



**Thank you for downloading this document from the RMIT Research Repository.**

The RMIT Research Repository is an open access database showcasing the research outputs of RMIT University researchers.

RMIT Research Repository: <http://researchbank.rmit.edu.au/>

**Citation:**

Nguyen, D, Parker, L, Doan, M and Brennan, L 2012, 'Decision making dynamics within the Vietnamese family unit', in Proceedings of ANZMAC 2012, Australia, 3-5 Dec 2012.

See this record in the RMIT Research Repository at:

<http://researchbank.rmit.edu.au/view/rmit:17951>

Version: Published Version

Copyright Statement: © 2012 ANZMAC

Link to Published Version:

**PLEASE DO NOT REMOVE THIS PAGE**

# **Decision Making Dynamics within the Vietnamese Family Unit**

## **Abstract**

The Vietnamese family is changing and so may be the way they make mid-to-high involvement consumer decisions. A dynamic economy, rising standards of living, and an increasingly consumption-oriented society are changing the way families interact, especially about consumption. The traditional belief that the big decisions are made by the paternal head of family is no longer the norm. In some cases the household head is switching from the eldest male to the main salary earner. There are also smaller nuclear family households with fewer children. With increasing education levels of younger generations and changing family dynamics, the possibility of increased reciprocal consumer socialisation occurring is likely.

## **Introduction**

Vietnam is widely considered to be collectivistic society (Jamieson, 1995; McCann et al. 2004; Nguyen et al. 2005). In these societies, the family is seen as the central and the basic unit, with individual members rarely considering themselves as individual and autonomous units. In collectivist societies, individuals consider themselves to be a part of a greater entity (Hirschman & Nguyen, 2002). However, there has been some literature to the contrary that suggests that Vietnamese may be more individualistic than first thought (Nguyen et al. 2003), particularly in the south and Ho Chi Minh City (Vo, 2011), Vietnam's second largest city and commercial hub.

This paper focuses on existing knowledge about the family, analyses current trends, and then examines the implications that these may have for marketers, particularly with regard to mid-to-high involvement decision making processes. This paper is part of a larger project that will be investigating how purchase decisions are made within the typical Vietnamese family.

Family decision making has been discussed in the consumer behaviour literature for many years (e.g. Blood & Wolfe, 1960; Howard & Madrigal, 1990; Wang et al. 2004, Watne & Brennan, 2011; Watne et al. 2011). Family members assume a variety of roles in the purchase process (Wang et al. 2004). The decision making unit consists of the roles of the initiator, influencer, decider, buyer and user (Chang et al. 2003; Douglas, 1983; Hempel, 1975). Most of the early research tends to focus on the roles played by husbands and wives in household decisions (Blood & Wolfe, 1960). Although, the husband and wife are the conventional family's main decision-makers, there is a growing body of research about influence of children in family decision making (Howard and Madrigal, 1990; Wang et al. 2004; Watne & Brennan, 2011; Watne et al. 2011).

### **The evolving family unit**

The Vietnamese family is often seen under a Confucian light (Whitmore, 1984). That is families possess a structure of great rigidity and it is one that is patrilineal, patrilocal, and patriarchal (Hirschman & Nguyen, 2002; Hirschman & Vu, 1996; Hoang, 2011). However, as a Southeast Asian country, Vietnam tends to be much more flexible in terms of family structure and is partly due to the "superstructure" borrowed from other Eastern or Western countries on top of the Confucian influence (Brown, 1976).

According to the 2009 Vietnamese population and housing census the average household size is 3.8 persons (3.7 in urban areas and 3.9 in rural areas) (General Statistics Office, 2010). This

represents an overall reduction in the average household size of 0.8 (17.4% decline) persons since the year 2000 (General Statistics Office, 2010). As the fertility rate has declined substantially, while life expectancy continues to increase, Vietnam's population is beginning to age (General Statistics Office, 2010; Knodel et al. 2000). This is combined with rapidly declining dependancy ratios. Therefore there are fewer people aged under 15 and over 65 in comparison to those of working age (General Statistics Office, 2010). Concurrently the prevalence of traditional multi-generation households has reduced (Ruggles & Heggeness, 2008), but the prevalence of patrilocality has largely remained unchanged (Hirschman & Nguyen, 2002). However it is more likely to be for a shorter duration (Hirschman & Nguyen, 2002). Regardless of patrilocality, co-resident and non-co-resident elders are generally supported by those in the family of working age (Knodel et al. 2000). Whilst patrilocality is still commonplace, patrilineality is becoming less strong. Whereas in the past wealth, property and power were concentrated in the hands of the oldest male, in many families this is shifting to the younger working generations (Ruggles & Heggeness, 2008), which may have implications of who plays what role in the decision making process.

### **The relationship between husband and wife**

In an exploration into the meaning and social implications of the Vietnamese proverb “*Đàn ông xây nhà, đàn bà xây tổ ấm*” (trans.: “Men build the house, women build the home”), Brickell (2012) noticed the linguistic complexity of the word “nhà”, which means house, home, and family at the same time. This complexity, apart from reflecting the traditional gender role within the Vietnamese family, implies the idea of men being the “pillars” (*trụ cột*) in the family, taking care of all family aspects and being the key influencer in family decision-making. Indeed, the role of the husband being the head of the Vietnamese family is cited widely (e.g. Bui, 1999; Knodel et al. 2004; Matsuda, 1997; Nguyen, 2012). However, the increasingly important role of women in the family has been observed. Reasons for this trend are manifold. As Bryant (1996) argued, the socialist transition in Vietnam has reduced the complexity in household structures, hence providing opportunities for husband-wife equality in terms of family role and decision-making. Additionally, the increasing level of education in general and for women specifically, together with the Vietnam government's “discrete adoption of the Western feminist legacy” has balanced the power game between husband and wife to a significant degree (Dang & Le, 2007, p.407). Indeed, extra burden has been noted for women in Vietnam, with women often taking on the dual role of making money and being responsible for household chores (Dang & Le, 2007; Matsuda, 1997; Nguyen, 2011; Nguyen, 2012). These factors, together with the significant increase in Vietnam's GDP per capita and buying power, has put the old model of men making major decisions, including that of purchasing decisions, into question. However, research into family dynamics in recent years has shown a complex picture on family decision-making politics between husband and wife (Chang et al., 2003; Griffin & O'Cass, 2004; Shoham & Dalakas, 2003; Sidin et al. 2005; Watne & Brennan, 2011).

Dang and Le (2007) note a considerable decrease in intergenerational perception of wives having to agree with their husbands in major decisions: whilst 66.7% of people aged over 65 think it is crucial that wives ‘obey’ and do according to their husbands’ will for the sake of family happiness, only 45.5% of the people aged 26-35 and 35.1% of the 19-25 age group think that this is the ideal. As the average age of getting married is getting lower, with men at 26.8 and women at 23.5 years in 2005, compared to 28.7 and 24.9 years in 1997 respectively (Nguyen, 2011), the consumer decision-making landscape of married couples is changing. However, Dang and Le (2007) also showed that low-income families had more concern over husband-wife equality than their high-income counterparts. This notion can be partly

explained by the traditional role of men as bread-winners, and with financial domination comes imbalance in relationship politics (Mai, 2004).

In an in-depth look at purchasing decision-making dynamics, Nguyen (2004) showed that in most cases, a majority of decisions is made based on husband-wife agreement. For major purchasing/spending decisions, such as purchasing big-ticket items (expensive household appliances), building/repairing houses, paying children's tuition fees, purchasing presents for family relatives and working partners during major holidays – often called 'hiếu' and 'hi' in Vietnamese, are mostly made as a husband and wife joint decision (Nguyen 2004). However, it is also noteworthy that the percentage of husbands making the final decision on big-ticket items and important expenses such as building/repairing houses is almost double that of the wives (relatively 30% compared to 15%), while the case is reverse for expenses on children's tuition fees and presents. This arguably reflects the perceived role of each gender on purchasing decision-making. While Nguyen's work is important, there remains much work to be done in this regard. Further, Knodel et al. (2004) reported that although wives have primary responsibility for household chores, including purchase of food and household goods, husbands have had increased involvement in managing the household budget. This, however, has not been accompanied by a decline in wives' role in household budget management (Knodel et al. 2004).

### **The relationship between parents and children**

Although the reliance on educational institutions and services is increasing for child support and development, people in both urban and rural areas agree that the relationship between parents and children should be tight. Children should be obedient, listen and pay respect to their parents and grandparents (UNICEF et al, 2008) and parents, in turn, will invest time and financial resources in the children (Le, 2008). When growing older, children are expected to take care of their parents. Hirschman and Nguyen (2002) and Knodel et al. (2000) noted that the majority of elderly parents receive money, durable items or daily living items from both the live-in and non co-resident children. The live-in child is often the main income earner for the family (Hirschman and Nguyen, 2002). In addition, Vietnamese parents care more about children's education and their choice of friends, especially in urban areas. In a nuclear family, the task of educating children falls on the mother and is co-ordinated between mother and father. In an extended family, this role expands to the grandparents as well, although not to the same extent (Nguyen, 2006).

However, Vu (2002) revealed that there is a strong correlation between the perceived role of the father and the number of children in a family: the more children there are in a family, the greater the role of the father is perceived. The perceived responsibility of the father with his children compared to the mother is also different. For example, while the perceived three main responsibilities of a father are helping children study, attending meetings with the children's schools, making decisions regarding punishment and rewards, the perceived responsibilities of the mother are feeding, taking care of hygiene, and entertainment of the children. On the other hand, Nguyen (2009) found that more Vietnamese high school students aged 16 to 18 want to assert themselves in their family. They want to make their own choice when it comes to use of time and study method, appearance, and making friends. They are, however, less assertive in deciding about their own physical and entertainment needs. Students at this age also want to take on a bigger role in family by participating in household errands, mostly cooking and dish washing.

Importantly, there are also many intergenerational families still existent in Vietnam, despite there being changes to the family dynamics. Thus, not only are there relationships between parents and children there are also relationships between grandparents and grandchildren and the interconnections between the generations mediates the connection to their community.

### **What does this mean for decision making?**

With regards to product purchase (Figuié & Moustier, 2009; Vann, 2005). Nguyen et al. (2003) found that individualism seemed to be increasing and affected impulse buying, especially among the young and affluent Vietnamese. In collectivist cultures, individuals make consumption decisions according to an (often unspoken) set of decision-making criteria. Any conspicuous purchase will be undertaken with the view of others in mind (Kim, 2011). In addition, for these cultures it is usually important to follow what society suggests as suitable and meaningful selection criteria for product purchases (Blodgett, Bakir, & Rose, 2008). This is particularly the case for products which convey social meaning e.g., personality, social status, and brand name (Belk, 1988). Cultural preferences influence choices regarding prestige, brand name, price, and image, and sometimes make their packaging more important than the intrinsic quality of the products (Lowe & Corkindale, 1998). These are, more often than not, risk reduction strategies, rather than social status seeking (Kim, 2011). The social status that goes with a significant purchase confers such status to the group, not the individual (Kim, 2011). It is therefore important to get it right as far as the group is concerned.

### **Conclusion**

Vietnamese family decision making is interconnected with the changing perceived roles of each family member throughout the process. Not all decisions are born equal – some decisions are made within the framework of rules and processes that involve larger groups. In this framework, there is unlikely to be a fixed decision maker in any given situation per se; instead, the decision maker arises out of a contested and ever-changing arena of power and control within the family. In this arena, people appear to make sense of their roles based on social reference points – their family identities – rather than on the perception of self.

The implications for marketers of these insights to the Vietnamese family, suggest that more in-depth research is needed to properly understand the family dynamics at play in mid-to-high involvement purchase decisions. Conventional marketing mix strategies targeting the conventional decision-maker may need to be rethought, and possibly modified, to take into account younger family members who may have greater influence than once thought in consumer decisions that affect the family. Whilst the evidence of the shift of household power in purchase decisions from paternal head of family to the main income earner and spouse (Ruggles & Heggeness, 2008), influence is also likely to be coming from younger generations who have greater exposure, and so are mediators of social influence. Furthermore the ramifications of reciprocal consumer socialisation deserve further examination.

This paper forms the foundation of a larger project that is being undertaken to explore consumer socialisation and how mid-to-high involvement decisions are made in multigenerational Vietnamese households.

### **References**

Belk, R. W. (1988). Possessions and the Extended Self. *Journal of Consumer Research*, 15, 139-168.

- Blodgett, J. G., Bakir, A., & Rose, G. M. (2008). A test of the validity of Hofstede's cultural framework. *Journal of Consumer Marketing*, 25(6), 339-349.
- Blood, R. O., & Wolfe, D. M. (1960). *Husbands and Wives: The dynamics of married living*. Glencoe, NY: The Free Press.
- Brown, D. E. (1976). *Principles of Social Structure: Southeast Asia*. London: Duckworth.
- Brickell, K. (2012). Towards geographies of speech: proverbial utterances of home in contemporary Vietnam. *Transactions of the Institute of British Geographers*, 1-14.
- Bryant, J (1996). Northern Vietnamese households, *Journal of the Australian Population Association*, 13(2), 169-186.
- Bui, T.C. (1999). Bản sắc văn hóa Việt nhìn từ góc độ sắp xếp gia đình (Vietnamese culture from the perspective of family structure), *Vietnamese Sociological Review*, 2(66).
- Chang, C.-O., Chen, S.-M., & Somerville, T. (2003). Economic and Social Status in Household Decision-making: Evidence Relating to Extended Family Mobility. *Urban Studies*, 40(4), 733-746.
- Dang, C. K., & Le, T. Q. (2007). *Gia đình học (Family studies)*. Ha Noi: Political Theory Publishing House.
- Douglas, S. P. (1983). Examining family decision-making processes. *Advances in Consumer Research*, 10(1), 451-453.
- Figuié, M., & Moustier, P. (2009). Market Appeal in An Emerging Economy: Supermarkets and Poor Consumers in Vietnam. *Food Policy*, 34(2), 210-217.
- General Statistics Office (2010). *The 2009 Vietnam Population and Housing Census: Major Findings*. Ha Noi: Ban Chỉ Đạo Tổng Điều Tra Dân Số và Nhà ở Trung Ương, Tổng Cục Thống Kê (Central Population and Housing Census Steering Committee, General Statistics Office).
- Griffin, D., & O'Cass, A. (2004). Social Marketing: Who Really Gets the Message? *Journal of Nonprofit & Public Sector Marketing*, 12(2), 129-147.
- Hempel, D. (1975). Family Role Structure and Housing Decisions. In M. J. Schlinger (Ed.), *Advances in Consumer Research* (pp. 71-80). Chicago: Association for Consumer Research.
- Hirschman, C., & Nguyen, V. M. (2002). Tradition and Change in the Vietnamese Family Structure in the Red River Delta. *Journal of Marriage and Family*, 64(4), 1063-1079.
- Hirschman, C., & Vu, M. L. (1996). Family and Household Structure in Vietnam: Some Glimpses from a Recent Survey. *Pacific Affairs*, 69(2), 229-249.
- Hoang, L. A. (2011). Gendered networks and migration decision-making in Northern Vietnam. *Social & Cultural Geography*, 12(5), 419-434.

Howard, D. R., & Madrigal, R. (1990). Who makes the decision: The parent or child? The perceived influence of parents or children on the purchase of recreation services. *Journal of Leisure Research*, 22(3), 244-258.

Jamieson, N. L. (1995). *Understanding Vietnam*. Berkeley, CA: University of California Press.

Kim, Y. (2011). *The Social Foundation of Luxury Good Obsession in South Korea*. Unpublished Masters Thesis, The Faculty of the Graduate School of Arts and Sciences, Brandeis University.

Knodel, J., Friedman, J., Truong, S. A., & Bui, T. C. (2000). Intergenerational exchanges in Vietnam: Family size, sex composition, and the location of children. *Population Studies*, 54(1), 89-104.

Knodel, J., Vu, M. L., Jayakody, R., & Vu, T. H. (2004). Gender Roles in the Family: Change and Stability in Vietnam, *The Changing Asian Family: A Support System With Holes?*, 24-26 May 2004, Singapore.

Le, N.V. (2008). Nghiên cứu gia đình trong bối cảnh mới (Family studies in the new context). *Nghien cuu gia dinh va gioi (Vietnamese Journal of Families and Genders)*, 18(3), 3-11.

Lowe, A. C.-T., & Corkindale, D. R. (1998). Differences in “cultural values” and their effects on responses to marketing stimuli: A cross-cultural study between Australians and Chinese from the People’s Republic of China. *European Journal of Marketing*, 32(9/10), 843-867.

Mai, Q. N. (2004). *Family in the reflection of Sociology (Gia đình trong tâm gương xã hội học)*. Ha Noi: Institute of Sociology, Social Sciences Publishing House.

Matsuda, S. (1997). An Opinion Survey Regarding Gender Roles and Family in Vietnam. *Environmental Health and Preventative Medicine*, 1, 201-205.

McCann, R. M., Cargile, A. C., Giles, H. and Bui, C. T. (2004). Communication ambivalence toward elders: Data from North Vietnam, South Vietnam, and the U.S.A., *Journal of Cross-Cultural Gerontology*, 19, 275-297.

Nguyen, L. K. (2004). Vị thế của phụ nữ trong một số vấn đề của gia đình (The role of women in some family matters), *Tạp chí Xã hội học (Vietnamese Sociological Review)*, 4.

Nguyen, C. D. (2006). Kiểu loại gia đình và giáo dục trẻ em trong gia đình ở Hà Nội hiện nay. *Tạp chí Xã hội học (Vietnamese Sociological Review)*, 2(94), 21-27.

Nguyen, T. B. (2011). Industrialization and The Changes of Vietnamese Families. *International Journal of Academic Research in Business and Social Sciences*, 1(3), 347-356.

Nguyen, T.B. (2012). The division of household labour in Vietnamese families at present time, *International Journal of Academic Research in Business and Social Sciences*, 2(5), pp. 59-68.

Nguyen, T. T. M., Jung, K., Lantz, G., & Loeb, S. G. (2003). An Exploratory Investigation into Impulse Buying Behavior in Transitional Economy: A Study of Urban Consumers in Vietnam. *Journal of International Marketing*, 11(2), 13-35.

- Nguyen, P.-M., Terlouw, C., & Pilot, A. (2005). Cooperative learning vs Confucian heritage culture's collectivism: confrontation to reveal some cultural conflicts and mismatch. *Asia Europe Journal*, 3(3), 403-419.
- Nguyen, T. M. L. (2009). Định hướng giá trị nhân cách của học sinh Trung học phổ thông thể hiện trong quan hệ gia đình và quan hệ bạn bè (Orientating the characteristics of high school students in their relationships with the family and friends). *Tạp chí Tâm lý học (Vietnamese Journal of Psychology)*, 8 (125), 19 – 25.
- Ruggles, S., & Heggeness, M. (2008). Intergenerational Coresidence in Developing Countries. *Population and Development Review*, 34(2), 253-281.
- Shoham, A., & Dalakas, V. (2003). Family Consumer decision making in Israel: The role of teens and parents. *Journal of Consumer Marketing*, 20(3), 238-251.
- Sidin, S. M., Zawawi, D., Yee, W. F., Busu, R., & Hamzah, Z. L. (2005). The effects of sex role orientation on family decision making in Malaysia. *Journal of Consumer Marketing*, 21(6), 381-390.
- UNICEF, Ministry of Culture, Sports and Tourism, General Statistics Office, & Family and Gender Institute (2008). Report on the findings of the census on Vietnamese families (shortened version). Available online at: [http://www.un.org.vn/images/stories/press\\_centre/press%20center%202008/bao\\_cao\\_tom\\_tat\\_tiangviet.pdf](http://www.un.org.vn/images/stories/press_centre/press%20center%202008/bao_cao_tom_tat_tiangviet.pdf). Accessed June 20, 2012.
- Vann, E. (2005). Domesticating consumer goods in the global economy: Examples from Vietnam and Russia. *Ethnos*, 70(4), 465-488.
- Vo, N. M. (2011). *Saigon: A History*. Jefferson, NC: McFarland & Company.
- Vu, T. H. (2002). The perceived role of fathers in families (Vai trò của người cha trong gia đình). *Tạp chí Xã hội học (Vietnamese Sociological Review)*, 29-39.
- Watne, T., & Brennan, L. (2011). Behavioral Change Starts in the Family: The Role of Family Communication and Implications for Social Marketing. *Journal of Nonprofit & Public Sector Marketing*, 23(4), 367-386.
- Watne, T., Lobo, A., & Brennan, L. (2011). Children as agents of secondary socialisation for their parents. *Young Consumers: Insight and Ideas for Responsible Marketers*, 12(4), 285-294.
- Wang, K.-C., Hsieh, A.-T., Yeh, Y.-C., & Tsai, Y.-C. (2004). Who is the decision-maker: the parents or the child in group package tours?. *Tourism Management*, 25(2), 183-194.
- Whitmore, J. K. (1984). Social Organization and Confucian Thought in Vietnam. *Journal of Southeast Asian Studies*, 15(2), 296-306.