

CHAPTER 10

Reference Groups and Family Influences

With the exception of those very few people who are classified as hermits, most individuals interact with other people on a daily basis, especially with members of their own families.

In the first part of this chapter, we will consider how group involvements and memberships influence our actions as consumers—that is, to impact consumers’ decision making, shopping activities, and actual consumption. The second part of this chapter deals with how the family influences its members’ consumer behavior. For instance, a child learning the uses and value of money is often a “family matter”; so are decisions about a new car, a vacation trip, or whether to go to a local or an out-of-town college. The family commonly provides the opportunity for product exposure and trial and imparts consumption values to its members. As a major consumption group, the family is also a prime target for many products and services.

This chapter begins with a discussion of the basic concepts of group dynamics and how reference groups both directly and indirectly influence consumer behavior. We then examine some basic family concepts. Next we discuss family consumer decision making and consumption behavior; last we explore the marketing implications of the family life cycle. (The four chapters that follow discuss other social and societal *groupings* that influence consumer buying processes: social class, culture, subculture, and cross-cultural exposure.)

WHAT IS A GROUP?

A **group** may be defined as two or more people who interact to accomplish either individual or mutual goals. The broad scope of this definition includes an intimate “group” of two next-door neighbors who three times a week take exercise classes together and a larger, more formal group, such as a neighborhood homeowners association, whose members are mutually concerned with the schools, roads, taxes, and types of businesses in their neighborhood. Included in this definition, too, are a kind of “one-sided grouping” in which an individual consumer observes the appearance or actions of others, who unknowingly serve as consumption-related role models.

Sometimes, groups are classified by membership status. A group to which a person either belongs or would qualify for membership in is called a *membership group*. For example, the group of men with whom a young executive plays golf weekly would be considered, for him, a membership group. There are also groups in which an individual is not likely to receive membership, despite acting like a member by adopting the group's values, attitudes, and behavior. This is considered a **symbolic group**. For instance, professional bowlers may constitute a symbolic group for an amateur bowler who identifies with certain players by imitating their behavior whenever possible (for example, by purchasing a specific brand of bowling ball or bowling shoes). The amateur bowler does not, however (and probably never will), qualify for membership as a professional bowler, because he has neither the skills nor the opportunity to compete professionally.

UNDERSTANDING THE POWER OF REFERENCE GROUPS

Within the context of consumer behavior, the concept of reference groups is an extremely important and powerful idea. A **reference group** is any person or group that serves as a point of comparison (or reference) for an individual in forming either general or specific values, attitudes, or a specific guide for behavior. This basic concept provides a valuable perspective for understanding the impact of other people on an individual's consumption beliefs, attitudes, and behavior. It also provides some insight into the methods marketers sometime use to effect desired changes in consumer behavior.

From a marketing perspective, *reference groups* are groups that serve as *frames of reference* for individuals in their purchase or consumption decisions. The usefulness of this concept is enhanced by the fact that it places no restrictions on group size or membership, nor does it require that consumers identify with a tangible group (that is, the group can be symbolic: owners of successful small businesses, leading corporate chief executive officers, rock stars, or golf celebrities).

Reference groups that influence general or broadly defined values or behavior are called **normative reference groups**. An example of a child's normative reference group is the immediate family, which is likely to play an important role in molding the child's general consumer values and behavior (such as which foods to select for good nutrition, appropriate ways to dress for specific occasions, how and where to shop, or what constitutes "good" value).

Reference groups that serve as benchmarks for specific or narrowly defined attitudes or behavior are called **comparative reference groups**. A comparative reference group might be a neighboring family whose lifestyle appears to be admirable and worthy of imitation (the way they maintain their home, their choice of home furnishings and cars, their taste in clothing, or the number and types of vacations they take).

Both normative and comparative reference groups are important. Normative reference groups influence the development of a basic code of behavior; comparative reference groups influence the expression of specific consumer attitudes and behavior. It is likely that the specific influences of comparative reference groups to some measure depend on the basic values and behavior patterns established early in a person's development by normative reference groups.

A BROADENED PERSPECTIVE ON REFERENCE GROUPS

The meaning of "reference group" has changed over the years. As originally used, reference groups were narrowly defined to include only those groups with which a per-

son interacted on a direct basis (like family and close friends). However, the concept gradually has broadened to include both direct and indirect individual or group influences. **Indirect reference groups** consist of those individuals or groups with whom a person does not have direct face-to-face contact, such as movie stars, sports heroes, political leaders, TV personalities, or even a well-dressed and interesting looking person on a street corner.

Referents a person might use in evaluating his or her own general or specific attitudes or behavior vary from one individual, to several family members, to a broader kinship or from a voluntary association to a social class, a profession, an ethnic group, a community, an age category, or even a nation or culture. As Figure 10-1 indicates, the major societal groupings that influence an individual's consumer behavior are, in order: family, friends, social class, various subcultures, one's own culture, and even other cultures. For instance, within the scope of "selected subcultures," we would include various age categories (teenagers or baby boomers) that might serve as a reference group for their own or others' behavior.

FACTORS THAT AFFECT REFERENCE GROUP INFLUENCE

The degree of influence that a reference group exerts on an individual's behavior usually depends on the nature of the individual and the product and on specific social factors. This section discusses how and why some of these factors influence consumer behavior.

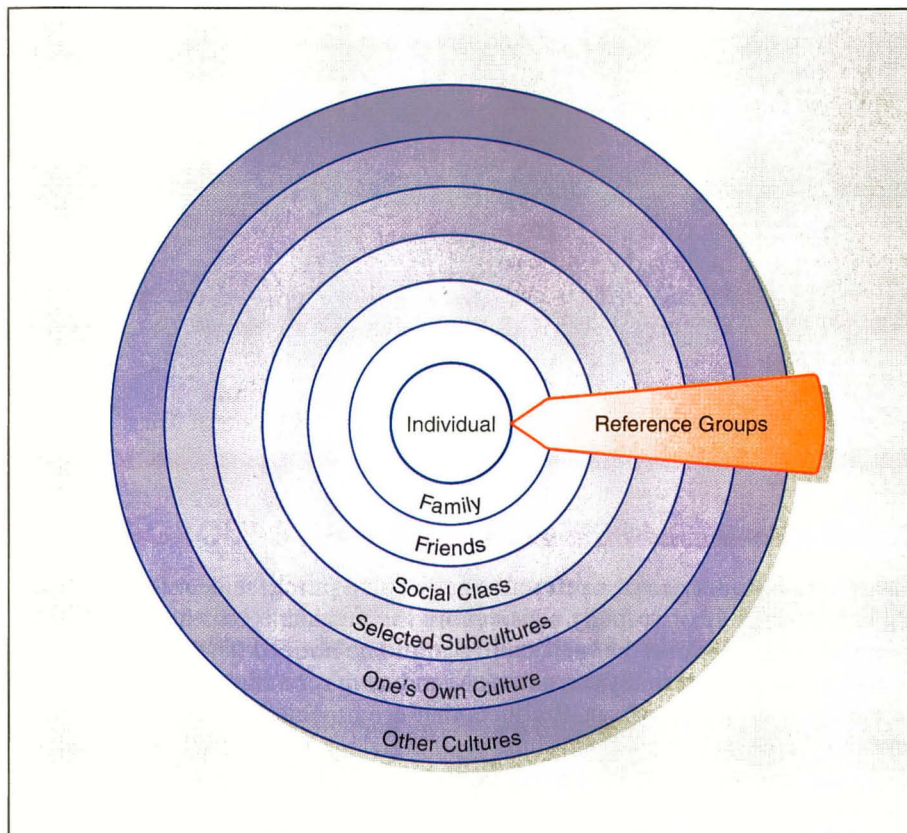


FIGURE 10-1
Major Consumer Reference
Groups

Information and Experience

An individual who has firsthand experience with a product or service, or can easily obtain full information about it, is less likely to be influenced by the advice or example of others. On the other hand, a person who has little or no experience with a product or service and does not expect to have access to objective information about it (for example, a person who believes that advertising may be misleading or deceptive) is more likely to seek out the advice or example of others. For instance, when a young corporate sales rep wants to impress his client, he may take her to a restaurant that he knows from experience to be good or to one that has been highly recommended by the local newspaper's Dining Out Guide. If he has neither personal experience nor information he regards as valid, he may seek the advice of a friend or a parent or imitate the behavior of others by taking her to a restaurant he knows is frequented by young business executives whom he admires.

Credibility, Attractiveness, and Power of the Reference Group

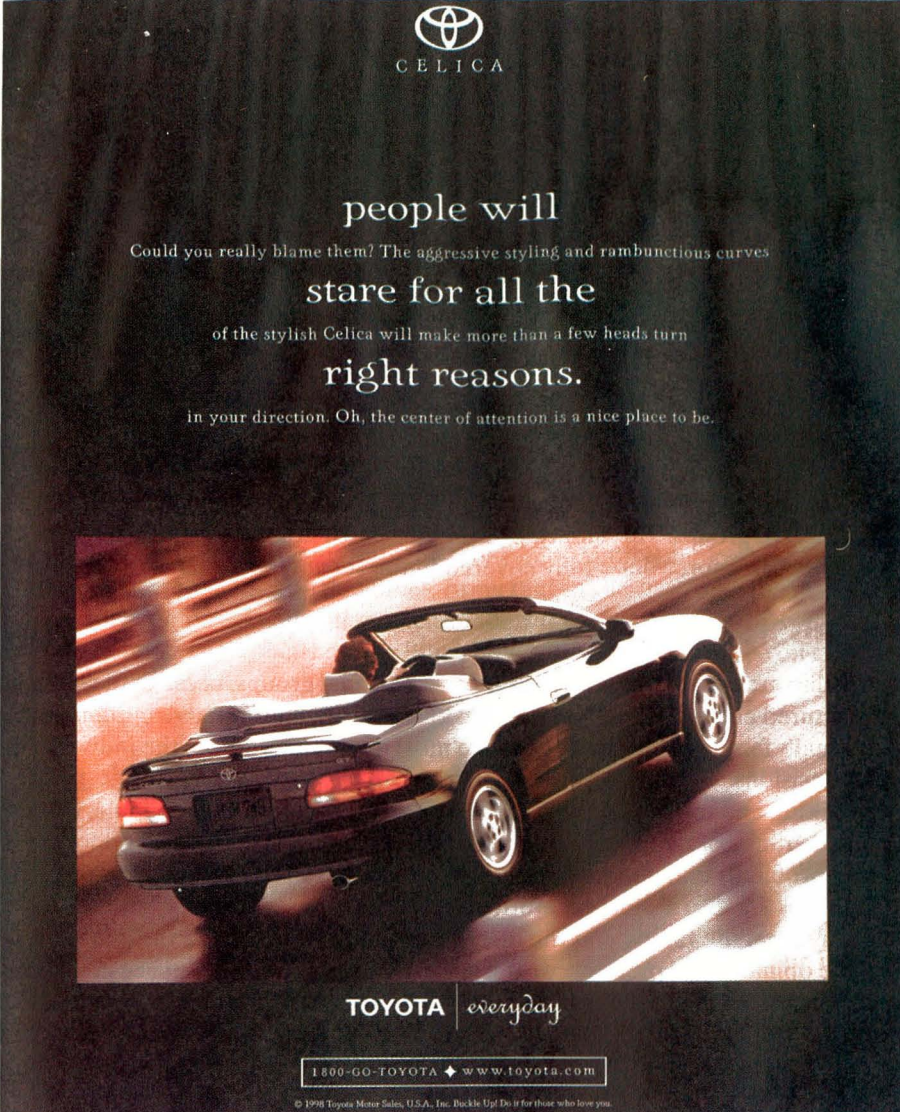
A reference group that is perceived as credible, attractive, or powerful can induce consumer attitude and behavior change. For example, when consumers are concerned with obtaining accurate information about the performance or quality of a product or service, they are likely to be persuaded by those whom they consider trustworthy and knowledgeable. That is, they are more likely to be persuaded by sources with *high credibility*.


When consumers are primarily concerned with the acceptance or approval of others they like, with whom they identify, or who offer them status or other benefits, they are likely to adopt their product, brand, or other behavioral characteristics. When consumers are primarily concerned with the power that a person or group can exert over them, they might choose products or services that conform to the norms of that person or group in order to avoid ridicule or punishment. However, unlike other reference groups that consumers follow because they are credible or because they are attractive, *power groups* are not as likely to cause attitude change. Individuals may conform to the behavior of a powerful person or group, but are not as likely to experience a change in their own attitudes.

Different reference groups may influence the beliefs, attitudes, and behavior of an individual at different points in time or under different circumstances. For example, the dress habits of a young male executive may vary, depending on his place and role. He may conform to the dress code of his office by wearing dress shirts and conservative business suits by day and drastically alter his mode of dress after work by wearing more trendy, flamboyant styles.

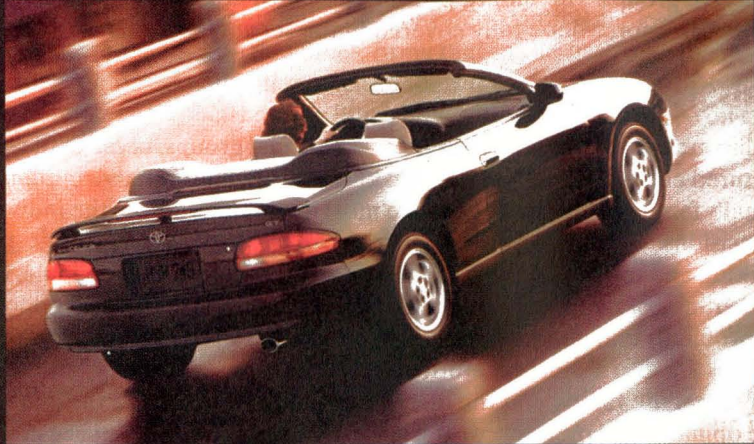
Conspicuousness of the Product

The potential influence of a reference group on a purchase decision varies according to how visually or verbally conspicuous the product is to others. A visually **conspicuous product** is one that will stand out and be noticed (such as a luxury item or novelty product); a verbally conspicuous product may be highly interesting, or it may be easily described to others. Products that are especially conspicuous and status-revealing (a new automobile, fashion clothing, sleek laptop computer, or home furniture) are most likely to be purchased with an eye to the reactions of relevant others, as shown in Figure 10-2. Privately consumed products that are less conspicuous (canned fruits or laundry soaps) are less likely to be purchased with a reference group in mind.




 CELICA

people will
 Could you really blame them? The aggressive styling and rambunctious curves
 stare for all the
 of the stylish Celica will make more than a few heads turn
 right reasons.
 in your direction. Oh, the center of attention is a nice place to be.



TOYOTA | everyday

1-800-GO-TOYOTA ♦ www.toyota.com

© 1998 Toyota Motor Sales, U.S.A., Inc. Buckle Up! Do it for those who love you.

FIGURE 10-2

Conspicuousness Aids
the Acceptance of Some
Products

REFERENCE GROUPS AND CONSUMER CONFORMITY

Marketers may have divergent goals with regard to **consumer conformity**. Some marketers, especially market leaders, are interested in the ability of reference groups to change consumer attitudes and behavior by encouraging *conformity*. To be capable of such influence, a reference group must accomplish the following:

1. Inform or make the individual aware of a specific product or brand
2. Provide the individual with the opportunity to compare his or her own thinking with the attitudes and behavior of the group
3. Influence the individual to adopt attitudes and behavior that are consistent with the norms of the group
4. Legitimize the decision to use the same products as the group

In contrast, marketers, especially those responsible for a new brand or a brand that is not the market leader, may wish to elect a strategy that asks consumers to strike out and be different and *not just follow the crowd* when making a purchase decision.

In reality the nonconformity appeal can be thought of as a request to shift one's reference (attitudes or behavior) from one grouping (brand A users) to another reference (non-A users or brand B users).

SELECTED CONSUMER-RELATED REFERENCE GROUPS

As already mentioned, consumers are potentially influenced by a diverse range of people that they come in contact with or observe. We will consider the following five specific reference groups because they give us a kind of cross-section of the types of groups that influence consumers' attitudes and behavior: (1) friendship groups, (2) shopping groups, (3) work groups, (4) virtual groups or communities; and (5) consumer-action groups. The family, possibly the most compelling reference group for consumer behavior, will be fully covered in the second part of this chapter.

FRIENDSHIP GROUPS

Friendship groups are typically classified as **informal groups**, because they are usually unstructured and lack specific authority levels. In terms of relative influence, after an individual's family, his or her friends are most likely to influence the individual's purchase decisions.

Seeking and maintaining friendships is a basic drive of most people. Friends fulfill a wide range of needs: they provide companionship, security, and opportunities to discuss problems that an individual may be reluctant to discuss with family members. Friendships are also a sign of maturity and independence, for they represent a breaking away from the family and the forming of social ties with the outside world.

The opinions and preferences of friends are an important influence in determining the products or brands a consumer ultimately selects. Marketers of products such as brand-name clothing, fine jewelry, snack foods, and alcoholic beverages recognize the power of peer group influence and frequently depict friendship situations in their ads.

SHOPPING GROUPS

Two or more people who shop together, whether for food, for clothing, or simply to pass the time, can be called a **shopping group**. Such groups are often offshoots of family or friendship groups, and therefore they function as what has been referred to as *purchase pals*.¹ The motivations for shopping with a purchase pal range from a primarily social motive (to share time together and enjoy lunch after shopping), to helping reduce the risk when making an important decision (have someone along whose expertise will reduce the chance of making an incorrect purchase). In instances where none of the members of the shopping group knows much about the product under consideration (such as an expensive home entertainment center), a shopping group may form for defensive reasons; members may feel more confident with a collective decision.

A special type of shopping group is the in-home shopping party, which typically consists of a group who gathers together in the home of a friend to attend a "party" devoted to demonstrating and evaluating a specific line of products. The in-home party approach provides marketers with an opportunity to demonstrate the features

of their products simultaneously to a group of potential customers. Early purchasers tend to create a *bandwagon effect*: Undecided guests often overcome a reluctance to buy when they see their friends make positive purchase decisions. Furthermore, some of the guests may feel obliged to buy because they are in the home of the sponsoring host or hostess.

WORK GROUPS

The sheer amount of time that people spend at their jobs, frequently more than 35 hours per week, provides ample opportunity for *work groups* to serve as a major influence on the consumption behavior of members.

Both the formal work group and the informal friendship-work group can influence consumer behavior. The **formal work group**, consists of individuals who work together as part of a team, and, thus, have a sustained opportunity to influence each other's consumption-related attitudes and actions. Informal friendship-work groups consist of people who have become friends as a result of working for the same firm, whether or not they work together as a team. Members of informal work groups may influence the consumption behavior of other members during coffee or lunch breaks or at after-work meetings.

Recognizing that work groups influence consumers' brand choices and that most women now work outside of their homes, firms that in the past sold their products exclusively through direct calls on women in their homes now are redirecting their sales efforts to offices and plants during lunch hour visits. For instance, Avon and Tupperware, two leading direct-to-home marketers, encourage their sales representatives to reach working women at their places of employment.

VIRTUAL GROUPS OR COMMUNITIES

Thanks to computers and the Internet, we are witnessing the beginnings of a new type of group—*virtual groups* or *communities*. Both adults and children are turning on their computers, logging onto the Web, and visiting special interest Web sites, often with chat rooms. If you're a skier, you can chat, on-line, with other skiers; if you're an amateur photographer, you can chat on-line with others who share your interest. Local newspapers everywhere run stories from time to time about singles who met on-line, typically accompanied by a picture of their wedding. An Internet provider like America Online even lets its members create *Buddy Lists*TM, so when they sign onto AOL they immediately know which of their friends are currently on-line and can send and receive instant messages.

Whereas 50 years ago the definition of a community stressed the notion of geographic proximity and face-to-face relationships, today's communities are much more broadly defined as "sets of social relations among people."² In this spirit, there is also today rather wide-scale access to what is known as "Internet Communities" (e.g., www.well.com, www.geocities.com, www.ivillage.com, www.bigplanet.com, www.planetall.com, and www.icq.com). These communities provide their members with access to extensive amount of information and fellowship and social interaction covering an extremely wide range of topics and issues (for instance, vegetarianism, cooking, collecting, trading, finance, filmmaking, romance, politics, technology, art, hobbies, spiritualism, age grouping, on-line game playing, voice-video chats, free e-mail, tech assistance, travel and vacations, educational opportunities, living with illnesses, and a host of lifestyle options).

When visiting such communities, it does not matter if you are tall or short, thin or fat, handsome or plain-looking. On the Internet, people are free to express their thoughts, to be emotional and intimate with those they do not know and have never

met, and even to escape from those they normally interact with by spending time on the Internet. The anonymity of the Net gives its users the freedom to express whatever views they wish, and to also benefit from savoring the views of others. Because of this anonymity, Internet users can say things to others that they would not say in face-to-face interactions.³ Communicating over the Internet permits people to explore the boundaries of their personalities (see the related discussion in chapter 5), and to shift from one persona to another. For example, investigators have found that there are a surprisingly large number of men who adopt female personae on-line (“gender swapping”).⁴

CONSUMER-ACTION GROUPS

A particular kind of consumer group—a **consumer-action group**—has emerged in response to the consumerist movement. Today, there are a very large number of such groups who are dedicated to providing consumers with assistance in their effort to make the right purchase decisions, consume products and services in a healthy and responsible manner, and to generally add to the overall quality of their lives. The following are just a few examples of the diverse range of consumer concerns being addressed by private and public consumer action groups: neighborhood crime watch, youth development, forests and wildlife concerns, children and advertising, race and ethnicity, community volunteerism, legal assistance, public health, disaster relief, energy conservation, education, smoking, the environment, access to telecommunications, science in the public interest, credit counseling, and privacy issues.

Consumer-action groups can be divided into two broad categories: (1) those that organize to correct a specific consumer abuse and then disband and (2) those that organize to address broader, more pervasive problem areas and operate over an extended or indefinite period of time. A group of irate neighbors who band together to protest the opening of a topless bar in their neighborhood or a group of parents who attend a meeting of the local school board to question some of the decisions made by the high school principal are examples of temporary, cause-specific consumer-action groups. An example of an enduring consumer-action group is Mothers Against Drunk Driving (MADD), a group founded in 1980, and operating today throughout the United States within local community groups. MADD representatives serve on numerous public advisory boards and help establish local task forces to combat drunk driving. Additionally, the organization supports actions to restrict alcoholic beverage advertising and is opposed in general to any advertising and products that may have a negative impact on youth.

The overriding objective of many consumer-action groups is to bring sufficient pressure to bear on selected members of the business community to make them correct perceived consumer abuses.

CELEBRITIES AND OTHER REFERENCE GROUP APPEALS

Celebrities and other similar reference group appeals are used very effectively by advertisers to communicate with their markets. Celebrities can be a powerful force in creating interest or actions with regard to purchasing or using selected goods and services. This identification may be based on admiration (of an athlete), on aspiration (of a celebrity or a way of life), on empathy (with a person or a situation), or on recognition (of a person—real or stereotypical—or of a situation). In some cases, the

prospective consumer may think, “If she uses it, it must be good. If I use it, I’ll be like her.” In other cases, the prospective consumer says to himself, “He has the same problems that I have. What worked for him will work for me.”

Five major types of reference group appeals in common marketing usage are *celebrity appeals*, *expert appeals*, *common-man appeals*, *executive and employee appeals*, and *trade or spokes-character appeals*. These appeals, as well as less frequently employed appeals, are often operationalized in the form of testimonials or endorsements. In the case of the common man, they may be presented as *slice-of-life* commercials.

CELEBRITIES

Celebrities, particularly movie stars, TV personalities, popular entertainers, and sports icons, provide a very common type of reference group appeal. To their loyal followers and to much of the general public, celebrities represent an idealization of life that most people imagine that they would love to live. Advertisers spend enormous sums of money to have celebrities promote their products, with the expectation that the reading or viewing audience will react positively to the celebrity’s association with their products. Do you remember when Michael Jordan first retired from basketball for about 2 years? His return to the NBA resulted in the firms whose products he endorses to increase their stock market value by \$1 billion.⁵

A firm that decides to employ a celebrity to promote its product or service has the choice of using the celebrity to give a **testimonial**, to give an **endorsement**, as an **actor** in a commercial, or as a company **spokesperson**. Table 10-1 distinguishes between these different types of celebrity appeals, and Table 10-2 lists some currently popular celebrity endorsers and the client products or services they have represented.

Of all the benefits that a celebrity might contribute to a firm’s advertising program—fame, talent, credibility, or charisma—celebrity credibility with the consumer audience is the most important. By **celebrity credibility** we mean the audience’s perception of both the celebrity’s expertise (how much the celebrity knows about the product area) and *trustworthiness* (how honest the celebrity is about what he or she says about the product).⁶ To illustrate, when a celebrity endorses only one product, consumers are likely to perceive the product in a highly favorable light and indicate a greater intention to purchase it. In contrast, when a celebrity endorses a variety of products, his or her perceived credibility is reduced because of the apparent economic motivation underlying the celebrity’s efforts.⁷

Not all companies feel that using celebrity endorsers is the best way to advertise. For example, Gap, Inc., used celebrities throughout the 1980s in its “Individuals of Style campaign”; however, its current ads focus more heavily on the clothes. Some companies avoid

TABLE 10-1 Types of Celebrity Appeals

TYPE	DEFINITION	EXAMPLE
Testimonial	Based on personal usage, a celebrity attests to the quality of the product or service	Pat Riley for 1-Day Accuvue® disposable contact lenses
Endorsement	Celebrity lends his name and appears on behalf of a product or service with which he or she may or may not be an expert	Senior pro golfer Larry Laoretti for TE-AMO cigars
Actor	Celebrity presents a product or service as part of a character endorsement	Jason Alexander (George on “Seinfeld”) for Rold Gold pretzels
Spokesperson	Celebrity represents the brand or company over an extended period of time	Lee Trevino for Motorola telecommunications products

TABLE 10-2 Popular Celebrities and Their Products/Services

CELEBRITY	PRODUCT/SERVICE
June Allyson	Depends
Pierce Brosnan	Omega Watches
Bill Cosby	Jell-O
Cindy Crawford	Revlon, Omega Watches
Kareem Abdul-Jabbar	Pepperidge Farm Goldfish crackers
Michael Jordan	McDonald's, Nike
Lorenzo Lamas	Elizabeth Taylor's White Diamonds
Heather Locklear	L'Oreal
Rosie O'Donnell and Penny Marshall	Kmart
Paul Reiser	AT&T
Jerry Seinfeld	American Express
Jaelyn Smith	Kmart
Jonathan Winters	Choice Hotels

celebrities because they fear that if the celebrity gets involved in some undesirable act or event (e.g., an ugly matrimonial problem, a scandal, or a criminal case), the negative news or press coverage will negatively impact on the sale of the endorsed brand.

THE EXPERT

A second type of reference group appeal used by marketers is the expert, a person who, because of his or her occupation, special training, or experience, is in a unique position to help the prospective consumer evaluate the product or service that the advertisement promotes. For example, an advertisement for a quality frying pan may feature the endorsement of a chef; an ad for fishing tackle may contain the endorsement of a professional fishing guide; or an ad for volleyball shoes might feature the endorsement of a champion volleyball team (see Figure 10-3).

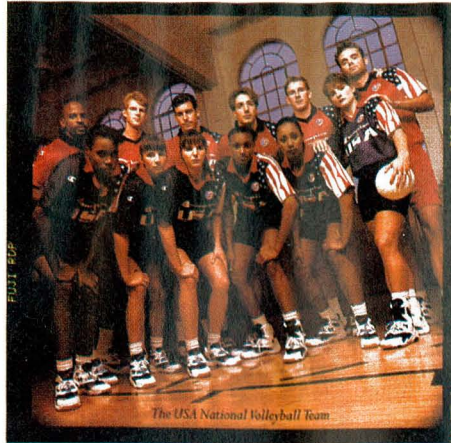
THE "COMMON MAN"

A reference group appeal that uses the testimonials of satisfied customers is known as the *common-man* approach. The advantage of the common-man appeal is that it demonstrates to prospective customers that someone just like them uses and is satisfied with the product or service being advertised. The common-man appeal is especially effective in public-health announcements (such as antismoking or high-blood pressure messages), for most people seem to identify with people like themselves when it comes to such messages.⁸

The Saturn Corporation consistently has used a variation of the common-man approach, when it tells of the interesting experiences of satisfied Saturn customers—often showing the consumers in a dramatization of the customer's unique experience. In one example, Darlene and Tom Robison were "run off the highway, rolled their car," and yet were able to walk away from the accident.

Many television commercials show a typical person or family solving a problem by using the advertised product or service. These commercials are known as *slice-of-life commercials* because they focus on "real-life" situations with which the viewer can identify. For example, one commercial focuses on how a laundry detergent can deodorize clothes; another talks about how a certain breakfast cereal provides enough energy to get an indi-

FIGURE 10-3
An Expert Appeal



✔ We put a lot into our new volleyball shoes. A whole team, in fact. ✔



All the new Kaepa volleyball shoes are loaded with features. Like Infinity™ Snapper® Rubber, for unparalleled traction on the court. Forefoot shock-absorption. And a lightweight molded EVA midsole. We even designed one with a built-in ankle brace for maximum support and flexibility. So no matter who you are, or at what level you compete, you'll really get into our shoes. Just like the USA National Volleyball Team.

Kaepa 

Shoes pictured above: the Women's Volo Mid, the Women's Brace, the Men's Brace, and the Men's Volo Low.
Kaepa is the official shoe of the USA National Volleyball Team. Available at The Athlete's Foot and Just for Feet or call 1-800-707-1189.

vidual through a hectic morning. When viewers identify with the situation, they are likely to adopt the solution that worked in the TV commercial. Figure 10-4 presents an ad for Jenny Craig™ Personal Weight Management that effectively uses the endorsement of a satisfied customer who personally lost 22 pounds in three and half months.

THE EXECUTIVE AND EMPLOYEE SPOKESPERSON

During the past two decades, an increasing number of firms have used their top executives as spokespersons in consumer ads. The popularity of this type of advertising probably is due to the success and publicity received by a number of innovative executive spokespersons. For instance, Lee Iacocca was highly effective in persuading consumers

FIGURE 10-4
Customers Providing
Testimonials

Denise before she lost 21 lbs. with Jenny Craig.*

Diana before she lost 35 lbs. with Jenny Craig.*

"Together, we lost 56 pounds with Jenny Craig!*"

"As twins, we're always together. But when you're losing weight, you want to be treated as an individual. At Jenny Craig, your very own Consultant helps customize a weight loss plan just for you. Jenny Craig can work for you, too. Don't wait. Call Jenny Craig today!"

Join Jenny Craig now and lose all the weight you want for just \$1 a pound**

St. Catharines
353 Lake Street, #12B

Jenny Craig®

*Results not typical. **Plus the cost of food.

New clients only. Offer expires 10/31/98. At participating Centres. No cash value. ©1998 Jenny Craig Inc. Denise Peterlein lost 21 lbs. in 3 1/2 months. Diana Chipos lost 35 lbs. in 8 1/2 months.

**To be directly connected to your nearest Centre,
CALL 1-800-68-JENNY
or visit us at www.iennycraig.com**

that Chrysler automobiles were worthy of their purchase consideration. Similarly, Frank Perdue spoke about the superiority of his Perdue chickens; Victor Kiam, the president of Remington Products, spoke about the benefits of his made-in-America shavers; Bill Marriott, the president of the Marriott Corporation, promoted the chain's hotels; and founder Dave Thomas is prominent in most Wendy's TV commercials.

Like the celebrity spokesperson, executive spokespersons seem to be admired by the general population because of their achievements and the status implicitly conferred on business leaders in the United States. The appearance of a company's chief executive in its advertising seems to imply that someone at the top is watching over the consumers' best interests, and it encourages consumers to have more confidence in the firm's products or services.

TRADE OR SPOKES-CHARACTERS

Trade or spokes-characters (for example, Mr. Peanut, Tony the Tiger, or Cap 'n Crunch), as well as familiar cartoon characters (Ninja Turtles, Mr. Magoo, Bart Simpson), serve as quasicelebrity endorsers. These trade spokes-characters present an idealized image and dispense information that can be very important for the product or service that they “work for.”⁹

With few exceptions, trade characters serve as an exclusive spokesperson for a particular product or service. They sometimes provide a kind of personality for the product or service and make the product appear more friendly (Ronald McDonald) or less complex (when IBM PCs used the little tramp). Betty Crocker now even has her own Web site to offer recipes, personalized weekly menus, and household hints. This Web site is the modern-day extension of the fact that Betty Crocker started answering letters from consumers in the 1920s and got her own toll-free telephone number in 1980. According to the company, the purpose of the Web site “is not to push Betty Crocker, not to sell product, but to provide content that offers ideas and solves problems, so people consider the site a valuable resource.”¹⁰

OTHER REFERENCE GROUP APPEALS

A variety of other promotional strategies can function creatively as frames of reference for consumers. Respected retailers and the editorial content of selected special-interest magazines can also function as frames of reference that influence consumer attitudes and behavior. For instance, a customer might feel that if a leading fashion specialty store such as Bergdorf Goodman depicts men’s single-breasted suits with peaked lapels as “in,” then the style must be acceptable and in good taste. Similarly, a regular reader of *GQ* might see unstructured and relaxed sport coats as appropriate to wear to work if the magazine were to feature them in office surroundings. In these two instances, the retailer and the magazine are functioning as frames of reference that influence consumer behavior.

Finally, *seals of approval* and even objective product ratings can serve as positive endorsements that encourage consumers to act favorably toward certain products. For instance, many parents of young children look for the American Dental Association’s seal of approval before selecting a brand of toothpaste. A high rating by an objective rating magazine, such as *Consumer Reports*, can also serve as an endorsement for a brand.

The remainder of this chapter concentrates on the family—arguably the most important group influencing human behavior in general and consumer behavior in particular.

THE FAMILY IS A CONCEPT IN FLUX

Although the term **family** is a basic concept, it is not easy to define because family composition and structure, as well as the roles played by family members, are almost always in transition. Traditionally, however, *family* is defined as *two or more persons related by blood, marriage, or adoption who reside together*. In a more dynamic sense, the individuals who constitute a family might be described as members of the most basic social group who live together and interact to satisfy their personal and mutual needs. Today in the United States, 70 percent of the just over 100 million households are families.¹¹ According to many sources, the *family* remains the central or dominant

FIGURE 10-5

The Appeal of a Family Shared Meal



People come to your party for two reasons.
One because they like you.
The other because they like to eat.



It's no secret, when it comes to entertaining, the food is the big draw. With Stouffer's Family

Style Favorites, you get homemade taste in larger sizes.



Nothing Comes Closer to Home™



© 1997 Nestlé USA—Food Division, Inc.

institution in providing for the welfare of its members. Figure 10-5 presents an ad for Stouffer's Family Style Favorites (feeding about 12 people) that depicts in a grand style a family gathering to enjoy the celebration of a shared meal.

Although **families** sometimes are referred to as **households**, not all households are families. For example, a household might include individuals who are not related by blood, marriage, or adoption, such as unmarried couples, family friends, roommates, or boarders. However, within the context of consumer behavior, households and families usually are treated as synonymous, and we will continue this convention.

In most Western societies, three types of families dominate: the married couple, the nuclear family, and the extended family. The simplest type of family, in number of members, is the *married couple*—a husband and a wife. As a household unit, the married couple generally is representative of either new marrieds who have not yet started a family and older couples who have already raised their children.

A husband and wife and one or more children constitute a **nuclear family**. This type of family is still commonplace, but has been on the decline. The nuclear family, together with at least one grandparent living within the household, is called an **extended family**. Within the past 30 years the incidence of the extended family has also declined because of the geographic mobility that split-up families. Moreover, because of divorce, separation, and out-of-wedlock births, there has been a rapid increase in the number of **single-parent family** households consisting of one parent and at least one child.

Not surprisingly, the type of family which is most “typical” can vary considerably from culture to culture. For instance, in an individualistic society such as that in Canada, the nuclear family is most common. In a kinship culture (with extended families) such as that in Thailand, a family would commonly include a head of household, married adult children, and grandchildren.¹²

SOCIALIZATION OF FAMILY MEMBERS

The **socialization of family members**, ranging from young children to adults, is a central family function. In the case of young children, this process includes imparting to children the basic values and modes of behavior consistent with the culture. These generally include moral and religious principles, interpersonal skills, dress and grooming standards, appropriate manners and speech, and the selection of suitable educational and occupational or career goals. To illustrate how this socialization responsibility is expanding, parents are increasingly anxious to see their young children possess adequate computer skills, almost before they are able to talk or walk—as early as 12 months after their birth. Because parents seem to be so intensively interested in their young children learning about using a computer, hardware and software developers are rapidly creating products targeted at parents seeking to buy such items for their very young children (see Figure 10-6).

Marketers frequently target parents looking for assistance in the task of socializing their children. To this end, marketers are sensitive to the fact that the socialization of young children provides an opportunity to establish a foundation on which later experiences continue to build throughout life. These experiences are reinforced and modified as the child grows into adolescence, the teenage years, and eventually into adulthood.

CONSUMER SOCIALIZATION OF CHILDREN

The aspect of childhood socialization that is particularly relevant to the study of consumer behavior is **consumer socialization**, which is defined as *the process by which children acquire the skills, knowledge, and attitudes necessary to function as consumers*. A variety of studies have focused on how children develop consumption skills. Many preadolescent children acquire their *consumer behavior norms* through observation of their parents and older siblings, who function as role models and sources of cues for basic consumption learning. In contrast, adolescents and teenagers are likely to look to their friends for models of acceptable consumption behavior.¹³

Shared shopping experiences (that is, coshopping when mother and child shop together) also give children the opportunity to acquire in-store shopping skills. Possibly because of their more hurried lifestyles, working mothers are more likely to undertake coshopping with their children than are nonworking mothers. Coshopping is a way of spending time with one's children while at the same time accomplishing a necessary task.

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FIGURE 10-6

Computer Related Products Are Sought After by Parents of Young Children

Consumer socialization also serves as a tool by which parents influence other aspects of the socialization process. For instance, parents frequently use the promise or reward of material goods as a device to modify or control a child's behavior. A mother may reward her child with a gift when the child does something to please her, or she may withhold or remove it when the child disobeys. Research conducted by one of the authors supports this behavior-controlling function. Specifically, adolescents reported that their parents frequently used the promise of chocolate candy as a means of controlling their behavior (such as getting them to complete homework or to clean their rooms).

ADULT CONSUMER SOCIALIZATION

The socialization process is not confined to childhood; rather, it is an ongoing process. It is now accepted that socialization begins in early childhood and extends throughout a person's entire life. For example, when a newly married couple establishes a separate household, their adjustment to living and consuming together is part of this continuing process. Similarly, the adjustment of a retired couple who decide to move to Florida or Arizona is also part of the ongoing socialization process. Even a family that is welcoming a pet into their home, as a new family member, must face the challenge of socializing the pet so that it fits into the family environment.

INTERGENERATIONAL SOCIALIZATION

It appears that it is quite common for selected product loyalty or brand preferences to be *transferred* from one generation to another—*intergeneration brand transfer*—maybe for even three or four generations within the same family. For instance, specific brand preferences for products like peanut butter, mayonnaise, ketchup, coffee,

and canned soup are all product categories that are frequently “passed on” from one generation to another generation. The following are several verbatims from research with college-aged consumers as to how they feel about product usage extending over several generations:¹⁴

My mother stills buys almost every brand that her mother did. She is scared to try anything else, for it will not meet the standards, and (she) would feel bad not buying something that has been with her so long. (Respondent is an Italian-American male in his early twenties.)

I find it hard to break away from the things I've been using since I was little; like Vaseline products, Ivory soap, Lipton tea, and corn flakes. I live on campus so I have to do my own shopping, and when I do I see a lot of my mother in myself. I buy things I'm accustomed to using . . . products my mother buys for the house. (Respondent is West Indian–American female.)

Figure 10-7 presents a simple model of the socialization process that focuses on the socialization of young children but that can be extended to family members of all ages. Note that the arrows run both ways between the young person and other family members and between the young person and his or her friends. This two-directional arrow signifies that socialization is really a two-way street, in which the young person is both socialized and influences those who are doing the socializing. Supporting this view is the reality that children of all ages often influence the opinions and behavior of their parents.

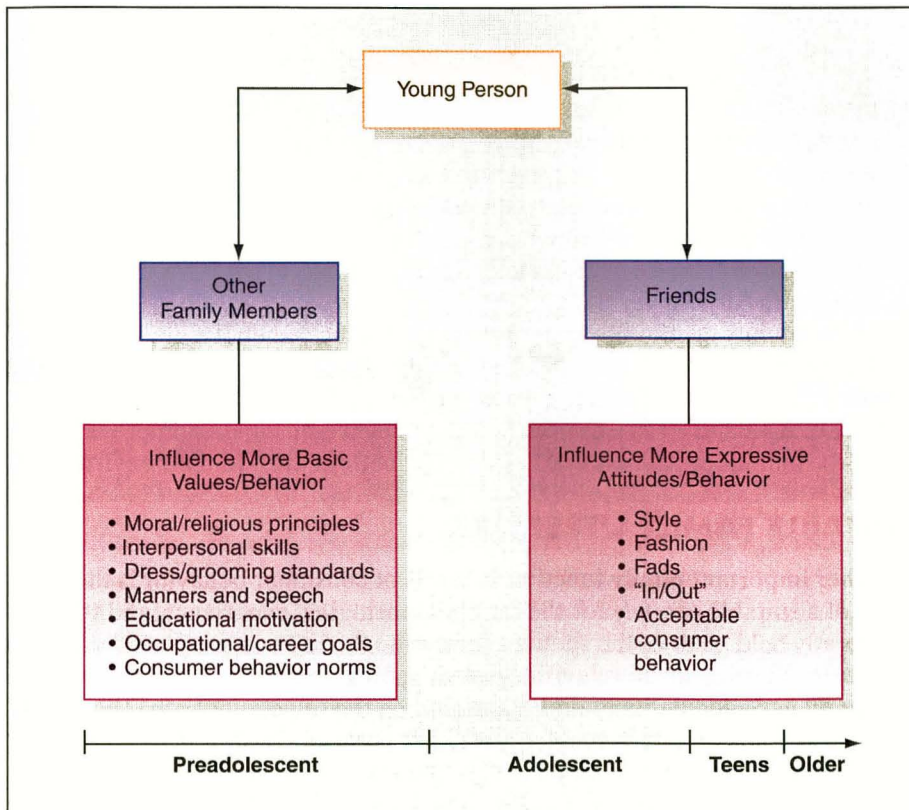


FIGURE 10-7
A Simple Model of the Socialization Process



OTHER FUNCTIONS OF THE FAMILY

Three other basic functions provided by the family are particularly relevant to a discussion of consumer behavior. These include economic well-being, emotional support, and suitable family lifestyles.

ECONOMIC WELL-BEING

Although families in affluent nations of North America, Europe, and Asia are no longer formed primarily for economic security, providing financial means to its dependents is unquestionably a basic family function (see Figure 10-8). How the family divides its responsibilities for providing economic well-being has changed considerably during the past 25 years. No longer are the traditional roles of husband as economic provider and wife as homemaker and child rearer still valid. For instance, it is very common for married women with children in the United States and other industrial countries to be employed outside the home and for their husbands to share household responsibilities. In part, this may be why more than 70 percent of women in the United States who are over the age of 18 claim that it is more difficult to be a mother now than it was 20 or 30 years ago.¹⁵

The economic role of children also has changed. Today, despite the fact that many teenage children work, they rarely assist the family financially. Instead, many teenagers are expected to pay for their own amusements; others contribute to the costs of their formal education and prepare themselves to be financially independent.


EMOTIONAL SUPPORT

The provision of emotional nourishment (including love, affection, and intimacy) to its members is an important core function of the contemporary family. In fulfilling this function, the family provides support and encouragement and assists its members in coping with decision making and with personal or social problems.¹⁶ To make it easier for working parents to show their love, affection, and support to their children, greeting card companies have been increasingly creating cards for parents to give to their children (or vice versa).

If the family cannot provide adequate assistance when it is needed, it may turn to a counselor, psychologist, or other helping professional as an alternative. For instance, in most communities, educational and psychological centers are available that are designed to assist parents who want to help their children improve their learning and communication skills or to generally better adjust to their environments.

SUITABLE FAMILY LIFESTYLES

Another important family function in terms of consumer behavior is the establishment of a suitable *lifestyle* for the family. Upbringing, experience, and the personal and jointly held goals of the spouses determine the importance placed on education or career, on reading, on television viewing, on the learning of computer skills, on the frequency and quality of dining out, and on the selection of other entertainment and recreational activities. Researchers have identified a shift in the nature of family “togetherness.” Whereas a family being together once meant doing things together, today it means being in the same household and each person doing his or her own thing.¹⁷




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FIGURE 10-8
Appealing to the Responsibility of Providing for Future Family Financial Needs

Family lifestyle commitments, including the allocation of time, is greatly influencing consumption patterns. For example, a series of diverse pressures on moms has reduced the time that they have available for household chores and has created a market for convenience products and fast-food restaurants. Also, with both parents working, an increased emphasis is being placed on the notion of “quality time,” rather than on the “quantity of time” spent with children and other family members. Realizing the scarcity of quality family time, Hilton hotels feature a variety of vacation and weekend packages targeted to couples and their children (see Figure 10-9).

TABLE 10-3 The Eight Roles in the Family Decision-Making Process

ROLE	DESCRIPTION
Influencers	Family member(s) who provide information to other members about a product or service
Gatekeepers	Family member(s) who control the flow of information about a product or service into the family
Deciders	Family member(s) with the power to determine unilaterally or jointly whether to shop for, purchase, use, consume, or dispose of a specific product or service
Buyers	Family member(s) who make the actual purchase of a particular product or service
Preparers	Family member(s) who transform the product into a form suitable for consumption by other family members
Users	Family member(s) who use or consume a particular product or service
Maintainers	Family member(s) who service or repair the product so that it will provide continued satisfaction
Disposers	Family member(s) who initiate or carry out the disposal or discontinuation of a particular product or service

men). However, we can identify eight distinct roles in the *family decision-making process*, as presented in Table 10-3. A look at these roles provides further insight into how family members interact in their various consumption-related roles.

The number and identity of the family members who fill these roles vary from family to family and from product to product. In some cases, a single family member will independently assume a number of roles; in other cases, a single role will be performed jointly by two or more family members. In still other cases, one or more of these basic roles may not be required. For example, a family member may be walking down the snack food aisle at a local supermarket when he picks out an interesting new chocolate candy. His selection does not directly involve the influence of other family members. He is the *decider*, the *buyer* and, in a sense, the *gatekeeper*; however, he may or may not be the sole consumer (or user). Products may be consumed by a single family member (beer, lipstick), consumed or used directly by two or more family members (frozen vegetables, shampoo), or consumed indirectly by the entire family (central air conditioning, a home security alarm system, or an art glass collection).

DYNAMICS OF HUSBAND-WIFE DECISION MAKING

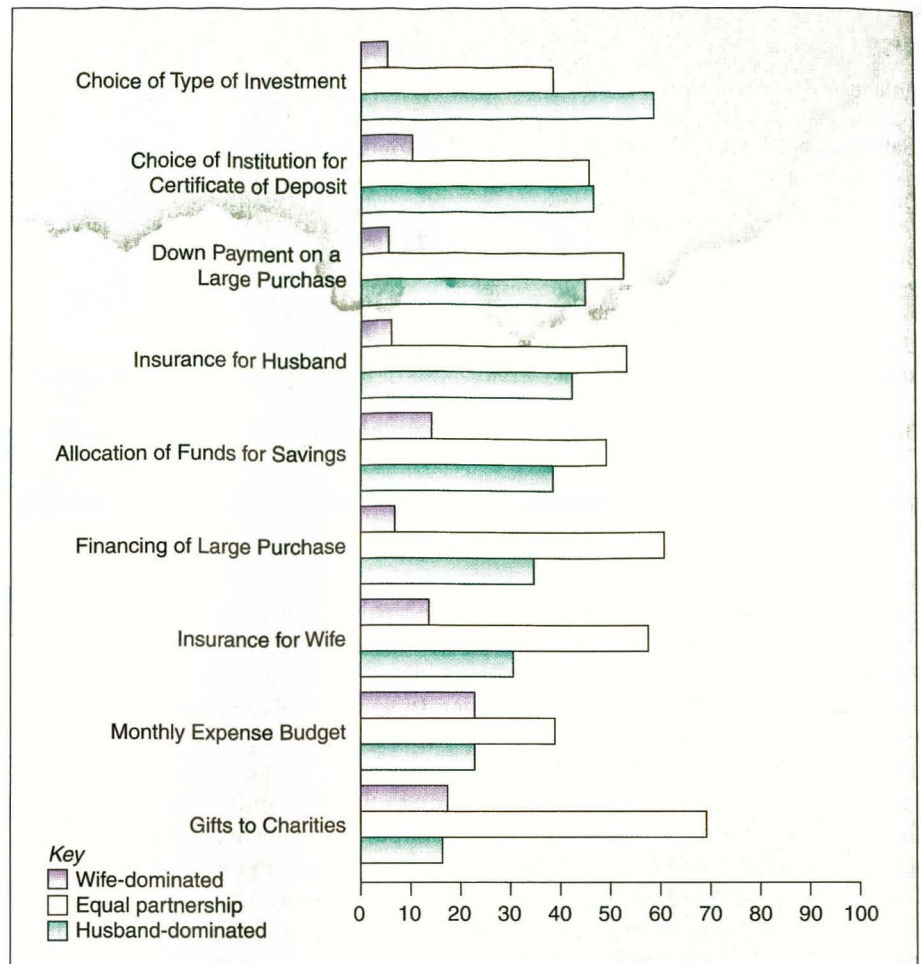
Marketers are interested in the relative amount of influence that a husband and a wife have when it comes to family consumption choices. Most husband-wife influence studies classify family consumption decisions as **husband-dominated**, **wife-dominated**, **joint** (either equal or syncretic), and **autonomic** (either solitary or unilateral).¹⁸

The relative influence of a husband and wife on a particular consumer decision depends in part on the product and service category. For instance, during the 1950s, the purchase of a new automobile was strongly husband-dominated, while food and financial-banking decisions more often were wife-dominated. Forty years later, the purchase of the family's principal automobile is still often husband-dominated in many households. However, in other contexts or situations (such as a second car or a car for a single or working woman), female car buyers are a rapidly expanding segment of the automobile market, a segment to which many car manufacturers are currently paying separate marketing attention. Also, in case of financial decision making, there has been a general trend away from wife-dominated decisions to joint decisions (see Figure 10-10).¹⁹

FIGURE 10-10

Husband-Wife Influence in Financial Tasks and Decisions

Source: JoAnne Stille Hopper, "Family Financial Decision Making: Implications for Marketing Strategy," *Journal of Services Marketing* 9(1), 1995, 28. First published by MCB University Press Ltd. Reprinted by permission.



Husband-wife decision making also appears to be related to *cultural influence*. Research comparing husband-wife decision making patterns in the People's Republic of China and in the United States reveals that among Chinese there were substantially fewer "joint" decisions and more "husband-dominated" decisions for many household purchases.²⁰ However, when limiting the comparison to urban and rural Chinese households (or a "within-China" comparison), the research showed that in a larger city like Beijing, married couples were more likely than rural couples to share equally in purchase decisions. Still further, because of China's "one child" policy and the ensuing custom of treating a single child as a "little emperor," many of the parents' purchase decisions are influenced by the input of their child.²¹

In another recent cross-cultural study, husband-wife decision making was studied among three groups: Asian-Indians living in India, Asian-Indians living in the United States, and American nationals. Results show a decrease in husband-dominated decisions and an increase in wife-dominated decisions, going from Asian-Indians in India, to Asian-Indians in the United States, to American nationals. This pattern seems to indicate the impact of assimilation on decision making.²²

THE FAMILY LIFE CYCLE

Sociologists and consumer researchers have long been attracted to the concept of the **family life cycle (FLC)** as a means of depicting what was once a rather steady and predictable series of stages that most families progressed through. However, with the advent of many diverse family and lifestyle arrangements, what was the rule has been on the decline. This decline in the percentage of families that progress through a traditional FLC (to be explored shortly) seems to be caused by a host of societal factors, including an increasing divorce rate, the explosive number of out-of-wedlock births, and the 30-year decline in the number of extended families that transpired as many young families moved to advance their job and career opportunities.

The notion of the FLC remains a useful marketing tool when one keeps in mind that there are family and lifestyle arrangements that are not fully accounted for by the traditional representation. FLC analysis enables marketers to segment families in terms of a series of stages spanning the life course of a family unit. The FLC is a composite variable created by systematically combining such commonly used demographic variables as *marital status*, *size of family*, *age of family members* (focusing on the age of the oldest or youngest child), and *employment status* of the head of household. The ages of the parents and the relative amount of disposable income usually are inferred from the stage in the family life cycle.

To reflect the current realities of a wide range of family and lifestyle arrangements, our treatment of the FLC concept is divided into two sections. The first section considers the traditional FLC schema. This model is increasingly being challenged, because it fails to account for various important family living arrangements. To rectify these limitations, the second section focuses on alternative FLC stages, including increasingly important nontraditional family structures.

TRADITIONAL FAMILY LIFE CYCLE

The **traditional FLC** is a progression of stages through which many families pass, starting with bachelorhood, moving on to marriage (and the creation of the basic family unit), then to family growth (with the birth of children), to family contraction (as grown children leave the household), and ending with the dissolution of the basic unit (due to the death of one spouse). Although different researchers have expressed various preferences in terms of the number of FLC stages, the traditional FLC models proposed over the years can be synthesized into just five basic stages, as follows:

- Stage I: Bachelorhood—Young single adult living apart from parents
- Stage II: Honeymooners—Young married couple
- Stage III: Parenthood—Married couple with at least one child living at home
- Stage IV: Postparenthood—An older married couple with no children living at home
- Stage V: Dissolution—One surviving spouse

The following discussion examines the five stages in detail and shows how they lend themselves to market segmentation strategies.

Stage I: Bachelorhood

The first FLC stage consists of young single men and women who have established households apart from their parents. Although most members of this FLC stage are fully employed, many are college or graduate students who have left their parents'

homes. Young single adults are apt to spend their incomes on rent, basic home furnishings, the purchase and maintenance of automobiles, travel and entertainment, and clothing and accessories. Members of the bachelorhood stage frequently have sufficient disposable income to indulge themselves. Marketers target singles for a wide variety of products and services.

In most large cities, there are travel agents, housing developments, health clubs, sports clubs, and other service and product marketers that find this FLC stage a lucrative target niche. *Meeting, dating, and mating* are prominent concerns of many young adults who typically are beginning their working lives after recently completing college or some other form of career or job training. It is relatively easy to reach this segment, because many special-interest publications target singles. For example, *GQ, Details, and Playboy* are directed to a young, sophisticated, single male audience, whereas *Cosmopolitan, Allure, and Glamour* are directed to young single females.

It is interesting to note how the perceptions of 18- to 29-year-olds have been changing with respect to marriage. While in 1991, 72 percent of this group felt that a happy marriage is part of the good life, by 1996 the number had risen to 86 percent. This growth in percentage is higher than for any other age group of U.S. adults.²³

Marriage marks the transition from the bachelorhood stage to the honeymooner stage (see Figure 10-11). Engaged and soon-to-be-married couples have a combined income of more than \$48,000 (30 percent greater than the average United States household); therefore, they are the target for many products and services (the bridal industry is a \$32-billion-a-year market).²⁴ And they want their wedding to be special, which explains the recent trend in wedding sites that are far from home. For example, a Wyoming company, Bonham Western Weddings, arranges ceremonies at nearby ranches and also sells wedding outfits with a Western design. The owner of the company claims, "A lot of people from back East come out here."²⁵

Stage II: Honeymooners

The *honeymoon* stage starts immediately after the marriage vows are taken and generally continues until the arrival of the couple's first child. This FLC stage serves as a period of adjustment to married life. Because many young husbands and wives both work, these couples have available a combined income that often permits a lifestyle that provides them with the opportunities of more indulgent purchasing of possessions or allows them to save or invest their extra income.

Honeymooners have considerable start-up expenses when establishing a new home (major and minor appliances, bedroom and living room furniture, carpeting, drapes, dishes, and a host of utensils and accessory items). During this stage, the advice and experience of other married couples are likely to be important to newlyweds. Also important as sources of new product information are the so-called shelter magazines, such as *Better Homes and Gardens* and *Metropolitan Home*.

Stage III: Parenthood

When a couple has its first child, the honeymoon is considered over. The *parenthood* stage (sometimes called the full-nest stage) usually extends over more than a 20-year period. Because of its long duration, this stage can be divided into shorter phases: the preschool phase, the elementary school phase, the high school phase, and the college phase. Throughout these parenthood phases, the interrelationships of family members and the structure of the family gradually change. Furthermore, the financial resources of the family change significantly, as one (or both) parents progress in a career and as child-rearing and educational responsibilities gradually increase and finally decrease as children become self-supporting.

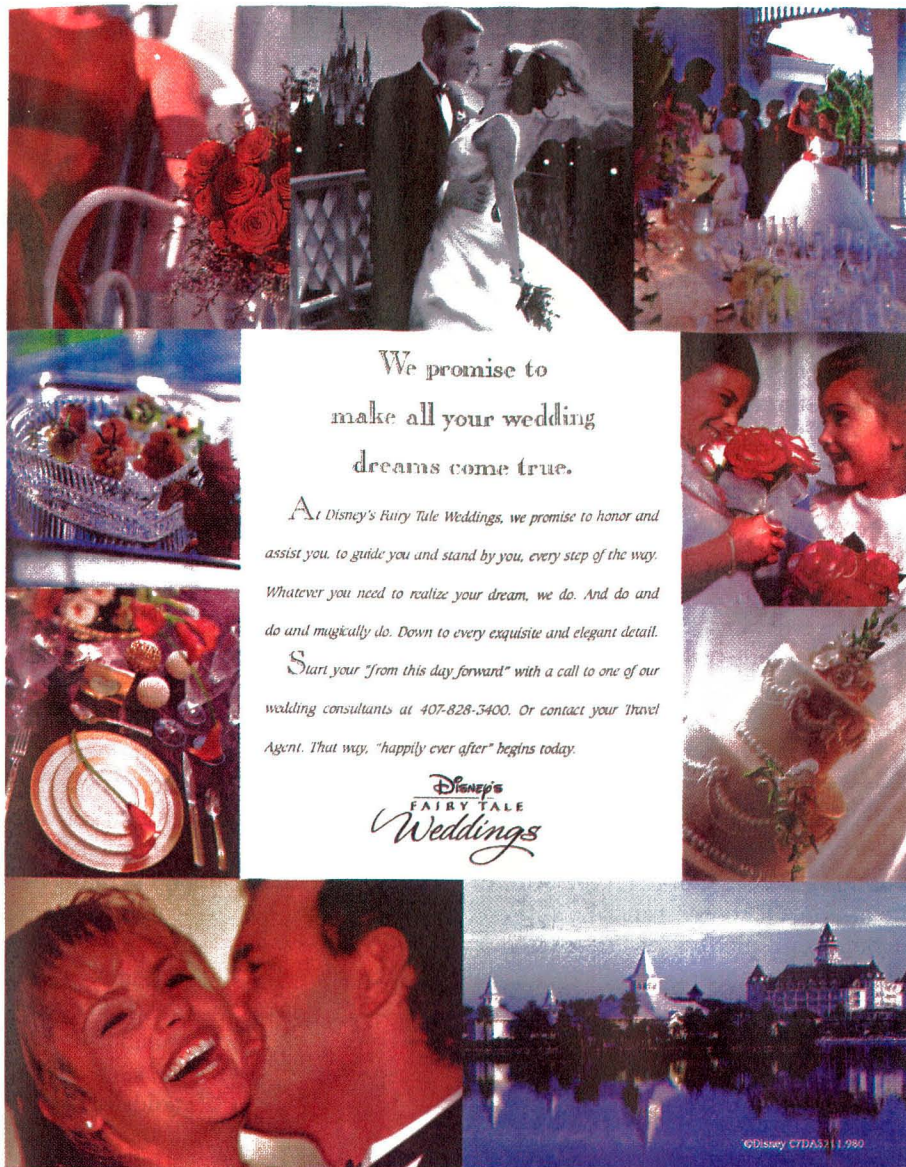


FIGURE 10-11
A Major Family Life Cycle Commitment

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An increase in the number of births among baby boomers (born between 1946 and 1964) has resulted in a "baby boomlet." These parents are older (34 to 52), better educated, more affluent, and more socially aware. Many feel that they are better parents to their children than their parents were to them. Their children often become the focus of their lives, and they spend money accordingly. "Boomer" parents have become an important target for companies that serve the baby market. They also are an important market for many investment and insurance services. There is even a company called Cover Concepts Marketing Services that distributes product samples, coupons, and other promotions to Boomer parents and their preschooler children at more than 22,000 day-care centers.²⁶ The purpose here is to secure product and service exposure among this important group of consumers.

Many magazines cater to the information and entertainment needs of parents and children. For example, there are many other special-interest publications, such as *Humpty Dumpty*, designed for the young child just learning to read; *Scholastic Magazine*, for the elementary school pupil; *Boy's Life*, for young boys; and *American Girl*, *Seventeen*, *Glamour*, and *Mademoiselle*, for teen and postteen girls interested in fashion.

Stage IV: Postparenthood

Because parenthood extends over many years, it is only natural to find that *postparenthood*, when all the children have left home, is traumatic for some parents and liberating for others. This so-called *empty-nest stage* signifies for many parents almost a “rebirth,” a time for doing all the things they could not do while the children were at home and they had to worry about soaring educational expenses. For the mother, it is a time to further her education, to enter or reenter the job market, to seek new interests. For the father, it is a time to indulge in new hobbies. For both, it is the time to travel, to entertain, perhaps to refurnish their home or to sell it in favor of a new home or condominium.

It is during this stage that married couples tend to be most comfortable financially. Today's empty nesters have more leisure time. They travel more frequently, take extended vacations, and are likely to purchase a second home in a warmer climate. They have higher disposable incomes because of savings and investments, and they have fewer expenses (no mortgage or college tuition bills). They look forward to being involved grandparents. For this reason, families in the postparenthood stage are an important market for luxury goods, new automobiles, expensive furniture, and vacations to faraway places (see Figure 10-12).

Many empty nesters retire while they are still in good health. Retirement provides the opportunity to pursue new interests, to travel, and to fulfill unsatisfied needs. Hotels, airlines, and car-leasing companies have responded to this market with discounts to consumers over 60; some airlines have established special travel clubs with unlimited mileage for a flat fee. Adult communities have sprung up in many parts of the nation. Of course, for older retired couples who do not have adequate savings or income, retirement is far different and very restrictive.

Older consumers tend to use television as an important source of information and entertainment. They favor programs that provide the opportunity to “keep up with what's happening,” especially news and public affairs programs. In addition, a number of special-interest magazines cater exclusively to this market, such as *Modern Maturity*. (Chapter 13 contains a more detailed discussion of the older consumer as a subcultural market segment.)

Stage V: Dissolution

Dissolution of the basic family unit occurs with the death of one spouse. When the surviving spouse is in good health, is working or has adequate savings, and has supportive family and friends, the adjustment is easier. The surviving spouse (usually, the wife) often tends to follow a more economical lifestyle. Many surviving spouses seek each other out for companionship; others enter into second (or third and even fourth) marriages.

MODIFICATIONS—THE NONTRADITIONAL FLC

As we already noted, the traditional FLC model has lost its ability to fully represent the progression of stages through which current family and lifestyle arrangements move. To compensate for these limitations, consumer researchers have been attempting to search out expanded FLC models that better reflect diversity of family and

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**FIGURE 10-12**

Targeting the Postparent-hood Stage

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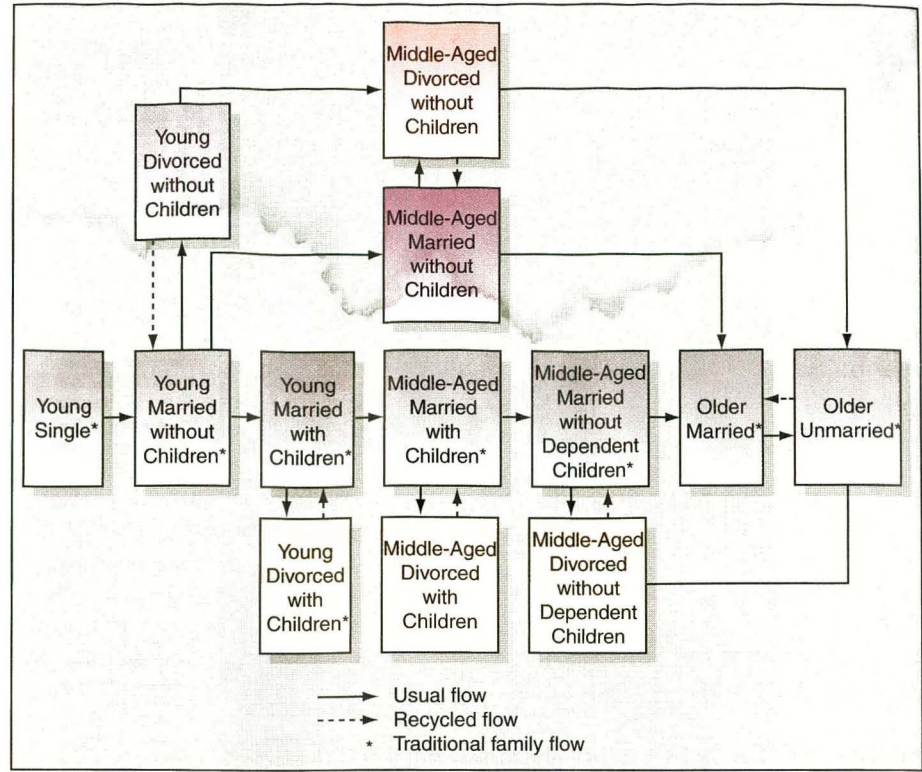
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lifestyle arrangements.²⁷ Figure 10-13 presents an FLC model that depicts along the main horizontal row the stages of the traditional FLC and above and below the main horizontal row are selected alternative FLC stages that account for some important nontraditional family households that marketers are increasingly targeting. The underlying sociodemographic forces that drive this expanded FLC model include divorce and later marriages, with and without the presence of children. Although somewhat greater reality is provided by this modified FLC model, it only recognizes families that started in marriage, ignoring such single-parent households as unwed mothers and families formed because a single person or single persons adopt a child.

FIGURE 10-13

An Extended Family Life Cycle Schema Accounts for Alternative Consumer Lifestyle Realities

Source: Patrick E. Murphy and William A. Staples, "A Modernized Family Life Cycle," *Journal of Consumer Research* 6 (June 1979), 17. Reprinted by permission of The University of Chicago Press as publisher.



Nontraditional FLC Stages

Table 10-4 presents an extensive categorization of nontraditional FLC stages that are derived from the dynamic sociodemographic forces operating during the past 25 years or so. These nontraditional stages include not only family households but also nonfamily households: those consisting of a single individual and those consisting of two or more unrelated individuals. At one time, nonfamily households were so uncommon that it was not really important whether they were considered or not. However, as Table 10-5 reveals, nearly 30 percent of all households are currently nonfamily households (that is, men or women living alone or with another person as an unmarried couple). The table points out how FLC stages have shifted so that today nonfamily households actually outnumber married couples with children, the once stereotypical family.

Consumption in Nontraditional Families

When households undergo status changes (divorce, temporary retirement, a new person moving into the household, or the death of a spouse), they often undergo spontaneous changes in consumption-related preferences and, thus, become attractive targets for many marketers. For example, divorce often requires that one (or both) former spouses find a new residence, get new telephones (with new telephone numbers), buy new furniture, and perhaps find a job. These requirements mean that a divorced person might need to contact real estate agents, call the local and long-distance telephone companies, visit furniture stores, and possibly contact a personnel agency or career consultant. There are also the special needs of the children who are experiencing the divorce (see Figure 10-14).

TABLE 10-4 Noteworthy Nontraditional FLC Stages

ALTERNATIVE FLC STAGES	DEFINITION/COMMENTARY
FAMILY HOUSEHOLDS	
Childless couples	It is increasingly acceptable for married couples to elect not to have children. Contributing forces are more career-oriented married women and delayed marriages.
Couples who marry later in life (in their late 30s or later)	More career-oriented men and women and greater occurrence of couples living together. Likely to have fewer or even no children
Couples who have first child later in life (in their late 30s or later)	Likely to have fewer children. Stress quality lifestyle: "Only the best is good enough."
Single parents I	High divorce rates (about 50 percent) contribute to a portion of single-parent households.
Single parents II	Young man or woman who has one or more children out of wedlock.
Single parents III	A single person who adopts one or more children.
Extended family	Young single-adult children who return home to avoid the expenses of living alone while establishing their careers. Divorced daughter or son and grandchild(ren) return home to parents. Frail elderly parents who move in with children. Newlyweds living with in-laws.
NONFAMILY HOUSEHOLDS	
Unmarried couples	Increased acceptance of heterosexual and homosexual couples.
Divorced persons (no children)	High divorce rate contributes to dissolution of households before children are born.
Single persons (most are young)	Primarily a result of delaying first marriage; also, men and women who never marry.
Widowed persons (most are elderly)	Longer life expectancy, especially for women, means more over-75 single-person households.

TABLE 10-5 Family and Nonfamily Households


	NUMBER OF HOUSEHOLD BY TYPE IN 1996 (IN 000s)	DISTRIBUTION OF HOUSEHOLDS BY TYPE		
ALL HOUSEHOLDS	101,018	100.0%*		
FAMILY HOUSEHOLDS	70,241			
Married couples	53,604			
with children under 18	25,083	24.8		
without children under 18	28,521	<u>28.2</u>	53.1	
Female-householder families	12,790			
with children under 18	7,824	7.7		
without children under 18	4,916	<u>4.9</u>	12.7	
Male-householder families	3,847			
with children under 18	1,709	1.7		
without children under 18	2,139	<u>2.1</u>	<u>3.8</u>	69.5
NONFAMILY HOUSEHOLDS	30,777			
Living alone	25,402			
Female householders	14,861	14.7		
Male householders	10,442	<u>10.3</u>	25.1	
Living with others	5,375			
Female householder	2,110	2.1		
Male householder	3,266	<u>3.2</u>	<u>5.3</u>	30.5

*There are slight rounding errors throughout.

Source: U.S. Bureau of the Census, *Household and Family Characteristics: March 1996 (Update)*, June 1997, Table 16, 138.

FIGURE 10-14

Ad Pertaining to a Nontraditional Family Life Cycle Situation



The World According to Valerie LaManna, Junior, West River High

"Parents tell us we're too young to handle relationships, and then they get divorced."

Whatever's on their minds:

- real life
- movies
- news
- interactive
- relationships

over 4,600,000 teenage readers

sports

politics

www.react.com

beauty & fashion

music

react. As close as you can be to a teenager.

WEEKLY MAGAZINE • INTERACTIVE WEB SITE • CUSTOM RESEARCH • SPECIAL EVENTS • DATABASE MARKETING • ON-LINE ADVERTISING • IN-SCHOOL PROGRAMS • SAMPLING
CONTACT BUNNY FENSTERHEIM at adsales@react.com or 212-450-0901

In another sphere, the substantial increase in dual-income households (where both the husband and wife work) has also tended to muddy the lifestyle assumptions implicit in the traditional FLC. Most dual-income families have children (the majority of those children are between 11 and 20 years of age). The most affluent dual-income segment is, not surprisingly, the "crowded nesters." This dual-income couple, with an adult child living at home, has the advantage of an additional potential source of income to contribute to the general well-being of the household.

The side-by-side existence of traditional and nontraditional FLC stages is another example of our reoccurring observation that the contemporary marketplace is complex in its diversity, and it is a challenge to segment and serve.

SUMMARY

Almost all individuals regularly interact with other people who directly or indirectly influence their purchase decisions. Thus, the study of groups and their impact on the individual is of great importance to marketers concerned with influencing consumer behavior.

Consumer reference groups are groups that serve as frames of reference for individuals in their purchase decisions. Examples of reference groups include: (1) friendship groups, (2) shopping groups, (3) work groups, (4) virtual groups or communities, and (5) consumer-action groups. Reference groups that influence general values or behavior are called normative reference groups; those that influence specific attitudes are called comparative reference groups. The concept of consumer reference groups has been broadened to include groups with which consumers have no direct face-to-face contact, such as celebrities, political figures, and social classes.

The credibility, attractiveness, and power of the reference group affect the degree of influence it has. Reference group appeals are used very effectively by some advertisers in promoting their goods and services, because they subtly induce the prospective consumer to identify with the pictured user of the product.

The five types of reference group appeals most commonly used in marketing are celebrities, experts, the common man, the executive and employee spokesperson, and the trade spokes-character. Celebrities are used to give testimonials or endorsements as actors or as company spokespersons. Experts may be recognized experts in the product category or actors playing the part of experts (such as an automobile mechanic). The common-man approach is designed to show that individuals, just like the prospect, are satisfied with the advertised product. Increasingly, firms are using their top executives as spokespersons, because their appearance in company advertisements seems to imply that someone at the top is watching over the consumer's interest.

For many consumers their family is their primary reference group for many attitudes and behaviors. The family is the prime target market for most products and product categories. As the most basic membership group, families are defined as two or more persons related by blood, marriage, or adoption who reside together. There are three types of families: married couples, nuclear families, and extended families. Socialization is a core function of the family. Other functions of the family are the provision of economic and emotional support, and the pursuit of a suitable lifestyle for its members.

The members of a family assume specific roles in their everyday functioning; such roles or tasks extend to the realm of consumer purchase decisions. Key consumer-related roles of family members include influencers, gatekeepers, deciders, buyers, preparers, users, maintainers, and disposers. A family's decision-making style often is influenced by its lifestyle, roles, and cultural factors.

The majority of consumer studies classify family consumption decisions as husband-dominated, wife-dominated, joint, or autonomic decisions. The extent and nature of husband-wife influence in family decisions depends, in part, on the specific product or service and selected cultural influences.

Classification of families by stage in the family life cycle (FLC) provides valuable insights into family consumption-related behavior. The traditional FLC begins with bachelorhood, moves on to marriage, then to an expanding family, to a contracting family, and to an end with the death of a spouse. Dynamic sociodemographic changes in society have resulted in many nontraditional stages that a family or nonfamily household might pass through (such as childless couples, couples marrying later in life, single parents, unmarried couples, or single-person households). These nontraditional stages are becoming increasingly important to marketers in terms of specific market niches.

DISCUSSION QUESTIONS

1. As a marketing consultant, you have been asked to evaluate a new promotional campaign for a large retail chain. The campaign strategy is aimed at increasing group shopping. What recommendations would you make?
2. Many celebrities who are considered to be persuasive role models often appear in TV beer commercials. Does the use of such celebrities in beer advertising constitute an unethical marketing practice? Discuss.

3. You are the marketing vice president of a large soft drink company. Your company's advertising agency is in the process of negotiating a contract to employ a superstar female singer to promote your product. Discuss the reference group factors that you would raise before the celebrity is hired.
4. How does the family influence the consumer socialization of children? What role does television advertising play in consumer socialization?
5. As a marketing consultant, you were retained by the Walt Disney Company to design a study investigating how families make vacation decisions. Whom, within the family, would you interview? What kind of questions would you ask? How would you assess the relative "power" of each family member in making vacation-related decisions?
6. Which of the five stages of the traditional family life cycle constitute the most lucrative segment(s) for the following products and services: (a) telephone party lines, (b) a Club Med vacation, (c) Domino's pizza, (d) compact disc players, (e) mutual funds, and (f) motor homes? Explain your answers.
7. As the marketing manager of a high-quality, fairly expensive line of frozen dinners, how would you use the nonfamily household information listed in Table 10-4 to segment the market and position your product?
8. A domestic airline's frequent-flyer program states that award tickets are transferable only to family members. As the airline executive charged with re-evaluating this policy, how would you use the census data listed in Table 10-5 to decide whether or not to change the present policy?

EXERCISES

1. Prepare a list of formal and informal groups to which you belong and give examples of purchases for which each served as a reference group. In which of the groups you listed is the pressure to conform the greatest? Why?
2. With a paper and pencil, spend one hour watching a network television channel during prime time. Record the total number of commercials that aired. For each commercial using a celebrity endorser, record the celebrity's name, the product or service advertised, and whether the celebrity was used in a testimonial, as an endorser, as an actor, or as a spokesperson.
3. Think of a recent major purchase your family has made. Analyze the roles performed by the various family members in terms of the following consumption roles: influencers, gatekeepers, deciders, buyers, preparers, users, maintainers, and disposers.
4. Select three product categories and compare the brands you prefer to those your parents prefer. To what extent are the preferences similar? Discuss the similarities in the context of consumer socialization.
5. Identify one traditional family and one nontraditional family (or household) featured in a TV sitcom or series (the two families-households can be featured in the same or in different TV shows). Classify the traditional group into one stage of the traditional FLC. Classify the nontraditional group into one of the categories described in Table 10-4. Select two characters of the same gender and approximate age, one from each group, and compare their consumption behavior (such as clothes, furniture, or stated or implied attitudes toward spending money).

KEY TERMS

- Autonomic (unilateral) decisions
- Celebrity credibility
- Comparative reference groups
- Consumer-action group
- Consumer conformity
- Consumer socialization
- Endorsement
- Expert appeals
- Extended family
- Families versus households
- Family
- Family life cycle
- Formal and informal groups
- Group
- Husband-dominated decisions
- Indirect reference groups
- Joint (syncratic) decisions
- Normative reference groups
- Nuclear family
- Primary group
- Product conspicuousness
- Reference group
- Shopping group
- Single-parent family
- Socialization of family members
- Spokesperson
- Symbolic group
- Testimonial
- Traditional family life cycle
- Wife-dominated decisions

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