Review

Dynamics of family buying decision and mediation of conflict resolution

Jamshed Khan Khattak* and Kiran Raza

Department of Management Sciences, Muhammad Ali Jinnah University, Islamabad, Pakistan.

Accepted 1 June, 2012

This study aims at developing a comprehensive theoretical framework for dynamics of family buying decision (FBD) based with mediation of conflict resolution. The basic purpose is to build a conceptual model including the spousal involvement in family purchase decision and their conflict that arise in decision which lead to either joint or autonomous decision and finally arriving at a final decision with the help of conflict resolution strategies. Based on the theoretical evidences, it was concluded that the main factors influencing the family buying decision about purchasing household durable goods is spouses' involvement in the family buying decision making process. While in buying decision there is a mediating role of conflict resolution strategies which influence the family member involvement and ultimately the family buying decision.

Key words: Family, buying decision, conflict resolution, joint decision, spousal involvement.

INTRODUCTION

Family is not an informal or artless organization of people, but it is a divinely designed institution. It can be defined as any group of people closely connected by blood. The family role is important in every culture and society because it is the most important foundation and structure of society itself. According to some researchers, household is considered the relevant unit of analysis, not the individual consumer (Davis, 1976; Granbois, 1971). Given that the number of family household units is significantly greater than the number of single households, research in the field of family decision making (FDM) is essential in advancing our knowledge of consumer behavior.

The family has been identified as the most important decision making and consumption unit and key research area for understanding of consumer behavior (Ekstro¨m, 2004; O'Malley and Prothero, 2006, 2007). Moreover, Scanzoni and Polonko (1980) define decision making as an expression which expresses that it is the process by which family build choices and on the basis of that they make judgments and the finally come to the conclusion which direct that behavior. More than one member's input and conformity with decision is required and it is the most important aspect of the process of family decision-making.

Another way of defining decision making is that it can be referred to as process of problem solving which includes process of recognizing a problem, opportunity or a choice and finding a solution to it. It is also referred to as the process of choosing between the alternative. Decision making may take place at any level; it can be at individual or group level. Families make up an essential social and economic unit that affects consumption decisions of the household and individual family members. Cottee and Wood (2004) were of the view that family exercises a complex influence on the conducts of its members. The concept of involvement in family decision making suppose that the relative influence for the spouse in a decision is higher if he/she is more involved in the decision and that reflects his or her individual’s preferences and interests (Qualls, 1987). Therefore, in general there is a positive affiliation between personal relevance and involvement.

According to Pruitt and Kim (2004) conflict in family...
decision making means ‘perceived divergence of interest’, that is, the belief that if one party gets what it wants, the other(s) will not be able to do so. Although chances of serious conflicts in family purchase decisions are exceptional but there is some form of family conflict which is highly probable, because forming a joint preference needs a combining of individual preferences or interests of the family members. Sheth (1974) has argued that existence of different cognitive structures results in conflict between family members, which may include different goals regarding purchases and perceptions about alternatives. The family members depending on the cause and type of conflict try to resolve it with the help of different conflict resolution decision strategies. These, according to Sheth (1974), can be categorized as problem solving, persuasion, bargaining and politics.

Some families remain essentially traditional in their life styles following the traditional role patterns and relationships, while others adopt more materialistic orientations due to socioeconomic changes in the family system (Kwan et al., 2008). In situation like this, the individual family member becomes of principal importance because of his individuality. The choice of each individual in such families needs to be considered before the final decision outcome. Hence, this study attempts to analyze theoretically the mediating role of conflict resolution in family buying decision.

Study under hand attempts to review and investigate these variables in the context of a theoretical network in general and evaluating this growing area of research in an order which include firstly, the involvement of family members in buying decisions process, secondly, the type of decision made by families, either joint or autonomous. Thirdly, decision making related to specific product category. Lastly, the effect of conflict resolution strategies on family buying decisions is discussed.

The objectives of this research are to develop a conceptual framework for family involvement in buying decisions process and their relative influence on family buying decisions. Secondly, to examine the mediating role of conflict resolution in family buying decision process. Thirdly, to study key elements of household decision behavior and to shape up a theoretical structure that will add meaning to our understanding of household decision behavior. This study is useful to a large number of researchers sharing an interest in consumer behavior. Also it is an effort to find out how variables act in concert with one another to affect household decision behavior, thereby advancing the extant body of theoretical research.

REVIEW OF LITERATURE

Research on household decision behavior (HDB) suggests that changes are taking place in the attitudes and behavioral direction of men and women in today’s household (Commuri and Gentry, 2005). There are changes attributing to various causes that have occurred which distorted the decision and role structure of the traditional household unit. These changes include changing cultural norms, increases in the number of working wives, family income, family life cycle, education and shifting societal standards. Researchers have focused mainly three significant areas of household decision behavior (HDB): (1) The decision maker in the family, (2) The outcomes of household decision behavior, and (3) Determinants of family decision making (Levy and Christina, 2004).

Family buying decision

Family behavior is an important issue and socio-cultural factor. The family is considered as a significant decision-making unit, due to the large quantity of products and services that are consumed by the household. The history of 1960’s research can be tracked on husbands and wives roles played in family decision making. As David (1970) first performed a study on the relative influence of husbands and wives on the family decisions. Several studies, since that time, have scrutinized different components of marital roles and family decision making. According to the researchers, household is considered as the relevant unit of analysis, not the individual consumer (Davis, 1976; Granbois, 1971).

Nelson and Jenny (2005) found that strong organized family significantly makes more joint buying decision on vacation (specialty product) than weak organized family. They also established that modern family make significantly more joint purchase decision on vacation than traditional family. Nelson and Jenny (2005) proved that strong unified family significantly makes more joint purchase decision on furniture (shopping product) than the weak unified family. They further held that modern family makes significantly more joint purchase decision on furniture (shopping product) than the traditional family.

Su et al. (2003) suggested that spousal decision behavior is a key to understanding how families reach purchase decisions. Su et al. (2003) established evidence that spouses do not tend to force in a distinct purchase situation; however, they do tend to alternate use of strong influence measures across decisions. Kirchler (1993) is also of the view that often husbands and wives are unaware of each other’s influence within joint purchase decision-making processes. The commonly accepted role structure of family buying decision-making is (1) husband-dominated decisions, (2) wife-dominated decisions, (3) autonomic decisions (in which either the husband or wife is the primary or sole decision maker, but not both), and (4) syncratic or joint decisions (in which both are influential). In summing up, this can be suggested on the basis of studies that the roles of husbands and wives in the family decision-making process are changing and emphasis is being made to examine current practices in family decision making.
Consequently, the following hypotheses are put forward:

**H₁:** The changing structure of family has changed the family buying decision from autonomous to joint.

**Product category (durable goods)**

Husband-wife involvement varies widely by product category. Cheryl (2003, 2005) found that couples are more likely to use influence tactics in across category decisions than within. Particularly, in across product category decisions, high levels of disagreement produced greater use of influence tactics than low levels of disagreement. Thus, spouses do appear to engage in a greater use of influence tactics when deciding among products from different product categories, such as a new big screen TV versus a home security system. Michael and Laura (2001) in their study on decisions regarding household furniture concluded that husbands were found to have firstly the less influence in the final decision for household furnishings and secondly, they have less influence in the decision of how much to spend on both household furnishings and appliances. Moreover, according to Talha and John (2006) husbands are the dominating decision makers for the product category such as automobiles and life insurance whereas wives dominate decision making in product categories like food and home appliances.

Samuel et al. (2010) invested role of family decision making in festival tourism and according to them wife was the most influential decision maker in almost all behaviors of choosing a souvenir, whereas the role of husband is to decide on accommodation. Many studies have observed a high degree of joint family decision making in buying homes appliances (Blood and Wolfe, 1960; Davis and Rigaux, 1974; Hempel, 1974; Munsinger et al., 1975). Other product categories for which similar data are available include small appliances, major appliances, home entertainment (for example, TV and stereo), cameras, life insurance, vacation travel, and watches (Green and Cunningham, 1975; Haley et al., 1975).

Based on the previous studies the following hypothesis can be derived for the spouses influence regarding product category and the different stages of the decision making process.

**H₂:** Spouses’ influence will vary as a function of the product and the stage of the decision-making process.

**Spouses’ involvement in decision making process**

Husband-wife involvement within any product category varies by specific decisions and decision stages. Research studies of the early ages frequently associated all purchasing decisions (initiation, information, evaluation, final choice) with the family member who went shopping for a product. This view of looking for one dominant spouse was considered convenient by the firms and advertisers. Qualls (1987) found that the concept of involvement revolves around the point that the relative influence in a decision is higher for the spouse who is more involved in the decision and desires that it reflect his or her individual interests and preferences.

According to Commuri and Gentry (2000) joint purchase decisions is a result of the purchase decision making process in which both husbands and wives make a decision together. It is well accepted that the decision-making process consists of a number of stages through which an individual goes before making a final choice (Lee and Marshall, 1998). Furthermore, Fred and Robert (2008) worked on family vacation decision and concluded that holiday choice is more of a joint decision in which family members discuss, seek out information to use in the discussion, disagreement resolution strategies and come finally to a joint decision. Hence on the basis of the aforementioned theoretical and empirical evidence the following hypothesis are derived:

**H₂:** There is significance difference between involvement in decision making process with regard to family buying decision.

**Conflict resolution strategies**

Conflict is defined by Pruitt and Kim (2004) as ‘perceived difference of interest’, which emerges out of a belief that if one party gets what it wants, the other(s) will be deprived. In the perspective of family, conflict can be defined as the divergence that arise in the consumer decision-making process as spouses attempt to meet competing needs with available financial resources. A joint decision involves more than one individual with different preferences. Family is a group of individual with multiple preferences therefore conflict in most decisions of the families is highly possible (Sheth, 1974).

As a matter of fact spouses do not always have the same opinion (Kim and Lee, 1996) because spouses do not have matching needs and wants; joint decision-making by the spouses can lead to conflict between spouses (Kirchler, 1990, 1995; Ward, 2003). Although serious conflicts in family buying decisions are not common; however because of forming a joint preference out of individual preferences requires family to face certain level of conflict. Ward (2003) found proof about the disagreement experienced by the spouses and the relative conflict in his study to explore joint decisions about different product categories.

Researchers have found that various influence strategies are used by the spouses in an effort to minimize the chance of conflict in decision making process (Lackman and Lanasa, 1993; Su et al., 2003). Špíro (1983) in her
study about joint purchase decision of major durable goods found that 88% of the spouse reported that there had been divergences in their decision-making process. In her study, she identified six different influence strategies used by the spouses to complete the decision process.

Different types of conflict resolution in strategies family purchase decision making (FPDM) are identified by the literature. Davis (1976) also pointed out compromise of spouses as a conflict resolution strategy. Belch et al. (1979) pointed out that problem solving is used more often than other strategies. Because of the permanent nature of spouses’ relationships, many studies declare compromise as the most common conflict resolution strategy in family decision making process (Davis, 1976; Qualls, 1982). Furthermore Kozak (2010) added that the decision tactic which can be more often used in the experiences or both vacation taking and dining out is compromise to resolve conflict.

Legitimate approach is also used by the spouses to avoid conflict. Legitimate strategy is an approach where one spouse influences the other through the common belief that the other spouse should make the decision because he/she is the “wife” or “husband” (Spiro, 1983). According to Sin and So (2004) in traditional cultures like Eastern, a legitimate strategy is exercised by giving the authority to the husband and thus avoiding conflicts because in eastern culture the superiority of the husband is generally accepted in the family. According to Qualls (1982), a compromise strategy means one spouse adheres to the preferences of the other unconditionally or in return for future considerations.

The afore-mentioned literature shows sufficient evidence that conflict resolution strategies used by the spouses have significant impact on the family buying decision (Figure 1). In the light of this fact the following hypotheses were derived:

\[ H_4: \text{The conflict resolution strategies mediate the influence of family involvement on the family buying decision.} \]

**DISCUSSION**

The contemporary study attended to some of the issues, concerns related to different problems and questions posed by other researchers (Hans et al., 2006; Cheryl, 2005; Michael and Laura, 2001; Rothschild, 1984) pertaining to the usefulness of the spouse’s power to influence the family buying decisions. This study wanted to determine to explain theoretically the relationships between the family decision factors and their relative influence or power on the family buying decision. The purpose of the study was to theoretically investigate the influence of husband and wife on family buying decision with respect to the buying of durable goods. The main objective of the study was to theoretically investigate the key elements of household decision behavior to arrive at an average judgment about the family buying decisions (autonomous or joint) brought about the changes in last two decades.

In hypothesis 1, conclusion on the basis of theoretical evidence can be drawn that spouses are playing together in family buying decisions and thus the changes in environment has changed the family buying decision from autonomous to joint. The theory supports the finding of Nelson and Jenny (2005) that strong unified family significantly makes more joint purchase decision on furniture than the weak unified family. The study also replicated Davis and Rigaux (1974) that the recent changes are signifying a movement toward more joint decision making.

In Hypothesis 2, the research about the involvement of spouses in different stages of the decision making
process indicate that the involvement of couple varies across different products. The theoretical analysis predicted that both spouses are actively involved in the problem identification of those products (TV, refrigerator, CD player, and household appliances) which are jointly used by the family. However, the theory also indicated the autonomous involvement of spouses in the problem identification stage of the decision-making process that is generally used by an individual family member, or spouse has the personal relevance to the product or spouse has an expert power (for example, computer, furniture, car and washing machine). Theoretical research showed that level of involvement of husband at the stage of final choice of the products is comparatively higher for most of the products (for example, TV, CD player, computer, furniture, and car) except for refrigerator and household appliances where the final choice is made by both the spouses jointly. The theoretical analysis support H2 and also support the previous work done by Cheryl (2005), Michael and Laura (2001), Hundal (2001) and Mohan (1995) that found the involvement of spouses in the purchase decision-making process varies by product categories and decision stages.

The theoretical result of hypothesis 3 showing difference of involvement of spouses at various stages of the decision-making process with that of the family buying decision lends support to the findings of Hundal (2001), Commuri and Gentry (2000). The theoretical research showed that autonomous involvement of spouses in the problem identification and decision stages.

The theoretical result of hypothesis 3 showing difference of involvement of spouses at various stages of the decision-making process with that of the family buying decision lends support to the findings of Hundal (2001), Commuri and Gentry (2000). The theoretical research showed that autonomous involvement of spouses in the problem identification and decision stages.

Theoretical analysis support H2 and also support the previous work done by Cheryl (2005), Michael and Laura (2001), Hundal (2001) and Mohan (1995) that found the involvement of spouses in the purchase decision-making process varies by product categories and decision stages.

The theoretical result of hypothesis 3 showing difference of involvement of spouses at various stages of the decision-making process with that of the family buying decision lends support to the findings of Hundal (2001), Commuri and Gentry (2000). The theoretical research showed that autonomous involvement of spouses in the problem identification and decision stages.

The theoretical result of hypothesis 3 showing difference of involvement of spouses at various stages of the decision-making process with that of the family buying decision lends support to the findings of Hundal (2001), Commuri and Gentry (2000). The theoretical research showed that autonomous involvement of spouses in the problem identification and decision stages.

The theoretical result of hypothesis 3 showing difference of involvement of spouses at various stages of the decision-making process with that of the family buying decision lends support to the findings of Hundal (2001), Commuri and Gentry (2000). The theoretical research showed that autonomous involvement of spouses in the problem identification and decision stages.

The theoretical result of hypothesis 3 showing difference of involvement of spouses at various stages of the decision-making process with that of the family buying decision lends support to the findings of Hundal (2001), Commuri and Gentry (2000). The theoretical research showed that autonomous involvement of spouses in the problem identification and decision stages.

In summary, the theoretical results of this study show what might be expected intuitively. The changes in families which occurred as a result of increased role of media, changing family structure, use of the modern technology have also been reflected in changes in the family buying decision. Overall, more influence have gained by women in most of the decision-making process stages. Significantly, more influence is gained in the initial stage by women, and then increased influence regarding search and evaluation of the alternatives and the final choice stage for household durable goods purchases. The husband’s influence in all decision stages is significantly but is fading.

Closer assessment of particular decision areas shows that women have amplified their influence in the husband dominant culture. The increased influence of wife is reflected in the joint decision made by families for the buying of household durable goods. The main factors influencing the family buying decision about purchasing household durable goods is spouses’ involvement in the decision-making process. While the legitimate conflict resolution strategy mediates between the influence of the family involvement and family buying decision.

MANAGERIAL IMPLICATIONS

Producers, marketers, and sales executive of home appliances could use the theoretical insights of this study. These theoretical insights can be functional for the marketers when making marketing strategies. An understanding of spousal influence in family buying decision used can help marketers to identify influential spouses. The prediction of spousal influence in different stages of the decision-making process helps marketers to better target marketing programs and enable marketers to design specific message appeals for targeting specific spouses who may have primary decision-making authority regarding the various product buying decisions (Su et al., 2003).

In the light of the theoretical evidence provided by this study, it is advisable for marketers to develop specific marketing strategies (for example, product, price, promotion, and distribution) that best match the family buying behavior (joint; autonomous) and involvement of family in decision-making process (that is, initiator, information collector, information evaluator and final choice) that are likely to be come across in markets. Doing so will enable the marketer to craft product positioning strategies and promotional strategies at the appropriate spouses for products that distinguish themselves with family buying decision.

LIMITATIONS AND FUTURE RESEARCH

The study was designed to theoretically determine that if the changes in families have resulted in changes in the family buying decision. Although this study improves our knowledge of the variables that play an important role in the family buying decision, there are still many other areas that would benefit further research.

With the influence of the spouses’ involvement in the purchasing decision process, and conflict resolution strategies which appeared in the extant literature as the established antecedents of family buying decisions, other variables like family life cycle, length of married life, influence on family purchase decisions can be taken into consideration and could be added to the current model for future research. Secondly, this study has greater potential for future research, as it is based on theoretical insights, so in future empirical testing of this model can be done in order to give more authentic support to the current literature and its findings.

Moreover, the current model is only based upon
general approach towards theoretically analyzing the family dynamics in purchase decision and mediation of conflict resolution. Further research can be conducted using the current model in different countries across different cultures which will further enhance the insight of businesses and marketers to make strategies keeping in view the dynamics of family buying decision and will also contribute to the extant body of knowledge. It is further emphasized that the main theme of this study is very important therefore it is recommended to continue study in this area to enrich our knowledge and deepen our understanding of spousal and other spouses’ influences on family buying decision.

The theoretical findings reported in this study are dependent only on the household durable goods, future studies may include product categories different from this study by including different categories of products in future research, the full picture of the spouses and other spouses influence and conflict resolution strategies used can be determined. The exploration of the issues presented here will help to enlighten our understanding of family buying decision being an important and large consumption unit.

ACKNOWLEDGEMENTS

We would like to pay our thanks to our respected teacher Dr. Kashif-ur-Rehman, who out of his multifarious engagements gave us time and guidance for the completion of this paper. Without his encouragement, this paper would have not been possibly made. Both the members Jamshed Khan Khattak and Kiran Raza have worked with great enthusiasm and interest in the paper. We worked as a team of two members dedicatedly and wholeheartedly. This paper has helped us know about the importance of family dynamics in their buying decision with the mediation of conflict resolution.

We would also like to thank our class mates for their help and cooperation at different levels of the paper. We hope the effort we have made would be whole heartedly appreciated.

REFERENCES