

Organic food: What we know (and do not know) about consumers

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Review Article

Abstract

This paper reports on the latest contributions to over 20 years of research on organic food consumers. There is a general consensus in the literature on the reasons why people buy organic food. However, there is also a gap between consumers' generally positive attitude toward organic food and their relatively low level of actual purchases. Product differentiation based on intangible features, such as credence attributes such as organic, in fast-moving consumer goods categories is enjoying rapid growth. However, there are many difficulties with research in this area, including the errors inherent in research that relies on consumer self-reporting methodologies. Further, in relation to organic food, there is a divergence between consumers' perception of its superior health features and scientific evidence. Fresh fruits and vegetables are of vital importance to the organic sector as they are the entry point for many customers and account for one-third of sales. Further, although there is a small proportion of dedicated organic food buyers, most sales come from the majority of buyers who switch between conventional and organic food purchases. This paper identifies the practical implications for generic organic food marketing campaigns, as well as for increasing sales of specific products. It concludes with suggested priorities for further research.

Key words: organic food, consumers, research, purchases, segmentation

Introduction

Organic food has been analyzed from many perspectives and in many countries. It contributes to an emerging paradigm for food production which relies on biology, ecology and sociology rather than more one-dimensional chemical and physical management approaches¹. Building upon over 20 years of research, there is now a substantial body of information on how to market organic products. Recent examples include the studies by Hughner et al.² and Pearson and Henryks³. In addition, research has been completed, which contributes to our understanding of specific aspects of how to market organic products. This includes consumer behavior for local organic foods⁴ as well as consideration of 'low input' and organic foods⁵ through to how the organic quality assurance system may be used to develop a marketing strategy⁶ and decision-making processes for organic food consumers⁷.

As this proliferation of previously mentioned articles indicates, understanding human behavior in the context of food purchases remains a frontier for scientific enquiry. While it is generally accepted that our food habits are

largely determined by attitudes that are acquired in childhood, and that these evolve due to changing circumstances and experiences, it is the diversity of individuals, the multiplicity of products which, when combined with the enormous number of purchases over a lifetime, makes understanding food purchases so challenging². Further, purchases of relatively low-value, low-involvement products from multiple locations add further challenges⁸, although it is interesting to note that sales of many of these products which are differentiated with intangible features, such as organic and Fair Trade, which are both examples of credence attributes, are enjoying much higher growth rates than the main market. Credence attributes are difficult to judge even after purchase⁹ (such as environmental credentials) in contrast to search attributes which may be evaluated prior to purchase (such as price) and experience attributes which may be evaluated after purchase (such as taste)¹⁰.

This paper continues by reviewing the major areas in which research has contributed to our understanding of the food supply chain and the implications that this has for organic food. This is followed by identification of what we