

# Consumer behavior of children

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## -----ABSTRACT-----

*In 2024, the representatives of the Alpha generation and a small part of those of the Z generation form the segment of children. It is important for marketers to understand the consumer behavior of children and how it is formed in order to create adequate approaches to satisfying their needs. The article addresses several key aspects related to the study of children's consumer behavior. The first issue must consider which generation in 2024 forms the segment of children. The second aspect examines the developmental stages of children's consumer behavior. Thirdly, the purchase decision process is presented. The fourth aspect addressed in the article is related to the factors influencing consumer behavior.*

**KEYWORDS:** *consumer, child, Alpha generation, consumer behavior*

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## I. INTRODUCTION

Scientific research examining children's consumer behavior dates back to the 1950s with the publication of several independent studies on topics such as brand loyalty and wasteful consumption [1]. In the 1960s, researchers expanded the scope of the study to include children's understanding of marketing, their influence on parents in purchasing decisions, and the relative influence of parents and peers on consumption patterns [2].

Children's learning of consumer behavior patterns has been of interest to researchers since the 1960s, when research on the development of consumer behavior patterns was first published in 1964 [3]. Subsequently, children began to be recognized as a market [4]. Only recently have marketers begun to consider children as a segmented market with discretionary income [5].

Marketers and consumer researchers have long overlooked children as a market segment because of their low disposable income. Since children are consumers, it is relevant to investigate their purchasing behavior by discovering the motivators that determine where they shop and what they buy [5]. The work of S. Ward and D. Wackman [3] is the starting point for studying children's consumer behavior. This work is extremely significant, as it marks the beginning of research related to consumer socialization of children.

Today, the interest in children and their consumer behavior is so great not only because they form a significant market segment and influence their parents' decisions, but also because their current behavior will largely shape and influence their future behavior. It is necessary to understand the consumer behavior of children and how it is formed in order to be able to create adequate approaches to meeting the needs of children. The stages through which this behavior is formed, the factors that influence it and the socializing agents that accompany this process are particularly important in clarifying the concept of "children's consumer behavior" [6]. In this regard, the main tasks of the article are to present:

- The child consumer in 2024;
- The stages of development of the consumer behavior of children;
- Purchase decision process;
- Factors affecting consumer behavior.

## II. THE CHILD CONSUMER IN 2024

Marketing aimed at children must take into account the specific generation to which their representatives belong. Otherwise, the chosen strategy and the messages that will be addressed to them will not be effective. This stems from the fact that each generation is different from the others. The behavior, preferences and habits of the representatives of different generations are formed under the influence of the historical era, of which they are a part and the social and fashion movements they witness.

Seven generations coexist in Bulgaria by 2024. These are

- ❖ Greatest – 1901-1927;
- ❖ Silent - 1928-1946;
- ❖ Baby Boomers - 1947-1964;

- ❖ Generation X - 1965-1980;
- ❖ Generation Y - 1981-1996;
- ❖ Generation Z - 1997-2009;
- ❖ Generation Alpha - 2010-2025.

The generation whose representatives fulfill the social role of a child by 2024 is Alpha. In Bulgaria, it forms 14.2% of the country's population [7].

A small part of the last representatives of Generation Z are under the age of 18, and these are those born in 2006-2009. All representatives of this generation occupy 13.3% of the population of Bulgaria [7].

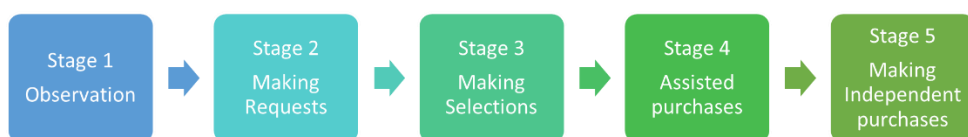
Children are a recognized market segment and they invest their available money in a way that they usually choose for toys. This is what created the children's market with a variety of products for children [8]. Such products have existed for many years, but the difference is that the advertising messages are aimed directly at children, not at parents. Undoubtedly, children enter the individual age periods earlier than before. At the age of 8-9, they begin to lose interest in toys and become interested in products to imitate adults with, such as clothes. It is important for children to express "themselves" and fit in according to the norms of their friend group

It is important to note that from passive observers over time, children become active market participants. They are independent users, characterized by the following features [9]:

- children have certain financial means per day, which depend on the financial capabilities of the family, their social situation. In this regard, compared to many adults, children have a stable income that they can allocate to their own needs;
- money for children is not a goal, but a means to get the products they want;
- children make independent purchases based on independent decisions;
- the children's audience is receptive to advertising messages and loyal to brands.

### III. STAGES OF DEVELOPMENT OF CHILDREN'S CONSUMER BEHAVIOR

When considering children's consumer behavior, what is of interest is how it develops. James McNeal has discovered five stages of development of consumer behavior in childhood, schematically presented in Figure 1 [10].



**Figure 1. Stages of development of consumer behavior in childhood**

#### *Stage 1 – Observation*

The first stage consists of children's first sensory contact with the market, which is also related to the first opportunity to interact with a commercial source to satisfy needs. At this early stage, the child has found such a source only provided by the parents. Gradually, by visiting the market, the child begins to build a relationship with the market as a source providing products that respond to his needs. From the beginning of his life, the child is used to relying on his parents to meet his needs. With the discovery of the market and all the possibilities it provides for the child's needs, he asks his parents for certain products, knowing that the parents are taking care of satisfying his needs.

#### *Stage 2 – Requests*

The second stage is marked by the children's requests for products, mainly food. Together, parents and children unwittingly begin to build a model where the child is at the center of the family's purchasing decision. Children are marketed by their parents as part of the daily routine of caring for them. Children, in turn, develop an understanding of the market and products. In addition, parents are beginning to use television as a means of entertainment, as a result of which children are introduced to various products advertised between children's programs.

### *Stage 3 – Selection*

The next stage is related to the physical selection of preferred products. Children begin to make their own choices by searching for a product in the market, picking it up and consuming it, or placing it in the shopping cart for later consumption. This is where the first important physical act towards becoming an independent user takes place.

### *Stage 4 – Assisted Purchases*

After making a choice with the permission of the parents who pay for the product, the child, in his desire to fulfill the role of an adult, begins to show the will to participate in the payment process. This important economic step is related to the realization that the store owns the product and needs to be paid to own that product. With the parents' help, the child makes his first purchase together by handing money to the store employee. The child begins to perform all the important stages of becoming a consumer - requesting, searching, buying and using a product.

### *Stage 5 – Independent shopping*

After co-purchasing, the final step in becoming a consumer is the independent purchase. The time between the two actions – the first assisted purchase with the help of the parents and the first independent one – is significant. During this time, the child begins to better understand the meaning of money, develops physically and mentally enough to proceed with this new act. The process of learning to be a consumer continues throughout life, but at the end of this stage, around the age of 8, the child has enough knowledge and skills to fulfill an independent role as a consumer.

## **IV. PURCHASE DECISION PROCESS**

The economic side of the issue is related to the decision-making process when purchasing a product and the stages that each consumer goes through [11]:

- Awareness of needs - The consumer wants to buy a certain product that will satisfy his needs and projects an image of the product that he considers to be the most suitable for the purpose. In the case of children, this stage is mainly initiated by two types of stimuli:
  - marketing - advertising on television, showcase of a store, for older children in their teenage years these stimuli are done and through advertising on the Internet;
  - from the reference group of friends;
- Gathering information - For older children who have certain financial means, realizing their need and taking into account their financial capabilities, they start looking for information to solve the problem. They use different sources of information, mainly internal and external. Among the first are one's own memory and acquired knowledge, and among the second - the opinion of family and friends. For younger children, the first group has less influence than the second. Even if they have certain financial capabilities, the opinion and influence of family and friends are of primary importance;
- Pre-purchase evaluation of the options – the consumer compares different products, brands, makes a gradation according to his understanding and chooses the most suitable option according to him. With age, the ability to evaluate options increases. This is due to the consumer experience that is gained, as well as the improved cognitive and mental abilities. The younger the child is, the greater the role of the parent at this stage is.
- Purchase – the consumer actually makes the purchase of the option chosen by him in the previous stage. One aspect of this act is the source of funds. One option is that the realization is from own finances, acquired by parents and family, and the second is that it is from the income of parents and family. The second aspect is related to the person making the purchase. For younger children, this role is played by the parents with or without the presence of the children at the time of the sale. This is also valid for older children, but by adding the possibility of making the purchase independently;
- Consumption – Consumption can start immediately or after a certain time;
- Evaluation of options based on consumption results – Based on the use of the purchased product, the consumer decides whether he is satisfied or not with the choice made. There is a satisfaction if there is a match with the expectations for given product 's characteristics. When the result does not match the expectations, there is a feeling of dissatisfaction. These results are very important for the manufacturer, as it depends on them whether the consumer will make a repeat purchase;
- Release from the product – This is the last stage where complete release from the product, partial release or release only from the packaging is possible.

## V. FACTORS INFLUENCING CONSUMER BEHAVIOR

Consumer behavior represents one of the important roles that a person will play in his life - that of a consumer. Traditionally, five groups of factors influencing this behavior are indicated: cultural, social, personal, psychological and situational [12].

As it was noted in Section II by 2024, the role of children in society is performed by the Alpha generation. A small part of representatives of generation Z are aged 15 to 18 years. These are generations that were born after the Internet has become widespread. They grow up witnessing access to the Internet and participation in social networks, and therefore accept them as an accompanying part of life. For this reason, it is not accidental that Gen Z are often called "digital natives". Gen Z are always connected to the Internet and their social network profiles through their mobile phones. They use these devices to study, search for information, chat, shop, take photos, listen to music and podcast, etc. Absorbed in the daily consumption of online content, they are shortening the distance between the real and digital worlds.

Generation Alpha is also digital in nature and have been used to living with technology since their earliest days. For this cohort, technology and consumption of online content have become an integral part of their daily lives. The next generations are also expected to be technologically oriented. For this reason, when studying the consumer behavior of children, one more group of factors should be added, namely the technological ones. This stems from the fact that children are exposed to the influence of the Internet and other modern technologies from an early age, which has a significant impact on their habits and behavior. [13]

During childhood, the beginning of the formation of consumer behavior is set, and the influence of these factors is most significant during this period.

### ❖ Cultural factors

Culture is critical when it comes to understanding an individual's needs and behavior. Culture is part of every society, but its influence on behavior varies from country to country, so a particular group, region or country needs to be carefully analyzed. The cultural environment in which the user lives will convey values, norms of behavior, preferences, which are of particular importance in childhood [14]. One example of adapting the specifics of each culture to certain markets is McDonald's. The global chain has realized the importance of offering products that meet the specific needs of consumers from different countries and cultures, such as McBaguette in France (with French baguette and Dijon mustard), Chicken Maharaja Mac in India (with Indian spices), etc.

### ❖ Social factors

Social factors include reference groups, family and social roles and status [14]. These factors have a significant influence on the formation of children's consumer behavior. Among them, the reference group and the family are one of the most essential elements.

A reference group is defined as the group providing individuals with an opinion related to lifestyle, habits, desires, and behavior. One of the most important functions of the reference group is that it influences the formation of individual behavior. Its influence is different depending on the type of product. For young people, products such as clothes, accessories that express the personality are strongly influenced by the opinion of the reference group.

An individual can also be influenced by a group he does not belong to, but wants to be a part of. This is called a "desire group" that directs the consumer's behavior towards adopting the behaviors, attitudes and products used by its members. A typical example among teenagers - the teenager wants to be a member of the group of "popular" students, and in an effort to be accepted as an equal member, he tries to imitate their behavior and use the products that they use - a brand of shoes, clothes, cosmetics, smartphone, etc. Undoubtedly, some companies take advantage of this desire in teenagers to be part of a certain group and direct their brand messages in this direction. From all that has been said so far, it is undeniable that friends form an important reference group for children, especially teenagers. It is believed that probably the most influential reference group for an individual is the family [14]. It forms the environment in which the child will form his personality and adopt certain values. Her influence is greatest during the childhood years. In the teenage period, its influence diminishes and is displaced by that of the reference group of friends, but after this turbulent period of development, the influence of the family increases again throughout a person's life.

### ❖ Personality factors

Personal factors include such variables as age, lifestyle, personality, occupation, economic situation [14]. These factors are able to explain why preferences change.

- Age and Lifestyle: A consumer does not buy the same products throughout his life cycle. His lifestyle, values, environment, activities, hobbies and habits evolve during his lifetime, therefore age has a significant impact on buying behavior.
- Lifestyle: An individual's lifestyle includes all his activities, interests, values and opinions. Undoubtedly, all these will influence his behavior and purchasing decisions.

- Personality: Personality is a set of qualities and specific characteristics of each individual. It is a product of the interaction between the psychological and physiological characteristics of the individual and leads to certain behavior.
  - Occupation: A person's occupation has an important bearing on his consumer behavior.
  - Economic situation: The financial possibilities that the consumer has, expressed in terms of income and savings of a person, predetermine to a large extent what products he will be able to buy.
- ❖ Psychological factors

These factors such as motivation, perception, learning, belief influence user behavior [14].

- Motivation: Motivation is what causes a user to develop a behavior. It is an expression of the need that a person wants to satisfy. It usually manifests itself on a subconscious level and is difficult to measure.
  - Perception: Perception is the process by which an individual selects, organizes and interprets the information they receive.
- ❖ Situational factors

They cover consumer situations such as physical environment, social environment, purpose of purchase, time and previous states.

❖ Technological factors

The consumer's interaction with new technologies and the impact this has on him is essential. The presence of smart devices and new technologies in the lives of modern generations is so significant that it leads to new consumer habits. This can significantly influence taste preferences and purchase attitudes.

Modern generations enter the individual age periods earlier. The influence of environmental conditions, ongoing historical events and social movements have an impact on the formation of behavior in childhood. For this reason, reviewing, researching and analyzing the aspects presented in the article is so important for the timely adaptation of the marketing strategy to the child consumers.

## VI. CONCLUSION

The child's consumer behavior is formed under the influence of various factors and goes through different stages during which the child learns, follows and changes patterns of consumption. The study and analysis of these aspects will help marketers to get to know the child consumer better in the process of its evolution. On this basis, more effective marketing messages can be created.

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