

# THE EFFECTS OF SOCIO-ECONOMIC FACTORS ON MALAYSIAN DEMAND PATTERN: AN ANALYSIS ON THE CONSUMER PRICE INDEX ITEMS.

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- **Abstract:** The objective of the survey is to examine effects of socio-economic factors on Malaysian consumption pattern. A total of 14,838 households data was used in this study. The findings of the survey show a positive effect on food expenditure and non-alcoholic beverage; alcohol and tobacco; clothing and footwear; housing, water, electricity; and communication items. B40 households spend more on food and nonalcoholic beverages; alcohol and tobacco; and household water, electricity, gas and other fuels. Household in urban spent more on water, electricity, gas and other fuels, communication and restaurants and hotels. In terms of ethnicity, Bumiputera spends more on food and non-alcoholic beverages; clothing and footwear; transport; and restaurants and hotels. Households located in Peninsular Malaysia spend more on alcohol and tobacco; clothing and footwear, health; transport; communication; education; and restaurants and hotels. A strict monitoring needs to be implemented in terms of food and non-alcoholic beverages prices since purchasing power would reflect the cost of living of the households. It is also necessary for the policy makers to identify the list of frequent items consumed by this group and place control on the price.
- **Keywords:** socio-economic factors, non-alcoholic beverage, Household