DEVELOPING BUYING BEHAVIOUR AMONG THE YOUNG GENERATION: PSYCHOLOGICAL AND ECONOMICAL PERSPECTIVE

Abstract

Children are now considered as the main target customer for various products right from food to various accessories. Since the last decades, marketing strategies have modified their focus towards the younger generation. Changing social and economic conditions have also changed the role of children as consumers. A huge spread of urbanization leads the young generation to be aware about many things and options which in turn leads to increasing buying behaviour among children. Media, good income and easy availability of products are playing the main role in developing buying behaviour, not only in adults but in children also. With high class technologies, it is very easy to get everything in the next moment without any interruption or botheration. Children are observing this behaviour and getting different options from parents rather than sticking to a single one. Multiple options leading the young population towards impulsivity as well as tempting them to try out something new. After a certain limit, this behaviour may take turn of abnormality. This chapter will focus on the developing buying behaviour among the young generation, its causes and its psychological as well as economic impact on parents.

Keywords: Buying behaviour, young generation, High technology, Media exposure, Psychological and economic impact.

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I. INTRODUCTION

In the lifespan of an individual, various aspects are related to development. Development is the process that fosters growth, progress, changes. It is visible and useful and includes an aspect of quality changes as well as creates the conditions for continuation of that change. Child development refers to the sequence of physical, language, thought and emotional changes that occur in a child from birth to the beginning of adulthood. During this process a child progresses from dependency on their parents/guardians to increasing independence. Child development is strongly influenced by biological as well as environmental factors. All these developments occur simultaneously and depend on the quality of exposure provided to them. From a psychological perspective, the first 5-10 years of development are very crucial and play a very important role in future personality. As per the theory of Albert Bandura (1977), a child learns through observing, modelling, and imitating the behaviours, attitudes, and emotional reactions of others. Parents and other elders are the role models for him/her. Behaviour, thought process, habits and choices are all learnt through observation. Right and wrong behavior, manners, sensitivity towards anything is again learnt through observations only.

Psychoanalyst Sigmund Freud believed that personality developed through a series of childhood stages in which the pleasure-seeking energies of the ID become focused on certain erogenous areas. An erogenous zone is characterized as an area of the body that is particularly sensitive to stimulation. During the five psychosexual stages, which are the oral, anal, phallic, latent, and genital stages, the erogenous zone associated with each stage serves as a source of pleasure. Psychosexual energy, or the libido was described as the driving force behind behaviour (Elkatawneh,2013). Parental control or balanced parenting is very essential during these stages. If any stage is not dealt properly, it will lead to either deprivation or pampering. These both conditions are dangerous for future personality. In both conditions, individuals may behave in deviant ways. Freud also proposed components of personality i,e. Id, Ego and Superego. He believed that early childhood experiences are filtered through the id, ego, and superego, and it is the way an individual handles these experiences, both consciously and unconsciously, that shapes personality in adulthood. These components are responsible for making children understand ethical and unethical behaviour.

1. **Psychological and Economical Perspective:** In this competitive world, maximum families have working parents in metro cities. Because of hectic work life, it has become difficult to pay more attention towards children. As per the census of 2010, India has a young population with children under 15 years of age constituting 30% of our population. Due to increasing employment among Indian women, the mothers are spending less time at home and with children. Parents have guilt for this behaviour also because they cannot spend quality time with their kids. Hence, parents try to compensate for their guilt by providing a lot of things like toys, gadgets, chocolates, clothes etc. Sometimes many unnecessary things are also given to children, just to show parental love towards their kids. This has increased the role of children in decision making. As both parents are earning and financially more efficient, all are implementing the new lifestyle as well as the expenditure pattern is also growing. Whereas, the earlier shopping concept was limited to the festive season, whereas, people used to prefer shopping by going to the market physically. Now the horizon of digitalization has been an integral part of an individual's life. In the study of Sanchayita Banerjee (2020), it is observed that many

working women became more active in buying many things for their kids. Children are also getting involved in this online shopping. Children are getting the message that they will get anything they desire for. Moschis (1985) also conceptualized the family communication process and confirmed that parents appear to play an important role in consumer socialization of children.

In this digital era, all individuals prefer their work to be done by using technology without putting extra physical effort. In cities, people are financially strong and because of lack of time, they prefer to put online orders for everything right from grocery, vegetables, fruits to different accessories, clothing and even electronics equipment also. Our young generation is continuously observing us and learning this behaviour. They are getting the same exposure from the media also. Hence children started to perceive that getting something is very easy and simple. Here children are becoming less sensitive towards things, their usage, their values and even money also.

Children also exert a substantial influence on their parents' consumer decision making and spending (Hawkins et al., 2001). Blackwell et al. (2001) states that adolescent influence on household spending varies by product user and by degree. They have a greater influence in decisions on purchases of products for their own use.

2. **Purchasing Behaviour in Children:** According to Steyer et al. (1999) and Arndt et al. (1981), a youngster learns purchasing behaviour from a variety of sources, including family, friends, media, and personal experiences. Here are some important aspects that influence a child's development of purchasing behaviour.

- **Keeping an Eye on Parents and Family:** Children frequently learn about purchasing behaviour by watching their parents and family members. They witness their parents' purchasing decisions, product evaluations, pricing comparisons, and financial management. Parents serve as role models, and their actions and ideals have a significant impact on their children's knowledge of purchasing behaviour.

- **Peer Influence:** Peers have a substantial influence on a child's purchasing behaviour. Children are frequently impacted by the tastes, recommendations, and trends of their peers. Peer pressure might influence their decisions and push people to seek out certain items or brands that meet their needs.

- **Media and Advertising**: Children's purchasing behaviour is greatly influenced by media such as television, the internet, social media, and other advertising outlets. Advertisements Create demands, promote certain items, and emphasize the advantages of specific brands. Children are bombarded with commercials that affect their tastes and impact their shopping decisions.

- **Personal Experience:** Children learn about purchasing behaviour through their own personal experiences. They learn to explore the marketplace, compare possibilities, make judgements, and experience the repercussions of their actions when they make their own purchases or receive money as presents. These personal experiences help them comprehend the concepts of worth, quality, and enjoyment.

- According to Brown et al. (2001) and Chawla et al. (2015) online shopping provides advantages such as expanded access, convenience, and price comparison. There are concerns associated with decision-making, advertising impact, privacy, and financial ramifications. Parents and care-takers must actively lead and monitor their children's online purchasing activities to ensure they make educated decisions and stay safe in the digital world.

- When looking at children's online shopping through the lens of economic theory and its consequences for customers, there are benefits and drawbacks to examine. Here are the pros and cons:

Pros:
- **Access to a Diverse Product Offering:** Online shopping gives youngsters access to a wide range of items and services that may not be easily available in their neighbourhood. This can widen their options and introduce them to educational, cultural, and recreational objects that will help them grow.

- **Convenience and Time Saving:** Both children and their parents benefit from online buying. It saves time and effort by eliminating the need to physically visit various stores. Children may shop, compare, and buy from the comfort of their own homes, giving them more time for other activities.

- **Competitive Pricing and Price Comparison:** Online platforms enable quick price comparison among multiple sellers, allowing children and their parents to pick the best offers. Online businesses competing for customers may result in competitive pricing and potential cost savings.

- **Product Reviews and suggestions:** Online platforms frequently give consumer reviews and suggestions, which may help children and parents, make educated purchase decisions. These evaluations include information about the product's quality, usefulness, and appropriateness for certain age groups.

- **Educational Possibilities:** Online purchasing for children might have educational benefits. Children, for example, may be able to explore and learn about foreign cultures, historical artefacts, or scientific instruments via online markets that provide educational toys and resources.

Cons:
- **Unsuitable Purchases:** Children may lack the expertise and judgment needed to make acceptable shopping selections. Without parental advice or age limitations, kids may purchase things that are improper, hazardous, or inappropriate for their age.

- **Advertising Influence:** Persuasive advertising methods are frequently used to target youngsters on online platforms. Children may be particularly receptive to these marketing strategies, resulting in impulse purchases or product requests based on compelling commercials rather than true requirements or preferences.

- **Privacy and internet Safety Concerns:** Child internet buying creates privacy and online safety concerns. While exploring or making transactions online, children may unwittingly divulge personal information or be exposed to unsuitable content.

- **Over Consumption and Materialism:** Online shopping can lead to a materialistic society in which children have an overwhelming drive to acquire items. This may result in overconsumption and an emphasis on material belongings rather than other crucial areas of personal growth.

- **Financial Consequences:** Unmonitored internet purchasing can lead to overspending or unauthorized purchases, putting both children and their parents in debt. To avoid such problems, parents must set clear boundaries and monitor their children's internet buying activity.

- **Lack of traditional Interaction and Tangible Experience:** Online shopping, unlike traditional businesses, lacks the tangible experience of viewing things in person, trying them on, or dealing with salespeople. This can restrict sensory experiences and hinder youngsters from completely evaluating product quality and appropriateness.

II. COMPARISON OF RURAL AND URBAN AREAS

According to Panda (2020), Yahya et al. (2020), and Deshmukh et al. (2021), online shopping behaviour among children aged 5 to 15 years can vary between rural and urban areas due to differences in access to technology, exposure to online platforms, and socio-economic factors. Here are some key considerations for each context:

1. **Rural Areas**

- **Limited Access:** Children in rural areas may have limited access to reliable internet connections, computers, or smart phones, which can restrict their online shopping opportunities. This can be attributed to inadequate infrastructure or lower household income levels.

- **Less Exposure:** Rural areas may have less exposure to online platforms and e-commerce due to limited internet penetration. Children in rural areas may have fewer opportunities to engage in online shopping or may rely more on traditional brick-and-mortar stores for their purchasing needs.

- **Community Influence:** In rural areas, community dynamics and social interactions play a significant role in shaping children's buying behaviour. Recommendations from friends, neighbours, or family members may have a stronger influence on their choices compared to online advertising or trends.

2. **Urban Areas:**

- **Greater Access:** Children in urban areas typically have better access to the internet and digital devices, including smart phones, tablets, or computers. This enables them

to engage more actively in online shopping activities and explore a wider range of products and services.

- **Increased Exposure:** Urban areas are often characterized by higher levels of internet penetration, online advertising, and e-commerce platforms. Children in urban areas are more likely to be exposed to online shopping through advertisements, social media, and online marketplaces.

- **Influence of Peers and Trends:** Urban areas tend to have more diverse and interconnected social networks. Children may be influenced by their peers' preferences and the latest trends showcased online. Social media platforms and online communities can significantly impact their buying behavior, leading to a desire for specific brands or products.

Regardless of the rural or urban context, it is important for parents and caregivers to play an active role in guiding children's online shopping behavior.

III. CONCLUSION

With reference to psychological and economical perspective, recent scenarios, technological and digital exposure are responsible for developing buying behaviour among the young generation. As discussed above, buying behaviour is fine at certain levels. But at same time, it is crucial to make our growing children aware and sensitive about the consequences of excess use of online shopping and using other technologies from upcoming cyber threats. In the year 2022, 829 million detected cyber-attacks in India. Here, awareness is need to be created from ground level. It includes parents, family members, teachers and education system. It means, these digital topics can be added in school syllabus. It will help students to understand the safer use of technology. Similarly, in school setting, seminars can be arranged for parents as well as students related to psychological effect of technology on human behaviour. Only saying 'No' to online shopping is not the solution to the problem.

Young generation is the heart of our society and nation. We need to understand the basic need of our children. Now only providing materialistic things are not sufficient for their all-round development. Now they need quality time with parents so that they can focus on interaction with people instead of using gadgets. As per observational theory, children are continuously observing behaviour of elders. So it is essential for elders to avoid all the activities which may affect children's development.

This is most researched topic by management people. In psychological dimension, very few articles are available in Indian context. Hence, it is the need of current scenario to assess psychological effect, to find out preventive measures and intervention strategies for this behaviour.

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