Role of Product Characteristics, Reference Group, Retail Environments, and Promotion in Creating Influence Power, Impulsive Buying, and Autobiographical Memory

Rhenald KASALI* and Jony Oktavian HARYANTO**

Abstract

Children are a unique and potential market. They are unique, because they usually do not spend their own money but they have huge purchasing power. They are potential, because the number of children and their spending are big and promising (Yusuf, 2007). McNeal (1999) provides data about expenditures for alone advertising for children. It costs more than U$ 1 million in the United States; More than U$4.5 million for marketing promotions such as coupons, contests, and for the development of marketing programs and clubs specific for children; More than U$ 2 million for public relations like publicity, event marketing, and broadcasts; More than U$ 3 million for designing products for the children.

McNeal (1992) stated that the children’s market consists of three markets. First is the primary market which targets are kids as end users. Second is the influence market which targets parents, people around kids and kids themselves together. Third is the future market which targets kids as a potential market in the future. Kids in this article are between 10-12 years old. Erickson (1950) categorized these kids as school age. Kids realize their responsibilities, try to be good, and start doing the right things. At this age, they get value

* Senior lecturer at Faculty of Economics University of Indonesia
** Lecturer at Faculty of Economics Satya Wacana Christian University
from morale development, and recognize the differences among people and culture. They could also differentiate between good versus bad things.

Acuff and Reiher (1997) described kids between 10-12 years old as in the phase of brain development. Kids are starting to focus their neurology on the development of left brain. In this phase, kids are starting to see their environment and define themselves to adjust to the world surrounding them. Kids are very impressive. They like to imitate celebrities, sports stars or other role models like teachers, parents or spiritual leaders. Kids have been chosen because they are assumed mature enough and they understand the questions which are asked directly to them. Furthermore, Acuff and Reiher (1997) stated that kids at this stage have been able to memorize many things that happen to them and keep these memories until they become adults. This behavior is caused by the shift of the dominance of right brain to the left brain. These considerations are why kids 8-12 years old are chosen for this paper.

Research concerning the intention to consume for kids and their influence on parents (pester power) that finally bring to the long term memory for the future are needed to understand kid’s power in influencing parents about buying decisions as well as consistency marketing strategy from the service provider and other factors that can disrupt kids as customers. Pester power is increasing due to the decreasing number of children within a family so it is important to understand them better (McNeal & Hwa Yeh, 1996).

The object proposed here is McDonald’s because of the familiarity of kid of McDonald’s is high compared to other fast food industries. McDonald’s also pays attention to kids which can be seen from the play arena for kids, familiarity of the character of Ronald McDonald, special gifts for kids and special products for kids. In this context, McDonald’s is a bundle of products which consists of every facility and variance of the products which are offered.

This paper proposes 11 propositions to see the antecedents of autobiographical memory’s development for kids. If a kid has already had an autobiographical memory with certain products, brands, or service providers, it will affect their buying decisions in the future. After becoming adults, they can be consistent and loyal in consuming products. From the explanation above, it can be concluded that the autobiographical memory has a very significance role for marketing to kids. If marketers are able to identify the antecedents of autobiographical memory, they can use them as sustainable competitive advantages.

THEORETICAL BACKGROUND
Product Characteristics for Kid
Product characteristics are distinctive characteristics from the products which differentiate them from the competitors and could be offered to markets to fulfill the customers needs and wants (Kotler & Keller, 2006; Brown, 1998). Thus, every product has its own characteristics which makes it different from the competitors. Marketers try to develop products with their
own uniqueness in order to gain specific perceptions from customers. This concept later is called positioning strategy (Kotler & Keller, 2006). A product which is unique, competitive and difficult to imitate by competitors will bring service providers to competitive advantage.

One of the competitive advantages that could be offered to kids is their product characteristics (Acuff & Reiher, 1997). With unique products and its specific competencies will establish differentiation for that products. Product characteristics for kids consist of color, package, symbol, utility, and country of origin (McNeal, 1992; McNeal, 1999; Solomon, 2007).

In accordance with the product characteristics, Levin and Paige (2003) conducted research to prove that product choice for kid is influenced by the specific characteristics of that products. Minnini (2005) stated that for 4-10 years old kids, products with advertisements and characters of anthropomorphic are more preferred compared to non anthropomorphic.

Previous research has shown the relationship between the product characteristics to the intention to consume for kids (McNeal, 1992; Levin & Page, 2003; Mizerski, 1995; Gruner & Homburg, 2000). Kids are very concerned about the product characteristics when they want to buy or consume the products (McNeal, 1992). In processing the stimulus, kids prefer primary or bright products (Skorinko, Kemmer, Hebl & Lane, 2006). Packaging is another factor that has to be considered when designing products for kids. An adult, usually sees the utility as dominant whereas kids prefer to see how attractive, interesting and up to date and the latest trend of the products (Lindstrom & Seybold, 2007). Products which are bad, dirty and perceived as inexpensive would decrease their intention to consume (Luna, 2005).

Products which are orientation at kids and perceived to be high quality products would stimulate kids to purchase or consume (Brown, 1998). The better kid’ perception of the products, the higher their intention to consume. Market orientation is designed to satisfy needs and wants of kids. As a result, more needs and wants are fulfilled by perceived high quality products so the intention to consume will be higher due to nice experiences with the products.

**P1:** The better the kids’ perception of the product, the higher their intention to consume.

**Reference Groups for Kid**

Reference group refers to an individual, actual or imagined group which has significant influence on the evaluation, the aspiration or the behavior of a person (Solomon, 2007). Furthermore, Solomon stated that this reference group influences consumers in three ways, e.g. informational, when an individual searches information from professionals’ association or independence group of experts; utilitarian, when an individual is influenced by others who have interaction with him; value expressive when an individual chooses a product in order to increase his image from others.
Reference groups explain that the preference of an individual is shaped by groups, derived from the desire to please or being accepted by others or even actors that they have never known before. This reference group only influences those who have high involvement with the products (Solomon, 2007). For low involvement products, they tend to ignore this group. However, this does not happen to kids due to their limited money and purchasing power. It will make every purchase become highly involved. In a situation where kids do not buy by their own, they are still highly involved because they have to persuade parents to make a purchasing for them.

Previous research has shown that for adults, reference groups influence their intention to consume (Linn, 2004; Baudisch, 2007; Sadock & Sadock, 2007). For kids, pressure from friends a to follow the trendy products among them is strong. Linn (2004) state that more than 60% of kids’ buying is influenced by schoolmates or friends. The rest are influenced by commercial programs on television. Influence from the reference groups is stronger for daily goods and for products that represent kids’ identity to others.

Luthje (2004) explained that friends have a vital role in a kid’s life. In their development, a kid always tries to be liked by their schoolmates and accepted to play in games or conversations which are held in the break time. When kids feel that they are not accepted or worse, that they are refused by theirs friends, it will have a bad impact on the personality even
Role of Product Characteristics, Reference Group, Retail Environments, and Promotion in Creating Influence Power, Impulsive Buying, and Autobiographical Memory

until that kid becomes an adult.

Reference groups are important and dominance sources in influencing kids’ preferences and buying decisions to a specific product or brand (Yusuf, 2007). One of the fundamental factors for a kids’ life is Peer Pressure. This pressure will give impact in every aspect in kids’ life including product preferences. They have greater pressure compared to adults and tend to follow the reference groups more than just the brand itself.

**P2:** The higher the kids’ involvement with reference groups, the higher their intention to consume.

**Retail Environment for Kid**

Retail environment is a condition inside or outside a store which is given a certain stimulus by the marketer in order to attract kids to conduct purchasing (Burns & Harrison, 1985). Retail environment for kids consists of interior environments; exterior environments, and emotional tone (McNeal, 1992; Minnini, 2005). McNeal (1992) divided retail environments into interior and exterior. This separation is based on the stimulus seen by kids when they visit the stores. On the other hand, emotional tone is a specific feeling that kids feel about the staff in that store (Minnini, 2005).

Backstorm and Johansson (2006) sees the possibility of kids to purchase or ask the parents to conduct purchasing for them will be higher when the environments is well arranged and it makes kids feel comfortable about the store. This is strengthened by Sirgy, Grewal and Mangleburg (2000) who found that the retail environments influence the image about the service providers. Retail environment determines the intention to consume because a retail environment will develop feelings of pleasure for kids and stimulate them to make purchases (Yuksel, 2007).

Jones (1999) identified nine factors as key success factors in giving experience to customers. One of them is an interesting retail environment. From the explanation above, I concluded propositions 3 as follows:

**P3:** The better a kid’s perception about the retail environment, the higher their intention to consume.

**Promotion for Kid**

Promotion is an activity which is done by a marketer in order to give information, remind or persuade customers that finally results in buying (Evanschitzky, Iyer, Plassmann, Niessing, & Meffert, 2006). Promotion for kids is different from adults because the target is a kid who actually does not have purchasing power, but a kid is able to persuade parents or people surrounding him to conduct a purchasing for them (Kaur & Singh, 2006).

Promotion for kids is getting more in the mass media or its variations. All of them are to
stimulate kids to be aware of a brand that finally results in a consumption or purchase. This promotion is proven to be effective, especially if it could touch the emotional and curiosity sides of kids (McNeal & Hwa Yeh, 1996).

Moore and Rideout (2007) conducted research about online marketing. They showed that the increasing number of kids’ obesity in United States is influenced by online marketing of food for children. They identified 11 online marketing types and all impact on the increasing amount of food consumption by kids that finally result in obesity.

From the explanation above, it could be seen that promotion is strong in stimulating kids to consume and conduct a purchase. One of the example is that the increasing amount of time watching the television has made kids watch more promotions and stimulate them to have an intention to consume. Here I submit some propositions:

**P4:** The better a kids’ perception of the promotion which is done by a service provider, the higher their intention to consume.

**Impulsive Buying for Kid**

Peck and Childers (2006) defined impulsive buying as a consumers’ tendency to buy spontaneously, soon and without any deep considerations. Dittmar and Drury (2000) state that the model of impulsive buying has become a trend due to the increasing marketing efforts from the marketers. This impulsive buying happens because of the increasing stimulus in the retail environment, e.g. placement of interesting shelving (Abratt & Goodey, 1990).

Kids who conduct impulsive buying will feel happy (Cobb & Hoyer, 1986; Rook, 1987). They also feel that their needs and wants for pleasure are fulfilled (Hausman, 2000). Previous research has shown the intention to consume influence impulsive buying (John, 1999; Rook & Fisher, 1995; Ramanathan & Menon, 2002). On the other hand, this impulsive buying influences kids to influence their parents (Hausman, 2000).

When kids have an intention to consume, they would prefer to consume as soon as possible. This is an active response from kids about their needs which that they manifest spontaneously and can not postponed (Peck & Childers, 2005). Because of this spontaneous stimulus, kids tend to conduct impulsive buying whenever they want certain products. Drittmar and Drury (2000) explained that the tendency of an individual to conduct impulsive buying will be higher if he uses that product as a compensation to develop self image and it also happens when there is a huge gap between his ideal self concept and perceived self concept right now. Kids between 10-12 years old are in a condition where the development of self concept are strong compared to other phases (Erickson, 1959). In conclusion, kids will conduct stronger impulsive buying compared to adults whenever they have already had an intention to consume.

**P5:** The stronger the intention to consume for children, the higher their possibility to conduct
Influence Power for Kid

Scholars have increased their attention regarding to the purchasing decision of kids due to the enhancement of kids’ influence in the family that finally enhance the bargaining power of children with parents. Kids’ influence on family purchasing decisions are getting stronger nowadays (Shoham & Dalakas, 2005; Berkman, Kim, Lee & Hiemstra, 2003; Isler, Popper & Ward, 1987).

Influence power of children or what is often called pester power is defined as an effort which is done by a kid in order to influence parents or people surrounding them frequently and sometimes frontal? but it is followed by success (Nicholls & Cullen, 2004). The range of this influence depends on product groups, and the nature of relationship between parents and kids and also by the age of the kids themselves (Gunter & Furnham, 1998).

Previous research has shown that the intention to consume for kids influences kids in persuading parents (Foxman & Tansuhaj, 1988; Darley & Lim, 1986; Williams & Veeck, 1998). This influence power significantly pushes parents to conduct a purchase for their kids because they are afraid or uncomfortable when seeing their kids crying (Ward & Wackman, 1972; John, 1999). In relation to a kid’s memory, influence power which is strongly done before getting the result will be memorized strongly in a kid memory and even until they become and adult (Holdert & Antonides, 1997).

When a kid has had an intention to consume a specific product, he would spontaneously ask the parents and show significant emotional response in order to get the product (McNeal, 1999; Lindstrom, 2007).

In daily life, it is often seen that a kid cries, screams or gets angry when he wants a product but the parent refuses to buy. A kid will use all the techniques that he knows to influence and force parents to conduct a purchase for him.

P6: The higher their intention to consume, the stronger a kid influences parents to conduct purchase.

When a kid has had an intention to conduct impulsive buying, he would influence his parents to purchase that product for him. This becomes stronger due to the urgency to consume in kids. Techniques and approaches which emphasize more the emotional side makes the influence power of kids stronger. Sadock & Sadock (2007) explained that in psychology, they are called “temper tantrums”, i.e. a clinical response like screaming, crying or getting really angry when his needs or wants are not be accommodated by parents.

Hausman (2000) conducted research which proves that impulsive buying will stimulate kids to influence parents due to unstable emotion of the kids. It will make kids ask for things
without any considerations and has to be fulfilled at that time. A kid is in a stage where emotions are more dominant than rationality and that will make urgency to consume is very high. Because a kid does not have his own purchasing power he will influence his parents to conduct a purchase for him.

**P7:** The higher a kids desire to conduct impulsive buying, the stronger they will influence parents.

**Autobiographical Memory for Kid**

Autobiographical memory is defined as a memory from previous experience that will be stored as a long term memory (Braun, et al. 2002). Previous experience is a keyword that differentiates autobiographical memory with long term memory. Rubin (2006) explained that autobiographical memory happens when a specific event is recalled with a specific image, e.g. when a kid has a specific experience like when he was eating in McDonald’s, then he will recall his experience in associations with cheerfulness, cleanliness, etc.

Consumer’s memory about branding or branding’s experiences when he was a kid will have huge consequences in the next decision due to the emotional attachment which is established before. In this matter, autobiographical memory is perceived as a trustable record with strong visualization that would create an original experience.

Sutjan et al. (1993) showed that a positive autobiographical memory will bring a positive attitude toward advertising and enhance the brand evaluation. When an autobiographical memory has been developed, then it will influence a kid’s choices or preferences (Bertsen & Rubin, 2002).

In relation to product consuming, the positive or negative experience will be memorized strongly in the autobiographical memory. Positive experience when consuming products will stimulate a kid to conduct additioned consumption, and vice versa. Kids with experience in consuming products and still want to consume again due to their satisfaction will memorize those things in their autobiographical memories. This experience will be memorized continuously and will drive the intention to consume again.

When a kid wants a specific product continuously then it will be memorized and become an autobiographical memory. This memory become nostalgia which is constant until the kid become an adult. In conclusion, the intention to consume is highly connected with the positive experience about the product that he has consumed and it brings a strong autobiographical memory with a specific product or brand.

**P8:** The stronger the intention to consume, then the stronger the autobiographical memory which is developed between the kid and the product.

It has been explained that a kid has power to influence parents. When a kid uses his
rationality or emotion in influencing his parents, then it would be memorized strongly (Nicholls & Cullen, 2003). A kid will use techniques in influencing parents, and when they learn that those techniques work well then they will use that technique continuously until it does not work anymore (Zoll, 2000). When a kid understands that he has power to influence parents, then he will learn that he has a bargaining power for what he wants and it will be memorized continuously in his memory (John, 1999).

For specific products where kids get it with a lot of effort, i.e. with crying, screaming or using huge pester power than it will be memorized stronger in their autobiographical memory (Santrock, 2001). In conclusion, when kid use his pester power, then it will be recorded in his autobiographical memory and finally he will establish an emotional attachment with products that he wants with that pester power.

**P9:** The stronger the pester power, the stronger autobiographical memory which is developed between the kid and the product.

Kids that conduct impulsive buying will feel happy (Cobb & Hoyer, 1986; Rook, 1987). They will also feel that their needs and wants about pleasure are being fulfilled so it will create a strong autobiographical memory for the products (Hausman, 2000). Cobb and Hoyer (1986) proved that impulsive buying will push the development of the autobiographical memory for the products even if it is mediated by the loyalty to the product.

Dittmar and Drury (2000) explained that motivation take a more dominant role compared to price or utility. Kids often buy or consume products just because they will make them feel better, being themselves, or to express something about themselves. In other words, impulsive buying is conducted to enhance self concept and mood. Kids are in the stage of strong development of self concept so the impulsive buying that they do in order to develop their self concept will be recorded in the autobiographical memory. This is established due to habituation process, where kid is habituated to consume so it will create lower alternatives for competitors. Impulsive buying by kids will be memorized in autobiographical memory, so the more often he conducts impulsive buying, the stronger he will memorize that.

**P10:** More the often impulsive buying for specific products, the stronger the autobiographical memory.

When the autobiographical memory has been developed, then it will influence the next preference or behavior (Bertsen & Rubin, 2002). Realize it or not, kids will choose products based on their autobiographical memory. In this matter, advertising or other promotions become ineffective because kids emphasize their preference based on memory rather than the ratio? due to the autobiographical memory.

Kids who already have an autobiographical memory means they have strong emotional
bonding with those products. When he has needs then he will directly connect it with his autobiographical memory. For instance, kids with a positive autobiographical memory about McDonald’s, when he gets hungry he will remember McDonald’s and finally it will push him to buy McDonald’s.

**P11:** The stronger kids autobiographical memory with a product, the stronger their intention to consume it again.

**Model Testing**

Empirical testing is the logical next step in establishing the validity of the model and its propositions. Such testing must be based on multiple elementary schools which are located in Jakarta (urban area) and Semarang (rural area). Because of the number of constructs in the model and the complex relationships among them, it is best to test it in two or more parts before testing the entire model. Before an empirical test, I have conducted an extensive qualitative research (focus group discussion and depth interviews) with 12 children in Jakarta as a first step to validate the questionnaires and to propose the model above. This research would not only help generate a list of constructs with which children are likely to identify but to develop new or to refine existing measures of the model’s key construct. I have also consulted subject matter experts (with 2 experts in specializing on children and 1 expert in child’s psychology). This is done to propose understandable language and questions for the children.

From this pre-study, I propose questions (In table 1) which are ready to be tested in empirical testing.

To make it easier for children to answer the questions for the empirical testing, the measures will use ‘emotion pictures’ (figure 2) with likert scale with 4 points (from strongly disagree to strongly agree) There are two sets of show cards which described boys (for boys) and girls (for girls). These show cards were adapted from (Cook, 2000). On the original it consists of 7 points, but when I conducted the pre-study, it was found that the children could not differentiate between moderately agree and agree, or moderately disagree and disagree. That’s why I came up with a 4 point likert scale.

**Further Research**

From the many research issues that can be pursued in this area, the most pressing is the need for empirical testing. It is important to articulate the longitudinal, higher-order effects, including feedback loops, that are likely to occur in our proposed model. Finally, it is important to delineate the interactions among the independent and mediator variables in the model.
Role of Product Characteristics, Reference Group, Retail Environments, and Promotion in Creating Influence Power, Impulsive Buying, and Autobiographical Memory

<table>
<thead>
<tr>
<th>Construct</th>
<th>Measure Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Characteristics</td>
<td>Likert-type multi-item scale</td>
</tr>
<tr>
<td>(e.g. I like the color of the McD’s restaurant; if I see my friend brings McD I want to eat McD; I eat McD because it tastes good)</td>
<td></td>
</tr>
<tr>
<td>Reference Group</td>
<td>Likert-type multi-item scale</td>
</tr>
<tr>
<td>(e.g. I go to McD because my friends go to McD too; I do not want to try McD before my friend tries it first; if I do not eat McD then my friend will leave me)</td>
<td></td>
</tr>
<tr>
<td>Retail Environment</td>
<td>Likert-type multi-item scale</td>
</tr>
<tr>
<td>(e.g. I eat McD because of the play arena; cleanliness of McD makes me comfortable; I eat McD because of the cheerful staff)</td>
<td></td>
</tr>
<tr>
<td>Promotion</td>
<td>Likert-type multi-item scale</td>
</tr>
<tr>
<td>(e.g. when I see McD’s ads I’d like to eat McD; Ads of McD are interesting; I go to McD because of the gifts)</td>
<td></td>
</tr>
<tr>
<td>Influence Power</td>
<td>Likert-type multi-item scale</td>
</tr>
<tr>
<td>(e.g. if my parent do not buy McD, I will be angry; if my parents buy me McD then I will study harder; I will always ask for McD when we are going to the mall)</td>
<td></td>
</tr>
<tr>
<td>Impulsive Buying</td>
<td>Likert-type multi-item scale</td>
</tr>
<tr>
<td>(e.g. I ask? McD suddenly; when I want to eat McD, I’d like my parents to buy at that moment; my desire to eat McD usually can not be postponed)</td>
<td></td>
</tr>
<tr>
<td>Autobiographical Memory</td>
<td>Likert-type multi-item scale</td>
</tr>
<tr>
<td>(e.g. i still remember the first time I eat McD; from the past McD is my favorite food; from the past I feel happy if I eating McD)</td>
<td></td>
</tr>
</tbody>
</table>
REFERENCES


Role of Product Characteristics, Reference Group, Retail Environments, and Promotion in Creating Influence Power, Impulsive Buying, and Autobiographical Memory


Rhenald KASALI and Jony Oktavian HARYANTO

Advances in Consumer Research, 24, 48-54.


Role of Product Characteristics, Reference Group, Retail Environments, and Promotion in Creating Influence Power, Impulsive Buying, and Autobiographical Memory


