



Family decision-making in an emerging market: Tensions with tradition

Nguyen Huong Lien, Kate Westberg*, Constantino Stavros, Linda J. Robinson

RMIT University, Australia

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ABSTRACT

We explore the role of the extended family on family decision-making in the context of a high-involvement purchase decision in an emerging economy. Adopting a grounded theory approach, we conducted 33 in-depth interviews with 11 families across Vietnam, including both nuclear and extended family members. Our findings demonstrate that parents retain a significant, albeit evolving, role in the consumption decision-making of their adult children, acting as a facilitator, cultural mentor and/or patriarch. However, these roles, coupled with the broader macro-environmental transformation, have contributed to two key tensions with tradition for the younger generation: respecting and deferring to their parents versus fulfilling their own aspirations fuelled by socio-economic change; and, for women in particular, achieving a greater voice in decision-making versus adhering to the culturally entrenched norms of a patriarchal society.

1. Introduction

The concept of ‘family’ as a consuming and decision-making unit has long been a focal research area in marketing and consumer behavior (Epp & Price, 2008). Family can be further delineated as nuclear and extended family. The nuclear family is commonly referred to as a couple and their children (Albuquerque, 2009), while the extended family can be defined as the “interactive and mutually supportive unit consisting of multigenerational kin and non-kin members, living in the same household or connected households dispersed geographically” (Hannah, 1991, p. 35).

In the context of family purchase decision-making, previous research has focused primarily on the nuclear family with limited exploration of the influence of the extended family (e.g. Commuri & Gentry, 2000; Epp & Price, 2008; Kerrane, Hogg, & Bettany, 2012), despite the fact that scholars from the family studies and sociology disciplines have identified the significant impact that extended family members can have on many other aspects of family life. For example, these family members provide both tangible and intangible support to the nuclear family, assist with childcare, and play an important role in influencing child outcomes in health, emotional development and academic achievement (Bengtson, Biblarz, & Roberts, 2002; Lamborn & Nguyen, 2004).

Further, much of the past research on family decision-making has occurred in Western or developed markets (Chikweche, Stanton, & Fletcher, 2012; Xia et al., 2006), even though more than 80% of the world’s consumers live in emerging markets (Sheth, 2011). These

markets differ culturally, economically and demographically from developed nations and currently are experiencing a historically unique and rapid rate of socio-political and economic change (Burgess & Steenkamp, 2006). Therefore, research on emerging markets is increasingly becoming a necessity (Sharma, 2011; Sheth, 2011).

This paper addresses two research questions: 1) What role do extended family members play in the purchase decision-making process of the nuclear family, and how do they exert influence on this process? 2) In the context of an emerging market, how does the rapidly changing socio-economic environment influence this role? Specifically, we examine the influence of parents on their adult children in the context of a housing purchase, a high-involvement decision, in Vietnam. As a collectivist society with a strong familial focus, family decision-making often encompasses extended family members (Dutton, 2012; Jamieson, 1995).

2. Background

2.1. Family purchase decision-making

Family purchase decision-making is the consumer decision-making process that directly or indirectly involves two or more family members (Davis, 1976). For many purchase decisions, the consumption unit is the family rather than the individual given the volume of products that the family consumes on a regular basis (Martinez & Polo, 1999). However, much of the research on these decisions has focused on the decision-maker. Studies suggest that husbands and wives can have

* Corresponding author at: School of Economics, Finance and Marketing, RMIT University, 124 La Trobe Street, Melbourne, Victoria 3000, Australia.

E-mail addresses: s3310209@student.rmit.edu.au (N.H. Lien), kate.westberg@rmit.edu.au (K. Westberg), con.stavros@rmit.edu.au (C. Stavros), lindaj.robinson@rmit.edu.au (L.J. Robinson).

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different role specializations and varying degrees of influence based on the product category (e.g. [Belch, Belch, & Ceresino, 1985](#); [Sharp & Mott, 1955](#)) and stage of the decision-making process (e.g. [Davis & Rigaux, 1974](#); [Levy, Murphy, & Lee, 2008](#)).

Similarly, a growing body of research has explored the role of children, also finding that their influence on family purchase decisions varies by product category and stage in the process (e.g., [Belch et al., 1985](#); [Flurry, 2007](#); [Flurry & Veeck, 2009](#)). For example, children are most influential when they are the primary consumers, such as for clothes, toys and breakfast cereal, and they tend to have more influence during the problem recognition and information search stages. Further, family members can assume a number of roles in the process, such as initiator, influencer, information gatherer, gatekeeper, decision-maker and purchaser ([Assael, 1987](#)). Finally, researchers have examined various strategies used to influence the decision-making process such as bargaining, persuasion, emotional appeals, as well as legitimacy and experience-based arguments ([Chaudhary & Gupta, 2012](#); [Palan & Wilkes, 1997](#)).

As a result of the economic, social and cultural changes witnessed over the past decades, researchers have identified shifts in family decision-making roles since the landmark studies of the 1970s and 1980s. For example, women have gained greater influence in most decision-making stages, particularly initiation, and have increased their influence on the final decision, including previously male-dominated purchases like automobiles ([Belch & Willis, 2002](#)). However, despite the volume of past research, in their comprehensive review of the literature on family decision-making, [Commuri and Gentry \(2000\)](#) argue that too much research has focused on ‘who’ and too little on ‘how’ these decisions are made. In particular, more knowledge is needed to understand the various roles played by family members and how they interact with each other ([Lackman & Lanasa, 1993](#)).

2.2. Influence of extended family

The majority of research on family decision-making has been undertaken in the context of developed economies and the focus has been on the nuclear family as the standard family unit. However, scholars have recently recognized the increasing need to focus on emerging and underdeveloped markets which differ from developed countries in terms of culture and tradition ([Sharma, 2011](#); [Wamwara-Mbugua, 2007](#)) and family structure ([Sheth, 2011](#)).

Perhaps due to this research focus on Western markets, it has been noted that there has been limited research exploring the impact of extended family on the nuclear family's purchase decision process (e.g. [Commuri & Gentry, 2000](#); [Epp & Price, 2008](#); [Kerrane et al., 2012](#)). However, literature from the family studies and sociology disciplines provides ample evidence that extended family members have a critical influence on the nuclear family in many other contexts. For example, extended family can impact on a child's educational success by influencing their cognitive development, academic achievement, health and emotional wellbeing ([Jæger, 2012](#); [Modin & Fritzell, 2009](#)). Extended family can provide tangible support such as income, childcare and household maintenance as well as intangible support such as emotional support, counselling, instruction, a sense of belonging, solidarity and protection ([Bengtson et al., 2002](#)). Further, households that include extended family members can result in better living conditions due to combined assets ([Allendorf, 2012](#)). On the other hand, these arrangements also can create challenges for the nuclear family due to a sense of obligation and conflict arising from differing views on household decisions ([Beauregard, Ozbilgin, & Bell, 2009](#)). Households which include extended family members are still common in a number of countries, including in many emerging Asian markets ([Fleischer, 2007](#); [Mason & Lee, 2004](#)).

2.3. Emerging markets and family decision-making

The classification of countries as emerging markets is based on several criteria such as annual income per capita less than US\$10,000 or an unstable macroeconomic policy ([Burgess & Steenkamp, 2006](#)). [Sheth \(2011\)](#) proposes that the key characteristics include market heterogeneity, socio-political governance, chronic shortage of resources, unbranded competition and inadequate infrastructure, making these markets different from developed industrialized capitalist societies. In addition, emerging markets may be distinguished from developed countries on two cultural dimensions: the nature of the relationship between the individual and the group (autonomy versus embeddedness), and guaranteeing responsible behavior that preserves the social fabric (hierarchy versus egalitarianism) ([Schwartz, 2004](#)). The emphasis in emerging markets on cultural embeddedness and hierarchy impact consumer behavior by shaping and justifying individual, group and organizational beliefs and goals ([Burgess & Steenkamp, 2006](#)). Therefore, scholars have suggested the need to understand the impact of emerging markets on existing marketing theories and practices ([Burgess & Steenkamp, 2006](#); [Sheth, 2011](#)).

While the family is seen as a central and basic unit of consumption in most countries, the structure of the family and the role that the family plays in individuals' lives varies across markets and cultures. Western developed markets are likely to assume the perspective of a nuclear family, focusing on father, mother and children, while in developing markets, the concept of an extended family is likely to be dominant ([Chikweche et al., 2012](#); [Purvez & Ahmed, 2003](#)). However, while the prevalence of the extended family as part of a traditional multi-generational household may be declining in developing markets, the pervasiveness of patrilocality (a couple living with or near the husband's family) remains largely unchanged ([Ruggles & Heggeness, 2008](#)). In these markets, co-resident and non-resident elders are still generally supported by working-age family members ([Knodel, Friedman, Si Anh, & Cuong, 2000](#)).

Research into the family decision-making of non-Western families is emergent but has identified the critical role of culture (e.g. [Cross & Gilly, 2014](#)), social change (e.g. [Aleti, Brennan, & Parker, 2015](#); [Nguyen & Belk, 2012](#)) and contextual macro-environmental constraints (e.g. [Chikweche et al., 2012](#)) on consumption decisions. [Chikweche et al. \(2012\)](#) explore family decision-making regarding food and personal hygiene items in Zimbabwe, asserting that it is a dynamic and evolving process. The authors suggest that a model of shared decision-making between husband and wife has emerged due to environmental pressures resulting in limited income, uncertain product availability and price inflation. However, while the importance of social networks is acknowledged, there is no specific insight into the role of extended family members. [Wamwara-Mbugua's \(2007\)](#) study on household decision-making among Kenyan immigrants in the United States highlights how familial obligations to extended family endure even when separated by physical distance, with the nuclear family's financial and material resources shared with family members back home. In Vietnam, [Aleti et al. \(2015\)](#) demonstrate the reciprocal nature of consumer socialization within three-generational Vietnamese families in relation to environmentally friendly household products and leisure travel. Their findings suggest that consumer knowledge transfer can be reciprocal between the generations, depending on product category. While older family members are still active socialization agents, in the case of less familiar consumption decisions, they are also open to knowledge from the younger generation. However, the authors suggest the need for more in-depth research to properly understand consumers and the family dynamic in relation to mid-to-high involvement purchase decisions. Finally, while not directly focusing on family decision-making, [Nguyen and Belk's \(2012\)](#) study of how Vietnam's transition to modernity has impacted wedding ritual consumption reveals that changes in wedding traditions reflect the broader social change, including the

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