PURCHASING BEHAVIOR OF ORGANIC FOOD CONSUMERS

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ABSTRACT

Consumers worldwide are increasingly concerned about the safety of the food they buy and consume. There have been recurrent cases of pesticide residues on fresh food and also the use of a large number of additives in processed foods. Overall, organic food has been perceived as chemical-free and healthier by consumers. This paper integrates the findings of extant studies on organic food in the world context. It identifies themes that lead to the purchase of organic food and also discusses personal determinants of purchasers of organic food in terms of socio-demographics, motivations, attitudes, and values related to such purchases. The paper concludes by outlining barriers toward purchase of organic food and offers implications and suggestions for marketing practitioners, organic food growers and retailers.

INTRODUCTION

Since the 1990s, interest in organic food production and purchasing behavior of consumers has gained momentum. The major reasons attributed have been consumers’ concern with the quality of life and a deeper interest in healthy lifestyles based on carefully chosen food. Consumers have become increasingly selective and are willing to invest larger amounts of money in purchasing quality and organic food products. Recent scares associated with E-Coli, Salmonella, and BSE incidences are likely to have further intensified consumers’ already substantial interest in organic foods (Onyango, Hallman, and Bellows, 2007).

The purchase of organic food world wide has rapidly increased. For instance, Lampkin (1999) has predicted that the organic farming sector in the EU could increase from 10 percent in 2005 to 30 percent in 2010. In the US, increases in organic food have ranged between 17 percent and 21 percent each year since 1997, compared with total US food sales which have grown at an average rate of 2 to 4 percent a year (Scheel, 2005; Organic Trade Association, 2004). Retail sales of organic products in Australia increased from AU $ 28 million in 1990 to around AU $ 250 million in 2003 (Biological Farmers of Australia, 2003). Even in Asian countries, the demand for organic food has been growing at 15 to 20 percent over the last decade (FIBL and IFOAM, 2009). In fact, three of the top ten organic producing countries are located in Asia and the Pacific (FIBL and IFOAM, 2009).

LITERATURE REVIEW

It is very important to offer definitions of the term “organic food”. Organic farming as described in the EU regulation on organic production, includes, “significant restrictions in the use of fertilizers and pesticides, which may have detrimental effects on the environment or result in the presence of residues in agricultural products (Council Regulation (EEE) No. 2092/91). A product is entitled to be labeled as organic if it conforms to the Council Regulation (EEE 2092/91) that requires food should contain a minimum 95 percent of organic ingredients, is inspected by an accredited independent inspection body, and is grown without the use of genetically modified organisms (First and Brozina, 2009).

Reasons for Buying Organic Food

As the current literature reveals, organic food is perceived as food without “chemicals” and “growth hormones” - it is food that is grown as “natural” (Soil Association, 2000; Makatouni, 1999; Davies et