ABSTRACT:
This research focuses on the last phase of advertising and seeks to analyse the frequency of purchase via mobile devices by children and adolescents (aged 10 to 14) living in the Metropolitan Region of Santiago de Chile. The interest in this particular cohort stems from the fact that recent studies have shown that online purchases have increased significantly among Chileans. The study addresses online shopping tendencies among children based on how they respond to the advertising they are exposed to through their mobile devices. Specifically, the text analyses the level of expansion, reasons for online purchases, access and payment, and interest categories, among other issues. To this avail, a survey was conducted in 501 households in the Metropolitan Region of Santiago de Chile. The results show that less than 10% of the respondents said they had made online purchases over the last year, and among those who had made purchases, most of these corresponded to the acquisition of video games, event tickets and clothing. Nearly 50% stated that online purchases were motivated by lower prices or access to promotions. This research aims to contribute to establishing a solid starting point and promote subsequent research on better child rearing practices, content supervision and parental and social mediation.

KEY WORDS:
advertising, children, consumer, e-commerce, mobile devices, online shopping, screens

Introduction
Two current developments endorse the relevance of this research project: the growth of e-commerce in Chile and the potential of children as buyers, given that this age group is totally immersed in the online world. The role of young people aged 10 to 14 as consumers has been clearly established and children of this age group are known to be consumers of today. In addition, they also are tomorrow’s consumers, which means this age group is an e-commerce target audience, which allows for market expansion. Along these lines,
Children as Consumers

Within the history of consumer research, children have been studied and considered a segment of interest since the mid-1950s when the first articles on child consumers were published.¹⁶ Children as consumers are a target to which those responsible for the creation of communication strategies and sales promotion must dedicate time and research. Therefore, we must give priority to this age segment in order to identify the factors and variables that may affect the behaviour of children as consumers.

Minors are of great interest for the market in general and for advertising in particular, because they represent three types of markets: primary, future and influencer.²² The primary market refers to the goods and services that children acquire directly with their own money. This process is made by small purchases which include sweets, stickers, comics and ice cream, “which makes them, despite their young age, real customers for certain sectors.”²³

The future market refers to the market share from which “they acquire certain knowledge and attitudes toward brands and products that are not yet within their reach”²⁴ and which will determine their presence as tomorrow’s buyers. Lastly, the influencer market is the most important for the advertising business, as it refers not so much to their purchasing power but to the power children exercise on their parents’ purchasing decisions. Children’s influence increases with their age and can affect both small and not-so-small purchases.

Within the influencer market, two factors define children as consumers, and these are age and their environment of influence.¹¹ "Consumption is secondary to identity and affective affinities associated with products that can boost and project consumers’ identity and reconfigure their mores.” Carlson and Grossbart explain that parental styles, and thus, parental roles (authoritarian, negligent, permissive and democratic), as well as the influence exerted by media and friends on children’s decisions may vary.²⁵

As the child’s age increases, the relationship established between them and brand names becomes firmer and more unwavering. Younger children tend to focus more on the product itself than on brand names. Minors style their consumer habits through assimilating and mimicking consumer habits from those around them and incorporating their elders’ behaviour: “Hence, the influence of both parents and school friends and what they perceive through the media (...) is fundamental to their behaviour.”²⁶

According to McNeal’s five-step development in children’s behaviour as consumers,²⁷ minors within the age range studied here are in the last phase, having passed through the first four phases, which are: observation, request, selection and purchase-with-help. In the fifth phase children acquire goods independently, make purchases on their own and also "begin to use persuasion strategies to convince parents,"²⁸ and make purchases that involve a rather large disbursement. "As the need to build their own identity arises, consumption becomes instrumentalized."²⁹

Therefore, the minors targeted by this research (children aged 10 to 14) are of interest to the advertising market because they hold a socially integrated consumer profile; they appreciate certain brand names and exert an imitative style.³⁰ A feature that characterises minors is immediate purchase; they are impatient and have little tolerance for time delays. The relationship between their wish and wish satisfaction need to be practically immediate.

In the Netherlands, Buigen and Valkenburg conducted an in-situ study to examine the effect of the nag factor of minors in hypermarkets and toy stores. Research verified that even at early ages, children exert considerable purchasing influence on their parents. In this non-participatory observation of parents and children during the purchase process, the authors paid particular attention to how children tried to persuade their parents to purchase certain products and how the parents reacted to their demands.³¹ In one third of the cases, the product request resulted in a purchase. The children used a wide variety of persuasion strategies to convince their parents.

Minors and pre-schoolers used simple and non-verbal strategies, including staring and pointing

at products or grabbing them from the shelves. Older children used more sophisticated techniques by politely asking for products and providing arguments for why they needed them. Not surprisingly, the success rate was highest among the older children; more than half of their requests resulted in the purchase of the product.

Thus, we should reflect on the evolution of the term “pester power”. The opinion of minors is no longer solely taken into account for their power to annoy or beg to exhaustion; parents increasingly tend to integrate the youngest in household purchasing decisions by listening to their opinions and allowing themselves to be advised and guided by them. In short, changes in household consumption dynamics are occurring; children are acquiring a leading and also more democratic role within the family.

In this regard, Salgado Carrón suggests that the weight of the opinions of minors in family purchases is growing as a result of various sociological changes that have taken place over time and in particular in recent years. Among those are the greater availability of income to children now that women are part of the working force, which in turn, has increased the family’s income; the tendency to have fewer children or delay the birth of the first child until parents are better positioned economically and likener to have a larger budget; the increase in separated parents who are more inclined to grant whims; and finally, the role of grandparents, who have taken a more significant role in taking care of their grandchildren (due to both parents working) and who have access to additional income.

On the other hand, the fact that children are now more exposed to the media and, in particular, have acquired digital culture, has led to changes in the once unidirectional communication from parents to children; now children’s opinions are taken into account. Brands need to be prepared to compete, to create new values aimed at these younger consumers so as to prosper and achieve greater profitability. In doing so they need to promote innovative strategies and creative actions that yield solutions in a real market.

Relationship between Generation Z and Digital Advertising

An interesting line of work on advertising in digital environments focuses on the attitude of young audiences regarding commercial messages on social media. As was already the case with online advertising, advertising on mobile devices is considered irritating, but this can be lessened in the case where the content is perceived as useful or entertaining. Aimed at reducing the negative predisposition towards advertising on mobile devices, researchers suggest the design of promotional messages that include relevant information and additional benefits to those who choose to open and read the messages: interesting offers, promotions, discounts – particularly highly valued by users –, free shipping, access to exclusive products, etc.

Sceptical positioning towards advertising has also appeared in studies conducted on 6- to 10-year-olds. In all age segments analysed, there are always children who state they believe and trust advertisements; however, the percentage of children who trust advertising content decreases with age. People born between 1995 and 2010, often described as Generation Z, are currently children, adolescents and young adults. Their customs, attitudes and abilities are very different from those of the generations that preceded them, so there is talk of a significant generation gap to which the advertising market has to pay close attention. In addition to the differences between Generation Z and Millennials, variety among people belonging to Generation Z is high. Because these consumers are digital natives, they have unprecedented technological skills and do not think of the world from an offline perspective.

As far as we know, Generation Z’s attitude towards digital advertising formats is far more negative than in case of previous generations, especially regarding advertising as video and banners on mobile devices. They are more tolerant of advertising identified with real people as opposed to actors (influencer marketing). These consumers demand new formats, new messages and new values, particularly on mobile phones. This can be achieved by creating adaptable content designed specifically for this smaller screen. Generation Z finds attractive formats and proposals such as videos, musical narratives, synthesised and immersive messages that provide experiential value.

Methodology

The statistical data presented in this analysis belong to the first phase of a broader investigation collected in the FONDECYT Initiation No. 11170336 project with the title “Minors as Consumers. Analysis of the Advertising Received by Users aged 10 to 14 through Mobile Devices”, financed by the National Commission for Scientific and Technological Research of the Chilean government (CONICYT). This project was created with the main objective of learning about how minors use and consume mobile devices, and then how these intensify the relationship that they maintain with the advertising they are exposed to from the mobile device. This was measured in terms of detection, level of attention, trust and interaction.

The project, which is currently in its second phase – the implementation of an ethnographic approach – began with a quantitative approach. Surveys were delivered to households in the Metropolitan Region of Santiago de Chile with children aged 10 to 14. These self-applied surveys were to be completed by the child and one of their legal guardians.

Following Sierra Bravo, questionnaires are basic observation instruments. In this study, the survey was a simple questionnaire consisting of a list of questions categorised into eight thematic blocks: technological devices; level of connectivity in the home; use and consumption of mobile devices; registration and frequency of use of mobile applications; registration and advertising interaction on social networks; registration and advertising interaction on YouTube and video games; differentiation, level of attention, attitude and relationship maintained with the advertising received through mobile devices; frequency of transactions and online purchases. One thousand face-to-face surveys were applied in 501 households, both to the minor object of study and to their guardian. This followed a probabilistic design by areas and contemplated an error of ± 4.4% under the assumptions of simple random sampling and 95% confidence. Field work was conducted in May and July 2018.

This research proposal draws information from the thematic block reflecting on advertising and online purchases with the aim of analysing the type of relationship that children claim to have with the advertising messages they receive through mobile devices (particularly mobile phones), and the online transactions performed to find connections between the persuasive contents they are exposed to and their purchasing habits. For this study, the following analysis variables were defined:

- Minor’s detection, attitude and recalling of product and brand promotions received via mobile device.

• Variables directly aimed at describing online shopping routine: level of expansion; purchase device; purchased product type; motivations and disincentives; payment methods.

The research design in dyads allowed researchers to also study parents’ perception of their children’s relationship with advertising received and online shopping routines.

Results

The results of the minors’ declaration of their level of interaction with commercial messages through mobile screens are presented next. Each child’s answers were compared with their parent’s answers on their perception of their children’s routines. The multiple comparisons Bonferroni test was applied to determine whether significant differences between children’s and adult’s responses were present. This methodological step was necessary given that different bases are used (children and parents).

This data will help to deepen our knowledge on children’s online shopping habits. In the figure, arrows are present in response categories in which significant inference was found: an upward arrow indicates overestimation by parents compared to that stated by minors; a downward arrow represents the opposite, an underestimation by adults with respect to the answers provided by minors.

Samples are comprised of children (aged 10 – 14) who have access to and use technology. Practically all children in the sample use cell phones (99%), and most of them hold ownership of the device (82%). Use of less commonly-used devices, laptops (52%), tablets (49%) and desktop computers (40%), was also registered. As the following figure reveals, although they use them in lesser proportion, it is more common for children to own desktop computers than laptops or tablets:

In general, with regard to the relationship that children establish with the advertising messages they receive on mobile devices, minors declare that they detect advertising when they use their devices, especially in their most frequent routines. Nearly all children have downloaded applications on mobile devices (93%), with YouTube (92%) and WhatsApp (83%) being the most popular. Other apps appear at much lower rates, namely Instagram (52%), Facebook (39%), Netflix (32%), Spotify (17%), Twitter (6%) and Uber (1%). As previously mentioned, more than half of those surveyed were able to identify promotional messages on YouTube (86%), Facebook (77%), within games (74%), on Instagram (73%) or Twitter (66%). A second group would include WhatsApp (30%) and lesser-used channels for this age range such as telephone calls (25%), SMS (22%) and e-mails (18).

![Figure 1: Level of use of technology by children](Source: Own processing)

![Figure 2: Children’s ownership of technological devices in the home](Source: Own processing)

![Figure 3: Advertising detection per channels on mobile phones](Source: Own processing)

![Figure 4: Main brand names remembered by minors](Source: Own processing)

Regression the parents’ perception of their children’s level of persuasive content differentiation, in all the cases raised, adults underestimated children’s detection capacity, as can be seen by their general lower percentages, in Figure 3.

When asked how they reacted to advertising, over half the children asserted that they completely ignored it (52%), 24% closed or blocked it, 21% paid attention, and a minority (3%) paid attention to and clicked on it.

Concerning the children’s relationship with advertising, adults were accurate regarding children’s attitude. The only exception was the option “I totally ignore it” which parents underestimated compared to the rejection level declared by children.

With regard to the relationship that children have with promotional content through their mobile devices, one in three confirmed they could remember brand names for sportswear, telephone services, Chilean department stores, Coca-Cola and Uber, as shown in Figure 4.

![Figure 5: Description of the relationship with the advertising received on the mobile](Source: Own processing)
Children declare having very little interaction with the advertising they receive. Whenever they do interact (whether sometimes or very frequently) the advertising message usually grants access to free content (21%) or promotional content (13%). Eighty-four percent of children state they have never made any purchase of advertised products and 81% have never commented or shared personal experiences on purchases or products. In relation to parents’ perception about the relationship established by their children with advertising, adults tend to believe minors are more cautious than they actually are regarding the handling of their personal information, as can be seen in Figure 5. However, parents assumed that children would be more receptive when persuasive messages were accompanied by promotions than children actually stated being.

When asked about the advertising inserted on social networks, 35% of children believe that these platforms have brought them closer to brands with which they are less familiar; moreover, 40% acknowledged having learned about new brands through social networks. A closer look at the relationships that children establish with advertising content on social networks, reveals that the more interaction with the latter, the less interested a child grows. The act of learning about products, brands and offers is “somewhat frequent, frequent or very frequent” for 19% of the sample, a figure that drops to 14% when it comes to sharing this information. The research also sought to assess children’s initiative to join or follow brand or product profiles. 71% stated never having joined or followed versus 8% that reported they “frequently or very frequently” subscribed to official pages of products and brands through social networks.

The products/brands children that follow in social networks were classified. Sixty-eight percent correspond to sportswear and clothing. As cited by children and in descending order of popularity, these were: Adidas, Nike, Puma, Converse, Air Jordan, Falabella, Paris, Coca-Cola and Vans. Interestingly, parents’ answers coincided with their children’s regarding product types and brands.

A minority of children reported having made online purchases during the last year (9%), while parents indicated that children made fewer that those stated (6%). Among the few minors who stated having made purchases, the devices used were mobile phone (38%) or desktop computer (28%).

Minors mainly purchased video games (55%), tickets to events (concerts, movies, etc., 43%) and clothing (38%). The least purchased items are: furniture (13%) and books (9%). The comparison between the type of purchases made and the advertising they could recall versus the products/brands they follow on social networks, does reveal a certain degree of correlation between the advertised contents mentioned by children and the types of purchases they declare having made, particularly regarding clothing.

Although statistical significance could not be reached partly as a result of the low response rate to the question (9%), it is interesting to know that adults generally underestimate children’s acquisition of goods in all categories, a fact closely related to the previous figures regarding estimates of purchases by minors. Parents’ responses purchase preferences coincide with those stated by children.
The aspects that most motivated these purchases were “price or promotions” (45%) followed by “opinions on the Internet” (19%) among minors. Thus, promotions could be an effective strategy when trying to attract the attention of consumers; and the confidence in other users’ comments and experiences could also become a considerable point leading to online purchases among children. For parents, the “Internet opinions” was not even contemplated, which is a revealing fact.

When minors were asked directly about why they had not made online purchases, lack of interest (34%), lack of the necessary means of payment (32%) and distrust toward means of payment (24%) were the main answers. For their part, parents believe that the main reason for not buying online is due to not having the means of payment. It is significant that one in five children claimed distrust in the means of online payment as a purchase deterrent, which parents considered to a much lesser extent, likely due to the adults’ beliefs about the degree of children’s digital immersion.

Regarding method of payment, more than half of respondents (66%) acknowledged having used someone else’s credit or debit card, compared to 12% who declared making purchases with their own credit card or debit card. Other forms of payment, such as wire transfer (13%) or PayPal (9%) also appeared. Although the Bonferroni test did not yield significant differences, adults tend to perceive that credit/debit cards owned by others are the main form of payment their children use.

Discussion and Conclusions

One of the strengths of this research is its ability to check the level of correspondence between the products and brands for which children receive advertising, products and brands they can recall or follow on social media and the type of online purchases they make. Although the results show that their intention to purchase when viewing an ad on the Internet is low (2%) and that e-commerce is not very widespread among this target audience (9%), analysis of results reveals that one of the categories that has drawn most interest among children has been clothing (38%) which coincides with the product line for which children recall brands and products which is most followed on social networks.

This data highlights how a product line such as clothing, which has always been closely associated with face-to-face acquisition, is becoming one of the main online purchases among young people. However, the highest online purchase rates were for digital products – video games, applications – which are generally only available online. Ticket purchases complete the ranking of the main products acquired through screens, most likely due to the promotions and discounts that are usually associated with this category. As can be seen, price, promotions and discounts are the main motivation behind why children end up interacting with digital advertising and buy certain products.

The results obtained reveal a low level of interaction by children with the advertising they receive on mobile devices. Moreover, 76% of the sample showed lack of interest or simply blocked advertising content compared to 21% who started paying attention to advertising and 3% who did click on it. This rather distant behaviour toward advertising leads to a lack of engagement by users, with the exception of cases in which advertising offers an added value such as access to free content, promotions or discounts. Therefore, in the absence of incentive, interaction with advertising is low.

However, the results reveal one of the advantages the digital context provides, the positive effect of peer opinion on the level of reliability reached by consumers. Nineteen percent of children stated that experiences reported by others encouraged them to make online purchases, an incentive that can be promoted via advertising and thus achieve greater levels of confidence among online shoppers.

Although it may seem contradictory with the digital profile of our youngest informants, one in five respondents stated distrust towards payment methods as a reason for not making online purchases. Indeed, scepticism is an attitude present in the results of this study, affecting both the frequency of digital transactions and the relationship of consumers toward advertising. If we were to dig a little deeper into this idea, we might be able to learn whether the cautious attitude minors display towards advertising input received through mobile devices is influenced by the negative and precautionary view that public opinion holds towards advertising communication. Consequently, we are faced with a technologically equipped child, who is exposed on a daily basis to a variety of screens, aware of the presence of advertising in regularly used channels, who ignores and blocks advertising, and chooses to participate very little and make very few online purchases.

One of the reasons for this non-substantial online shopping routine may be the age of the minors surveyed (10 – 14 years old), who are too young to be granted debit/credit cards, and thus cannot perform transactions independently (66% reported having turned to others to complete the transaction).

If we focus on adult evaluations of the relationship of advertising received by minors on their mobile devices and e-transactions, the first fact to be highlighted should be that adults tend to underestimate the ability minors have to detect advertising and also tend to think that children confront advertising with a more naive and less critical attitude than they actually have. Likewise, adults underestimate the number of online purchases made by children, placing it at 6%. The answers given regarding products and brands followed and purchased online, however, reveal that parents seem to be aware of their children’s tastes and preferences. This may be a result of the fact that minors must turn to adults for purchases asking them for a method of payment; but may also correspond to an increasingly horizontal and democratic family organisation in which minors now actively participate in purchase decisions.

Trends are changing regarding children’s priorities and cell phone use. Entertainment is positioned as the main option, highlighting games, music and video consumption. It would seem that cell phones are no longer a screen through which children communicate and exchange messages; instead, they have become the main option, highlighting games, music and video consumption. It would seem that cell phones are no longer a screen through which children communicate and exchange messages; instead, they have become another window for audio-visual entertainment.

In the studied context, minors own mobile phones, desktop computers and/or tablets and are aware of the presence of advertising on their devices, especially in their most frequent routines. However, adults underestimate children’s ability to detect advertising, though they tend to believe that children are careful with the handling of their personal data. Comparatively, adults think that children are more vulnerable than the children themselves consider themselves to be.

The results show that children’s interaction with mobile device advertising is very low. Minors’ distrust of received advertising could be the result of the negative view of and specific precaution exerted by commonly expressed public opinion. Advertising messages do not achieve a high incidence among children, except in cases in which added value is offered such as access to free content or promotions and discounts. Although they claim to totally ignore advertising, children do respond to it and as a result, make purchases on digital devices, mainly on mobile phones and desktop computers.

In this digital environment, product acquisition relies on the opinions of peers. Still, the results show that scepticism is present, affecting both digital transactions frequency and the consumer/advertiser relationship. Moreover, in this context, recallable advertising and performed purchases coincide in one product line: clothing. It is worth noting that clothing, which in the past had been associated to face-to-face acquisition, is becoming a prevalent e-purchase option among minors.
To conclude, children as consumers are a target that demands great dedication and preparation on the part of brand creators and advertisers. Brands must create new added value aimed at young consumers, such as the implementation of innovative strategies, conducting creative actions and presenting real solutions to market needs if they wish to compete. In spite of the limitations this study may imply, both for its quantitative and exploratory approach, it is necessary to continue and conduct studies on the level of awareness that the main social agents (parents and educators) have of the child as a consumer and as a recipient of advertising messages delivered through mobile devices.

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