



**CHILDREN INTERACTION AND INFLUENCE
ON PARENTS PURCHASE MAKING DECISION**

**A COMPARISON BETWEEN MALAY AND CHINESE
ETHNICS IN KUCHING NORTH CITY**

MOHAMED FAIZAL SHAH BIN ALI

2004277547

**BACHELOR IN BUSINESS ADMINISTRATION
WITH HONOURS (MARKETING)
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
KOTA SAMARAHAN**

MEI 2007

TABLE OF CONTENTS

CONTENTS	PAGES
TITLE PAGE	i
DECLARATION OF ORIGINAL WORK	ii
LETTER OF SUBMISSION	iii
APPROVAL PAGE	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	vii – viii
ABSTRACT	ix

CHAPTERS

1. INTRODUCTION

1.1	Background Of The Study	1 – 2
1.2	Problem Statement	2
1.3	Research Objectives	3
1.4	Research Questions	3
1.5	Significant Of The Study	4
1.6	Scope Of The Study	5
1.7	Definition Of Terms	5 – 6
1.8	Research Limitation	7 – 8

ABSTRACT

Children influence and interaction with their parents happens everyday and almost in every situation. The main focus of this research is to study the nature of children-parents interaction and influence in parent's purchasing decision between Malay and Chinese ethnics in Kuching North City area.

Children use various influencing strategies in order to persuade their parents to comply with their requests and their parents will response either positive or negatively on their children requests.

In this study, 100 questionnaires have been distributed equally (50:50) to Malay and Chinese ethnics to gather information regarding their children interaction and influence in purchasing decision.

Based on the analysis and findings, both Malay and Chinese parents agree that in term of interaction with their children, they are very concern on their children spending habit by continuously asking to their children what their children did with their money.

The findings also indicate that both Malay and Chinese children always appear with direct influence strategy in their attempt to obtain parental approval. The children believed that this strategy is the most effective strategy in order to gain their parents attention and to persuade their parents to agree with their demands.

CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

A family can be defined as “a group of two or more persons related by blood, marriage or adoption, and residing together as a household” (Lawson et al., 1996). The family is considered as an important decision-making unit, due to large quantity of products and services that form part of the everyday life of a household. The individual members who make up the family unit exercise an influence over each other’s behavior and, therefore, over the activities which form part of consumer decision making (Cox, 1975). Therefore, how a family makes decisions as a consumption unit has attracted the interest of marketers and marketing research over the years (Kim and Lee, 1997; Moore *et al.*, 2002).

The increasing attention on children's role was largely because of children's increasing influence on family decisions and increasing spending power. As a part of the family structure, children influenced on family purchases continue to grow. Laczniak and Palan (2004) report that children average a purchase-influence attempt every two minutes when shopping with their parents.

Since the early 1990s, children have progressively become the focus of marketers as it became evident that, besides being customers in their own right,

CHAPTER 2

LITERATURE REVIEW

For the past few years, researchers has switched their focus of study from husband-wives purchase decision and family purchase decision to the influenced of children in purchase making decision. In this study, the influence of children towards their parent in purchase making decision is the main focus. Two major Malaysian races, Malay and Chinese have been choosing as a subject for this research.

2.1 DEFINITION OF INFLUENCE

A fundamental problem still confuses research in this area, that of defining influenced (Kohli and Zaltman, 1988; Mangleburg, 1990). In particular, the distinction between direct and indirect influence is problematic. Direct influence represents an “active role based directly on the decision maker’s own needs, and indirect influence represents a passive role in which the decision maker takes another family member’s needs indirectly into account” (Rossiter, 1978) Rossiter, although not offering a specific solution, condemned much of the research related to the role of children’s influence in family decision making conducted to date on the grounds that this distinction has been made. Ultimately, any individual’s true motivation for making a particular choice is known only o him or herself – the