Current situation of demand for organic products in the Czech Republic

Současný stav poptávky po ekologických produktech v České republice

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Abstract: The paper is focused on the analysis of consumers' interest as one of the limit factor of demand for organic products. Consumers'interest is derived from questionnaire survey, which includes direct consumers as well as retailers with bio-products.

Key words: organic agriculture, organic market, consumption of organic products

Abstrakt: Příspěvek je zaměřen na analýzu zájmu spotřebitelů jako jednoho z limitujících faktorů poptávky po ekologických produktech. Zájem spotřebitelů je odvozen z dotazníkového šetření, zahrnujícího jak přímé spotřebitele, tak obchodníky s biopotravinami.

Klíčová slova: ekologické zemědělství, trh s bioprodukty, spotřeba bioproduktů

Organic agriculture is generally considered as an important path of sustainable development. It allows producing highly valuable and quality food. A very quick growth of the farming area, as well as the number of organic farms and dynamic expansion of the organic market was registered in the last years in most of the European Union countries (Jánský, Živělová 2003). Organic products became the part of the food for the still broader group of the consumers. The consumers became to appreciate organic food as a product during the processing of which no artificial dressing, pesticides, genetically modified organisms or chemical substances improving the colour, taste or smell were used. In the case of the organic breeding, no antibiotics or hormones could be fed to the animals, the animals cannot be treated in the cages etc.

Beside the changes in the consumers behaviour, when the consumers still more and more appreciate the quality of the organic products as well as their benefit to the protection of environment, the surplus of food, that constrains the producers to the restriction of their supply could be considered as the next important factor of the organic agriculture expansion (Živělová, Jánský 2003). The farmers are still looking for new opportunities and organic farming became for the most of them the optimal possibility of restructure of their production according to the changing demand.

THE GOAL AND METHODOLOGY

This paper assigns the partial results of the research resolved as a part of the project NAZV QF 3278 "Objectification of the organic products demand and supply development and the possibilities of its affecting". As one of the major factors determined the organic products demand, there could be considered the consumers interest. The paper assigns the results of the analysis of the contemporary state of the consumers' interest about the organic food, both the direct consumers and the whole traders.

The direct consumers were contacted by a questionnaire with the aim to detect their reasons for buying organic products, the frequency of the purchase, the

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assortment of the purchased organic products and the source of information about organic products.

The wholesale traders were also contacted by a questionnaire. They were asked about the offered assortment of organic products, about the share of the organic products on the whole assortment of the outlet and about the most demanded organic product. Also the potential possibility of enlargement of their outlet was ascertained.

The results of the research will be used like a base for an integrated overview about the current state of the organic product demand and for the formulation of the arrangement suggestion to increase the consumers' interest about the organic products.

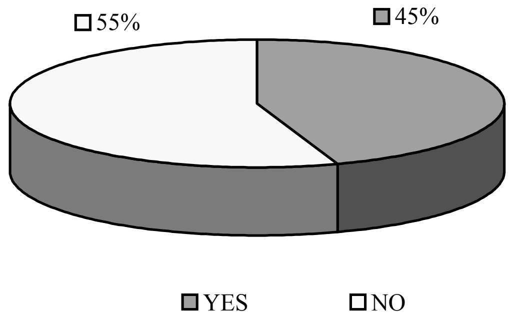

Figure 1. The consumers of the organic products

THE RESULTS AND DISCUSSION

The contemporary state of the direct consumers demand for organic products

For the purpose of the findings about the direct consumers' interest about organic products and about their reasons for buying them, the questionnaire was prepared, as mentioned above. The questionnaire was filled by 325 persons. The respondents came from different places of the Czech Republic as well as form different towns and cities of different size.

The group of organic food non-buyers was a little bit greater, it was about 55% of the whole group of respondents, e.g. 180 from total 325 (Figure 1). The main reasons for not-buying the organic food was the higher price (51%), unknown outlet places (15%) and the non-acquaintance of the organic products at all (9%). The rest (25%) of the respondents stated different reasons, e.g. the limited accessibility of the organic products in the traditional outlets, inaccessibility of the organic products in the small cities, lack of interest about the more valuable food, the consumption of the own products, distrust in the quality of the organic products, insufficient assortment of the offered organic products, insufficient promotion of organic products and insufficient indication of the organic products in the outlets.

The group of organic products consumers was, as mentioned above, 45% of the total group of respondents, e.g. 145 persons. The majority of them were women (69%), from a point of view of an occupation it was students (71%). By these consumers the frequency of the purchase, the conditions under which would the consumers buy the higher volume of the organic products, the reasons for purchase and the sources of information about the organic products were ascertained.

From the total number of 145 respondents, only 17% buy the organic products regularly, mainly once for a week, in the smaller rate more often, occasionally less often.

What differed a lot is the assortment of the purchased organic products (see Figure 2). Unambigouesly the most of the consumers buy organic milk and dairy products (57%). The second in the consumption is the bread and pastry (46%). The consumption of fruit and vegetables is rather equal (fruit 29%, vegetable 33%). The lowest are the demands for potatoes (10%),

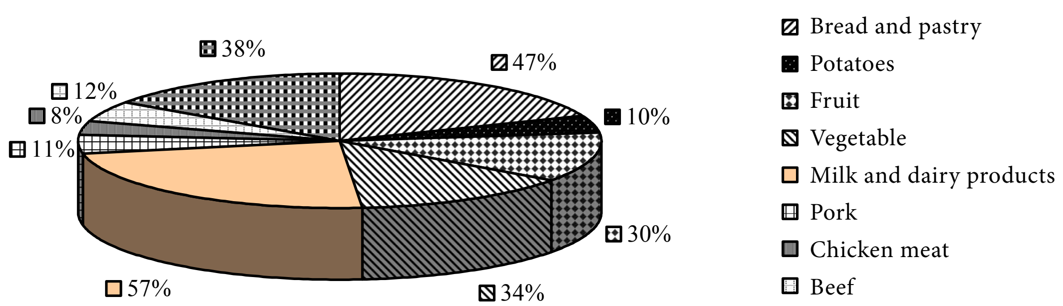

Figure 2. The assortment of purchased products

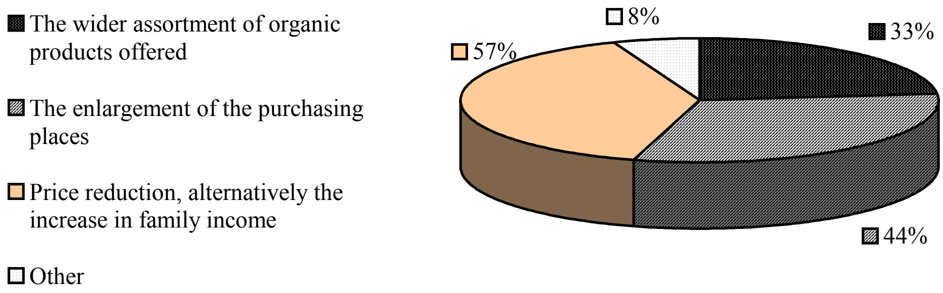

Figure 3. The condition for the bigger purchase of the organic products

pork (11%), chicken meat (7%) and beef (12%). Other mentioned organic products were legume, pasta ware, organic wine, cereals, tea, soyabean products, wheat coffee, buckwheat, millet and honey.

The condition for the biggest purchase of the organic products (see Figure 3) could be the larger assortment of offered organic products, the enlargement of the outlets offered the organic products, lower price, and enhancement of the income of the families, optionally other reasons. The respondents regard as the biggest restriction of the biggest organic purchase the high price and insufficient income of a family (56%). The second biggest restriction is insufficient number of the outlets offering the organic products (44%). The need of the enlargement of the outlets offering the organic products is apparent also from above mentioned opinions of the organic products non-buyers about the insufficient number of purchasing places. 33% of respondent would buy more organic products if the number of purchasing places will be higher. 8% of responders mentioned other possible conditions, under which they would buy more organic products, e.g. the bigger advertising on organic products in order to enlarge the information about the organic products, more time for shopping (what also predicates the insufficient number of purchasing places), optionally the health aspects.

With the conditions for the biggest consumers interests about the organic products is connected the consumers know-how about the organic products. By the respondents, also the source of information about organic products was ascertained. The essential information sources were advertising, shops, media, consumers of the organic products, optionally other sources. The biggest number of the respondents got their information directly in the shops or from other consumers. Each of these sources was mentioned in 26%. The advertisement was mentioned only in 8%. 30% of the respondents obtained the information from another source, first of all from schools (what is logical under the condition that the big portion of the respondents were students). Beside this source, were mentioned the internet, magazines, holiday courses with environmentalists and various leaflets.

What is interesting are the findings about the reasons for the purchases. The answers are very different. It is not possible to quantify them, but they provide a lot of possibilities, how could the motivation of the consumers be oriented to increasing the interests about the organic products. A very often mentioned reason is the afford about fulfilling the principles of healthy nutrition. This is the reason for 52% of the respondents. The second reason is the aim about the environmental protection. Consumers appreciate the absence of the chemicals during the production, considerate care about the organisms, some of them appreciate also the better taste, and optionally evaluate the organic products like inviting diversifying of their sort of foods. Some of the respondents regard the consumption of the organic products like a kind of the support of the organic farmers.

The contemporary state of the dealers demand for the organic products

The second group of the consumers, by which the interest about the organic products were ascertained, were dealers. Also for this group the questionnaire was prepared.

Together 10 outlets were contacted, out of that 7 supermarkets, 2 smaller shops and 1 outlet with healthy food. Regarding of supermarkets it was Interspar, Globus, Billa, Delvita, Carrefour and Albert. What was detected was the offered assortment of organic food, the share of the organic food on the total assortment of the outlet, the organic product most in demand and the suppliers. The biggest experiences with the distribution of the organic products had the outlet with healthy food, because this outlet distributes the organic products already 13 years.

Supermarket Globus offers the organic products already 4 years, other 5 outlets 2 years, one of the smaller shops 1 year, second of the smaller shops does not offer organic products at all and the rest of the respondents began to offer the organic products only in the last year.

The most limited assortment of the organic products was found in the smaller shop. The shop states that it is offering the organic products already 1 year, but it has in its offer only the organic cake. The specialized outlet with healthy food offers a wider assortment of the organic products, namely bread and pastry, milk and dairy products, flour, grain flakes, goat products, oils, tea, pasta ware, soya, vegetable, organic cake, buckwheat, coffee, wine and corn flakes.

The share of the organic products on the total volume of offered food is in the all of the outlets very small; only in the outlet with healthy foodthe products with certification "organic" represent around 50% of the offered assortment. In the retail, the ratio is only 0.5%, the highest ratio is not indicated neither in the supermarkets. The supermarkets regard the organic food only as an additional commodity, that's portion in the returns in less then 1%, usually tenths of percents.

The most favourite organic product in the outlet with healthy food is goat products, pastry, grain flakes, flour and pasta ware. In the supermarkets, the biggest demand is for milk and diary products, especially yogurts, then pasta ware, flour and organic cake. The supermarket Delvita indicates the meat as the most favourite product.

The organic product suppliers are Pro-Bio (in the retail), in the outlet with healthy food besides Pro-Bio, which delivers flour and grain flakes, also Agro-Měřín, which delivers rye bread, Jihlava-Natura Kurčírci and Country Life, which delivers the imported organic products.

Supermarkets have a wide range of suppliers. Besides Pro-Bio (delivering instant wheat coffee, flour, pasta ware and organic cakes) also Olma (milk and yogurts), Ing. Mádl František, Ing. Michlovský a Pfanner, all of them deliver organic wine, Bacchini Bio (delivering buckwheat form Italy) and Linea Biologova Rossa granza Arab (delivering pasta ware). There are also other suppliers, e.g. Bio Park, Natural (delivering flour) and Biolinie (delivering organic cakes). The supermarket Carrefour buys lymphs and beef also from the private organic farmers.

Most of the outlets retain the advertising of the organic products by itself via degustations and advertising brochures. In the supermarkets, there are such actions managed centrally. The outlet with healthy food is in advertising limited by finance and it prefers rather personal care about the customers and the effort to keep them.

The possibilities of enlargement of the distribution of the organic products depend on the increase of the customers demand. Supermarkets depend on the central decision. The specialized outlet with healthy food could enlarge the sale of the organic products via the widening of the offered assortment and via price reduction. Thanks to the long term experiences it derives, that this sort of food is insufficiently advertised and that the customers are influenced by the higher price of the organic products. This dealer has a negative attitude to the organic products offered in the supermarkets that could offer the lower price but often also lower quality. Supermarkets have the possibility to offer to their customers the widest range of products, that is why they insert to their assortment also organic products, even if they consider them only like an additional assortment.

CONCLUSION

The demand for the organic products in the Czech Republic is increasing, however, the share of the organic products in the total volume of the consumption is, compared with the other EU countries, very low (Živělová et al. 2004). As the main obstacles, there are insufficiently developed distribution channels and the low transparency of the organic market. What remains is the low awareness of the consumers about high-quality organic products. It is indicated also by the questionnaire examination, when more than a half of respondents does not have an interest in the purchase of the organic products at all. The low consumers' interest does not motivate the dealers to enlargement of the offer of the organic products. For the increase of the demand for the organic products, it is necessary to implement a wide range of actions focused not only on the consumers, but also on the producers and the processors and that in the direction of the organic products enlargement and improvement of their accessibility to the wider range of the consumers.

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