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Consumer motivations in the purchase of organic foods in Hungary

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The market of organic products is quite small in Hungary. However, based on its development potential it has strategic importance (SZAKÁLY, 2004). Thus the aim was to find answers how to increase the trade of organic products. To get more details about the Hungarian organic food market we carried out a quantitative survey using a 1,000 member countrywide panel. Our results indicate that organic origin is considered somewhat important for every 4th respondent, while only 3.7% of the interviewees paid attention to put organic food products into their cart. The most serious obstacle is the doubt of surveyed individuals about the authenticity and the alleged benefits of organic products, complete with a high perceived price. "Price" is the most influential factor on shopping decision, but the advantageous "constant quality" and "health benefit" factors are just following it. In conclusion, there is potential demand for ecological food products in Hungary. Although the proportion of conscious consumers is small; it significantly exceeds the current market share of the products. Consumers should be approached with better prices, smart retailing solutions and through awareness raising.

Keywords: organic food, consumer, retail, awareness, marketing strategy

1 Introduction

According to GFK HUNGÁRIA (2005) lifestyle survey, about 65% of Hungarians consider organic foods the ideal nutriment of future. Researches of Gerwin (1998) and Panyor (2007) shows that 60 % of consumers have bought any kind of organic food in Hungary. In research of Szente et al. (2009) first the interviewers made the consumers familiar with the term main features of organic foods. They asked the consumers questions only after this. It turned out that the majority (59.2 %, 710 persons from 1200) have never bought such a product. The most frequently chosen products were fruits and vegetables (14.4 %), milk and dairy products (6.9 %) and bakery products (3.4 %). According to the results a significant part of the consumers (40.1 %) are willing to pay a higher price for organic products. The reasons for paying premium price are mainly to protect their health and to avoid risks of diseases.

Hungarian organic food scarcely appears in retail; consumers can only buy imported, sometimes lower quality products. The market has problems in both supply and demand: they distribute products that are not needed, and certain desired products are absent.

Based on the above, there is a need for considerable developments in the marketing of organic food. The aim of our research is to determine present domestic tendencies and to make strategic proposals to increase the market for organic products. In order to reach our aims we have decided to approach demand orientation: we have measured consumers' side.

2 Material and Methods

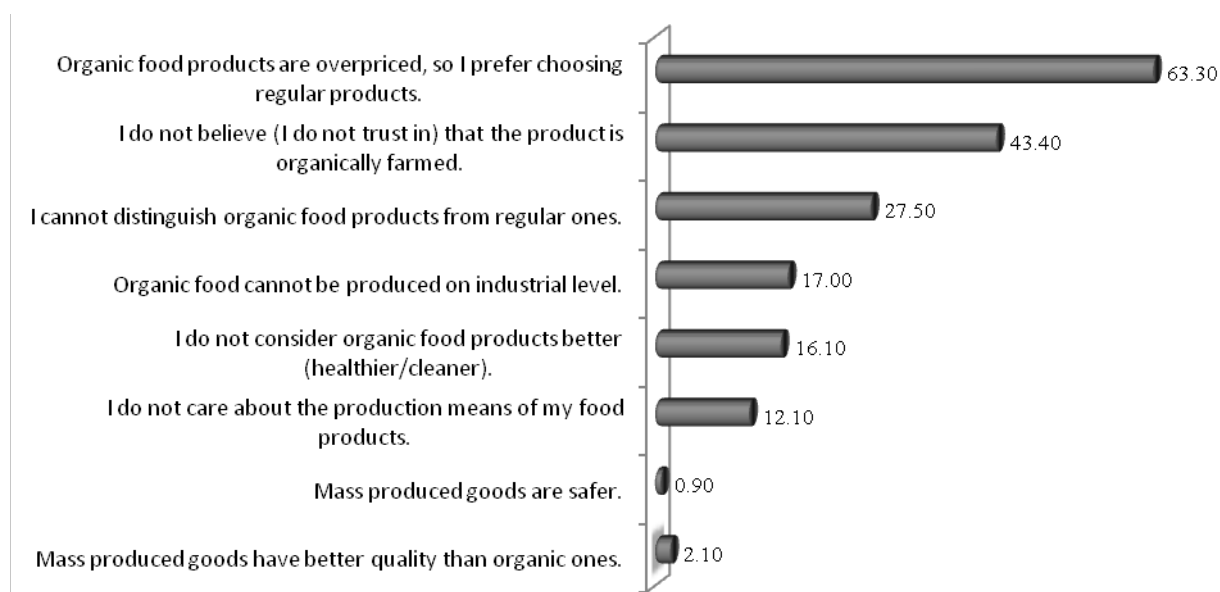
In order to achieve the set objective, a nationwide representative questionnaire-based survey was given to 1000 participants in Hungary, in 2013. On the assigned settlements a random walking method was used to ensure total randomness in selection. In the second step, the interviewed person within one household/family was selected by using the so-called birthday-key. The main point of the method is to select that consumer from the family members who

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has the appropriate age (18 or older) and whose date of birth (birthday) falls closest to the day of the interview (more simply: whoever had their birthday last). With this method randomness was ensured in the second step as well. The sample was representative of the structure of the Hungarian population in all the four aspects (region, type of settlement, gender and age). During data analysis the suitable mathematical-statistical methods were used. In this ways in every case the percent rates and the significance level were calculated. Besides the descriptive statistics one and two variate analysis were made.

3 Results

In the research, I asked the respondents to rate how much they care for choosing organic products when buying food. 3.7 % of the interviewees paid attention to put organic food products into their cart, and 10 % insisted that organic origin is important for them. To understand the underlying causes, we asked those who replied with “no” to specify the obstacles preventing them from buying organic products. The causes thus obtained are summarized in Figure 1.



* More than one option was possible.

Figure 1 Causes for refusing organic products (% , n = 701)

The main cause of refusal is the relatively high price; two-third of the surveyed individuals cited this as an obstacle (63.3 %). By summing the results associated with the different factors signaling skepticism, we obtain 79.5 %, i.e., the most serious obstacle is the doubt of surveyed individuals about the authenticity and the alleged benefits of organic products. The third argument according to which it is hard to identify the products – problematic for one fourth of the consumers (27.5 %) – might be most easily treated with communication tools. This also draws attention to the problem that distinguishing verified organic food products from normal goods is hard – even these days. Although there are local and EU regulations, consumers can hardly distance the designated “bio-” prefix of foods from that of biotechnological products.

The next question dealt with those factors that have the largest impact on one’s organic food purchase (Table 1). The respondents had to rate the impact of each individual factor on their purchase using a 1-to-5 interval scale (1 – it has the smallest impact on me, ..., 5 – it has the greatest impact on me).

Table 1 The impact of the listed factors on purchasing decision

Name	n	Mean	Std. dev.
Price of the product	402	4.04	1.411
Constant quality of the product	399	4.01	1.429
Health protective effect of the product	402	3.97	1.384
Tastes associated with the product	404	3.78	1.435
Origin of the product (local, import)	391	3.77	1.393
The whole family loves it	396	3.71	1.447
Label ensuring quality	392	3.66	1.472
Appearance of the product, its aesthetic	400	3.64	1.397
Label ensuring ecological origin	402	3.54	1.466
Habit	401	3.27	1.383
Brand of the product	397	3.10	1.409
Handy, practical packaging	397	3.06	1.377
Name of the production firm	397	3.03	1.440
I can get it anywhere	391	2.82	1.404
Advertisement of the product	396	2.44	1.378

Our first observation is that as much as 40 % of the respondent can be treated as somewhat competent in purchasing ecological organic food products. The 10% surplus compared to those who pay close attention to their purchases points to a significant latent demand; the purchasing decisions of this layer are subconsciously influenced by the ecological origin of products. Further, it is apparent that none of the listed factors achieved overwhelmingly high or low score, which means that the adjustment of individual factors will not have significant market impact. "Price" also featured as a purchase obstacles – is the most influential factor on shopping decision, but the advantageous "constant quality" and "health benefit" factors are just following it.

4 Conclusions

It is safe to state that there is potential demand for ecological food products in Hungary. Our results indicate that the most serious obstacles of organic food products are the lack of trust, the lack of information, the high prices and the observed insufficiencies of products.

5 Acknowledgements

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