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## **How can child oriented marketing induce lifetime loyalty in children?**

### **ABSTRACT**

This paper aims to discover the effects marketing can have on children in the long-run, by using a three component conceptual framework. This review advocates that marketing on children can lead to long-term effects and also explores the lack of qualitative and empirical confirmation supporting the framework. Lastly, proposals for broadened exploration in the area are offered.

### **INTRODUCTION**

Marketing nowadays, as we know, touches the life of every individual. Children, in particular, are very vulnerable to marketing, specifically to advertising and its effects. Therefore, the topic of advertising to children has fostered a continuous discussion for the past several years and is an issue that raises ethical debates as well.

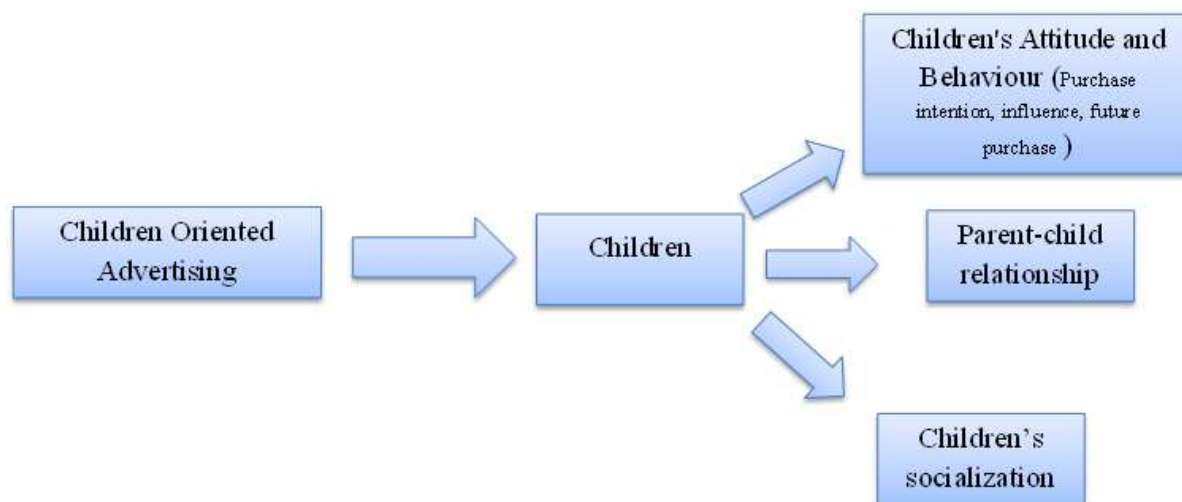
Children's market is a large and lucrative market for advertisers and due to this, marketing to children is a big business in today's world. There are three big reasons why companies decide to advertise to children. The first reason is the size of

the market, the second reason is the attractiveness of this market and the third reason for advertising to children is the degree of influence children perform on family decisions. A final reason for advertising to this type of market is that they constitute the market of the future and here is where the literature gap arises.

The main issue is that companies target children that are in the early stages of cognitive development or that are in a young age, however, they stop targeting them once they get out of this stage. There is and has been several studies discussing the impact or effects of marketing, specifically of advertising, in children, but not in discussing the brand loyalty in children.

Therefore in this paper we will discuss the extent in which children marketing can result into lifetime loyalty and why companies should focus on the long-term effects of marketing. Our main analysis should investigate the current ways in which companies are aiming children, the effects it's having in them and afterwards, prove how all of that leads to lifetime loyalty in children.

### **CONCEPTUAL FRAMEWORK**



### **Component 1: Children Oriented Marketing and Advertising**

According to the American Marketing Association, marketing is “an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit an organization and its stakeholders” (Sevier, 2005). Children marketing became popular in 1960s (Marwick, 2010) and is a niche marketing focused on getting attention from children. It is no wonder that from 1960s until now, the economic potential of children's marketing has been recognized by numerous marketers. It has however exploded with the widespread adoption of television and other technologies. Cable television introduced a whole new possibility for children marketers with the widespread development of children specific channels. Nowadays, the

opportunities are even greater due to high exposure to internet, where marketers can target children in specific websites and advergames (Wilcox et al. 2004).

Targeting in such way has become easy, as the findings shows that one in five children have a television in their room by the age of four (Poulter, 2011). Studies also show that children spent a considerable amount of time on the internet; even twice as much as their parents think. The average child starts using the internet at the age of three (Ward, 2013).

These trends made the access to children's everyday activities easier and marketers are making sure their advertising efforts are as effective as possible (Marwick, 2010). In 2004, mass marketers spent \$15 billion on advertising directed at children (Schor, 2004 in Jacobson, 2008). It seems like the investment is more than effective as it was found that children spend on average \$100 billion on consumer goods

from personal earnings (McNeal 1992 in Jacobson, 2008), while they influence more than \$130 billion of household purchases (McNeal, 1992). In 2002, four to twelve year olds in the US spent \$30 billion, while twelve to seven year olds spent \$112.5 billion in 2003 (Calvert, 2008). It can be seen that the trend of spending among children is steeply increasing. In order to get children's attention, marketers use different strategies such as celebrity endorsers (Beyonce and Pepsi) spokes characters and marketing tie-ins such as Coca-Cola and Harry Potter (Spokes, n.d.)

It was found that the most advertised products to children are candy and snacks. Food in general is the top product seen advertised by children (Heller, 2007). Some of the most lovable brands by children in fact include a variety of food products such as Oreo, KitKat and McDonalds (Bhasin, 2012), while in the toy sector Barbie (Mattel) and Lego are voted for favourite toy brands by children (Wallwork, 2014).

## **Component 2: Children as Consumers**

As previously seen, children generate a lot of profit to the companies, therefore they are an attractive market for targeting (McNeal 1992, McNeal 1998). It is generally believed that children are the most vulnerable target (Radunovic, 2014)

and many ethical questions about children marketing have been raised (Clay, 2000). However, it is a fact that children marketing is profitable and therefore marketers are becoming more and more sophisticated in developing their messages according to specific age groups (Marwick, 2010).

It is generally believed that children in the age range to four or five do not understand the purpose of a commercial. Targeting this specific age group is associated with relating the product with fun instead of presenting products' facts. At the next stage which starts at the age of six, children start to understand the purpose of advertising and know that commercials are designed to initiate the purchase intention. However they believe that all the claims about a product are true. From the age of twelve, children understand the purpose of ads but are still vulnerable to them. (Marwick, 2010). Marwick's theory is one of the many, as the reaction and effects have received many attention but no standard explanation.

As there have been many ethical concerns about whether one should advertise to children, as well as legislations against it, one is wondering why the companies are still taking advantage of children marketing. In Sweden for example, the advertising is banned for children under 12 (PPU, n.d.).

One of the reasons for continuing with it is the popular saying: “what’s learned early is learned well”. It is believed that early exposure to ads can lead to biases later in life (Connell et al. 2014 in Levich,-Stony Brook, 2014), meaning that influencing children at young age can result in retaining their customs in the future (Cooper, 2010).

### **Component 3: Advertising’s impacts on children**

A major area of concern is the end result of the marketing communication. In other words, what the effects of the marketing communication on children are. Three types of effects have been identified in the literature. (Rossiter and Robertson, 1974 in Raju and Lonial, 1990):

The first one (1) is the impact of advertisement on children’s attitudes and behaviour. In order to attract children toward the product, it is necessary for the advertisement to contain such appeals that will satisfy children according to their age, mind set and interest for specific product. When children are confronted with an advertisement they like, there is a big chance they will try to persuade their parents to buy the product for them. In certain situations a child might have sufficient resources to buy a product (i.e. lollipop) himself. But more likely, once the child develops a preference for an

advertised item, he will have to influence someone else to make the purchase. Once the purchase is made, the child and/or the product may influence others around him, his peers’ preferences and behaviours. Likewise, a negative experience with the product, might affect future parental purchases as well as the child’s trust in the credibility of television commercials (Raju and Lonial, 1990).

As previous research proved (Atkin, 1990 in Ji, 2002), the majority of children were stimulated by television commercial to ask for toys and cereals. More than half of them came into a conflict with their parent over their request for the product and over half indicated that they became angry with their mothers, when their requests were denied, what proves the negative effects of children-targeted advertising in terms of parent-child relations, which will be discussed later on (Ji, 2002).

***H1: Advertising to children has an impact on children’s purchase behaviour.***

***H2: Advertising to children affect the children’s trust in the credibility of future television commercials.***

The second (2) is the effect on parent-child relations. One of the critics about advertising has been that it influence children to pressure their parents to obtain the advertisement products, leading to

possible conflicts. Most children cannot make the purchases by themselves, since they do not have the sufficient financial resources, hence, they are forced to rely on their parents to satisfy their wishes. Therefore, advertising to children inevitably affect the relationship between children and their parents. Research has examined three aspects of parent-child relationship with regard to advertising:

- o Request for products by the child
- o Parental response in terms of yielding/denial
- o Outcomes of the parental mediation; primarily in terms of parent-child conflict and other negative consequences;

TV advertising can have both positive and negative outcomes in terms of parent-child relations. On the positive side, TV advertising provides opportunities for parent-child interaction, giving parents a chance to teach their children about purchase and consumption. In the research that has been done so far, however, more focus has been put on the negative consequences advertising to children has. Among the negative consequences that have been examined in the past are: Children's disappointment or unhappiness in not receiving the requested product, parent-child arguments or conflicts, Anger or aggression on the part of the child and

the development of materialistic attitudes in children (Raju and Lonial, 1990).

***H3: Children's advertising has an impact on parent-child relationship.***

***H4: Through children's advertising parents can transfer their knowledge on consumption to their children.***

Finally (3), much research has been done on how advertising effect socialization of children, the learning values and procedures dealing with purchase and consumption. Advertising has been criticized for creating materialistic values in children, leading to impulsive behaviour among children and behaviours based on immediate satisfaction. As compared to the effects of advertising on children's attitudes and purchasing behaviour, and relationship with parents, socialization effects are gradual and long-term. It is, therefore, possible to talk about the short and long-term effects of advertising to children, with socialization falling in the latter category (Raju and Lonial, 1990).

***H5: Children's advertising has an impact on children's socialization.***

## **CONCEPTUAL AND METHODOLOGICAL CRITIQUE**

Children were first identified as a target market in the 1960s, and the concept has continued to increase in popularity

(Marwick, 2010). Although there has been a significant amount of research done on the short-term effects that marketing has on children, the long-term effects have been largely ignored. There seem to be a significant gap when it comes to thinking about what happens with children and their brand perceptions when they grow up.

Much controversy surrounds the effects that marketing has on children (Calvert, 2008). While some countries such as Sweden introduced regulations for banning advertising to children (PPU, n.d.), marketing supporters argue that children's exposure to marketing is essential and desirable (Dotson and Hyatt, 2000). There is a general belief that children marketing does have an impact on children, but the many contradictory opinions fail to explain the severity of the impact.

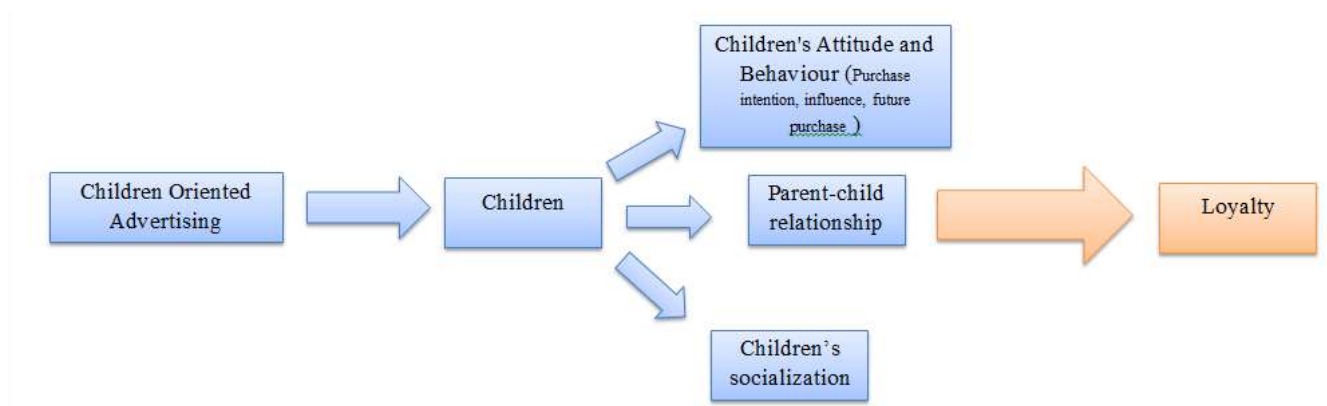
Literature suggests three ways in which advertising can affect children; they include children's attitude and behaviour, parent-child relationship and children's socialization. The empirical research fails to explain the essence, strength and length of the impacts, therefore ignoring the timeframe by simply expressing effects as being short-term and long-term. It fails to explain how long the preference for the product in attitude and behaviour will last

if the product is satisfactory versus not purchased at all. It also fails to explain how long the conflict between parents and children will last; a short-term time frame can be interpreted as one hour, one day, one week etc. Last but not least, it fails to explain how long the long-term effect on children's socialization will last; long-term can mean anything from a month, a year to a whole lifetime.

Past research on the marketed product-child relationship also face some methodological issues. Findings from a research where 107 mothers were asked how often certain products were requested by children revealed that food products oriented towards children were on top of the list, followed by durable products, games and toys (Ward and Wackman, 1972 in Raju and Lonial, 1990). The actual correlation between children marketing and children's request was not examined, hence the study does not tackle the impacts of marketing exposure. The majority of research in the field also lacks cross-cultural validity, thus making the findings impossible for generalization.



## CONCLUSION



A large body of research has been done on how children understand and deal with advertising as they grow older and the short term-effects it has on them. However, little is known about how exposure to advertising in childhood affects people in adulthood; the long-term effects. This is an issue of significant theoretical and practical importance because adults remain active in many of the product categories for which they were targeted as children, both for their own consumption and for that of their children (Connell et al, 2014).

Studying the child–brand relationship phenomenon has its practical implications. First, children consume a wide range of products from the time they are born and start developing relationships with certain brands, such as Cheerios, that may last a lifetime. As they grow older, they not only consume more brands through the purchases of their parents, but also begin

to make purchases using their own income (McNeal, 1999 in Ji, 2002). In all, throughout the childhood they consume a wide range of brands and what they have experienced in the past may serve as definite influences on their choices in adulthood (Ji, 2002).

Some markets realised that if customers can be captured early enough, they might remain loyal customers for life. Given the fact that the society is getting re more consumer-oriented, the commercial influences on young people’s lives have grown to a point where they can have a profound impact on them (Gardner and Sheppard, 1989 in Ji, 2002). The influences of consumption-related messages in the news media and points of purchase may reach into young people’s beliefs and value systems, cultivating social and moral norms on them, also resulting in connection to a certain brand and creating lifetime loyalty. During

adolescence, the young person generally acquires several consumption-related skills and is transformed into a fairly sophisticated consumer. Furthermore, several of the consumer's related orientations adolescents acquire are likely to persist well into adulthood (Gunter and Furnham, 1998).

Therefore, marketers should take a long-term view of marketing decisions and develop strategies that nurture long-term relationships with children (Gunter and Furnham, 1998).

### **RECOMMENDATIONS FOR FUTURE RESEARCH**

Firstly, it is clear that this field of study slightly lacks empirical evidence proving the link between marketing and long-term effects on children. Therefore instructors must focus on further examining the long-term effects of marketing on children. In fact, there is a need to interlink secondary research as well as future examination to discover the enhancement increased marketing exposure has on loyalty.

In order to support this upcoming loyalty framework, researchers should conduct a longitudinal research. This would involve selecting a sample of children with previous exposure to a product and a follow up on the variations in usage a period of ten years.

Furthermore, researchers could also focus on the starting age of usage, whether it be the perceptual age, analytical stage or reflective stage, in order to find out whether this leads to a trend in results.

This form of research could be used to find out whether children still use the product as well as the frequency of usage. Information gained from research such as this one is vital to further analyse loyalty frameworks and their marketing effectiveness when inducing lifetime allegiance in children.

So as to gain more from this research, academics could carry out extensive qualitative research entwined with the longitudinal exploration. In doing this, marketers will be able to assess the volume of influence from each of the three frameworks previously discussed: Children's attitude and behaviour, Parent-child relationship and Children's socialization.

Additionally, in order to increase the cross-cultural validity of this investigation, it is important to analyse the perception on the brands throughout various societies geographically. For example comparing results in countries such as Sweden where advertisements aimed at children is illegal, and countries that have no such regulations.

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