

Chapter - 1

Dimensions of Family Decision Making: An Overview

1.1:Introduction

Family decision-making is a course of action in which decisions are taken by the members of the family where two or more persons play instrumental role to arrive at a consensus opinion for patronizing a product or services (Harcar et al. 2005). These decisions are believed to be of two types: autonomous by a single member or joint by both spouses. Family is an important unit of analysis in consumer decision-making field (Xia et al., 2006), but the vast interest in family as unit of analysis in research has not happened only until recently (So and Yao, 2006). Family is a main reference group when individual family member is making purchase decision (Kotler, 2002). Recent researches have shown that decision to consume most goods and services by individual are made in the family rather than individually (Makgosa, 2007).

Family as a consuming and decision making unit is a central phenomenon in marketing and consumer behaviour (Commuri and Gentry, 2000, p. 1). Earlier, research had only focused on the husband and wife's role where children's role was ignored (Lackman and Lanasa, 1993, as cited by Commuri and Gentry, 2000). Generally, there are many joint decisions made by the consumers with the family members, which affects on other family member's desire and attitude (Foxall, 1977). Family always plays a very important mediating function. It combines individual with a larger society, where the person learns various roles suitable for an adult life (Foxall, 1977). Family communications with other elements of society are intimate and immediate (Commuri and Gentry, 2000). There are different types of families existing in this world. The fact is that the offspring's are normally detached from their parents due to greater mobility and cultural shifts due to rapid transformation of the lifestyles and value system (Brown, 1979, p. 337) . If we look at India, there are large extended families comprising of multiple generations, which exists and they reside in one common household. This kind of family rarely exists in Western developed countries (Brown, 1979).

The importance of the behavior of different members of the family has received considerable interest from the researchers involved in studying the consumer decision-making process (Xia et al., 2006). Many researchers are aware of this

important role that family plays in the field of consumer behavior. Many researches in the field of consumer behavior have been conducted with family as the main unit of analysis in the research, especially in understanding the way families use in purchase decision. Many past studies have used family structures and demography as predictor of family decision-making pattern. Different studies have been undertaken to examine the different roles of husband and wife in family decision making when making decision to purchase goods and services together for consumption. Xia *et al* (2006) stated the role of husband and wife when making purchase decision is different from time to time with regard to the product category being considered, the amount of resources possessed by each spouses, and stage of decision-making process. According to Stafford et al. (2011), Sex Role Orientation (SRO) has strong influence on degree of influence each spouses has on family purchase decision-making (Scanzoni 1977; Qualls 1987; Schaninger, Buss and Grover, 1982). The determinants of degree of influence of husband and wife in family decision-making are education (Blood and Wolfe, 1960; Rosen and Granbois, 1983; Spiro, 1983), wives employment status (Spiro, 1983), household income (Blood and Wolfe, 1960; Filiatruault and Ritchie, 1980; Spiro, 1983), and presence of children (Filiatruault and Ritchie, 1980; Spiro, 1983). It can be observed that numerous researchers focused on demographic and family structure in predicting family decision-making patterns and most of them use western families as the unit of analysis. Very few evidence of research in family decision making has been found in showing the affect of product involvement and brand trust in the analysis as predictor of family decision-making patterns. It is important to understand that even though the unit of analysis is family, the interaction and behavior among individuals within the families are highly affected by the value structure of family member.

Many researchers are aware of this important role that family plays in the field of consumer behavior. Accordingly, many researches in the field of consumer behavior were conducted with family as the main unit of analysis in the research, especially in understanding the way families make purchase decision. Importance of understanding the pattern of family decision making should not only be the interests of researchers in western societies, because phenomena of family as buying unit is happening

everywhere throughout the world, not only in western societies (Harcar et al., 2005). The importance to renew our understanding of family decision-making is also increasing because value changes have occurred in societies. This shift in value has made wife to posses more and more influence in family decision making which in turn will change the structure of family and role of husband and wife. It will significantly affect the way husband and wife made purchase decision in household. These changes in value are due to more women are working outside home, pursuing career in office, and receiving higher and higher education now compare to 10 or 20 years later (Lee, 2002). Most research investigated the impact of changing role of women to family decision-making process. However, not many researchers have investigated the impact of this changing role of women and the changes occurred in family decision making pattern that it causes from the husbands' perspective.

Of course, there are many transitional states where decisions can be slightly more dominated by one of the spouses. Large numbers of buying decisions are likely to be joint if their consumption, as often is the case with a family car, is also joint (Sheth, 1974). According to Sheth (1974) family's social class, role orientation and life cycle as well as the relative importance of purchase, perceived risk and time pressure impinging upon a buying decision determine whether a buying decision will be joint or autonomous. The theoretical background part will mainly use determinants pointed out by Sheth (1974) together with internal power distribution theories described by Yavas et al. (1994) to build a theoretical framework. Yavas et al. (1994) identifies four theories that have been advanced to explain how tasks and power are allocated within families: cultural role expectations, comparative resources, the least interested partner, and the relative investment theories.

The main principle of the cultural role expectations theory is that power (defined as the potential ability of one partner to influence the other's behavior) is prescribed into the roles of husband and wife according to existing social norms. Consequently, a spouse power is external to the family and resides in the position rather than in the person (Davis, 1976). Societal characteristics and type of society (patriarchal or equalitarian) have a substantial influence on the type of the family and further on decision-making manner in family. Even though this is of high importance, the thesis

will not provide a thorough investigation at how society influences joint decision-making because religion and societal development is an extensive subject itself. In addition cultural roles expectation theory contradicts internal theories that in turn supplement each other. However, topic will be slightly introduced in the section about family types. One of the internal theories employed in this paper is the comparative resources theory (Blood and Wolfe, 1960) that states that the allocation of tasks and authority within a marriage is determined totally within the family and not externally. Comparative resources theory along with the least interested partner theory and relative investment theory will appear in section 2.1.1 where individual factors will be examined. The least interested partner theory focuses on the resources contributed by each spouse in terms of their relative value outside the marriage (Heer, 1963). The relative investment theory (Davis, 1976) is rooted in the relative involvement and interest that each spouse has in a particular choice decision. A comparison of these four theories reveals that the emphasis accorded to the external versus internal nature of the sources of power is the primary factor that differentiates them (Yavas et al., 1994).

1.2:Dominance of Joint Decision Making

This section will seek to find the factors that determine the extent of joint decision-making in a family and how the increase or decrease of the presence of this factor in the family can result in more autonomous or more joint decision-making. It will be assumed that general decision-making patterns can be applied to purchase decision-making as it is probably one of the most important aspect of family's everyday life, involving communication and need for decisions to be made. Theory of family decision-making can be seen as consisting of two parts. First one is the individual factor in the shape of predispositions and attitudes brought in the family by husband and wife and second one is joint decision-making factors that eventually shape purchase decision-making process, roles in it and how family behaves when they want to purchase a product.

Each family member enters joint decision-making with his/her own attitudes, predispositions and "subjective reality". According to Sheth (1974) there are three

main factors that determine the cognitive world of husband/wife. Those are firstly exogenous factors like personality, lifestyle, member's perception of social class and role orientation in family. Second thing affecting member's world view is availability of information from number of sources like media, word-of-mouth and others. Third determinant is family itself and how family members over lifetime affect each other. Different "subjective realities" where each spouse perceives various situations and sets of facts differently, according to their own needs, beliefs and values can lead to disagreements between spouses (Safilios & Rothchild, 1969).

1.3:Decision-Making: Individual Factors

This section will discuss individual factors that affect spouse's behavior in joint decision-making situation. It can be seen as spouse's baggage that he or she brings along to the marriage. Gender role orientation is most probably one of the most important individual factors that shape the understanding of how interaction between men and women should look like. Gender roles are those behaviors and attitudes prescribed and assigned to males and females by the broader culture solely on the basis of gender (Bartley et al., 2005). In the case of assigned gender roles, spouse's authority is based on the belief that he or she should make a decision or carry out a task irrespective of the actual skills or interest that may be present. The source of a spouse's power is thus external to the family: Power resides in the position rather than in the person (Davis, 1970). Even though in recent decades there has been a shift to a more equalitarian family model in the Western world, decision-making in contemporary marriages has been divided along traditional gender lines, with wives making decisions concerning day-to-day details of family life and husbands making the major decisions, such as those concerning career choices and resource allocation (Steil and Weltman, 1991, as quoted in Bartley et al., 2005). In general, if husband's personal world view is traditional and he supports strict division of gender roles, then he will bring this attitude to the family and implement it there. Because couples with similar values and world views make families and get married, it is unlikely that despite his/her traditional attitudes the family will turn out to be equalitarian.

Another important factor that affects the degree of involvement of husband and wife in the family purchase decision making depends on the availability of information from the marketing environment. Firstly information is provided by sellers through advertisement, in-store displays and brochures. Consumers draw information from their previous experience as well as by assessing the price of product and type of store where the product is sold. Other sources of information include friends, family, salespeople as well as specialty magazines and product rating web-sites. In general information sources can be divided into two categories – external environmental and information available in consumer's memory. This distinction between two major information source categories also affects how consumers make decisions (Bettman, 1991). Information that is at the disposal of a spouse could determine his involvement in the information search stage of decision-making where, depending on product, one spouse might be the provider of information. Knowing the information search patterns and sources of final decision-maker is of high importance to marketers. Marketers are interested to reach the spouse that searches for information.

There is not common agreement between researchers about whether education of spouses affects level of joint decision-making or not. Duxbury et al. (2007) and Davis (1976) write that spouses with lower education levels that have blue collar jobs possess more traditional attitudes towards family roles where less joint decision-making takes place. But Jenkins (1980) reports that there are no significant differences between the degree of decision-making power of educated and uneducated husbands, or high occupational status and low occupational status husbands.

Lu (1952) approaches this issue from different perspective and claims that aside from consanguine family factors equalitarianism is also affected by educational difference of spouses. It can be predicted that equal education leads to more equal roles but, what is interesting, more educated wife will not have dominance contrary of more educated husband who will. Slama and Taschian (1985) write that education of a spouse is positively related to search behavior in individuals: With higher levels of education producing greater propensity to search for information and alternatives before making final purchases. Higher levels of education can also affect the way a person perceives a product and its attributes by looking at quality more carefully, for

example. If decision outcomes are considerably more important to one spouse relative to other, then that spouse attempt to dominate. For a different decision, however, the other spouse may be dominant.

Personality and the way a spouse sees family roles and exerts dominance can come from both consanguine and conjugal families. Family roles are affected by multiple factors from spouses' childhood families. These factors are conflict and attachment with parents, discipline at home, birth order in family and reaction to authority. Cases where there was no conflict with parents or attachment to them generates more equal roles in conjugal family whereas conflicts with parents move dominance towards husband or wife (Lu, 1952). Many authors suggest that a person's power to make decisions comes from the ability to provide for the fulfillment of his/her marriage partner's needs. Therefore, the more a husband fulfills his duty to provide for the family, the more the wife will allow the husband to define the norms of decision-making (Davis, 1976; Scanzoni, 1972). Investment defines the motivation of a family member to exert influence (Davis, 1976) over a product purchase decision that he finds important and interesting to him/herself. Therefore he or she is willing to invest more effort to get a positive result. Personal interest of each spouse in a particular product affects how involved he/she is in decision-making. The greater is the interest of one of the spouses in a product, the greater is the influence that he/she exercises (Martinez and Polo, 1999). Coleman (1966) proposed that when individuals face a sequence of decisions, it is possible for them to give up control over those of little interest for more control over those of greater interest. For example, the husband can have little interest in house furnishings and even though it is a financially big purchase he lets the wife to decide autonomously. But in the next purchase occasion wife might pay back and let the husband have his own way with the new car purchase because he has significantly more interest here.

The comparative resources theory proposes that the spouse that contributes more resources (e.g., income, competence, personal attractiveness, better performance as a homemaker) to the household unit is more powerful. Comparative resources define the potential to exert influence in product purchase decision-making. Research of Bartley et al. (2005) shows that wives in dual-earner couples perceive themselves as

exerting somewhat greater influence in the day-to-day interactions than are husbands. This mostly can be because of the role assigned to female as the head of household who runs daily home life. Decision-making influence has been greater for husbands in our society. However it has been softened by more equal influence in decision-making among dual-earner couples (Bartley et al., 2005), where the spouse who contributes more to family budget has more decision power (Blood and Wolfe, 1960; Rodman, 1972). In USA men lost employment at higher rates than women during most recent recession (Bardenheier et al., 2011) and as a result of this, women's power in family might be changing right now. Even though greater contribution by female to a family budget means more equalitarian power distribution, variations in occupational status and income according to Jaris (1999) appear to have relatively little impact on marital power. Many of status-reversal (wife earns more than husband) wives back away from whatever power they might derive from their income and status. There is a material component to equality in marriage, but it is neither income nor status that translates into power. Also Commuri and Gentry (2005) point out - spouses tend to adjust to situation when wife earns more than husband by using multiple financial pools instead of one family budget. This way they keep equity in relationship and wife does not gain more power. In general, if wife contributes significantly to family income it does not lead to her dominance in family but rather more equalitarian relationship. This has been acknowledged also by Martinez and Polo (1999).

This theory essentially expands upon the comparative resources theory and introduces marriage alternatives as yet another source of power. The spouse, who can most easily find another spouse, as desirable as the present one, has another source of power by having potentially acceptable alternatives (Yavas et al., 1994). The least-interested-partner theory claims that it is not the value of the resources contributed by each partner to family budget, but the value of these resources outside the marriage. For example, the greater the difference between the value to the wife of the resources she might earn outside the marriage, the greater the influence of the husband in family decision-making in case where wife earns more in marriage. The least-interested partner theory has been more powerful and found more support as it explains as much

variation in family role structures as the relative contributions theory and, in addition, it can accommodate the changing patterns of family member interaction that occur over the life cycle (Jenkins, 1980). All these personal factors determine if the spouse will exert power in family or be more submissive. If the influential spouse and his or her influence strategies can be identified in a decision, marketers may be able to target the decision-maker in the subsequent purchases (Su et al., 2003).

1.4: Consensus in Family Decision Making

Every family member has attitudes or predispositions towards products. These predispositions are presumed to be different in many instances because of difference in motives and perceptions of individual members. For example, in buying an automobile, the husband may prefer a medium-priced full size sedan but the wife may prefer low-priced full size station wagon. Within each of these types, the members may perceive the benefit of specific cars differently (Sheth, 1974). Beliefs that affect evaluation of product alternatives may vary from one member to the other not only because their buying motives are different but also they perceive the same alternative differently in its extent of being a perceived instrument to satisfy those motives (Sheth, 1974). From an economists' perspective, where consumers are perfectly rational beings, consumers obtain information on the alternatives, make trade-offs that allow them to compute utilities for every alternative, and select the alternative that maximizes utility (Bettman et al., 1991).

Even though the assumption about perfect rationality does not sustain in real life, utilities theory can be applied to situations where spouses are assessing attributes of the product. Each of the spouses can perceive the same product differently because they assign certain utility to the attributes and qualities of it. When these attributes are summed up, husband and wife can see different value in the good and in the end prefer product different from one that other spouse has chosen (Menasco and Curry, 1989). Preferences represent a more exact specification of priorities within a product set and are likely to be important later in the decision process (Buss and Schaninger, 1983). Also, Ward (2006) found that gender preference intensities play a significant role in the final decisions made by spouses in joint product decisions but it depended

also on product category. Preferences arise from assigning weight to product characteristics. In their study Menasco and Curry (1989) used a function where utility for husband and wife was determined by the weight each of them assigns to particular product characteristics. Couples tend to compromise, seeking balance and equity in outcomes so that harmony in family is kept. The forces that stimulate equitable choices are grounded in principle, conflict avoidance, and empathy. Spouses are more likely to seek joint choices that equalize gains or losses in their separate utilities, rather than choices reflecting strict compromises in attribute weights. Husbands and wives show empathy for each others' positions by altering their individual utility functions to agree more with those expressed by their spouses (Menasco and Curry, 1989). Menasco and Curry (1989) also report that outcomes were shifted toward the dominant spouse's position when an external message reinforced that position. It means that if advertising or a word-of-mouth message reaches the more dominant person, his/her weight on particular characteristic, and eventually utility, increases. This might lead to possible capitulation by the other, non-dominant, spouse. When utility functions are opposing, spouses are aware of the potential conflict and, consequently, external messages have some influence. In the case of high agreement the effect of external message can be zero. Initial disagreement and handling of it will be discussed in section 2.2.2. Research of Menasco and Curry (1989) concludes that attempts to position products in a way that appeals uniquely to one or the other gender based on separate models for husband and wife is inappropriate. This implies that multi-attribute product that is to any extent a subject of joint decision-making has to be positioned somewhere between male and female individual and selfish preferences.

Besides personal factors there are also family factors that influence joint decision-making. Joint decision-making in family is affected by social class, family roles, communication patterns, family type and other factors. In general middle class families tend to have more joint decision-making than lower and higher class families (Sheth, 1974; Komarovsky, 1961 as quoted in Jenkins, 1980). This is because higher social classes, due to higher education level, tend to have more equality in family. But due to scarcer resources middle class engages in more joint decision-making. Next determinant is family role orientation, where families with more pronounced roles

tend to have more autonomous members that engage less in joint decision-making. The life cycle of a family also has a role. Next sections will look at most important family factors that form the joint decision-making process.

Family roles have strong ties with individual characteristics of spouses. Some couples accept democratic companionship while others stick to traditional, matriarchal model of the family and some even have a model with the wife in the dominant position. The model of the family depends mainly on the individual's childhood family and the psychogenic and social backgrounds of the couple (Lu, 1952).

In general, marital role influence will differ by product class, the stage of decision process and among families (Davis, 1976). Different roles in decision-making process come also from two distinctive family roles – instrumental role and expressive role. Instrumental role (task specialist) in a family is usually played by male and expressive role (socio-emotional specialist) by female. Because family is an economic and a social unit, specialized roles that complement each other are expected to evolve to preserve the integrity and increase the efficiency of the family (Crano and Aronoff, 1978). "The more instrumental role in the subsystem is taken by the husband, the more expressive the wife. The husband has the primary adaptive responsibilities, relative to the outside situation ... whereas the wife is primarily the giver of love" (Parsons and Bales, 1955, as quoted in Crano and Aronoff, 1978). The instrumental role is to mediate between the family and the outside world as the money earner, while the expressive role is to maintain internal family relationships and the home (Fitzpatrick and Indvik, 1982). If these roles are quite clear in family then in cases of high disagreement wife might adjust to husband's opinion in order to maintain harmony and peace. Stronger instrumental and expressive role division in family can be mostly assigned to traditional family type that will be discussed in next section. Implications on marketers from family roles' perspective are that, because of the different roles of the family members in the decision making process, they should not consider the family as a whole. Rather, marketers should make use of the role specializations within the family and of the knowledge that the structure and the dynamics of the family are determining factors in the family buying decision process (Holdert and Antonides, 1997). Ferber and Lee (1974) claim that a clearer

understanding of family decision making would come only from a detailed evaluation of the relative roles played by spouses in the purchase decision process.

1.5: Family Types

To continue discussion of family roles this section looks at the family types (modern vs. traditional and weakly vs. strongly cohesive) regarding conjugal family and change in family types over time because in order to know where we are going, we have to know where we come from. One of the most popular ways of looking at family types is by assessing family on two structural dimensions - power and cohesion. "Potential power is the ability of a person to change the attitudes, opinions or behavior of other people. Influence is the consequence of the active or passive exercise of power. In a relationship, the division of power has been described as traditional versus modern and considered to be a continuum. The decisions that are made in a family is dependent on the distribution of power among the members in the family (Holdert and Antonides, p50, 1997). The other dimension, cohesion, is indicated by the degree of harmony in a family, the degree of interest in each other and the coalition dynamics. In general, cohesion includes the (degree of) emotional bonds between family members (Ndubisi and Koo, 2006). Division of classic family types and basic characteristics are presented in Table 1.1.

Table 1.1
Classification of Family Types

| | Family type | Characteristics |
|----------------------------------|--------------------|---|
| <i>Power dimension</i> | Traditional | Strong, traditional family role differentiation Autonomic decision-making Coalition Formation |
| | Modern | Equal division of power between partners Short power distance between parents and child Joint decision-making |
| <i>Cohesion dimension</i> | Weakly cohesive | Low interdependence Disharmony Egoistic, individually driven |
| | Strongly cohesive | Strong interdependence Harmony Altruistic, consideration for others |

Source: Holdert and Antonides(1997).

1.6: Power Dimension

The responsibility of the husband in a traditional relationship is earning the money whereas the wife is responsible for housekeeping and child care. Davis (1976) describes that there exist large differences in authority between husband and wife. These differences may frequently take the form of a hierarchical structure. A strictly hierarchical family has a patriarchal structure, where the husband and father is considered the head of the family (Hagenaars and Wunderink-Van Veen, 1990, as quoted in Holdert and Antonides, 1997). Because family roles are clearly divided, there are specific tasks performed by husband and wife that lead to more autonomous decision-making as they are solely responsible for a particular decision area. In households with a more traditional orientation, the husband would be expected to have the greatest influence in the decision-making process, while the wife's role would be to support her husband's decisions (Qualls, 1987 as quoted in Henthorne et al., 1997). Modern family on the other hand is characterized by high degree of joint participation in carrying out tasks and taking decisions (Davis, 1976). Influence in decision-making is equal and family roles do not have strict boundaries. Because there is less role segmentation many decisions become joint as tasks aren't assigned to one particular spouse. Because decisions are made together conflicts arise due to different opinions (Holdert and Antonides, 1997).

Modern families usually are the ones where both spouses are active in the labor market. When looking at all states in the world, these families usually come from industrialized countries (Duxbury et al., 2007). In their research, Duxbury et al. (2007) reshape the terms "modern" and "traditional" to match Western standards where women have high labor market participation rate. This new model has two dimensions - gender and work type ("career" job or "earner" job). Career job is one that is highly paid and requires more commitment, whereas earner job is solely for financial reasons. In this model there are 4 family types – dual-career, dual-earner, new traditional and status reversal family. Here a "new traditional" family is one where husband has a career job and wife an earning job. Because of possibly lower education of husband (more traditional views) in a dual-earner family, it could also be considered to possess traditional characteristics. Social exchange theory suggests that

dual-career family holds the greatest potential for equality in work and non-work roles. In a status reversal family where wife has a career and husband an earner job, both members are expected to be more egalitarian in their values.

It has to be noted that Duxbury's model has not been tested empirically and some aspects of it are ambiguous. This division into job types is linked to the comparative resources theory – wives decision-power increases as she “switches” from earner to career job. It has been found that with increasing age of spouses, and increased length of marriage, cases of joint decisions decline; and one member or another is increasingly likely to decide alone (Wolgast, 1958; Jenkins, 1980; Martinez and Polo, 1999). This might point to older couples representing more traditional families, whereas couples who get married nowadays have more equalitarian way of thinking. The trend over the past several decades show increased preference for equitable and interchangeable gender-role allocation and decreased preference for traditional or differentiated gender-role behavior (Allan and Crow, 2001; Beaujot, 2000, as quoted in Duxbury et al., 2007). From data of female dominance in typical family product purchase Holdert and Antonides (1997) conclude that the modernization of the Dutch family is only beginning. Bardenheier et al. (2011) report that 33% of fathers in USA say they take on the role of a traditional mother. This trend emerges together with economic pressures and blended family models that have redefined individual roles within the family—skill sets have replaced gender, and 62% of mothers and 54% of fathers feel that parenting roles will be redefined away from the traditional “mom and dad” roles of the past. This creates a new opportunity for marketers to think in terms of skill set versus gender, opening up the entire family as a target. The power of the family budget is equally divided among spouses. Everyday shopping is not anymore a task assigned only to females, so marketers will need to change their lexicon accordingly.

1.7: Cohesive Family Decision Making

Traditionally families are divided into strongly and weakly cohesive families. A strong cohesive family makes more joint decisions when choosing products than a weak cohesive family (Ndubisi and Koo, 2006). In the cohesion dimension Fitzpatrick

and Indvik (1982) divide relationships into 3 categories instead of 2, like Holdert and Antonides (1997), first one being traditional where relationships are very interdependent with great amount of companionship, sharing of time and space and willingness to engage into relational conflicts over important issues. The second type is called “independents” that share relatively a lot with their mates but draw definitive boundaries of time and emotional space. Just like “traditional”, “independents” do not avoid conflicts and engage in some joint decision-making. Third and most unclear type is “separates”. They seek to avoid conflicts and are lacking interdependence. In the introduced order, these types could also represent decreasing willingness to engage into joint decision-making as more conflicts could arise if both parties seek to make a compromise decision. Traditional couples would engage in joint decision-making even though it might lead to conflict of interests whereas on the other end separates will make more autonomous decisions that do not require use of any problem solving effort. Research has shown that a higher degree of cohesion is associated with a more harmonious family life and less self-centered decision making by the family members (Kirchler, 1989, as quoted in Holdert and Antonides, 1997) and cohesive families relatively often evaluated alternatives jointly, frequently took into consideration another’s desires and ran into conflicts less often (Holdert and Antonides, 1997). To conclude – the extent of joint decision-making can be illustrated as moving opposite directions depending on the power and cohesion of family. Families with equal power distribution (everyone has a say in most of the decisions) and high cohesion (high consideration for others) tend to have more joint decision-making. On the other hand families with unequal power distribution (members have more say in some decisions and less in other) and low cohesion (independence, egoism) tend to have more autonomous decision-making where each member has his own decision area allocated according to his role.

1.8: Family Life Cycle and Decision Making

The point in family life cycle can affect the level of joint decision-making and agreement between husband and wife as well as the type of it (Jenkins, 1980). Family life cycle goes through the phases where four main variables change – marital status,

career advancement, age of spouses and age of youngest child. Theories usually indicate an impact of two of these variables, most important being the age of spouses and youngest child. Presence of young children in the family has a powerful impact on the way how couples organize their marital roles. This demonstrates the importance of taking the stage of the family life cycle into account in the explanation of conjugal role segregation where more segregated roles mean more strict division of tasks and autonomous decision-making (Hill, 1988). Wives have been found to lose influence vis-a-vis their husbands during the child-rearing stage of the family life cycle (Blood and Wolfe, 1960). This means that her role of a mother becomes more important but her other roles and influence on other family life areas might decline. When a child is small, wives invest heavily in rearing and have less time to be involved in decision making and less to contribute in terms of financial resources and information. Areas of decision-making that involve the child (like a vacation of whole family) are more female dominated in life cycle stages where children are present. This is because the mother is more responsible for kids and therefore holds more decision power (Fodness, 1992). According to Davis(1976) sociologists have found traditional role ideologies more common within families in later stages of the life cycle. It might mean that they do not adapt to changing gender roles and preserve their traditional world views with more gender segregation. Newly wedded couples tend to have less autonomous decision-making style than senior couples (Sheth, 1974).

There are factors beyond those of family and those of individuals that affect decision-making process. Additionally decision-making is affected by importance of the purchase, time pressure and perceived risk of making a wrong decision.

The greater the cost of the product or service considered and the lower is the family income; the greater is the tendency for two or more family members to be involved in the decision process (Jenkins, 1980). Important, one-time purchases that imply high expenditure are likely to be handled with more joint decision-making (Martinez and Polo, 1999). In contrast to nondurables, purchases of durable goods are often preceded by a progression of interrelated decisions and activities through time. Husbands, wives and children have more opportunities to become involved at one or

more steps in the process. Besides, it can be assumed that family members are also more motivated to participate, since the purchase of an automobile, for example, often delays other purchases, given families' budget constraints (Davis, 1976).

The more a family is pressed for time, the more there will be autonomous decision-making. One of the main factors causing increased time pressure on the family is the rise in the number of working wives (Sheth, 1974). Since 1950 USA female labor force participation rate has climbed from 33.6% to 59.3% in 2005 (USDL, 2012). This is interesting because, as seen previously, there is more equalitarianism and joint decision-making between spouses if both of them are employed and if wife contributes significantly to the family budget. At the same time high involvement in the labor market implies restrictions on time available for family matters. This might mean that decision-power of a woman with a career increases in family but this power is exercised in autonomous decisions instead of joint ones. Time pressure can also affect decision-making in the family life cycle when spouses have a small child. As mother is more involved with kids she loses relative influence not only through less contribution to family budget (if work hours are reduced), but also she has less time to invest in decision-making.

Risk perception goes inseparably with importance of the purchase and the price of it. If purchase implies high expenditure there is high perceived risk that family budget might be considerably affected if product fails and it has to be replaced. Just like the importance, the risk is also positively correlated to the extent of joint decision-making. Higher risk results in greater joint decision-making among members primarily because the negative consequences affect the whole family either directly or indirectly, therefore they seek guidance and support from one another (Sheth, 1974). Also, Putman and Davidson (1987) found greater reliance on autonomic decision making for "less risky" purchases.

1.9: The Decision-Making Process:

The factors of joint decision-making discussed in previous section shape the decision making process, if more precisely – roles in it. This section will discuss decision-

making process in terms of the stages and the roles in them as well as the sub-decisions that are made during purchasing process in the family. Normally, the five stage model of product decision-making include problem recognition, information search, evaluation of alternatives, purchase decision and post-purchase behavior stages (Kotler et al., 2009) but compared to an individual's buying decisions, family's buying decision tend to be inherently more complex because of the variety of predispositions and the underlying cognitive worlds of members of the family (Sheth, 1974). In each of the stages family decision-making can be seen as joint, wife-dominated, husband dominated or individualized (Harcar et al., 2005). In general, husband dominated decisions usually regard purchases like cars, liquor and lawn mowers while the wife dominates decisions regarding house appliances, food and childcare products.

In previous research, differences were also reported in search, decision and evaluation processes for products and services (e.g. Turley and LeBlanc, 1993; Zeithaml, 1981, as quoted in Yang et al., 2006). In addition, it was found that the decision process could differ for various types of service (Hill and Neeley, 1988, as quoted in Yang et al., 2006). Next sub-chapter 2.2.1 will look at joint purchase decision-making stages and roles associated with them. Afterwards, in section 2.2.2 handling of conflict will be discussed as it can be a major consequence if there is more than one person involved in purchasing process.

Two approaches exist in this area. First one is linked to the well-known product decision-making process and includes roles like the initiator, influencer, decider, buyer and user. Davis and Rigaux (1974) identify only 3 phases (problem recognition, information search, and purchase decision) and omit evaluation of alternatives as it is very closely related to information search. The other approach is less connected with the purchasing sequence and includes sub-decision roles – who decides upon brand, color and model, when and where to buy, how much to spend (Green and Cunningham, 1980). First we will look at decision roles that follow decision-making stages.

First stage according to Kotler et al. (2009) is problem recognition. In the terms of purchasing roles this stage represents the person who initiates the purchase (for example, the individual who recognizes the problem or need for the item). This role is particularly important to marketers as they would target direct advertising appeals that intensify the initiators buying motives. Sheth (1974) notes that the initiator of buying determined by the life style and role-orientation of the family. Usually person with the most dominant position in family initiates purchases, but if family is more equalitarian then initiation will not be centralized on any member.

Second stage in purchase process is information search which is performed by the person who has a role of information provider and to some extent – the role of the influencer. Information search can be related with product options as well as purchase places. Information provider usually will be the person who has the most expertise in various aspects of a specific decision. Usually husband is concerned with technical and economic aspects and wife with decorative and ornamental ones (Sheth, 1974). It is essential to know who of the spouses looks for information and what are his/her sources as it will help marketers to create and deliver information about product in the most appropriate way.

Third stage in conventional decision-making is evaluation of alternatives. However researchers do not assign a role to this stage during joint decision-making as it is closely related to the information search stage. During this stage an important matter is conflict and the handling of it. This topic will be addressed in the next section.

During the phase of joint purchasing process of greatest interest from the marketers' and the researchers' point of view is the actual purchase decision. Given that the final decision stage may be viewed as the culmination of the decision-making process, it is logical to see this stage as possessing the most importance; thus, resulting in the earlier stages of the process being viewed as less important (Ford, et al., 1995; LaTour et al., 1992, as quoted in Henthorne et al., 1997). It is also possible that a person who plays the role of a decider is not the most important person in the decision-making process. She might technically perform the decision but her range of product options is heavily changed by influencer or opinion leader in family. For example, husband is

the one in family who decides what family car to buy. But the wife exerts influence and convinces him that the car has to ensure highest possible safety because of small children in the family. In this case the husband will still choose the product, but he might purchase a different brand than he would normally do under conditions when it would be his decision alone. Aside from this aspect, marketers are interested in raising the interest about their product in the eyes of the final decision-maker. Even though researchers do not add more weight to this stage, it is the most important and if marketing specialists has to advertise and inform someone from the spouses; it should be the dominant person in this stage.

Next role in the decision-making process applies to the person who performs the actual shopping and buying. Since the mother is, in most of the cases, the manager of family budget, she does most of the shopping and buying (Sheth, 1974) of everyday products. The buyer in case of more important product can be the one who has the best numerical or price negotiation skills. To sum up, there are 3 main decision roles – initiator, information provider and decider, last one being the most important. Most conflicts arise during the stage of evaluation of alternatives where individual differences between spouses, play a major role. The second approach that is used quite often is assigning relative roles to sub-decisions, most popular being “which product to buy”, “where and when to buy” and “how much to pay”. Here the final decision is divided into different aspects.

2.0: Introduction to Product involvement, Brand Loyalty and Brand Trust

Product involvement and Brand Trust are two important concepts believed to explain a significant proportion of consumer purchase choices. Several studies (Traylor 1981 and 1983, Park 1996, LeClerc and Little 1997, Iwasaki and Havitz 1998), have examined the relationship between product involvement and loyalty, albeit under other names. For instance, Traylor uses the terms “ego involvement” and “brand commitment” whereas Park (1996) refers to just “involvement” and “attitudinal loyalty”. Moreover, studies examining the relationship between product involvement and brand loyalty have remained conceptual in nature and empirical investigations of the product involvement/brand loyalty link are lacking.

Traylor (1979), explained that one's involvement in a product class is directly related to one's commitment (or loyalty) to a brand within that product class. It is argued that the more focal a product class is to an individual's ego or sense of identity, the stronger the psychological attachment to a particular brand within that product class. Conversely, the more peripheral the product class is to the individual's ego, the lower the attachment to the brand (Traylor 1983). Traylor's reasons are that for a low-involvement type product category, the consumer would have a large consideration set and therefore, brand commitment would be low. Hence, brand switching would be a more frequent behavior rather than for another consumer to whom this product is more highly involving. Traylor's (1981) reasoning seems to suggest that consumers with a smaller consideration set of a high-involvement type product category would have high brand commitment. This view is rather simplistic, relying on the *size* of the consideration set rather than the actual relationship between the constructs.

Loyalty is presumably a consequence of satisfaction and brand attitudes (Oliver, 1999). Dick and Basu (1994) defined loyalty as a behavioral response that is expressed over time through the decisions that are made among alternatives. Oliver (1997) defined loyalty as a deeply held commitment to rebuy or repatronize a preferred product or service in the future. Other researchers consider loyalty on a multidimensional basis by adding an attitudinal or conative (intention or commitment to consume) component to a behavioral loyalty concept (Chaudhuri & Holbrook, 2001). Involvement has been considered as one of the important moderators that determine purchase decisions (Celsi & Olson, 1988). Involvement is generally defined in terms of perceived personal relevance and is classified as either situational or enduring (Celsi & Olson, 1988; Richins & Bloch, 1986). Stimuli, cues, and contingencies in a consumer's immediate environment may function as situational sources of involvement.

Marketers should take into account all decision-making roles. As it can vary from country to country, also the marketing program should be adjusted to fit role positions in that particular society. Products that are sold with the same strategy in all markets will most probably fail, because of the lack of adjustment and lack of knowledge on which of the spouses play particular roles when purchasing a product. For example, in

a case of vacation choice, if the role of information gatherer is played by the wife but marketer assigns it to the husband and advertises only in men magazines, product will have less success than it might have.

Brand loyalty is important because it is a key driver of repeat purchase behavior (Bennett & Rundle-Thiele, 2002; Chaudhuri, 1995; and somewhat unsurprisingly repeat purchases generate long term value. The purchase decision making process remains the undiscovered secrets of marketing. It has been understood that much effort is given in the market to understand human being doing not human being. Product involvement plays a very vital role in decision making. Foxall(1993) agrees that consumer behavior is erroneously based on the a history of the cumulative effect of rewarding and punishing outcome of past behavior.

Datta(2003a) suggests that brand loyalty is a fundamental concept in strategic marketing. Companies plan marketing strategies to increase brand loyalty to maintain a strong market share. Brand loyalty can also lead to other marketing advantages such as word of mouth referral and greater competitive resistance. Therefore it is become more important for marketers to understand the factors that influence a consumer to become and remain loyal to a brand.

Lee(1989) describes involvement as a motivational state of mind of a person with regard to an object or activity. Quester and Lim(2003) described the relationship between product involvement and brand loyalty.

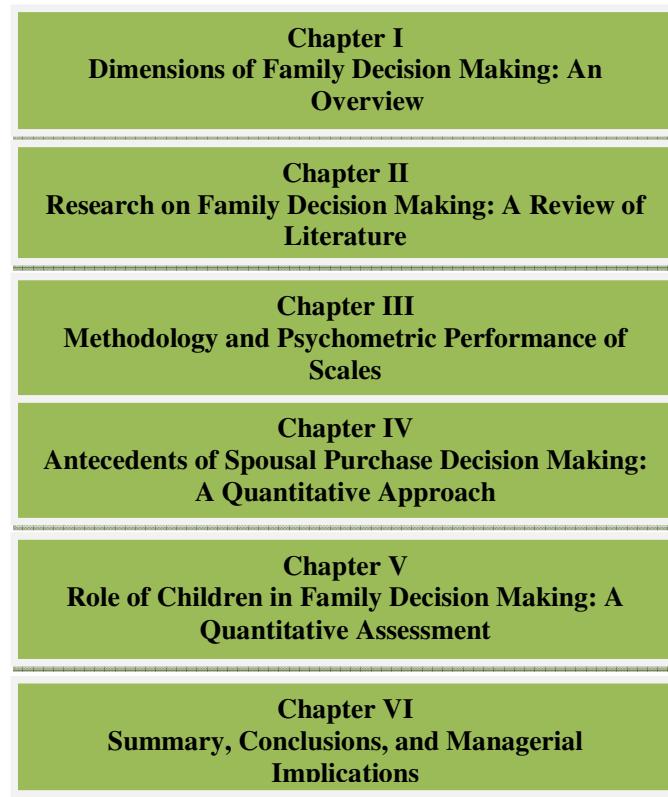
This research paper explores the role of product involvement and brand trust in the context of family purchase decision making process. The prior studies have expressed that high involvement leads to high brand loyalty which again explain the brand trust phenomenon. This study is intending to incorporate the various dimensions of involvement and brand loyalty in the context of family purchase decision making process. No studies have been found to explain the role of product involvement and brand trust in the context of family purchase decision making process with a different sample using different products and different methodology. To contribute to the literature of family purchase decision making process, this research has been framed

from the beginning to assess the role of product involvement and brand trust. This study will lead to explore the role of these two factors in shaping decision making.

The concept of product involvement has received considerable attention in psychology as well as in the context of consumer behavior. The two conceptual variables, considered in our study, viz. product involvement and brand trust, have not been considered earlier either to shape family purchase decision or to highlight its effect on decision making process.

Surprisingly no empirical investigations have been found in this area. The role of the product involvement and brand trust along in the context of family purchase decision making have not been measured earlier in the previous research. Hence, the present research seeks to examine this relationship empirically. Following on the suggestion that the two constructs are consumer-defined phenomena, this study developed product-specific measures in order to establish the role product involvement and brand trust in the context of family purchase decision making process.

2.1: Structure of the Thesis



2.2: Conclusion

Family as a consuming and decision making unit is a central phenomenon in marketing and consumer behaviour. Marketers consider the family to be the most important decision making and consumption unit. A considerable share of consumption decision takes place within the family context and is therefore collective rather than individual in nature. Spousal roles in the family decision making process can provide a basis for market segmentation that also helps the marketer to devise the effective marketing strategy for consumer market. It is important to understand how each spouse influences the decision making process across different product categories, *viz*, consumer durable, FMCG and service sector. Hence it seems logical and necessary to undertake and investigate the issue.

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