
**PEER GROUP INFLUENCE ON PURCHASE DECISION MAKING
A STUDY WITH REFERENCE TO DECISION MAKING AMONG I-GENS (IMPATIENT
GENERATIONS)**

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Abstract: In the act of purchase, there are some people that an individual always keeps in their mind. Usually, such people disseminate opinions and others are pressured into following their trend, thus becoming associated with them and using them as a standard of their purchase decisions. Such people, commonly known as Reference groups include entertainment figures, sports heroes, political leaders, parents, co-workers, teachers and peer.

This research paper in albeit is an attempt to contribute to the existing body of the literature on reference group influence, especially on the I-Gens otherwise known as "Impatient generation" (the present day young adults are referred to as I-Gen). This work focuses on peer influence among the I-Gen wherein the study has been carried out in two leading private Universities in South India.

In this study, an investigation is made on how peer influence affects product purchase decisions among the I-Gens. Specifically, this paper examines how two types of peer influence referred as Informational and Normative influence affect decisions to purchase four types of products based on conspicuousness including Public luxury (glasses), Private luxury (Cell phone), Public necessity (footwear) and Private necessity (tooth paste/facewash).

Responses were collected through a structures questionnaire from as many as 101 students from a leading private University in South India who participated in this study. Results of ANOVA and T- tests indicated that there is more normative influence for a Public luxury (sunglasses) than for a private luxury (cell phone)and Private necessity (tooth paste). Overall, these results demonstrated that the influence of peers varies across various product categories.

Keywords: Peer influence, Impatient Generation (I Gen), Reference group, Luxury, Necessity.

Introduction: Determining how various types of reference groups affect the behavior of individual has attracted the focus of consumer researchers for some time (Childers and Rao, 1992; Bristol and Mangleburg, 2005). A reference group is a group whose values and attitudes are used by an individual as a basis for his current behaviour (Schiffman and Kanuk, 2007; Hawkins et al., 2006). Of particular interest to researchers and marketers are Normative Reference groups and Comparative Reference groups. Normative reference groups include parents, co-workers, teachers, and peers who provide the individual with norms, values, and attitudes through direct interaction (Childers and Rao, 1992; Bristol and Mangleburg, 2005; Subramanian and Subramanian, 1995). Specifically reference groups specify what are desirable and undesirable products (Bristol and Mangleburg, 2005; Shim, 1996). They also tend to influence product selection, information processing, attitude formation and shopping behaviour (Bearden et al., 1989; Childers and Rao, 1992; Lachance et al., 2003).

Consequently, consumer researchers have carried out investigations on how reference group influence affect innovation adoption behaviour (Subramanian and Subramanian, 1995), how peer groups, parents

and media influence adolescents brand sensitivity in the purchase of clothing (Lachance et al., 2003); how peers, parents and television influence teenagers' purchase of athletic shoes (Yoh, 2005); how parents and peers influence various products and brand's purchase decisions (Bearden and Etzel, 1982; Childers and Rao, 1992); and how peers influence teenagers retailing attitudes and purchase decisions (Mangleburg et al., 2004).

Amidst efforts directed at examining the effects of peer influence on various consumer behaviour situations, research has been mostly limited to samples taken from the USA. The exceptions are studies carried out by Childers and Rao (1992) that focused on United States and Thailand. There is also a lack of research on the topic of peer influence and its effects on products purchase decisions in the consumer behaviour literature (Bachmen et al., 1993). Similarly, there has not been much scientific work carried out in India in this area especially among the Impatient Generation (I Gen)- the groups of students who are the modern gadget and fashion savvy ones.

To address this gap, this particular study focuses on India. Thus, a crucial question is what impact do the I-Gens have in products purchase decisions in India. Similarly, examining a cultural setting that has not

been studied before will not only enrich the understanding of this subject but is more likely to capture such culture's unique characteristics.

The main purpose of the present study is to investigate how peer influence affects products purchase decisions among the impatient generations. The paper also examines how two types of peer influence referred as Informational and Normative influence affect decisions to purchase four types of products based on conspicuousness including Public luxury (sunglass) , Public luxury(cell phone), Public necessity (shoes) , and Private necessity (tooth paste/facewash).

Literature Review: Peer influence is commonly defined as the extent to which peers exert influence on the attitudes, thoughts, and actions of an individual (Bristol and Mangleburg, 2005). However, there exist two schools of thought with respect to the composition of social influence which form the basis for this paper's conceptualization of peer influence.

In one school of thought, social influence is viewed as consisting of three types of influence including Informational, Value expressive and Utilitarian influence (Bearden and Etzel, 1982; Childers and Rao, 1992; Lessig and Park, 1978; Park and Lessig, 1977). Informational influence is perceived as enhancing one's knowledge of the environment and /or ability to cope with the aspect of the environment (Childers and Rao, 1992; Park and Lessig, 1977).

Informational influence is likely to influence an individual if he or she accepts information from others as evidence about reality and desires to make informed decisions (Mangleburg et al., 2004). Utilitarian influence is when an individual complies with the preferences or expectations of others to avoid punishments or achieve rewards (Bearden and Etzel, 1982; Lessig and Park, 1978; Park and Lessig, 1977). This occurs when the individual perceives that others have the ability to mediate significant rewards or punishments, he or she believes that his or her behaviour will be known to others and is motivated to obtain the reward or to avoid punishment (Brinberg and Plimpton, 1986; Park and Lessig, 1977). Value expressive influence is concerned with an individual's motive to enhance his/her self concept (Brinberg and Plimpton, 1986; Park and Lessig, 1977). Value expressive influence is likely to influence an individual because of the desire to enhance one's ego (Park and Lessig, 1977). This could also be achieved by associating and disassociating oneself with others (Grimm et al., 1999). Another school of thought recognizes two dominant influences namely informational and normative influence (Bearden et al., 1989; Brinberg and Plimpton, 1986; Mangleburg and Bristol, 2004). Informational

influence has been defined in the discussion of the first school of thought. The unique feature of this school is that utilitarian and value expressive influence are not measurably distinct. In other words, although conceptually utilitarian and value expressive influence could be separated, their measures cannot be separated (Bearden et al., 1989; Grimm et al., 1999; Subramanian and Subramanian, 1995). Consequently they have been combined together into a single concept referred to as normative influence. Normative influence is defined as the tendency to comply with the positive expectations of others (Bachmann, et al., 1993; Bearden et al., 1989; Grimm et al., 1999). Informational and normative influence also differ in their determinants (Grimm et al., 1999). The major determinants of informational influence include message content, source credibility and trustworthiness whereas characteristics of reference groups such as appearance and social status are the major determinants of normative influence (Grimm et al., 1999). In this paper, peer influence is conceptualized as comprising of the informational and normative influence which is consistent with the latter view.

Peer influence and products purchase decisions:

A review of the literature has identified two approaches to the study of peer influence and products purchase decisions. Firstly, previous researches on the role of peer influence on products purchase decisions have focused on how it varies across types of products based on conspicuousness (Bachmann et al., 1993; Bearden and Etzel, 1992; Brinberg and Plimpton, 1986).

Product conspicuousness is defined as the extent to which a product stands out or is noticeable by consumers. The four types of products based on conspicuousness is shown in the table 1. It is perceived as a function of two dimensions (Bachmann et al., 1993; Bearden and Etzel, 1992; Brinberg and Plimpton, 1986; Childers and Rao 1992). The first dimension is concerned with the degree to which a product is a luxury versus a necessity. Luxuries unlike necessities are not owned by everybody, and thus tend to be relatively more conspicuous (Bearden and Etzel, 1982; Childers and Rao 1992). The second dimension refers to the degree to which products usage is performed in public versus in private. Publicly consumed products are easily noticeable by consumers than privately consumed products (Bearden and Etzel, 1982; Childers and Rao 1992).

Hence four types of products have been identified based on these two dimensions. As summarized in Table 1 they include publicly consumed luxuries, publicly consumed necessities, privately consumed

luxuries and privately consumed necessities. Generally, findings of past studies on peer influence and products purchase decisions have demonstrated that the degree of peer influence differs across products (Bachmann et al., 1993; Bearden and

Etzel, 1982; Childers and Rao 1992). Specifically, when comparisons were investigated between products, all the three studies found that the impact of peer influence is strong for publicly consumed luxuries than for privately consumed necessities. Privately consumed luxuries also attracted more peer influence than privately consume necessities.

Table .1 Four types of products based on conspicuousness

<p>Luxury consumed in Public Products consumed in public view and are not commonly owned or used. Such products are exclusive and this makes them conspicuous and prone to more peer influence.</p>
<p>Luxury consumed in Private Products that are not observed when they are consumed and are also not commonly owned or used. Such products attract higher peer influence because they are important and commands more discretionary purchases.</p>
<p>Necessity consumed in Public A public consumed necessity is a products that is observed when it is consumed and is also commonly owned. The decision to purchase such a products is one that attracts lower levels of peer influence because virtually everybody owns the product.</p>
<p>Necessity consumed in Private Privately consumed necessities are neither observable nor exclusive because they are consumed out of public view and are used by everybody. Such products are not socially relevant and are therefore not likely to be influenced by peers.</p>

Source : Bearden and Etzel, 1982; Childers and Rao (1992).

There are also a number of hypothesized influences that were found in each of the three studies that are worth mentioning, as they enhance the understanding of how peer influence vary between products. For instance, Bearden and Etzel (1982) showed that informational influence was greater for publicly and privately consumed luxuries than for publicly consumed necessities whereas the effects of utilitarian and value expressive influence were not significant. In addition, publicly consumed luxuries attracted more informational, value expressive and utilitarian influence than privately consumed luxuries which was contrary to the hypothesized influence. However, consistent with the hypothesized influence and equal reference group influence was observed between publicly and privately consumed necessities. Childers and Rao (1992) also indicated that there is a strong and equal peer influence for publicly privately consumed luxuries, which was consistent with the predicted influence. However contrary to the hypothesized influence publicly and privately consumed luxuries did not attract a strong peer influence than publicly consumed necessities. A strong peer influence was also found to impact the purchase of publicly consumed necessities than privately consumed necessities. Similarly, Bachmann et al., (1993) found that there is an equal peer influence between publicly consumed luxuries and publicly consumed necessities among

older children (12 years to 14 years). This finding contradicted the hypothesis that publicly consumed luxuries will attract more peer influence than publicly consumed necessities. These authors also found that publicly consumed luxuries and privately consumed luxuries did not have an equal peer influence. Instead, publicly consumed luxuries attract more peer influence than privately consumed luxuries. Likewise, publicly consumed necessities attracted more peer influence than private consumed luxuries and privately consumed necessities. Several reasons could possibly explain why some divergent finding were reported across the three studies. Bearden and Etzel (1982) did not separate various types of reference groups although the influence by parents and peers on products purchase decisions might differ. For example, Childers and Rao (1992) argued that peer influence is considerably low for products that are less conspicuous while the family seems to exert greater influence in such products. Childers and Rao (1992) combined informational, value expressive and utilitarian into a single score representing peer influence, yet there is evidence that the various types of peer influence will have varying effects on products purchase decisions. Bachmann et al., (1993) conceptualized peer influence as comprising of normative influence thus ignoring the significance role of informational influence. The other two studies (Bearden and Etzel, 1982;

Childers and Rao, 1992) focused on general children. population samples while Bachmann et al.,(1993)used

Table 2. Hypothesized effects of peer influence on product purchase decisions
Public luxury >Public necessity: H1 : There will be greater informational influence for public luxuries compared to public necessities among young adults. H2 : There will be greater normative influence for public luxuries compared to public necessities among young adults
Public luxury= Private luxury: H3 : Informational influence for public and private luxuries will be equally strong among young adults. H4 : Normative influence for public and private luxuries will be equally strong among young adults
Public luxury >Private necessity: H5 : There will be greater informational influence for public luxuries than there will be for private necessities among young adults H6 : There will be greater normative influence for public luxuries than there will be for private necessities among young adults
Public necessity<Private luxury: H7 : Informational influence for public necessities will be generally lower compared to private luxuries among young adults. H8 : Normative influence for public necessities will be generally lower compared to private luxuries among young adults.
Public necessity=Private necessity: H9: There will be equally lower levels of informational influence for public and private necessities among young adults. H10: There will be equally lower levels of normative influence for public and private necessities among young adults.
Private luxury >Private necessity: H11 : There will be greater informational influence for private luxuries compared to private necessities among young adults. H12 : There will be greater normative influence for private luxuries compared to private necessities among young adults.

The second approach to the study of how peer influence affects products purchase decisions focuses on specific products such as branded clothes, fashion clothes and athletic shoes (Lavanche et al.,2003; Subramanian and Subramanian,1995; Yoh,2005). This line of research is largely influenced by the findings that peers influence will impact some products more than others. In particular, in a study by Lachance et al.(2003) it was established that peer influence play an important role than parental influence and television in teenagers' likely hood to be sensitive to brands in the purchase of clothes. Similarly, Yoh (2005) found that peers exert the greatest influence than parents and television in teenagers' athletic shoe purchasing. Subramanian and Subramanian (1995)also found that peers and parents have a stronger influence in young adults' adoption of fashion clothes, as they make an immediate impact. Overall, the reviewed literature suggests that peer influence plays and important role in products purchase decisions. In studying this subject , the

present study adopts the approach that is similar to the one used in studies conducted by Bearden and Etzel (1982) and Childers and Rao (1992). However, considering that findings of previous studies investigating how peer influence varies across products are based on general population and children samples, this study extends the focus to young adult consumers. Young adults are used in this instead of the general population or children because it has been noted that the influence of peer group gradually becomes important after high school (Chang and Chuang, 2005). Young adults are also more likely to be susceptible to the influence of peers since they have a limited capacity to cope with risk and uncertainty than more mature individuals (Park and Lessig, 1977). Additionally, this study attempts to extend previous research on how peer influence affects products purchase decisions by studying a culture context that has not been studied before. This is crucial because it has been found that peer influence is likely to vary

across cultures (Childers and Rao,1992)and ethnic groups (Kim and Kand,2001. Hypotheses shown in Table 2 are summarised consistent with both Bearden and Etzel (1982)and Childers and Rao(1992).

Research Methodology:

Product selection: Before the objectives of this study were investigated, a questionnaire was constructed to assess the conspicuousness of the products intended for use in this study. Only eight products were used in this investigation to ensure that the questionnaire was not lengthy and to also avoid respondent fatigue. The products selected represented those available commercially in the Indian market. Second, the products were selected based on the extent to which they were perceived to be common among university students and the extent to which they can afford them. Thus, eight products including cell phones, shoes, sweaters, toothpaste, sunglasses, bath soap, compact discs and home theatre systems were selected.

A sample ten university students were asked to indicate their views as to whether the eight products are luxuries or necessities on a six point scale ranging from 1="a luxury for every one" to 6= "a necessity for everyone". To assess whether products were viewed as publicly or privately consumed, a six point scale ranging from 1="a public product for everyone" to 6= "a private product for everyone" was used. These scales were adapted from Bearden and Etzel(1982).

Based on the mean scores calculated for the eight products, the products were classified into the following product categories. Sunglasses were the only products categorized as Public luxuries. Compact discs, home theatre systems and cell phones were put as Private luxuries while shoes and sweaters were categorized as Public necessities and toothpaste and bath soap as Private necessities. However, the number of products was reduced in order to make the final questionnaire more manageable.

Childers and Rao (1992)'s approach of selecting the most representative product from each category (that is, public luxury, private luxury, public necessity, and private necessity) was followed. Thus, sunglasses were chosen to represent Public luxuries, Cell phone to represent Private luxuries, footwear to represent Public necessities, and tooth paste/face cream to represent Private necessities.

Sampling Methodology: Stratified Random sampling was used to select participants in order to test the hypotheses specified in this study. Students were selected for a study into how peer influence affects I-gen's products purchase decisions for several reasons.

First, as young adults they spend most of the time away from their home mostly at universities or

colleges, where they live among their peers. Second, often purchases that university students make or subject group pressure as they try to buy products that others want them to have, that they think will make others accept, approve or envy them, or buy a product simply because they have seen somebody they admire owning it (Chang and Chuang,2005).

Third, samples of university students are also still widely used in the literature of consumer behaviour in general despite the known limitations because there are relatively similar in terms of age, educational background and income which reduces the potential for random errors which is common when a more heterogeneous sample of the general public is used (Calder et al., 1981). For instance, the age of university students belongs to the late stage of young people and the initial stage of adults (about 17years to 23 years). Finally University students come from all over the country which means that the sample unit may have some representation of young adult consumers in India.

Data collection: The data for this study was collected using a structured questionnaire from 101 university students. The sample size was calculated using the help of sample size calculator in www.surveysystems.com.

To measure peer based influence 12 items were adapted from Bearden and Etzel(1982). Respondents were asked to indicate the degree of their agreement with the statements on a 5 point likert scale ranging from 1= "strongly agree" to 5= "strongly disagree" with in four product categories. The scale was slightly modified to reflect only the product aspect thus excluding the brand aspect which was also measured in these previous scales of measurements.

Analysis And Results:

Dimensionality of peer influence: Consistent with Bearden et al . (1989) that peer influence consists of two dimensions – Normative and informational influences, a two factor solution was constrained using exploratory factor analysis with Varimax rotation method. In order to run this test, data for the four products was pooled, because differences in products were not expected to affect the composition of peer influence. Before the final solution was retained, one item (I like to know what products make good impression on others)was deleted as it loaded highly on both factors. The final solution comprised of two factors contributing 67.84% of the total variance explained. The factors are presented in Table3.

Then Cronbach alpha was used to test the reliability of the peer influence scale. The overall Cronbach alpha using the combined product data was.92 and .85 for normative and informative influence

respectively, indicating a high level of reliability (Refer Table3). Additionally, descriptive statistic especially means were used to evaluate the nature of the peer influence across products. The findings in Table 4 suggest a low level of peer influence on product purchase decisions. Specifically, privately consumed luxuries (cell phones) and privately consumed necessities(tooth paste)scored the lowest mean scores for normative influence. However, slightly higher mean scores of informational influence were found for publicly

consumed products (that is , sunglasses and shoes) and privately consumed luxury (that is cell phones.) **Hypothesis testing:** In order to test hypotheses H₁ through to H₁₂, Analysis on Variance (ANOVA) was used to find whether there are significant differences on the level of peer influence (normative and informational influence) across products. Results of ANOVA show that there are significant differences on the level of peer influence across products : Normative influence: $F(3,398)=8,11, p<.001$ and Informational influence: $F(3,398) =4.53, p<.005$.

Table3. A two factor solution of peer influence using combined products data.

Factor1: Normative Influence	Factor Loadings	% of variance	Means (SD)
		54.48	
If others can see me using a product, I usually purchase the products that they expect me to buy.....	.82		1.85(1.07)
I often identify with people by purchasing the same products that they purchase.....	.80		2.04 (1.56)
I rarely purchase the latest fashion until I am sure my friends approve of them .....	.80		2.05(1.19)
It is important that others like the products that I buy .....	.79		1.93(1.10)
If I want to be like someone, I often try to buy the same products that they buy.....	.77		1.86(1.06)
I achieve a sense of belonging by purchasing the same products that others purchase.....	.76		1.77(1.02)
To make sure I buy the right product or brand, I often observe what others are buying and using .....	.75		1.78(1.02)
When buying products, I generally purchase those products that I think others will approve of .....	.68		1.98(1.13)
Facto2: Informational Influence		13.36	
I often consult other people to help me choose the best alternative available from a product class.....	.86		2.76(1.30)
If I have little experience with a product, I often ask my friends about the product.....	.85		2.50(1.27)
I frequently gather information from friends about a products before I buy it .....	.82		2.38(1.27)

Table4. Level of peer influence

Product Type		Normative Influence	Informational influence
		Mean (SD)	Mean(SD)
Cell phones	Private Luxury	1.79(.81)	2.70(1.07)
Sunglasses	Public Luxury	2.01(.88)	2.64(1.05)
Toothpaste	Private Necessity	1.64(.69)	2.20(1.04)
Shoes	Public Necessity	2.19(1.01)	2.65(1.24)

Table 5. Paired comparison hypotheses and results

Hypotheses	Informational Influence	t	Normative Influence Means (SD)	t
	Means (SD)			
H1-H2: Public Luxury>Public Necessity	2.64(1.05)	-.10	2.01(.88) 2.19 (1.01)	-.135
H3-H4: Public Luxury=Private Luxury	2.65(1.24)	-.42	2.01(.88) 1.79(.81)	1.91*
H5-H6: Public Luxury>Private Necessity	2.64(1.05)	2.98**	2.01(.88) 1.67(.69)	3.32***
H7-H8: Public Necessity<Private Luxury	2.70(1.07)	-.28	2.19(1.01) 1.79(.81)	3.15***
H9-H10: Public Necessity=Private Necessity	2.64(1.05)	2.82**	2.19(1.01) 1.64(.69)	-4.50***
H11-H12: Private Luxury>Private Necessity	2.20(1.04)	3.37***	1.79(.81) 1.64(.69)	1.35
	2.65(1.24)			
	2.70(1.07)			
	2.65(1.24)			
	2.20(1.04)			
	2.70(1.07)			
	2.20(1.04)			

- Then, t – tests were used to examine hypothesized differences between products types. The t- tests results show that informational and normative influence vary between products. The data in Table 5 regarding the peer based influence between product types lead us to support H3,H5, H6, and H11. However, H1,H2,H4,H7,H8,H9,H10 were not supported. The specific relationships between products are reported below.
- Public Luxury>Public Necessity: Contrary to the hypothesized relationship that public luxuries would have higher informational and normative influence than public necessities, the results in Table 5 show that the difference in the means of informational and normative influence between publicly consumed products are statistically insignificant. Thus, overall H1 and H2 were not supported.
- Public Luxury=Private Luxury: It was hypothesized that informational and normative for both publicly and privately consumed luxuries will be the same because their luxury factor makes them exclusive and conspicuous. Overall,H3 was supported while H4 was not. Specifically, the level of informational influence was found to be statistically insignificant between luxuries , whereas normative influence was marginally higher for publicly consumed luxuries than for privately consumed luxuries .
- Public Luxury>Private Necessity: Overall, H5and H6 were supported. In particular, publicly consumed luxuries displayed a high level of informational and normative influence than privately consumed necessities.
- Public Necessity<Private Luxury: Adverse to the hypothesized relationship that publicly consumed necessities would display lesser informational and

normative influence than privately consumed luxuries, it turned out that the publicly consumed necessities were more influential on normative influence than privately consumed luxuries. There was also and insignificant difference in informational influence between privately consumed luxuries and publicly consumed necessities although the directions of the means were as expected. Thus,H7and H8 were not supported.

- Public Necessity=Private Necessity: An equally low level of informational and normative influence was expected for these products because both products are necessities. However, a statistically significant difference in means of informational and normative influence was unexpectedly observed. Specifically, privately consumed necessities displayed lower informational influence and normative influence than publicly consumed necessities. Thus, overall H9 and H10 were not supported.
- Private Luxury>Private Necessity: Hypothesis H11 was supported while H12 was reject. As hypothesized, privately consumed luxuries displayed higher informational influence than the privately consumed necessities. While the difference in normative influence between private luxuries and private necessities is insignificant, the means are as expected.

Discussion: The effects of peer influence on product purchase decisions have been on investigation in this study. Contrary to the views of Chang and Chang(2005), peer influence is not statistically high among universities students. However, this is not only unique to this study.

As the primary purpose of this study was to investigate how peer influence vary across product

types this was investigated. Overall findings demonstrate that products that are consumed in public such as sunglasses and shoes are likely to attract more peer influence than products that are consumed in private and are a necessity that is , toothpaste. Generally, the results in the current study closely correspond to those obtained in other previous studies (Bearden and Etzel,1982; Childers and Rao,1992.)

However , there are some findings that are contrary to the hypotheses specified in this study which are worth noting. For instance in this study the effects of normative and informational influence were insignificant between public products that is, sunglasses and shoes. This could mean that for products that are observed when there are consumed; young adults tend to comply with expectations from their peers and also have a desire to make informed decisions by seeking information from their peers regardless of whether the product is exclusive or commonly owned.

Normative influence was also marginally greater for a public luxury (sunglasses) than for a private luxury (cell phones). Since both products are not needed for day to day use, there is tendency to comply with the positive expectations of peers for a product that is consumed in the eyes of the public than for a product that is consumed in private. Similarly, normative influence is greater for public necessities (shoes) than for private luxuries (cell phones) which is not as hypothesized, suggesting young adults are motivated to comply with the expectations of their peers when making decisions to purchase products that everybody owns and are important than when products are consumed in private and are exclusive. Furthermore, while H₉ and H₁₀ were not supported from a statistical point in Childers and Rao (1992), the difference of means between public necessities and private necessities were also contrary to the hypothesis in the present study. This could mean that although both products are considered important to everybody, a public necessity (shoes) is likely to attract more informational and normative influence than a private necessity (tooth paste) among young adults since it is consumed in the eyes of their peers.

Conclusion: This research adds to our understanding of how the influence of peers might vary across various products consumed by young adults. It is hoped that findings of this study will inspire marketers who focus on designing marketing

campaigns or selling products to young adult consumers. This study provides marketers with a framework which they could use when manipulating peer group influences in their promotional appeals.

Specifically, based on findings of this study it could be inferred that informational and normative influence has different implications in the selection of products and thus their relevance has to be considered. For instance, when marketers utilize peer influence in promotions aimed at encouraging product selection among young adults it would be more effective to emphasize informational influence for publicly consumed luxuries such as sunglasses and privately consumed luxuries such as cell phones. Informational influence could be stressed in advertising campaigns by employing peers as experts in product endorsements. On the other hand, normative influence needs to be stressed for both public consumed products such as sunglasses and shoes. Normative influence could be emphasized in advertising campaigns by demonstrating how the usage of particular products protects young adult consumers from rejection by peers in a social setting. However, it appears it would be impractical to use any form of peer influence for privately consumed necessities such as tooth paste as peer influence has the lowest impact.

Scope For Further Research: Additional research is also needed to provide a more comprehensive perspective of peer influence than the exploratory one offered in the present study. Several avenues for extensions could be considered. First future research could examine the impact of peer influence on the I-gen brand –level decisions to the product level decisions. In pursuing this line of research, researchers need to ensure that they include brands that young adults are familiar with across a wide range of products.

Secondly, future research could involve a more coverage of young adults as the current study is limited to a convenience sample of university students. Expanding the coverage of sample units would improve the generalization of the results.

Third, future research could address the influence of other types of reference groups on the individual consumption behaviour such as family and celebrities. As the concluding note, researchers could also explore the level of peer influence in products perceived as harmful to youth such as alcohol, drugs and cigarettes.

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