DETERMINANTS OF THE CHILDREN INTENTION TO CONSUME FAST FOOD PRODUCTS

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Abstract

Children are unique and also potential market because they usually do not spend their own money but they have a huge purchasing power through their parents. They are potential market, because from the number of kids in the market and their spending are big and promising. There are three types of kids market: first, the children as a primary markets; second, the children as an influencer market which emphasizing on the influence of children assert on family purchases. Third, because the children will grow up, then we can consider the children as a future market. Based on the above descriptions the authors were intent to identify the determinants of the children intention to consume such as product characteristics, reference group, retail environment and promotion, and create a questionnaire for the children and develop hypothesis using these study findings. The data obtained from the field using survey method was used to test all the hypotheses empirically. Based on the research findings, we came to conclusion that the promotion has a greater and important effect in

Kata kunci: pasar anak-anak, keinginan mengkonsumsi anak-anak, dan kuesioner untuk anak-anak.
developing intention to consume of the children. These initial findings will be used intentionally in another study which is to try to find out the relationship between children intention to consume and their commitment to future market as they grown up and second objective of this study is to develop an initial and appropriate questionnaire for the children which we realize is different from questionnaire for the adult people.

Keywords: children market; children intention to consume; and children questionnaire

INTRODUCTION

Children are unique and also a potential market. They are unique, because children usually do not spend their own money but they have a huge purchasing power. They are potential, because from the number of kids and their spending, they are big and promising (Yusuf, 2007). McNeal (1999) provides data about advertising to the children expenditures. It costs more than US$ 1 million in the United States only; more than US$ 4.5 millions for marketing promotion such as coupons, contests, and for the development of marketing programs and clubs specific for the children; more than US$ 2 million for public relation like publicity, event marketing, and broadcast; and more than US$ 3 million in designing product for the children.

McNeal (1992) stated that kids’ market consists of three types of market. First, the children as a primary market; in this case, this kind of market has kids as an end users and as a primary target. Second, the children as an influence market which has parents, people around the kids and the kids itself together as a target. Third, the children as a future market which target are kids as potential market in the future. In this study we defined kids as a child which has an age between 10 to 12 years old. Erickson (1950) categorized these kids into school age children. In this age, the children start to begin to take their responsibilities concerning what they do and what they will do, try to be good, and start doing the right things. In this age, they start to recognize some values come from their morale development process in everyday life and, they recognize the differences that exist among people unique characteristics and their culture. At those ages, they could and start to differentiate between good versus bad things.

Kids between 10 to 12 years old were on the phase of their brain development (Acuff and Reiher, 1997). Kids are starting to focus on and using their left brain. In this phase, kids are starting to see their environment and define themselves in order to adjust to the world surround them and, at this time usually kids are very impressive. They like to imitate celebrities, sports stars or other role models like teachers, parents or even spiritual leaders. Kids on those ages have been chosen as a respondent in this study because they are assumed to be mature enough and they understand the questions from the questionnaire which are asked directly to them. Furthermore, Acuff and Reiher (1997) stated that kids on those ages have been able to memorize many things that happened to them and, bring along and keep these memories until they become adults. This behavior is caused by the dominance shift from the right brain to the left brain. All of these above considerations were used in our decision to choose kids between 8 to 12 years as a respondent in this study. One of the main
objective of this research is to identify all of the determinants of the children intention to consume based on the reality that in nowadays the children have had their own purchasing power as well as decisions to purchase. Beside that, the research concerning the children intention to consume is still limited, and it has strongly motivated the authors to identify all the antecedents of the intention to consume of the children.

CONCEPTUAL FRAMEWORK AND HYPOTHESIS

We propose four hypotheses concerning the antecedents of the children intention to consume as a restaurant customer, which will be described later. If a kid has already had an intention to consume a certain products, brands, or service providers, then it will affect their buying decisions and behaviors in the future. This behavior is expected to be consistent until the kids become adults and they can be consistent and loyal in consuming the same brand or product. It could be concluded that the intention to consume has a significance and important role in developing marketing strategy to kids. If marketers are able to identify the antecedents of kids’ intention to consume, then they can use it as a consideration in developing sustainable competitive advantages especially targeted for kids market.

In order to identify, understand, test and prove all determinants of the intention to consume of the children empirically, we proposed the conceptual framework model of this study as depicted on Figure 1 below and which will be described later.

![Figure 1 Conceptual Framework](image-url)
The influence of product characteristics on intention to consume.

Kotler and Keller (2006) and Brown (1998) described that product characteristics are distinctive characteristics of the products which differentiate it from other products and could be offered to the markets to fulfill the customer needs and wants. In other word, every product has its own characteristics which make it different from its competitors. In this case, marketers should try to develop a product which has its own uniqueness and characteristics in order to gain specific perception and preference from customers. This later concept is called positioning strategy (Kotler & Keller, 2006). Product which is unique, competitive and difficult to imitate will bring the company or service providers to gain and develop some competitive advantages.

One of the company competitive advantages that could be developed and offered to the kids is product characteristics (Acuff & Reiher, 1997). The uniqueness of a product and its specific characteristics or attributes will differentiate the product from its competitor. Two important product characteristics that appropriate for kids and, which will be used in this research are product trend and taste (McNeal, 1992; McNeal, 1999; Solomon, 2007).

In accordance to the product characteristics, Levin and Paige (2003) conducted a research to provide sufficient evidences that kids products’ choices are influenced by the specific attributes of those products.

Previous research had shown the relationship between the product characteristics and kids intention to consume (McNeal, 1992; Levin & Page, 2003; Mizerski, 1995; Gruner & Homburg, 2000). Kids are very concern about the product characteristics when they want to buy or consume a product (McNeal, 1992). In processing the stimulus comes from a product, kids prefer newest and an up to date products (Skorinko, Kemmer, Hebl & Lane, 2006). In contrary, an adult, usually sees the utility of the product at dominance, whereas kids prefer to see how attractive, interesting and how up to date the latest trend of the products (Lindstorm & Seybold, 2007). Products which are look bad, dirty and perceived as inexpensive would decrease the kid intention to consume (Luna, 2005).

Product which is especially developed for kids and perceived to be high quality product would stimulate kid to purchase or consume it (Brown, 1998). The better kid’ perceptions of the products, the higher their intention to consume. Market should be designed to satisfy the needs and wants of kids. As a result, the more kid’ needs and wants are fulfilled by consuming a perceived high quality products, then the higher the children intention to consume due to great experience they had with the products. Based on the above short explanation, we propose the first hypothesis as follow:

H1: The better kids’ perception of the product characteristics, the higher their intention to consume.

The influential of reference groups on intention to consume

Reference group refers to an individual, actual or virtual group which has significantly influenced to
the evaluation, aspiration or 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 choose a product in order to increase his image from others.

Reference group explains that preference of an individual is shaped by the 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 them who have high involvement with the products (Solomon, 2007). For low involvement products, they tend to ignore this group. However, it does not happen to kids due to their limited money and purchasing power. It will make every purchasing becomes 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 had shown that for adults, reference group influences their intention to consume (Linn, 2004; Baudisch, 2007; Sadock & Sadock, 2007). For kids, pressure from friends to follow the trend products among them is strong. Linn (2004) stated that more than 60% of kids’ buying is influenced by schoolmates or friends. The rests are influenced by commercial programs in television. Influence from the reference groups is stronger for daily goods and for products that represent kids’ identity to others.

Luthje (2004) explained that a friend has 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 conversation which is held in the break time. When kids feel that they are not accepted or worse they are refused by his friends, it will have bad impact on their personality even until those kids become adults.

Reference groups are an 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 kids’ life is friends’ pressure. This pressure will give impact on every aspect in kids’ life including products’ preferences. They have bigger pressure compared to adults and tend to follow the reference groups more than just because the brand itself. So, the second hypothesis we proposed is:

\[ H2: \] The higher the kids’ involvement with the reference groups, the higher their intention to consume.

The influence of retail environment on intention to consume

Retail environment is the condition of the inside or outside store which is given a certain stimulus by marketers in order to attract kids to conduct a 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 based on the stimulus watched by the kids when they visit the stores. On the other hand, emotional tone is specific
feelings that kids feel about the staffs in that store (Minnini, 2005).

Backstorm and Johansson (2006) saw the possibility of kids to purchase or ask the parents to conduct a 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) that 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 purchasing (Yuksel, 2007).

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

**H3:** The better kids’ perception about the retail environments, the higher their intention to consume.

*The influence of promotion on intention to consume*

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

Promotion for kids is getting more in the number of mass media or its variation. All of them are done to stimulate kids to be aware of brand that finally conduct a consumption or purchase. This kind of 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 a 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 eleven online marketing and all impact to the increasing number of food consumption for kids that finally increase the obesity.

From the explanation above, it could be seen that the promotion has a strong power in stimulating kids to consume and conduct a purchasing. As an example, the increasing number of time to watch the television has made kid watching promotion more often and, finally stimulate their intention to consume. Here we come with a proposition of the fourth hypothesis:

**H4:** The better kids’ perception to the promotion which is done by service provider, the higher their intention to consume.

In order to obtain all the information concerning the determinants of the children intention to consume properly, we choose McDonald’s restaurant as the location and object of the study. The reason behind this decision is a lot of children are very familiar with this restaurant compared to other fast food restaurants. Beside that, McDonald’s restaurant also has put a great deal of attention to kids need of food and pleasure by providing such things interested to children such as: the playground at each restaurant; the
character of Ronald McDonald’s; and by giving special gifts and special products on special occasion such as kid’s birthday.

The research hypotheses were examined using data from several elementary schools children which are located in Jakarta (as an urban area) and Semarang (as a rural area), collected through consumer surveys using a questionnaire which is appropriately design for children. Before doing an empirical test, we have conducted an extensive qualitative research (in the form of focus group discussions and depth interviews) with twelve children in Jakarta as a first step to validate the questionnaires and to develop the research model above. This initial exploratory research would not only help to generate a list of constructs but also to develop new or refine existing measures of the key constructs. Beside that, we did an interview with two experts specializing on children behavior and one expert in child’s psychology, in order to get more clear idea about children consumption characteristics and behaviors which can be used to develop a questionnaire which is appropriate for the school children.

RESEARCH METHOD

Sample

From the available elementary school children data at each school, we developed a random sample from two different sources, one from 10 state elementary schools in Semarang area, and the other from 10 private elementary schools in Jakarta. Data were collected using a questionnaire developed based on exploratory research. From the above sample, a total of 468 completed questionnaires were obtained. It consists of 204 questionnaires from Semarang area, and 264 questionnaires from Jakarta area.

Questionnaire Pretest

Preliminary versions of the questionnaire were administered to a convenience sample of 30 elementary school students in Semarang and 30 elementary school students in Jakarta. Pretest results were used to improve measures and design an appropriate structure for the questionnaire. Measures consisted of 4 points Likert scale ranging from 0 (totally disagree) and 4 (totally agree).

Measures

All of the constructs were measured using existing scales adopted from several previous researches. To make the children be able to answer the questions we used emotion picture (see Figure 2) along with a Likert scale from strongly disagree to strongly agree in the form of show cards, to measure all children responses. Initially we used 7 points Likert scale categories, but we found that the children could not be able to differentiate between moderately agree and agree, and between moderately disagree and disagree and changed it into 4 points Likert scale categories.
The pretest results showed that all the measurement scales reliability was adequate given Nunnally’s (1978) standard. Based on the pretest results and respondent comments we conclude that some questions is appeared to be problematic, and should be rewrite to make it easier to answer.

Approximately 60 percent of the respondents were males, and the average of their allowances were from Rp. 3.000,- to Rp. 5.000,- per day. Majority of the respondents go to the McDonald restaurant with the parents and they spent 1-2 hours there.

RESULTS

In this study, the analysis was conducted using the exploratory and confirmatory analysis method. To refine the measurement scale used in the questionnaire, we used exploratory principal component analysis with orthogonal rotation method. From the above analysis we found one dimensional structure for each construct.

A confirmatory factor analysis (CFA), using LISREL 8.73 with maximum-likelihood (ML) estimation (Joreskog and Sorbom, 1993), was then performed on the sample available. To assess the validity of the model, a multiple fit indexes were reported. Four assessment, commonly used fit indexes are reported: Goodness-of-Fit Index, root mean square error of approximation (RMSEA), Normed Fit Index (NFI), and Comparative Fit Index (CFI).

Standardized data were used for all subsequent analyses. The process of standardization is used to eliminate the bias introduced by the difference in the scales of the attributes or variables used in the analysis (Hair, Anderson, Tatham, and Black 1995:435). Overall model fit indexes showed that the CFA model has a good fit with the data, and all the fit indexes equal to, or better than, recommended values (GFI=.94, RMSEA=.048, NFI=.99, CFI=.99).

The structural relationship between dependent variable intention to
consume and several independent variables such as product characteristics, reference group, retail store environment and retail store promotion could be found on Table 1 below. And the hypotheses testing results could be found on Table 2.

Table 1.
Structural Equation of the Research Model

<table>
<thead>
<tr>
<th>Equation</th>
</tr>
</thead>
<tbody>
<tr>
<td>\text{intensi} = 0.13* \text{produk} + 0.20* \text{acuan} - 0.91* \text{lingkung} + 1.53* \text{promosi},, R^2 = 1.00</td>
</tr>
<tr>
<td>(0.38)</td>
</tr>
<tr>
<td>0.34</td>
</tr>
</tbody>
</table>

Table 2.
The Results of Study Using Structural Equation Modeling

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Hypothesis Statement</th>
<th>Coefficient</th>
<th>t-value</th>
<th>Supported / Not Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>The better kids’ perception to the product, the higher their intention to consume.</td>
<td>0.13</td>
<td>0.24</td>
<td>Not supported by the data</td>
</tr>
<tr>
<td>H2</td>
<td>The higher the kids’ involvement with the reference groups, the higher their intention to consume.</td>
<td>0.20</td>
<td>0.94</td>
<td>Not supported by the data</td>
</tr>
<tr>
<td>H3</td>
<td>The better kids’ perception about the retail environments, the higher their intention to consume.</td>
<td>-0.91</td>
<td>-2.57</td>
<td>Not supported by the data</td>
</tr>
<tr>
<td>H4</td>
<td>The better kids’ perception to the promotion which is done by service provider, the higher their intention to consume.</td>
<td>1.53</td>
<td>7.24</td>
<td>Supported by the data</td>
</tr>
</tbody>
</table>

DISCUSSIONS

From the results above (see Table 2), we can identify all the antecedents of the intention to consume of the school children in Semarang and Jakarta, and from the Table 1 we can come to conclusion that product characteristics did not influence the intention to consume significantly (H1 is not supported by the data). From this first finding, we can said that the products characteristics or attributes trend and products feeling, as well as taste of the product and price do not sufficiently stimulate the development of kids’ intention to consume. This is happened due to the reality that kids do not pay attention to the product characteristics. They emphasized more on other things like product promotions compared to utility value of the product itself. They do not care about the taste or attributes of a product. Based on the significant relationship between product promotion and intention to consume, it could be concluded that kids in Semarang and Jakarta had a greater intention to spend their money for “fast food” products.
Beside that, we found that the reference groups do not significantly influence the intention to consume of kids (H2 is not supported by the data). In this case, the influences of parents and friends are not strong enough to stimulate kids to have an intention to consume. Sadock and Sadock (2007) explained that kids within 10-12 years have had their own product preferences, so the role and influences of reference groups are no longer significant. On the other hand, we found that promotion which is done by service provider has a significant effect in developing intention to consume among the children, and this explained why they disregard the influences of their reference groups. These findings explained why reference groups did not influence the intention to consume of the children.

The study findings also indicates that the retail environment does not influence the intention to consume significantly (H3 is not supported by data). This is happened because children within 10-12 years are ashamed to use the playing ground in the restaurant. They view themselves as adults therefore they feel inappropriate to use these facilities, so they do not have intention and want to use the playing ground. Beside that, because the main objective of the children comes to the restaurant is to buy a food, then they do not pay attention to the cleanliness and tidiness as well as the empathy showed by the employees. Sanrock (2001) explained that the children begin to give their attention to the restaurant characteristics when they reach 15 years old.

The last finding of the study showed that product promotions done by the fast food restaurant had a great influence to the intention to consume of kids significantly (H4 is supported by the data). In this case, we can say that advertising and event marketing established the kids positive attitude toward the products even since children were at 3 years old (John, 1999).

From the study findings, we can conclude that product promotion has a strong points for children compared to other antecedents of the children intention to consume. Based on this finding, the service providers should have to pay more attention to the promotion activities. We realized that a lot of kids usually spend most of their time watching television or occasionally see the movie. These facts will make product promotion using television becomes an important fast food restaurant activities in influencing and developing intention to consume among the children.

**Conclusion**

The research model provides a useful tool to assist managers in mapping the competing forces that influence the intention to consume of their customer base. The variables examined in this study could be used as a starting point. More important, this study suggests that the intention to consume is influenced less by product characteristics, reference groups and retail environments than by promotion. Also we found that the marketing for kids’ literature has much to offer to the researchers who were interested in understanding kids as a customer. We hope this study will evoke further interest in this area.
Theoretical Implications

Marketing mix (4Ps) has dominated marketing strategies for years and it became generic strategies and it seemed to be fit for all segments. These study findings raised some challenges on some aspects of our current understanding of marketing mix. From it we can conclude that the product characteristics were not considered as an important factor for kids within 10-12 years age. This research shows that promotion is much more important for kids compared to product characteristics. Our initial assumptions that the product characteristics as well as product promotions has an equal influence in developing kids intention to consume is not supported by the research findings.

Beside that, for children of 10-12 years age, the retail environment is not an important factor to stimulate kids’ intention to consume. The existing paradigm who stated that retail environment as a critical factor needs to be reexamined. In this study we found that kids do not pay attention to retail environment, instead of they are looking for other factors that need to be found by marketer.

Managerial Implications

An understanding of the relative impact and interactions among the product characteristics, retail environments, reference groups and promotions afford marketers the opportunity to design more effective customer acquisition and/or retention programs. Marketers need to give more attention and emphasize on product promotion instead of product characteristics and retail environments. We are not saying that product characteristics and retail environments are not critical, but due to limited resources available to the marketers, we have to set priority in developing our marketing strategies, which one were more importance compared to others.

Due to the high conformity for kids, then marketers have to start thinking to stimulate groups as a whole in order to get attention from the kids. Promotion could not be done separately because of the homogeneity needs from the kids. In doing this promotion strategy, it should be integrated with product characteristics and retail environments. Fast food restaurants, in this case, McDonald has to communicate their advantage in the form of product characteristics and retail environments to make it significant from kids’ perception. On the other hand, all promises resulted from the promotion activities should be fulfill consistently, in order to create intention to consume in the future.

Limitations and Direction of Future Research

Of course, there are some limitations of this study, such as the questionnaire used in this study, which is should be test thoroughly and intensively in order to obtain the required information. We recognized that the research design create some constraints. One of the benefits of this study is the inclusion of interactive effects; however, the use of a survey design limited the ability to detect interactions exists among variables (McCleland and Judd, 1993). In this study, only the most commonly drivers of the intention to consume used in previous research are incorporated into the research model.
Efforts should be made in the future research to incorporate additional dimensions underlying the children intention to consume. As a result, the inclusion of other variables will increase generalization of the research findings.

Future research might also try to find out the relationship between children intention to consume and their commitment to future market as they grown up, and beside that future research might benefit the development of a scale and questionnaire that captures the entire domain of the children intention to consume fast food products.

REFERENCES


