Czech University of Life Sciences Prague Faculty of Economics and Management Department of Humanities



Bachelor Thesis

Consumers' values and motives driving organic food consumption

Lucie Kunová

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

Lucie Kunová

Economics and Management

Thesis title

Consumers' values and motives driving organic food consumption

Objectives of thesis

The thesis is focused on the issue of organic food and the consumers demand. Goal of the paper is to explore different motives of consumers of organic food.

Basic assumption of the work is that the meaning of organic is socially constructed and therefore a subject of negotiations of different actors engaged in the sector of organic farming (including the consumers). Specific goal of the thesis is to describe and explain motives of organic consumption within a selected sub-group of consumers in the Czech Republic.

Methodology

Empirical part of the thesis deals with approaches of consumers and their reasons for buying organic products with the use of specific research methods. Methodological tool of this bachelor thesis is sociological research using a qualitative approach.

The proposed extent of the thesis

30-40 pages

Keywords

organic, alternative food networks, ethical consumption, welfare, sustainability

Recommended information sources

Aertsens, J., Verbeke, W., Mondelaers, K., & Van Huylenbroeck, G. (2009). Personal determinants of organic food consumption: A review. British Food Journal, 111(10), 1140-1167. doi:10.1108/00070700910992961

Holt, G. C. and Reed, M. Sociological perspectives of organic agriculture. Oxfordshire: CABI, 2006. Reed, M. (2010). Rebels for the soil. The rise of the global organic food and farming movement. London, UK: Earthscan.

Vogt, G. (2007). The origins of organic farming. In William Lockeretz (Ed.), Organic Farming: An International History (pp. 123-151). Oxfordshire: CABI.

Expected date of thesis defence

2016/17 SS – FEM

The Bachelor Thesis Supervisor

doc. Mgr. Ing. Lukáš Zagata, Ph.D.

Supervising department

Department of Humanities

Electronic approval: 6. 3. 2017

doc. PhDr. Michal Lošťák, Ph.D.

Head of department

Electronic approval: 7. 3. 2017

Ing. Martin Pelikán, Ph.D.

Dean

Prague on 07. 03. 2017

Declaration	
I declare that I have worked on	n my bachelor thesis titled "Consumers' values and
	otion" by myself and I have used only the sources
mentioned at the end of the thesis. As thesis does not break copyrights of any	the author of the bachelor thesis, I declare that the
The second of th	1
In Prague on March 15, 2017	
	Lucie Kunová

cknowledgement
would like to thank doc. Mgr. Ing. Lukáš Zagata, Ph.D. for his advice and support y work on this thesis.

Consumers' values and motives driving organic food consumption

Abstract

The thesis titled 'Consumers' values and motives driving organic food consumption' draws attention to the current style and development of organic farming around the world.

It first explains organic farming and organic food production in the world as well as in the Czech Republic. Special emphasis is given to the recommendations by the European Commission and the Czech Ministry of Agriculture towards the future of organic agriculture. Information about organic products are also provided, as well as their certification and labelling in the European Union and the Czech Republic. Subsequently it explores the idea of alternative food networks and their role in organic food consumption. Last chapter is dedicated to the theory of consumer behaviour and decision making as it is important for understanding consumers' motives.

Secondly, the practical part of the thesis explores different motives of young consumers for organic food consumption as well as their opinions on the issue through interpretation of their responses to several open-ended questions.

Keywords: Organic food, organic farming, alternative food networks, ethical consumption, sustainability

Hodnoty a motivy spotřebitelů vedoucí ke spotřebě biopotravin

Abstrakt

Práce nazvaná 'Hodnoty a motivy spotřebitelů vedoucí ke spotřebě biopotravin' upozorňuje na současný styl a vývoj ekologického zemědělství po celém světě. Popisuje ekologické pěstování a produkci biopotravin jak ve světě, tak v České republice.

Obzvláštní důraz je kladen na doporučení Evropské komise a Ministerstva zemědělství ohledně budoucnosti ekologického zemědělství. Jsou poskytnuty jak informace o biopotravinách, tak i o jejich certifikaci a označení v Evropské Unii i v České republice.

Práce následně zkoumá ideu alternativních potravinových sítí a jejich roli ve spotřebě biopotravin. Poslední kapitola je věnována teorii o chování a rozhodovacím procesu zákazníka, jelikož je důležité jim rozumět k pochopení motivů spotřebitele.

Praktická část zkoumá různé důvody mladší generace spotřebitelů a jejich názoru na tuto problematiku skrze interpretaci jejich odpovědí.

Klíčová slova: biopotraviny, ekologické zemědělství, alternativní potravinové sítě, etická spotřeba, udržitelnost

Table of content

1	Introdu	ction	11
2	Objectiv	ves and Methodology	13
	2.1 Ob	pjectives	13
	2.2 M	ethodology	13
3	Literatu	re Review	14
		ganic Farming	
	3.1.1		
	3.1.2	Organic Farming in the Czech Republic	
	3.2 Or	ganic Products	
	3.2.1	Certification of Organic Products	
	3.2.2	_	
	3.3 Co	onsumer Theory	28
	3.3.1	Consumer Decision – Making Process	29
	3.3.2	Consumer Behaviour and Motivations	30
1	Results	and Discussion	33
•		ata Collection	
		escription of the Sub-group	
		valuation of Results	
	4.3.1	Approach to Organic Products	
	4.3.2	Reasons for Purchase of Organic Products	
	4.3.3	Obstacles Customers Face When Purchasing Organic Products	
,	C 1		
6	Conclus	ion	41
7	Referen	ces	42
8	Annend	ix	43
Ü	тррена		
T	ist of n	iotuvos	
	_	ictures	1 (
		obal distribution of organic agricultural land in 2014 O zebra - product of organic farming	
		aslow's pyramid of hierarchy of needs	
L	ist of ta	ables	
		owth of organic agricultural land by continent (in million hectares)	
		tribution of producers of organic products by region in 2014 capita consumption of organic products in 2014	
1 (10 1 C 010n	vapia vonsampaon or organic products in 2017	

Table 4 Distribution of retail sales with organic food in 2014	20
Table 5: Development of number of farms and organically farmed land in the Czech	
Republic	23

List of abbreviations

IFOAM International Federation of Organic Agriculture Movements EU European Union GMO Genetically Modified Organism AFN Alternative Food Network AP Action Plan

1 Introduction

The topic of 'organic products' and 'organic farming' is becoming increasingly more discussed and gains importance all over the world. The terms and ideas are certainly not new, however with a rising medialisation they spark more and more interest amongst people every day. The population of many developed countries has become more aware of the possible devastating threats of climate change and unsustainability of some farming methods.

Many public figures have also encouraged the debate on the future of agriculture and food consumption. Famous and influential British chef Jamie Oliver has frequently called upon the need of changing our attitude towards food, as well as educating the general public about food production and farming. Furthermore, the former First Lady of the United States of America, Michelle Obama, had continuously urged the population to put more thought into what goes onto their plates and the origin of food products.

There is growing support for the claim that many diseases currently burdening the society (such as obesity causing heart attacks, diabetes etc.) could be prevented by altering our lifestyle and diet. Although the research done by various organisations (such as the British Nutrition Foundation) does not show consensus on the role and effects of organic food, on the basis of the evidence currently available, it seems fair to suggest that organically produced food does have higher contents of vitamins and antioxidants. More importantly there is a compelling reason to argue that people who become interested in alternative food sources and organically grown products are more aware of what they are buying and consuming.

When it comes to the question of whether and how much current ways of agriculture contribute to the global warming and climate change, the officials seem to answer affirmatively. The Action Plan for the future of Organic Production in the European Union clearly states the environmental protection is an overarching objective of organic production and designs their goals to contribute to the Europe 2020 Strategy which sets out multiple targets including reducing greenhouse gas emissions and increasing the use of renewable energies.

This paper focuses on the opinion of the role of organic food amongst young consumers, as their views will influence the way we move forward regarding organic food consumption and the future of food production.

2 Objectives and Methodology

2.1 Objectives

One of the goals of this thesis is to explain the concept of 'organic farming' and its development in the world with focus given to the Czech Republic. Additionally, it sheds light onto the certification in the European Union, as well as in the Czech Republic.

With the purpose to outline what the position of officials on the European as well as Czech level are, two Action Plans are described, to provide insight into what the future of organic farming should look like. Furthermore, the aim of the theoretical part is to approximate the subject of consumer behaviour, motives and decision-making.

This practical study is an attempt to address the issue of young consumers' approach towards organic food in the Czech Republic while also explaining their reasoning behind the decisions they make. As various studies were already conducted, certain results were expected. However, the aim is to go beyond the expected answer given by consumers and focus on similarities and differences amongst the sub-group of young consumers as they represent a loud voice in the future of the organic food market.

2.2 Methodology

As the goal of the thesis is to explain consumers' approaches towards organic food and motives for organic food consumption in greater depth, the methodological tool used for the purpose is a sociological research with a qualitative interpretation of the results. To that end, data was collected in the form of answers to certain questions and subsequently one by one analysed.

The respondents were asked questions about their opinion on organic food in comparison to food cultivated using conventional methods of farming, as well as their incentives for purchasing such products. The basic questions were composed by the author using an online questionnaire tool without giving any background information about the topic.

The analytical part draws results from opinions of young consumers in the Czech Republic on the topic of organic food. The interpretation uses citations of responses to illustrate the outcomes of the study.

3 Literature Review

To provide background information about the topic, the first part of the paper focuses on organic farming. It explains the development and current situation of organic farming in the world as well as in the European Union. The problematic is then explained in the context of the Czech Republic. Subsequently two Action Plans are described to enlighten the future of organic farming.

The term organic product is explained with specific attention given to the certification and labelling, as it seems to be a centre of many ongoing debates. In the context of organic products, alternative food networks are also examined as they are experiencing a boom and are used more and more by consumers and receiving wide attention over the world. In this paper, they are explained in general with further emphasis put on alternative food networks in the Czech Republic, specifically in the capital city, Prague.

Basic theory behind consumer behaviour is explained with the purpose of later being implemented in the practical part.

3.1 Organic Farming

The aim of this chapter is to describe what organic farming is in general. A more indepth focus is given to the portrayal of organic farming within the European Union and the Czech Republic.

There were many causes for the commencement of organic farming. As in other movements, change is a response to some dissatisfaction and concerns. Especially during the period in between the two World Wars, agriculture was modernized, which meant extensive use of heavy machinery and chemical substances [1].

Along with serious erosions in the United States of America, over-use of land and chemical-technical intensification of farming in Germany or over ploughing of land in the United Kingdom, this inevitably lead to a noticeable decline in soil fertility.

In the late 1970s people became more aware of an environmental crisis, thanks to various organizations (such as Greenpeace) and movements. Thanks to a greater mindfulness, *organic farming attracted interest in the wider worlds of agriculture, society and politics* [1].

After the problem was recognised and philosophies emerged, several principles of organic farming were transformed into practice and started being used. As a result many movements and organizations were founded over the globe.

Then 1972 in Versailles, France marked the foundation of a network called the International Federation of Organic Agriculture Movements (IFOAM). The purpose was simple: to coordinate and unify other organic agriculture movements and to share data and research on an international scale.

In 2015, IFOAM had 784 affiliates (member organizations and institutions) in 117 countries. Majority of affiliates are German (91 affiliates), Chinese (57 affiliates), Indian (44 affiliates) and American (40 affiliates).

IFOAM holds a General Assembly every three years to ensure and maintain inclusiveness and encourage participation. Through such unification, the organic movement gains more acknowledgement and consideration.

IFOAM bases organic agriculture on four main principles:

- a) Principle of Health
- b) Principle of Ecology
- c) Principle of Fairness
- d) Principle of Care

Principle of Health

The principle of health does not focus solely on our health, but on everything involved in the process. It underlines the importance of considering the soil, plant, animal, human and the planet as a whole. Therefore, the aim is to remember that everything is connected in an ecosystem and we cannot produce healthy food from an unhealthy environment.

When it comes to humans, the goal is to produce nutritious food and as a result rather than having to treat diseases to prevent them. According to IFOAM this should be achieved by restricting the use of food additives, fertilizers, pesticides and animal drugs.

Principle of Ecology

Second principle expresses the need for recycling and for production to be done ecologically. As stated before, to have quality products, the environment is vital, for example aquatic environment for fish, soil for crops etc. Nonetheless such environment is not isolated to a farm and producers should consider the effect they have on common environment (landscape, air, water etc.). Therefore, it is essential to consider local conditions, seasonality, culture and make sure that materials and energy are being used efficiently.

Principle of Fairness

Whether it is a relationship between people or people towards animals, respect and justice are gaining importance. Fairness should be important on all levels of production, from farmer to consumer, with a goal to provide products of good quality in a sufficient quantity while contributing to reduction of poverty. This principle calls for systems of production and trade to be open and to be held accountable for possible social costs.

Principle of Care

The last principle puts emphasis on the fact that organic agriculture should be managed with regards to the future and only extensively tested new methods should be used. It states that while organic farming is constantly evolving (and should evolve to react to changing demands), it should be done respectfully and with precaution. Development, technology and science are very important, as well as experience.

Regulations of Organic Farming

Even though specific regulations differ around the world there are some basic principle which should be followed:

- Production of high quality produce in a sufficient quantity
- Considering all ecosystems with regards to soil, plants, animals and overall environment
- Maintaining the yield of crops and richness of soil
- Usage of farming procedures which prevent soil erosion
- Regulate weeds and protect crops from disease and pests without resorting to the use of herbicides, pesticides and insecticides
- Ethical treatment of animals by respecting their nature and natural environment

For crop production, the following principles should be followed:

- Absolute restriction of the use of GMO practices (Genetically Modified Organisms).
- Absolute restriction of the use of herbicides, pesticides and insecticides.
- Absolute restriction of artificial fertilizers. The only fertilizers allowed are organic which naturally enrich the soil and improve the health and condition of crops.

For animal production, the following principles should be followed:

- Animals must be fed by organic feed (meeting the principles of organic production).
- Animals must be raised in conditions which does not restrict their movement.
- Chemicals which would speed up the growth and performance of animals are restricted (e.g. growth hormones).
- Restriction of preventive usage of medicines (e.g. antibiotics). Those can be used only in case of an actual illness of an animal).

Development of Organic Farming in the World

With the increase of the number of farms involved in organic food production and the number of organic products, we can see an improvement in the number of countries keeping data on organic agriculture. In the year 1999, 77 countries were collecting data and in the year 2014 there are 172 countries. Newest countries providing data about organic activities include Puerto Rico or United States Virgin Islands.

There has been a significant escalation of organic agricultural land from 11 million hectares in 1999 to 43.7 million hectares in 2014. However, that signifies 0.99 % of total agricultural land. The highest share of 40 % is in Oceania, 27 % in Europe, 15 % in Latin America, 8 % in Asia, 7 % in North America and 3 % in Africa.

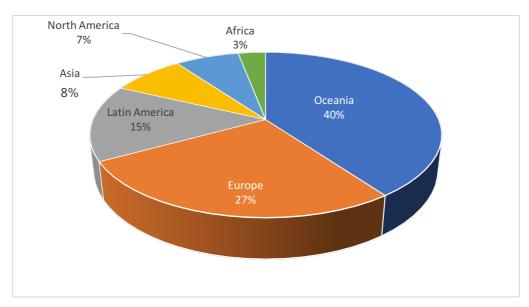


Figure 1 Global distribution of organic agricultural land in 2014 Own graph, source: FiBL-IFOAM-SOEL-Survey 2016

While the amount of organic agricultural land is steadily increasing globally or stagnating, Oceania has seen the highest increase from 12.1 million hectares in 2012 to 17.3 million hectares in 2014.

Country	2006	2008	2010	2012	2014
Africa	0.68	0.89	1.08	1.15	1.26
Asia	3.0	3.36	2.46	3.22	3.57
Europe	7.27	8.27	10.01	11.14	11.63
Latin America	4.95	7.24	7.54	6.95	6.79
North America	1.79	2.58	2.47	3.01	3.08
Oceania	12.43	12.11	12.15	12.16	17.34

Table 1: Growth of organic agricultural land by continent (in million hectares) Own table, source: FiBL-IFOAM-SOEL-Survey 2016

Considering the countries with largest areas of organic agricultural land Australia is leading with 17.2 million hectares (2013). When it comes to share of total agricultural land the leading countries are Falkland Islands (with 36.3 % in 2014), followed by Lichtenstein (30.9 % in 2014) and Austria (19.4% in 2014).

Hand in hand with growth of organic agricultural land comes multiplication of producers, from 200 000 producers in 1999 to 2.3 million in 2014. The highest amount being in India (650 000 producers in 2013).

Region	Number of producers	Share
Asia	901 528	40 %
Africa	593 050	26 %
Latin America	387 184	17 %
Europe	339 824	15 %
Oceania	22 115	1 %
North America	16 660	1 %

Table 2 Distribution of producers of organic products by region in 2014 Own table, source: FiBL-IFOAM-SOEL-Survey 2016

To describe the organic food market, it is possible to use the per capita consumption and retail sales value. Out of the ten countries with highest per capita consumption in 2014, only two are not located in Europe (United States of America and Canada).

Country	Per capita consumption in EUR
Switzerland	221
Luxembourg	164
Denmark	162
Sweden	145
Liechtenstein	130
Austria	127
Germany	97
United States of America	85
Canada	77
France	73

Table 3 Per capita consumption of organic products in 2014

Own table, source: FiBL-IFOAM-SOEL-Survey 2016

However, when we look at absolute retail sales the United States of America are in the lead with sales reaching 27 million EUR in 2014 and representing 43 % of the global market.

Country	Retail sales (in million EUR)	Share on the global market
United States of America	27.062	43 %
Germany	7.910	13 %
France	4.830	8 %
China	3.701	6 %
Canada	2.523	4 %
United Kingdom	2.307	4 %
Italy	2.145	3 %
Switzerland	1.817	3 %
Other	10.313	16 %

Table 4 Distribution of retail sales with organic food in 2014

Own table, source: FiBL-IFOAM-SOEL-Survey 2016

3.1.1 Organic Farming in the European Union

Organic farming in the European Union is protected by the Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regards to organic production, labelling and control with the Commission Regulation (EC) No 889/2008 laying down detailed rules for implementation.

The Council Regulation gives the following definition "organic production is an overall system of agricultural management and food production which combines attested environmental methods, a high level of biological diversity, preservation of natural resources, implementation of strict standards for good living conditions for livestock and a form of production in accordance with the demand of consumers who give priority to foods produced with the use of natural materials and processes." [2]

Current Situation of Organic Farming in the European Union

There is no doubt that a more conscious way of farming is on the increase. Every year over the last decade agricultural area used for organic farming stretched by at least 400 000 hectares. While in the year 2002 there were 5.6 million hectares of land cultivated as organic, it expanded to 10.3 million hectares in the year 2014.

Out of the 28 Member States of the European Union, Austria has the highest proportion of organically farmed land (19.3%), followed by Sweden (16.5%), Estonia (16.3%), Czech Republic (13.5%) and Italy (11.5%).

In absolute numbers the largest area is in Spain (1.71 million ha), Italy (1.38 million ha), France (1.12 million ha), Germany (1.03 million ha) and Poland (0.66 million ha). These five countries account for 57 % of the total area used for organic farming within the EU. The consumer value of the EU market in 2014 reached 24 billion EUR.

Action Plan for the Future of Organic Production in the European Union

The first Action Plan has been adopted by the European Commission in 2004 to help promote the organic sector. One of the main aims was to create a logo for organic production (which was achieved in 2010).

The overall challenge faced by the organic sector is to ensure a steady growth of supply and demand while maintaining customers trust.

The AP acknowledges a significant increase in demand for organic produce and subsequently a rise in the number of producers (especially in organic aquaculture). It defines the sector as comprising of not only producers but also manufacturers and distributors who must comply with the rules of organic farming.

The Plan wants to provide the European Commission with strategy to ensure smooth transition of new legal framework which is set out to be implemented towards 2020 [3]. The main challenge is to satisfy the increasing demand while still maintaining the principles of organic farming and protecting the customers' trust in organic farming and organic products.

Three main priorities include:

- a) Increase competitiveness of European Union organic producers
- b) Consolidate and increase consumer confidence in the European scheme for organic food and farming, as well as trust on the organic products imported, in particular as to the control measures
- c) Reinforce the external dimension of the EU organic production scheme [3].

This AP also offers contribution to the objectives set out in the Europe 2020 Strategy and the reviewed Common Agricultural Policy. Considering that environmental protection is an overarching objective of organic production, the AP also contributes to the objectives of the 7th Environment Action Programme to 2020.

European Commission, the European Parliament and EU Member States are discussing further regulations on organic farming which will be crucial for development of organic farming.

3.1.2 Organic Farming in the Czech Republic

At the end of the year 2015 organically farmed land in the Czech Republic has reached 494 66 hectares (which stand for 11,7% of land designated for agriculture). Compared to the year 2005, the acreage has nearly doubled.

There was a very high increase of organic farms, from 829 to 4 115. However, the size of farms is on the decrease. Specifically, larger farms with acreage of 1000 to 2000 hectares have been diminishing their land the most. The majority of farms in the Czech Republic operates on 10-50 hectares (38,4% of all farms, meaning 1 571 farms in 2015). The least represented are farms with more than 2000 hectares -5 farms in 2015.

Year	Number of farms involved in organic farming	Total acreage of organically farmed land (in hectares)
1990	3	480
1995	181	14 982
2000	563	165 699
2005	829	254 982
2010	3 517	448 202
2015	4 115	494 661

Table 5: Development of number of farms and organically farmed land in the Czech Republic

Own table, source: Ministry of Agriculture Yearbook 2015

The land used for organic farming is not evenly distributed in the Czech Republic. [4] Most farms are located near the borders in less advantageous highlands. Mainly in the regions of South Bohemia (563 farms with acreage of 72 612 hectares in 2015), Pilsen (463 farms with acreage of 55 713 hectares in 2015) and Moravia-Silesia (388 farms with acreage of 55 032 hectares in 2015). The lowest number of farms is in Prague,

unsurprisingly (14 farms with acreage of 73 hectares in 2015).

Czech Republic's Action Plan for Organic Farming Development

The newest Action Plan has been composed by the Ministry of Agriculture to support the ever-booming organic farming for the years from 2016 to 2020. The document emphasizes the reasons for further development of organic farming with a couple of global aims. First is to encourage and fulfil the consumers' demand and second to guarantee environment protection. Furthermore, the Plan focuses on following areas: organic farms, market, consumer and information.

The strategic aims for the following years are to:

- 1) Improve economic viability of organic farms
- 2) Increase the proportion of Czech organic foods on the market
- 3) Increase the consumption of organic foods, especially of Czech origin
- 4) Raise awareness of the benefits of organic farming to the environment and animal welfare
- 5) Increase the use of research results and innovation [5]

The document includes a very detailed list of aims, measures and indicators that will later determine if the goal has been fulfilled or not. However, it states that the matter of utmost importance is to share, gather and consult organic production between farms and from abroad, as well as focus on promoting organic products amongst consumers. [4]

3.2 Organic Products

Organic product is a result of organic farming, meaning it complies with all restrictions that were stated earlier (no usage of herbicides, pesticides, fertilizers and GMOs). Organic products are either meant for direct consumption or for further production (e.g. feed for organically raised animals). Further processing of organic products is not bounded by many regulations. All processes should still be used with the environment and animal welfare in mind. Some additives are forbidden (e.g. synthetic sweeteners or stabilisers to help the products help with staying fresh longer). Producers cannot expose their products to radiation

(which some manufacturers use to stabilize food) or use any industrial solvents (which are used for cleansing the products).

Due to the increasing popularity of organic products, higher organic food consumption and raised awareness amongst the population, scientists are trying to figure out if there are health benefits in organically produced foods compared to products from conventional farming. There is a high ambiguity on the matter. American organisation Organic Center published in 2008 that studies show organic products are 25 % more nutritionally valuable than conventional products. On the other hand British Nutrition Foundation refuses such statements and notes that there is not a sufficient evidence to believe it is true.

However multiple studies do show a higher level of micronutrients (vitamins, antioxidants, fibre) and lower content of heavy metals (aluminium, lead) in organically produced foods.

A review of 41 studies published in 2001 showed that organic products are on average richer by 29 % in magnesium, by 27 % in vitamin C, by 21 % in iron, by 13 % in phosphor, by 26 % in calcium, by 11 % in copper, by 42 % in manganese and by 9 % in potassium. [6]

3.2.1 Certification of Organic Products

The general purpose of logos is for easier recognition of products that follow certain conditions for consumers. As organic products are competitive to conventional products, the logo should help consumers to identify organic products.

European Union

The European logo was created in 2010 and is now compulsory all organic food produced in the EU. It contains information about where, how and by whom it was produced. Farmers are not allowed to use the label unless they follow strict rules and controls aimed at respecting the environment and animal welfare.

Products can be labelled organic only if at least 95 % of the ingredients of agricultural origin of the product are products obtained in accordance with the rules.

To obtain the EU organic logo, farmer must contact the authority responsible for organic controls in corresponding Member State. An inspector visits the farm and checks and approves all activities. Then he receives a certificate to be able to use the organic logo on his products. The inspector conducts regular check-ups at least once a year.



Figure 2 European Union's organic logo

Source: European Commission

Czech Republic

According to Act No. 242/2000 Coll. on organic farming, the Ministry of Agriculture entrusts control organisations which manage existing certifications and certify anyone operating in organic farming (farmers, manufacturers, distributers, retailers). Organic food must be labelled by a national logo BIO.



Figure 2 BIO zebra - product of organic farming

Source: www.biospotrebitel.cz

In 2015, four control subjects were authorized by the Ministry:

- a) KEZ o.p.s.
- b) ABCERT AG
- c) Biokont CZ s.r.o.
- d) BUREAU VERITAS CZECH REPUBLIC. s.r.o.

The number of persons registered to be producing in organic farming has reached 4 680. Controls made were either announced in advance (5 340 controls) or unannounced in advance (457 controls). Compared to the previous year, there was an increase in the number of controls by 595. On average, it amounts to 1,24 controls per subject. As per the European Union regulations, every subject must be controlled at least once a year.[4]

In case of discrepancy with either the Council Regulation, Commission Regulation or the Czech law regulations, anyone involved in organic farming is facing sanctions, in more serious cases they are denied the certification. In 2015, 21 subjects already producing in organic farming were denied certification, which shows a decrease from 31 cases in 2014.

3.2.2 Alternative Food Networks

The alternative is always constructed in relation to a powerful dominant other system of production. The term first appeared in the 1990s in the context of food scares (e.g. mad cow's disease), unease about climate change and environmental sustainability, policy initiatives to promote food quality and rural development in the European Union and growing and political local food 'movements' in North America.

Alternative Food Networks can be defined as "forms of food provisioning with characteristics deemed to be different from, perhaps counteractive to, mainstream modes which dominate in developed countries". [7]

The alternative approach to food and farming could be interpreted as organic in some ways. The main idea behind the approach to food and food consumption is very similar, however there are no regulations. The issue is that farmers would often switch between alternative and conventional way of farming.

The main difference is that alternative approach puts more significance on locality, seasonality and community. It questions if organic food is alternative if mass produced or there is a tendency towards idealized notions of 'local' and 'community' as it sounds very appealing to many people. Nonetheless people, communities and citizens should think about what kind of food system they need and want since food provisioning activities with different objectives (sustainable, ethical, caring, affordable, traceable, convenient, etc.) depend on the aims and context of different AFNs.

Recently, there has been more pressure on a community supported agriculture, meaning a producer – consumer partnership. It is seen all over Prague (and in bigger cities all over the world), in the form of farmer's market. Some prefer a more active involvement, which is either possible by engaging in the production and getting to know the environment. That is especially important while encouraging sustained commitment and for educational purposes.

Furthermore, citizens' curiosity, concerns and to some extent even trend, have allowed the creation of so-called community gardens. They are a great option for citizens in urban areas (such as Prague for example) to grow some produce themselves. There are currently around 20 community gardens in Prague, usually as a result of a non-profit organization's activity. They are either a part of parks or on unused empty lots in the city.

Community gardens are not only about growing own fruits or vegetables but also about becoming mindful of our environment and supporting the sense of community.

3.3 Consumer Theory

Consumer is one of the three market components along with manufacturers and retailers. In order to explain consumers' demand for organic products it is essential to understand the basics of consumer demeanour. To that end, this chapter focuses on consumer motives and consumer decision making process.

3.3.1 Consumer Decision – Making Process

To be able to evaluate consumers' motives, values and behaviour it is important to understand the decision-making process behind every purchase.

The procedure entails:

- a) need recognition
- b) information search
- c) alternative evaluation
- d) purchase
- e) post purchase satisfaction or dissatisfaction.

Need recognition

At the commencement of every purchase, consumers realise a need for something. We distinguish between two types of needs: functional, which stands for something that serves a purpose, and psychological, something that makes us feel better. [8]

Information search

Consequently, customers need to decipher what to buy. There are two types of information search: internal and external. Internal imposes thinking, whereas external everything outside our minds, e.g. internet, magazines.

The extent of the research is heavily depending on the benefit. In other words, is it worth the time? Furthermore, it relies upon the risks, such as financial, social, health, etc. The more risks we might undergo, the more time we put into the research. For instance, the research is going to be very different in the case of purchasing a house compared to purchasing a chocolate bar.

Alternative evaluation

Customers evaluate alternatives with regards to determinative attributes. To put it another way, what is the difference between the options? There are many aspects to be considered. To name just a few: price, brand, product presentation. The process can be rational, meaning something provable, for instance price. Or based more on a feeling.

Purchase

In this phase, the customer has made a decision to purchase a product that demonstrates all important attributes for the customer. This decision is followed up by purchasing the chosen product. However, that is not the final stage of the decision-making process.

Post purchase satisfaction or dissatisfaction

In this phase, customer evaluates the decision and purchase made. They can possibly experience cognitive dissonance, also called buyer's remorse. [8] That means that even though the customer has purchased his most preferred product also now has an unpleasant feeling of missing out on other alternatives. In result, the customer suddenly perceives advantages of other alternatives more intensively and by the same token observes more disadvantages of the chosen alternative.

3.3.2 Consumer Behaviour and Motivations

Behaviour and motivations influence how consumers act and what products they prefer. There are several factors influencing our behaviour (cultural, social, personal and psychological) [9].

Personal factors:

Consumers' behaviour is also influenced by own characteristics (age, employments, lifestyle, personality). People employed in different sectors will have different needs and preferences. Similarly, younger people have altered views and values to older people.

Psychological factors:

Consumers are influenced by psychological processes (such as memory or characteristic personality traits). These factors were mainly studied by Abraham Maslow, who introduced the pyramid needs. As basic physiological needs (such as food, water,

warmth and rest) are satisfied, humans move up the pyramid to more sophisticated psychological needs. However, it is important to consider cultural differences.

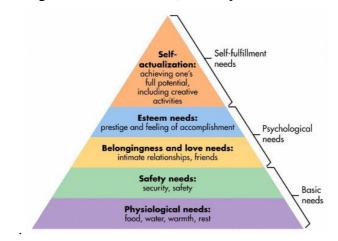


Figure 3 Maslow's pyramid of hierarchy of needs

Source: www.simplypsychology.org

Another psychological factor is perception. Humans use their five senses (sight, hearing, taste, smell and touch) to perceive information. It is an individual process which affects each consumers' behaviour differently.

Cultural factors:

Cultural aspects are usually common for larger groups of consumers. Culture shows human values, expectations, behaviour and viewpoints. An example could be an increased interest in health which sparks attentiveness for consumers.

Social factors:

These circumstances represent external factors influencing consumers. They include family, social roles and social status.

Family is a primary referential group. It undeniably influences humans from the moment they are born. To some extent our views, opinions, ambitions and values are formed by those of our parents. Furthermore, parents are affected by their children and will usually cause a change in their consumer behaviour and values.

Secondary referential group is a group with which we are not in constant contact. It represents some standards of behaviour which appeal to the person and are therefore desirable to be a part of.

Everyone has a certain social role and status. Roles are expected activities from the individual by the rest of the society. Coupled with social role comes social status, which is viewed as a position of an individual in society.

4 Results and Discussion

4.1 Data Collection

Data was collected with the use of a questionnaire which was comprised of twelve questions in total. It was distributed online (via e-mail and social media) and tested in person first on two respondents to ensure clear formulation of questions. On the grounds of the results of the preliminary testing two questions were reformulated.

The study focuses on consumers living in the Czech Republic. With this in mind, all questions and multiple choice answers were provided in Czech as well as in English, in order to avoid possible language barriers for certain respondents. The questionnaire was created using Google Forms.

Questionnaire was divided into four sections and entailed twelve questions, out of which six were designed as multiple choice. The purpose of these questions was to get a general idea about the respondents and the sample. Remaining six questions were openended, so that respondents can freely express their ideas and opinions without being led on by certain options or assumptions.

In the first section, all respondents were asked to provide their age, gender, region of residence, highest reached level of education and an average monthly income. With the goal of getting an idea about the general opinion, interest and knowledge of each respondent, the section also contained three open-ended questions about the nature of an organic product, opinion on them and stance on health benefits of organic products. Last question was a filter question whether the respondents purchase organic products (and how often) or not at all. In case the answer was yes, the questionnaire followed with section two. Respondents who never buy organic products were led directly to section three.

Section two contained two open-ended questions aimed solely at respondents who purchase organic products at least sometimes. They were asked to explain their motives and what are their deciding factors when purchasing organic products. Then they continued by filling in question in section three.

Section three contained only one open-ended question about obstacles and reasons for not purchasing organic products. Even though, in the study, the question under discussion are values and motives driving organic food consumption, this question was included with the purpose of getting a clearer idea of respondents' opinions.

Section four served to give room for further comments to complement previously given answers.

4.2 Description of the Sub-group

The questionnaire was filled out by 42 respondents in total. However, the study tries to address the issue of organic food consumption among a younger population that purchases organic products which resulted in 29 answers of men and women between 20 and 29 years old who purchase organic products.

4.3 Evaluation of Results

The purpose of this chapter is to explain the responses of participants of the study with the use of exact citations to illustrate the interpretation.

To be sure what do respondents mean when talking about 'organic', they were firstly asked about what an 'organic product' is to them. Clear majority agreed on a 'product without any chemical additives' with some variation. Some specifically mention pesticides and chemical fertilizers.

Some people mentioned products should be produced with regards to the environment. A handful added the importance of respecting the soil and groundwater. Animal welfare and better conditions for producers were also brought up by some.

"It is a product that respects both your health and the environment taking into account the producer's income most of the time."

Few respondents define organic as a product of organic farming that is certified and appropriately labelled.

4.3.1 Approach to Organic Products

When it comes to an opinion on organic products, many agree that they are important. Participants are generally glad that organic products exist and provide them with more choices and alternatives when it comes to food consumption and nutrition, while also helping the environment.

A young woman's argument in favour of organic products runs as follows:

"It is absolutely necessary to come back to natural products that preserve animals from cruelty and sustain soils' fertility".

However, one respondent argues that even though organic products might have future on the Czech market, there is still a long way to go, compared to the rest of the European countries, specifically Western.

Majority feels that organic products are healthy.

"They are better than non-organic products in that they are better for our health."

After studying market researches, it was an expected answer. Also since the terms 'healthy' and 'organic' are being randomly tossed around and used frequently in the media, a question about the relation between the two was asked. Specifically, whether in their opinion organic truly means healthier than conventional products and more importantly why.

"They are healthier for me in that they do not include harmful chemicals. It is important for me to know what goes into my food products."

"Yes, I do believe so. Fertilizers and pesticides help the products to grow faster and look 'prettier' which has a negative side effect on the products nutritional value which is in decline."

"Yes, because the body isn't made to ingest chemicals and additives."

Difference between Organic and Conventional Products

Half of participants state clearly yes or are leaning towards the opinion that organic products are healthier. The rest either, even though they do purchase organic food, isn't convinced by the available data or they do not see a difference and do not believe that organic products would have significant health benefits.

They emphasise that healthy and quality products do not necessarily have to be labelled organic and that the location of where food is being produced is more important when it comes to what is considered 'healthier'.

"If food is produced locally, it contains much more vitamins and minerals (due to soil fertility) than imported organic products".

Furthermore, one respondent comments that 'organic' is not always a guarantee of quality and consumers should rather put more thoughts into choosing seasonal and local products.

4.3.2 Reasons for Purchase of Organic Products

Those who purchase organic products were asked about their main reasons for choosing organic products as an alternative to conventionally produced food and then about the factors they consider when deciding which particular organic product to choose.

Motives driving organic food consumption

Respondents put great significance on the existence of organic products. As their reasons for organic food purchases, only a few mention health benefits.

"I care about nutrition and its effect on my physical health, therefore, in most cases I am trying to choose organic products over others."

"I buy organic products because I believe the long term health benefits will be worth it"

Surprisingly, a clear majority goes beyond the 'health' factor and puts great emphasis on sustainability, environmental protection and agrees on the importance of animal welfare.

"... because I do care about the sustainability of agricultural systems and about my health. Because everything is linked and I find it logical not to destroy the resources we are given."

"...knowing how animals can be cruelly treated in order to fasten the production is another reason why I prefer free-range products."

"It is my belief that the goal of conventional farming is solely profit, which is not right.

Organic farming is more sustainable."

Another reasons are better taste, quality and where the food was produced.

"Main reasons would be better taste. If they are local, that would be another reason to buy them."

Considered factors in choice between organic products

As is apparent from various market researches, people are buying more and more organic products and as stated previously many said that their main reason is less chemicals which to them means the product is healthier as well as environment and sustainability.

Assuming a majority would say that I have decided to pose a question about what is important when it comes to a decision between products that are organically grown.

Everyone mentions locality of production. A few followed that statement with wanting to support local and smaller producers and farmers.

"I would firstly try to look for a local product to support the economy in that region".

"Location – I want to support Czech producers".

"Location, as importing products is harmful to the environment and unnecessarily drives up the price of the product"

Hand in hand with the location, for some the issue is of fair-trade, brand loyalty and overall presentation of the products (such as appearance or packaging). On the contrary, some mentioned that things like brand or appearance play no role in making a decision.

"Location is a factor because some products depending on their location are not fair trade, which is also important to me. Otherwise just whichever brand I have habit of purchasing".

"Location of origin and maybe brand because I already know the taste and quality of it."

"... the location of production takes a big part in my choice and also the brand."

The results also provide confirmatory evidence that price is important when consumers evaluate alternatives.

"Of course, the price matters, even if I am ready to pay my product a bit more expensive as it is organic, I cannot afford a lot either."

"Price. It's how I determine a lot of things."

"The main factor would probably be the price, then location of the production, obviously how the product looks plays a big role."

4.3.3 Obstacles Customers Face When Purchasing Organic Products

There is an overwhelming evidence for the notion that price is the number one obstacle. It does not keep consumers from buying the products, however they must carefully think about the quantity of products they want to buy from organic farming.

"The price unfortunately. Not all the products are recognizably more expensive but in some cases, especially for students on budgets, it can be significant difference."

"Mostly the price. Very often, bio products are much more expensive than normal ones."

Since these are responses of people aged from 20 to 29 years, this argument was understandable and expected. Nonetheless, an often-mentioned obstacle was availability, accessibility and range of organic products.

One participant pointed out that availability is a problem, whether it is in supermarkets or at farmer's markets. Especially since some farmer's market are open only one day a week and therefore some cannot visit them due to their other responsibilities.

Others who mentioned availability as an issue do reside outside of the capital, mostly in regions with smaller cities, which appears to validate the view that the level of accessibility and variety is shakier in smaller cities.

Another participant puts forward a claim that even though a more reasonable way of farming is necessary, the whole label of 'organic' is solely a trend and a marketing method with the purpose of selling products for a higher price. Other adds a remark about insufficient evidence to believe in higher quality and confusion over brands and labelling.

"I do not trust the labels very much. There is a lot of brands who make it seem that their products are organic, even though they aren't." Five people who said that they never buy organic products were asked about their reasons for not doing so. On logical grounds, there seemed to be reason to believe their argument would be price. Nevertheless, they do not mention it as their only reason.

A young woman states that while she considers organic products healthier than conventional, she does not have much confidence in the 'organic' label. She does not buy organic products because of the uncertainty of real origin and conditions under which the product has been cultivated.

"I cannot be sure that the product has been grown organically and I prefer to grow my own produce"

The remaining participants are not interested enough in the matter and do not feel motivated enough to research such products as reliable alternatives. Due to this fact, it is understandable that they are unwilling to pay a higher price for something they don't feel provides any added value.

6 Conclusion

The available evidence seems to suggest that young people have a good idea of what an organic product is, share a positive outlook on its existence and on organic farming as an important player in the future of the environment and our planet, including humans as well as animals.

The overwhelming argument for purchase of organic products among young consumers seems to be concern about their health. Many put forward the view that organic products contain less chemicals and harmful residuals and are therefore a healthier alternative to conventionally farmed products. However, the debate on whether organic products are nutritionally healthier than conventional products is inconclusive.

Although many have mentioned price as the main obstacle for purchasing organic products more often, it does not seem to be a deciding factor when it comes to choosing between organic products. It appears that the location of production and origin of the organic product is extremely important.

However, the results also seem to suggest that certain consumers do not have much faith in the 'organic' label and certification. It is therefore vital to continue fulfilling the goals set by the Action Plan by both the European Union and the Czech Republic.

Based on the study, organic food certainly does have future on the Czech market. Young consumers are aware of the impact their choices have on the environment as well as the economy. Nevertheless, it is important to continue with educating the general public and promoting alternative ways of farming that are sustainable for the future of our planet and the future generations.

7 References

Literature and online sources:

- 1. LOCKERETZ, William. *Organic farming: an international history*. Cambridge, MA: CABI, c2007. ISBN 9780851998336.
- 2. Official journal of the European Union. Luxembourg: European Communities, 1998, **2007**(189). ISSN 17255074. Available at: http://eur-lex.europa.eu/oj/direct-access.html
- 3. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, 2014, Brussels Available at: https://ec.europa.eu/agriculture/organic/eu-policy/european-action-plan en
- 4. *Ekologické zemědělství v České republice: ročenka 2015*. Praha: Ministerstvo zemědělství České republiky, 2006, **2016**(1). Available at: http://eagri.cz/public/web/mze/zemedelstvi/ekologicke-zemedelstvi/statistika-a-pruzkumy/rocenka-ekologickeho-zemedelstvi-2015.html
- 5. Akční plán ČR pro rozvoj ekologického zemědělství v letech 2016-2020: Czech action plan for development of organic farming 2016-2020. Praha: Ministerstvo zemědělství, 2016. ISBN 9788074341939.
- 6. Worthington, V. Nutritional quality of organic versus conventional fruits, vegetables and grains. The Journal of Alternative and Complementary Medicine. 7 (2);2001, p. 161-173. Available at: http://ucanr.edu/datastoreFiles/608-794.pdf
- 7. Tregear, A.. *Progressing knowledge in alternative and local food networks: Critical reflections and research agenda. Journal of Rural Studies*, October, 27(4), 2011, p. 419-430. Available at: http://www.research.ed.ac.uk/portal/en/publications/progressing-knowledge-in-alternative-and-local-food-networks-critical-reflections-and-a-researchagenda(78db1d07-e5c5-40e2-b31a-45225297e1ce).html
- 8. KARLÍČEK, Miroslav. *Základy marketingu*. Praha: Grada, 2013. ISBN 9788024742083.
- 9. KOTLER, Philip. *Moderní marketing: 4. evropské vydání*. Praha: Grada, 2007. ISBN 9788024715452.
- 10. *The world of organic agriculture: statistics and future prospects*. Bad Durkheim, Germany: Stiftung Ökologie und Landbau, 2016. ISBN 978-3-03736-307-2. Available at: http://www.organic-world.net/yearbook/yearbook-2016.html

8 Appendix

Questionnaire

Organic products *Required

1. Ge	nder *
Ма	rk only one oval.
	Male
	Female
2. Ag	
Ma	rk only one oval.
	19 and under
	20 - 29
	30 - 39
	40 -49
	50 -59
	60 and above
	which region do you reside?
Ma	rk only one oval.
	Prague
	Jihočeský
	Jihomoravský
	Karlovarský
	Královehradecký
	Liberecký
	Moravskoslezský
	Olomoucký
	Pardubický
	Plzeňský
	Středočeský
	Ústecký
	Vysočina
	Zlínský
_	_

4.	Mark only one oval.
	High school without a state leaving exam
	High school with a state leaving exam
	Bachelor's degree
	Master's degree
	Doctoral degree
	Other:
5.	What is your average monthly income in CZK? * Mark only one oval.
	Less than 5000
	5000 - 10 000
	10 000 - 20 000
	20 000 - 30 000
	30 000 and more
б.	What is an 'organic product' in your opinion? *
7.	What is your opinion on organic products? *
8.	Do you think that organic products are healthier than conventional products? If yes, why? *

9.	How often do you buy organic products? * Mark only one oval.
	More than once a week (častěji než jednou týdně)
	At least once a week (alespoň jednou týdně)
	At least once a month (alespoň jednou za měsíc)
	Less often (méně často)
	Never (nikdy) Skip to question 12.
Pι	urchasing organic products
10.	What are your reasons for buying organic products and why are these reasons important for you? *
11.	If you had to choose between two similar organic products, what factors would be important for you and why?
Pι	urchasing organic products
12.	What are the main obstacles keeping you from purchasing more organic products and why? *
	vered by
	Google Forms