

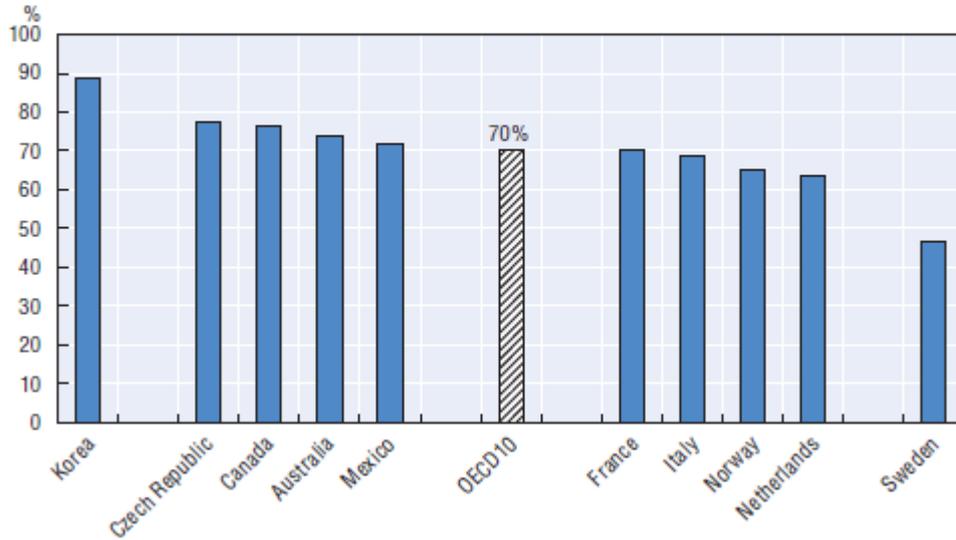
## Organic Food Consumption

Food production and consumption is exerting increasing pressure on the environment, in particular through water, energy, pesticide and fertiliser use. This publication looks at the impact of instruments directly targeting consumer choice concerning organic food consumption, such as organic labelling and raising awareness through public information campaigns. It provides a better understanding of the main motivations for consuming organic food. The importance of private considerations, like health concerns, is compared to the role of environmental motivations in households' decision to consume organic food. The book also examines how much more households are willing to pay for organic food products compared to conventional ones.

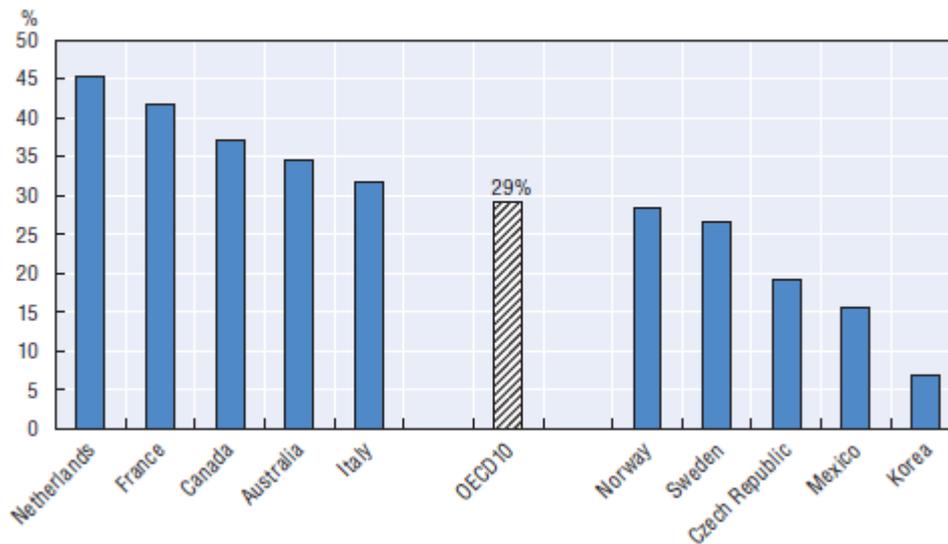
Drawing upon a survey of over 10 000 households in ten OECD countries, the book provides new insights into key issues such as:

- *Main motivations for consuming organic food.* As expected, high prices appear as the most important factor restricting market share. Results confirm the importance of private considerations, like health concerns, in households' decisions to consume organic food. Public considerations (*i.e.* protection of the environment or animal welfare) also have an influence.
- *Role of labelling at inducing organic food consumption.* Identification of relevant labels does not appear to be an issue in most countries surveyed, and almost half of respondents recognised organic labels, although with some variation across countries. Trust in labelling and certification seems to be key in the motivation to consume organic.
- *Differences in organic consumption behaviour across different household groups.* In line with previous evidence, only a small number of socio-demographic characteristics (*e.g.* age, education) are found to have a significant influence on organic food consumption. However, the factors which affect the choice to consume organic food at all or not seem to differ from those factors which affect relative consumption levels for those who purchase at least some organic food products.
- *Willingness-to-pay more for organic food products compared to conventional ones.* The survey results indicate that consumers are generally not willing to pay more than 15% relative to conventional food products, whatever the food category. As expected, those concerned with the environment and those perceiving significant health benefits from organic food are willing to pay higher premia. Amongst the factors that explain differences in WTP is the ease of identification and comprehension of organic labelling. Consumers who do not trust existing certification systems are not willing to pay much for organics.

**Figure 6.6. Proportion of households ranking health higher than the environment in their motivations to consume organic food, by country**



**Figure 6.13. Percentage of respondents not willing to pay any price premium for organic food by country**



Source: *Greening Household Behaviour: The Role of Public Policy* (OECD, 2011)