 2011).

3. Methodology

The study examined the intergenerational influence on brand preference in Pakistan. For this purpose a questionnaire was borrowed from the Perez, Padgett & Burgers, (2011). The researcher made a modification in the product category development according to the Pakistani culture and availability of the products in the market using 12 product categories. A survey form is made for the collection of the data. Survey form is divided into three sections. First two sections contain the same product categories to collect the data on brand preferences.

First section was reserved for the respondents to write their preferred brand in front of the product category. While second section was the replica of first section but it has to be filled up by their parents. Third section contains the demographic variables of respondents.

A total of 260 families were interviewed for their brand preferences exercise. From each family two consecutive generations were interviewed. Although it was not targeted but all of the respondent family members were from the same gender i.e. father/son or mother/daughter pairs were interviewed. 400 survey forms were distributed targeting 200 father/son pairs and 200 mother/daughter pairs. The total response rate was 65% and 260 questionnaires were collected back (N = 260). The sample consisted of 146 males and 114 females with younger generation aged between 18 and 40 years (N=260).

4. Results and Discussion

Intergenerational influences (IGI) on brand preferences for two generations were computed and presented in Table 1. From the table above it appears that that intergenerational influence has impact on the selection of the brands. Intergenerational influence is an important determinant of brand preference for the Pakistani market. The exact brand preferences of the all twelve products are observed more than 50%. The results of exact brand preference match in percentage are shown in the second column of the table above. The third column of the table is showing those brand which have largest brand preference of every product category. The fourth column of the table is exhibiting the total number of brands of each product used by the selected population. The electronic products which are durable dominants have high percentage of brand preference than other products used in this study. This is due to that the electronic products are bought on the collective decisions of the family. And it has the long lasting effect on the generation. The key brands which are mostly preferred by the parents and the son / daughter with high scores are listed in the third column of the table in front of each product. Among the toothpaste brand preference matching is 66.2% and Colgate has the highest brand preference matching with 66.2% between parents and the son / daughter.

The 12 products categories used in the survey were factor analyzed using Principle Component Analysis extraction method and Oblimin with Kaiser Normalization rotation method. The component matrix of two factor solution was considered by applying factor loading criteria. It reflects the underlying structure of IGI in different product categories and it is obtained by the factor analysis. The two factors obtained were named as Consumables and Durables. The explained variance, mean, standard deviation and KMO values of both consumables and durables are given in the Table-2. A chi-square test for goodness of fit shows that there is a significant difference in the proportion of matching IGI brand preferences in consumable product category. In this case the value is statistically significant (Sig. 0.00). Chi-square test for goodness of fit shows that there is a significant difference in the proportion of matching IGI brand preferences in durables product category and values are statistically significant (Sig. 0.00) as shown in table 3.

5. Conclusions

As an outcome of the study it is concluded that intergenerational influences has dominant impact in the Pakistani market in the case of brand preference. This study shows the high intergenerational influence in the brand preferences of durable product category than the consumable products.

6. Need for Further Research

The study concludes while presenting several issues for further research, which can expand the current knowledge on consumer behaviour in market segmentation. The drivers and mechanisms of consumer behaviour for intergenerational brand preferences have not been explored deeply in previous studies. However this study has paved a way for further research in several aspects. Still, there is chance of improvement and most of the opportunities for further research derive from the limitations pertaining to the empirical investigation and analysis. Based on the experience of conducting the current study, future studies could also try to replicate the current one in different contexts, such as in a different country and possibly using different set of services or products.

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Table - 1: IGI for selected brands.

Product Category	Preference match (%)	High Score Brands (%)		No. of brands/ category
Bulb / Energy Saver	81.5	Philips	68.6	11
Iron	79.2	National	51.7	17
Refrigerator	76.9	Dawlance	47.3	13
Television Set	75.0	Sony	47.3	09
Fan	74.6	Pak Fan	29.8	16
Cream / Lotion	69.6	Fair & Lovely	40.1	18
Toothpaste	66.2	Colgate	50.9	16
Soap	61.2	Lux	40.1	18
Shampoo	58.5	Sunsilk	29.6	13
Biscuits	54.2	Sooper	22.1	21
Soft Drinks	52.7	Pepsi	35.0	09
Milk	52.7	Nestle Milkpak	28.8	08

Table 2: Exploratory Factor Analysis: IGI on brand preferences

	Factors	
	Consumables	Durables
Eigen values	4.65	1.27
Variance Explained	38.76	50,00
M	0.64	0.78
SD	0.32	0.29
KMO	0.85	0.79
Items		
Soap	0.78	
Cream/lotion	0.74	
Shampoo	0.68	
Biscuits	0.68	
Cold drink / juices	0.66	
Toothpaste	0.64	
Milk	0.38	
Refrigerator		0.88
Fan		0.75
Television sets		0.64
Iron		0.61
Bulb / energy saver		0.48

Extraction Method: Principal Component Analysis.

Rotation Method: Oblimin with Kaiser Normalization.

Table 3: Test Statistics

Category	Observed N	Expected N	Chi- square values	Sig.value
Consumables	-	-	269.924[a]	.000
non matching	71	189	-	-
matching	189	71	-	-
Durables	-	-	281.938[b]	.000
non matching	70	190	-	-
matching	190	69	-	-

0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 71.0.
0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 69.9.