

Innovative Strategies to Fuel Organic Food Business Growth

Subjects: [Agricultural Economics & Policy](#) | [Public, Environmental & Occupational Health](#) | [Regional & Urban Planning](#)

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Whether consumers seek organic food for a healthy body or more as food for thought continues to be debated. Consumers do not need to be protected from the reality of organic food. The recommendation for marketers is to enhance the education of consumers and to pursue clear communication with them, as honesty may be the best policy here. Customers' loyalty lies in trust, not in the brand. Availability, variety, and taste are the top three factors affecting consumers' purchase decisions. Surprisingly, price or health consciousness is not the first concern for consumers.

organic food

sustainable consumption

purchase intention and availability

1. Introduction

With health and safety consciousness accompanying improvements in socioeconomic status ^[1], tasty, healthy, and trendy eating has gradually replaced the notion of "eating to live" ^{[2][3]}. Consumers are increasingly demanding better quality and more environmentally friendly products ^{[4][5]}. Consequently, organic products have become a popular trend among the middle to higher socio-economic classes seeking a sustainable and healthy lifestyle. However, whether organic food is food for the body or food for thought remains debatable.

Organic farming is a sustainable agricultural method that helps preserve soil fertility to produce chemical-free products. While there are opposing views on organic farming due to its high bacteria levels, those in favor of organic farming believe that it is a beneficial and safer alternative for the environment and animals. However, it is not an option for everyone, and yields are often insufficient to feed the majority of the population. Although there is an increase in sales of organic food each year, it is still limited to certain market segments and does not contribute a large proportion of steady purchases ^[6]. The sustainability concept of organic food is interpreted as an idealism that drives it beyond food, to fashion ^{[7][8]}.

As the literature on organic food is focused on food, agriculture, and environmental sciences, studies on consumers' purchase intentions and behaviors are growing as people shift toward adopting a healthier lifestyle ^{[9][10][11][12][13][14]}. The theory of planned behavior (TPB) is a popular framework that helps understand and explain purchase intentions in light of social norms ^{[15][16]}. Subjective norms are found to be associated with attitudes toward organic food purchase intentions. Nonetheless, the inconsistency of actual purchases and the relationship

between norms and purchase intention drives research direction to factors such as personal choice, barriers, and consumers' abilities.

2. Descriptive Statistics of the Participants

There was a total of 20 participants from 17 meetings, representing all types of stakeholders in the organic food ecosystem. Most participants were customers ($n = 12$; 60%), including organic food customers and its potential customers, and suppliers ($n = 5$, 25%), accounting for more than three-quarters of the sample. In addition, there were two experts (10%) and one organic producer (5%).

2.1. Customers' Profile

The customer profile in terms of age, sex, marital status, employment, and health, and organic food consumption is described in **Table 1** and **Figure 1**. The consumers were mostly Irish residents, with university level and above-average education and comprised eight nationalities, aged 24–58. Most of the customers were men (60%), but there was no significant difference in the number of male and female participants. The majority belonged to the 31–40 age group (40%). The second highest age group (41–60) accounted for one-third of the sample size.

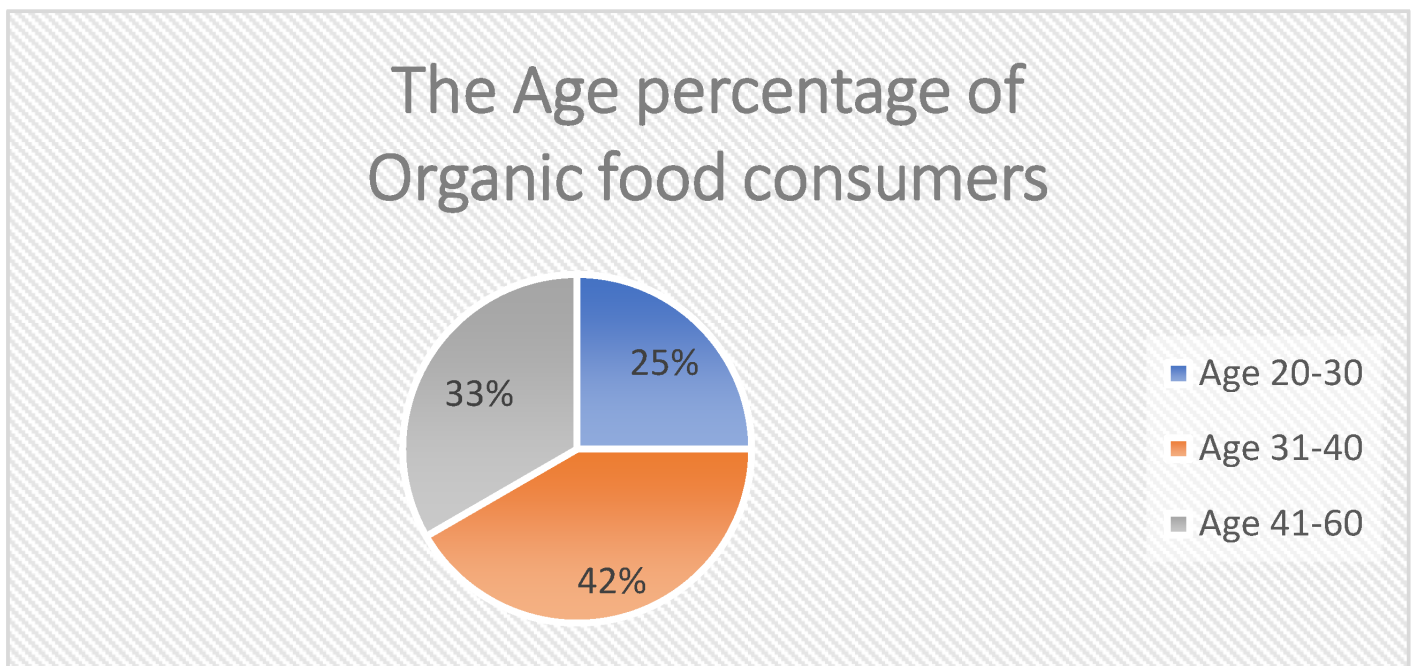


Figure 1. Distribution of organic food consumers by age.

Table 1. Consumers' background information.

	Age Sex		Family Status	Employment Status	Health Status	Organic Food Consumers	Nationality
C-1	39	M	Married w/1 child	PhD/ University Lecturer	Obesity	Yes	Nigeria
C-2	40	F	Married w/1 child	Household/ Nursing background	OK	No	UK
C-3	24	F	Single	Social worker	Good	Casually	Germany
C-4	25	F	Single with partner	Administrator	Good	Casually	UK, British born Turkish,
C-5	55	F	Married w/1 child	Senior secondary school teacher	Good	Yes	UK
C-6	50	F	Married w/2 child	Teaching Assistant/ Nursing background	Good	Casually	UK
C-7	58	M	Married w/2 child	Part-time teacher	Obesity	No	UK
C-8	26	M	Single	PhD student	Good	Yes	Dutch
C-9	39	F	Married no child	Self-employment	Good	Yes	UK
C-10	36	M	Single	Fitness instructor	Good	Rarely	UK
C-11	42	M	Single	PhD/University Lecturer	Good	Rarely	Iran
C-12	58	M	Married w/1 child	Retired businessman	Normal, Cancer recovered	Rarely	UK

formulated through an understanding of consumer behavior. Thus, the analysis focused on consumers' opinions obtained from responses to the following:

Q1: What are the significant factors in food purchasing?

Q2: What are the motivations for purchasing organic food? Are price and availability barriers to purchasing organic food?

Q3: What are the barriers to purchasing organic food? Does knowledge of organic food affect the motivation for purchasing organic food?

Q4: Do people care about the environment?

Q5: Do people have a sufficient understanding of organic food?

The interview data are summarized in **Table 2**. Influencing factors such as availability, price, preference, eating habits, health concepts, and taste were extracted from the interview transcripts. Motivations for buying organic food were health concepts, eco-friendliness, taste, and cost-effectiveness. In contrast, barriers to purchases were availability, price, culture, insufficient knowledge, and food security. Most respondents connected ecological concerns with organic food. It seems that most interviewees required adequate knowledge about organic foods.

Table 2. Frequencies of response themes.

Ranked	Q1. Influenced Factors	Q2. Motivation	Q3. Barriers	Q4. Eco-Concern	Q5. Knowledge
1.	Availability	Tasty	Availability	Yes	Insufficient
2.	Variety	Health concept	Culture: eating habits		
3.	Taste	Eco-friendly	Price		
4.	Quality	Cost-effective	Insufficient knowledge of organic food		
5.	Brand, Source	Health concept	Value of price		
6.	Price	Food security	Source		
7.	Health-conscious, environmentally friendly				

2.3. Analysis of Producers’ and Suppliers’ Responses

Regarding the producer and suppliers' perspectives on organic food selling, the following questions were asked in the interviews:

- Q1. What are the motivations for marketing food?
- Q2. What are the barriers to the marketing of organic foods?
- Q3. Do food marketers care about the environment?
- Q4. Do food marketers have sufficient knowledge of organic food?

3. Influencing Factors and Motivations

3.1. Why Do Customers Buy the Goods or Services You Provide?

The respondents were interviewed based on their observations on general consumer purchasing behavior. The major themes are as follows:

- Convenience/Availability/Endurance

Distribution plays an important role in the delivery channel between manufacturers and consumers.

S-1 stated: “Another key thing is your distribution; you have got to have products on every shelf... for example, Kellogg’s is famous... Heinz has three or four products on the shelves. Why do they do so well? Because people see them everywhere they go, and so form an emotional attachment. This is the result of the manufacturers’ marketing strategy, which creates a huge demand for their products in every outlet.”

C-2, a householder, noted that convenience was the most important factor for her purchase. C-1, a consumer who prefers organic products, believed “The availability comes first... then the affordability; if readily available, more people will consume it.” Andrew, the owner of a local shop, noted that “Location is very important.” Their testimonies suggest that greater availability should increase sales. “So, distribution... needs to be built, because you want to list in high volumes to get the high turnover. Well, one thing that drives it is... can the buyers buy it in a local shop?” Similar points such as shelf life and product endurance were also emphasized. Both S-1 and C-2 agreed that shelf life was important.

- Quality/Taste/Variety/Attractiveness

Product quality is an important factor in purchasing; for many, it may be among the top three factors in purchasing. S-2 believed that quality food could be an opportunity for small businesses to innovate and produce quality products. Yet, he claimed that “organic meat doesn’t taste any better than his (quality) meat.”

- Brand/Source

Branding is crucial for businesses as it creates value and emotional attachment with customers. Consumers place their faith in the most trusted brands. S-1 considers brand trust as a key reason people buy a product and the reason why many companies concentrate on branding. Many studies have focused on brand marketing [\[17\]](#)[\[18\]](#). C-9 and C-1 said they purchased products only from what they considered a reliable source.

- Price

Price was mentioned by many consumers, including S-1, who argued: “At the moment in the current market, price promotions are ruling the roost. They are the keys to your business... and if you are not in there, your business will struggle. You have to price accordingly to allow you to market your product on the shelf... through price reduction, driven by the current economic climate.” However, it is not always the priority; as C-5, C-12, and C-1 state, other factors such as quality or health are superior to price. Usually, middle-aged consumers with above-average education do not care much about the price. S-1 claims that “Price is not the priority, and price here does not mean

cheaper, it means the right price, it may be in the top ten or (even) the top four factors at the most.” C-12 also mentioned in the interview that “Organic food is my favorite... Price is not the first concern for purchasing ...I always buy them without noticing the price.” However, S-3 argued that “Organic food markets are in decline, as the recession has led consumers to be more careful about their expenditure on food and they may not be prepared to pay the premium price associated with organic food.” C-7, a semi-retired teacher, states, “We don’t buy organic as it is too expensive!”

- Health

Health issues are a popular trend in businesses today. S-1 argues that “Food can feed people; it can also kill people; many diseases like diabetes and obesity are the result of a poor (quality) diet.” C-8 also mentioned that his purchase decision is influenced by his health concerns: “I am mainly concerned about salt and especially sugar content because diabetes is a terrible disease!” He is an example of a young and highly educated representative. C-3, a German consumer who just graduated from university, thinks that “people should take care of their bodies.” C-8 believes “You are what you eat!” The problem of obesity and health concerns prompted him to start eating healthier. “The side effect of chemicals in food or medicine needs to be considered.” S-1 stated that “freshness and health will be the future trend in the food industry... For competitiveness in the food industry, we need to be innovative... However, there is always a balance between health and affordability.”

- Environment Friendliness/Social Responsibility

Most organic consumers and vegetarians have a strong scientific awareness. Both individuals and corporations pay much more attention to social responsibility these days. C-4 claims: “I will try my best to reduce energy or package waste.” C-5, C-8, and C-9 said they would recycle as much as possible and try not to waste energy. Many companies are willing to exploit social responsibility in their marketing strategies. S-3 said: “All companies are concerned about corporate responsibility and are more aware of things like carbon footprint. We as a business are also mindful of the social impact of specific marketing campaigns, and take this into account when considering any new product development or specific campaigns.”

3.2. What Do Customers Really Value?

The results are analyzed according to the question of what customer value, which is summarized to present how results are interpreted as significant themes.

- Convenience/Efficiency/Consideration

Today, everything is expected to be “fast.” Therefore, although people mention availability, shelf-life, or product endurance, they expect to obtain something efficiently or conveniently.

- Pleasure

Consumers look for the quality of life rather than only survival. Hence, they expect food to be aesthetically appealing, of better quality and taste, and having variety. A significant attribute of food is its ability to impart mental satisfaction. C-2 emphasized it when she said she would not buy food solely because it was healthy; it must be aesthetically pleasing and appealing enough to persuade consumers to make a purchase.

- Trust/Assurance/Reliability

The results reveal a consideration for brands or sources during purchase, as interviewees believe they give assurance of quality products that they can trust. Hence, in buying branded goods, people mostly pay for assurance and reliability.

- Value/Worth

Arguing that “organic food is better than artificial foods because of the latter’s adverse side effects,” C-1 talked about the long-term consequences of his unhealthy dietary pattern before he switched to organic food; his account highlighted the long-term health benefits of consuming organic foods. Furthermore, S-1 noted that consumers are willing to pay the right price and do not necessarily choose the lowest price. For example, C-12 claimed that she would not buy “Tesco’s Value Meat.” She goes to local shops to buy more expensive quality meat. These statements prove that people pursue products of value, and price is not the sole factor in the decision-making process. When they consider that the price too high, they refer to the value of products that must be appreciated and recognized. Therefore, marketers should set the right price to make customers feel that the product is worth their money.

- Sustainable Personal Happiness

Customers value healthier food to achieve happiness. E-1, a human nutrition student from a food standard agency, argued: “Health should be the priority... If you ask someone who suffers from a disease, they would tell you that there is no happiness without health.” However, C-1 would not value health unless he suffered an adverse health condition.

- Long-term Sustainability

Ecological issues or social responsibility can be interpreted as long-term sustainability, as it is a value that is appreciated over a period. In other words, if businesses want to be sustainable in the long run, they cannot disregard the importance of environmental sustainability.

4. Barriers to the Purchase Decision

The respondents were identified as potential customers of organic foods and were assumed to be interested in organic food. However, not all of them buy organic products, and the reasons can be attributed to several factors according to the interviewees’ responses.

4.1 Price Premium

Respondents C-7 and C-6 are potential organic food customers, as C-7 has obesity and heart problems, and C-6 has a nursing background. However, they do not frequently shop for organic products. C-7 noted: "The price is too expensive... Organic food belongs to the high-medium class." C-6 hoped: "Maybe we will buy it after the children are married and have their own family." C-3 and C-4 have healthy eating habits, yet they both claim that they buy organic food occasionally when they can afford it. C-8 mentioned: "I have experience with organic food, but I don't really buy it often because it is more expensive." S-3 argued: "Consumers are not convinced of the benefits of organic food and are not prepared to pay the premium for it. The recession has seen consumers switching buying habits away from premium, high-value foods where organic foods sit. Consumers are seeking value for money now and buy what they need." C-5, an organic food consumer, stated: "The price of organic food can also cause me to think twice and make me ask myself if it is really worth it."

4.2. Availability

As S-1 mentioned, if one repeatedly sees a certain product in shops or through various marketing channels, one automatically forms an attachment to the product. C-1 added that although he was really interested in organic products, he was not sure where to purchase them, apart from his usual stores such as Tesco, Holland, and Bernard.

4.3. Attraction

The benefits that organic foods offer to humans and the environment are not enough to render them appealing to the customers. C-2 stated that "I will not buy it simply because it is healthier." If organic products are placed along with other standardized products, they must be advertised or highlighted specially to make them more appealing and allow customers to distinguish them from other products. C-3 maintained, "I will buy it only when they have a promotion." Marketers need to advertise organic products to enhance their attractiveness and convert customer interest into purchases.

5. Products Knowledge

5.1. Consumers' Perspectives

Among the respondents, most of the organic consumers are teachers or lecturers in schools. When asked about the understanding of organic food, common replies are "Organic food is natural, healthier and good for the environment." This is correct but not sufficient. C-5, an organic food consumer, said, "I ...purchased organic food in the past, but there are so many arguments about its value as opposed to non-organic foods that I am now undecided. I know what I have heard on TV and radio, which I suppose is not much. I have not attended any lectures or read articles about these types of food." C-8 mentioned, "I think not eating a lot of meat is better than buying organic food. Of course, both would be best. I know that organic food is environmentally friendly. I also believe that animals are at least supposed to have a better life. The thing that concerns me is the safety of organic

food because some things like pesticides are not used. I think enterohemorrhagic *Escherichia coli* (EHEC bacteria) is a risk in consuming organic food.”

5.2. Suppliers' Perspectives

S-1 was of the opinion that organic products are considered product innovations that respond to the current trends in the demand for healthier and higher-quality products. The science behind organic food, or the definition of organic food, is of less importance to S-1 than sales and profit. Similarly for S-3, what matters are profits and business benefits, and therefore, he tends to promote conventional products to please more customers. S-2 claimed he sought to offer quality products for business benefits, irrespective of whether these were organic products. When it comes to selling, he would pay attention to healthier and more natural trends.

5.3. Producers' and Suppliers' Perspectives

Undoubtedly, producers have the most accurate and competent understanding of organic products. They not only consider the products themselves, but also all manufacturing processes. Suppliers can be divided into three types based on their attitude toward the market: health-focused, profit-focused, and market-focused. S-4, an organic supplier and producer, plays a health-focused role, as his business concern is based on health, while S-1 and S-2 will observe market trends to adjust their business direction and lie between health-focused and profit-focused suppliers. It is called market-focused suppliers, as they pay keen attention to quality and health products. S-3, a non-organic supplier, pays attention to cost and profit concerns, making him a profit-focused supplier. While profit-focused suppliers view business differently from market-focused and health-focused suppliers, they pay attention to social responsibilities as well.

- Education of Consumers

Only the producer is aware of the differences between organic and non-organic products. It seems that customers do not have sufficient understanding of organic products. Therefore, there is a need to educate people and provide them with accurate information. As C-2 stated, “If someone told me the specific benefits of organic food, I will buy it.” Both C-1 and S-2 agree that education is important.

- Communication with Customers

Consumers do not possess the same level of knowledge as producers, as their information is mostly sourced from mass media and newspapers. Thus, if the media provides a negative report on organic products, it will affect their confidence in consuming them. Therefore, producers must engage in proactive communication with customers. Otherwise, consumers will have to rely on information from websites or media and can be often misled.

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