

Organic or local? What's on consumers' minds when it comes to produce?

September 4 2009

The emerging trend toward healthier, fresher foods that are also gentle on the environment presents new dilemmas for conscientious consumers. Marketers tout the attributes of "organic" food, while the "local foods movement" is gaining popularity throughout the world. The "organic-orlocal" debate is particularly interesting when it comes to fruits and vegetables; proponents of each system offer strong evidence to support their cause.

Consumers frequent local farmers' markets because they expect higher quality, freshness and taste, and lower prices. Organically grown produce is considered to be healthy and environmentally friendly because of the use of less-damaging pesticides. But do <u>consumers</u> really understand the difference between "organic" and "local" produce? And what price are we willing to pay for these fresh, premium products? These questions present challenges for growers, retailers, and ultimately, savvy consumers.

Understanding consumer preferences and willingness to pay for organically grown and locally grown fresh produce helps producers and retailers determine what type of fresh produce to grow and sell, what to emphasize in marketing efforts, and what prices to charge. Intense competition from large-scale growers has forced small-scale farmers to find new niche markets for their commodities through value-added marketing. But information related to consumer preference and willingness to pay for both organically and locally grown fresh produce is sparse, presenting a fertile field for researchers.



Chengyan Yue, the Bachman Endowed Chair in Horticultural Marketing at the University of Minnesota-Twin Cities and colleague Cindy Tong published the results of a research study in *HortScience* that investigated consumers' preferences and willingness to pay (WTP) for organically grown and locally grown fresh produce. The research team combined hypothetical and nonhypothetical experiments for the study, which was conducted with 365 volunteer participants at the Minnesota State Fair in August 2008.

The researchers found that consumers' willingness to pay for organic produce was about the same as they would pay for local produce. But the frequency of purchases was different for organic and local produce. Participants were asked "When you buy fruits and vegetables, how often do you buy locally grown (or organically grown) fresh produce when it is available?". For locally grown produce, 14% of participants chose "always", 40% chose "most times", 38% chose "sometimes", and 8% chose "seldom" or "never". For organic produce, 6% chose "always", 15% chose "most times", 39% chose "sometimes", and 40% chose "seldom" or "never".

Additionally, the team determined that consumers consider "freshness" and "safe to eat" as "very important" attributes when purchasing locally grown produce, and recommended that these attributes be stressed by local growers when promoting their products. Consumers considered "good for health" and "safe to eat" as their main reasons for purchasing organic produce, implying that these selling points be emphasized in promotional materials.

Yue explained that the study showed consumers' demographics affected their choice between organically grown and locally grown produce. For instance, older consumers were less likely than younger consumers to choose organic tomatoes, while females were more likely than males to purchase locally grown tomatoes.



Stated Yue, "Furthermore, we found that consumers patronized different retail venues to purchase fresh produce with different attributes. The results of this research are very important for small-scale farmers, market organizers, and sponsoring agencies in making their production and marketing decisions."

More information: The complete study and abstract are available on the ASHS Hortscience electronic journal web site: hortsci.ashspublications.org/c ... nt/abstract/44/2/366

Source: American Society for Horticultural Science

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