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Organic farming in Finland by 2020. Analysis and review of consumer behaviour and demand for organic food products in Finland

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The purpose of this thesis was to study the demand of organic food products in the Finnish market. The Finnish Ministry of Agriculture and Forestry has published their goal to grow the number of organic farms to cover 20 percent of all farming by the year of 2020. Therefore, the research question used was: "Can the demand of organic farming reach the level the Ministry of Agriculture and Forestry has forecasted?".

For this thesis a quantitative research design was chosen in order to gather data in the form of a questionnaire. Questionnaire was used as a primary data to collect information of the Finnish organic food markets and as a secondary data various different books, articles and previously conducted surveys were used to support the primary data. 104 responses were gathered from the questionnaire in order to analyse the consumer behaviour towards organic food products.

The survey revealed that there was clear demand for organic food products and consumers would like to see more local organic food products to enter the market. Especially the lack of organic meat and fish products in the market was highlighted and many of the respondents stated their interest of purchasing organic meat and fish products if available. According to the survey in order to increase the sales for organic food products it would be essential to provide wider product selection, offer more local products and ensure easy access to the organic food products.

Keywords

Organic, food production, farming, marketing, consumer behaviour
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1 Introduction

The term "organic" is more visible all the time when browsing the internet or going to the stores. Organic food production covers everything from fresh milk and vegetables coming straight from the farm to different cheeses and wines that have been aging for several years. The purpose of this research is to analyse if there is enough demand for the organic food products to reach the level the Ministry of Agriculture and Forestry has forecasted. To increase the organic food markets in Finland to meet other Nordic countries, the Finnish Ministry of Agriculture and Forestry has published their goal to grow the number of organic farms to cover 20 percent of all farming by the year of 2020.

In order to review the organic food markets in Finland and evaluate if there is enough demand to reach the forecast, it is important to understand marketing thoroughly and the different factors that influence consumer behaviour. To study marketing and consumer behaviour, various different theories are used in the literature review. Both older theories that have been discovered already centuries ago together with the newest findings are used to support the theory. Different theories developed by Philip Kotler, Abraham Maslow and Kevin Keller will be used to analyse marketing, branding and consumer behaviour.

The research question used is: "Can the demand of organic farming reach the level the Ministry of Agriculture and Forestry has forecasted?". Few supportive sub-questions were used such as: "how to increase the attractiveness of organic food products?" and "what should be done in order to increase the market share or organic food products in Finland?".
2 Organic Food Production

The following chapter provides an overview of the general food production in Finland. First it is important to understand the concept of organic. Organic food refers to a food which whole production chain is based on organic and environmentally friendly procedures. (Luomuruoka.fi, 2015). It is food that has been grown without pesticides or chemical fertilisers and it is sold to the consumers without adding synthetic food enhancers and preservatives.

There are specific guidelines used with a crop or animal product which limit the use of radiation, genetically engineered technologies or petrochemicals in its agriculture. Organic eggs, dairy products, poultry or meat means products that are free from antibiotics or growth hormones. (European Commission, 2015). Any food that is sold as “organic” is strictly regulated in the European Union and in Finland as is explained in the chapters below.

2.1 Labels

Having proper labels in the organic products is essential as the customers' have to rely on the information that is mentioned in the packaging. There are various labels that can be used to indicate the organic production but in this chapter the three main labels used in Finland are discussed.

The main organic label used in the European Union is the Euro leaf label (Figure 1). It was introduced in 2010 and ever since it has been a mandatory label that needs to be displayed in all pre-packaged organic products that have been produced within the European Union. In order for the companies to acquire the Euro leaf label they must meet the strict EU requirements that covers processing, production, control and labelling of organic food. Despite the Euro leaf, many additional labels which indicate organic production can be used. Some examples of these voluntary labels are the Finnish sun logo and the Ladybird label (See figure 2). (European Comission, 2014).
In the Finnish markets two most well-known organic labels are the Finnish sun logo label (Aurinkomerkki) and the Ladybird label (Leppäkerttumerkki). These labels are used to guarantee genuine organic products. In order for the companies to get the certificate to their products they must submit their activities through organic control system. The labelling is used in animal feed, agricultural products, plant propagation material, food and for seeds. (Evira, 2015).

The "Luomu" label also known as the Finnish sun logo (Aurinkomerkki) is owned by the Finnish Ministry of Agriculture and Forestry and it is granted by Evira. It is the state label which guarantees certified organic production and it indicates that the organic product is monitored by the Finnish authorities. Only operators who pass the Finnish public inspection will be able to use the label. Besides Finnish products also foreign imports can have the logo if they meet the requirements. (Ruokatieto Yhdistys. 2015).
The Ladybird label is granted to food processors and farmers who follow the standards of organic production set by the Finnish organic union called Luomuliitto. It is granted only for Finnish organic products. In order to get the Ladybird label 75 percent of the ingredients must be organic. The main emphasize of the Ladybird label has been put to the wellbeing of animals and the environment. (Luomuliitto, 2015).

2.2 Rules and Regulations

The international regulations for organic farming are set by the International Federation of Organic Agriculture Movements (IFOAM). However, the European Union has also created their specific regulations for organic farming to monitor the organic products. These rules are set in the EU regulations 834/2007 and 889/2008. This means that every product produced within EU must meet these regulations. (Soil Association, 2015).

According to the EU regulations in order to carry the organic label, the Euro leaf, the food has to contain at least 95 percent of organic ingredients. Due to the reason that some ingredients are simply not available organically, therefore up to five percent of the ingredients are allowed to be non-organic. It has been ensured that nothing even potentially harmful is not allowed to be found in organic food and therefore an extremely strict list has been created to permit various ingredients. (European Commission, 2015).

As mentioned in the previous chapters, the EU legislation specifies the general requirements for organic production but in Finland also the organic farms are strictly monitored by the Finnish Food Safety Authority Evira. Evira monitors both the organic foodstuff as well as the organic animal feed. On top of Evira also the ELY-Centre and the National Supervisory Authority for Welfare and Health Valvira monitors the organic farms. Finnish customs in the other hand ensures that imports imported in Finland will follow the requirements of organic products. (Evira, 2015).

Consumers can trust the organic production as all enterprises and farms which are manufacturing or producing organic products are monitored and their operations are inspected at least in a yearly basis. (Evira, 2015), (Luomaruoka.fi, 2015). These rules and regulations are created to ensure fair trade and to guarantee the authenticity of the
products. Each customer should be able to trust that the organic product they are purchasing has been produced in accordance with strict animal and environmental rules.

2.3 Organic Food Market in Finland

Due to the different labels used, it is easier for consumers to spot organic food products. According to the Finnish organic food association Pro Luomu, the Finnish consumers are becoming more aware of the benefits that organic food products have which can be seen in the increasing demand. A statistics conducted by Pro Luomu revealed that just in year 2014, the Finns bought organic food and drink products worth of 225 million euros. (Organic-market.info, 2015).

Due to the increasing demand for organic food products, the organic food industry in Finland has been constantly growing and at the moment from the Finland’s agricultural area the organic production covers already ten percent. Currently there are 4000 certified organic farms and a peek on the farms that keep organic livestock has been detected, currently being more than 700 farms. Finland is particularly well known for its berries and oats and Finland has the world’s biggest certified organic wild picking area of almost 9 million hectares. (Research Institute of Organic Agriculture, 2015).

The current gloomy economic situation has had slight effect on the sales of organic food products and the growth has not been as rapid as in the previous years. In 2010-2012 the sales of organic food products increased 20 percent as compared to 2014 the growth was only five percent. However, compared to the general food market in Finland the organic food market has grown faster. (Research Institute of Organic Agriculture, 2015).

When comparing to other food products sold in Finland, the market share of organic foodstuff is small. However, each year the market share has been increasing. At the moment around 1,7 percent of all food products sold in Finland are organic. Other Nordic countries has significantly bigger organic food markets than Finland has. In Sweden the market share of organic food products is 5 percent and in Denmark 8 percent. (Pro Luomu ry, 2015). Marja-Riitta Kottila, who is the executive director of Pro Luomu, points
out that the problem with the current organic food markets is the narrow product range and uneven availability.

![Figure 3. Finnish food market (Pro Luomu, 2015)](image)

To increase the organic food markets in Finland to meet the other Nordic countries, the Finnish Ministry of Agriculture and Forestry has published their goal to grown the number of organic farms to cover 20 percent of all farming by the year of 2020. The growth is supported by providing more education and support to the farms and by seeking both domestic and foreign investments. (Luomuruoka.fi, 2015).

The most visible action that government has taken to reach the forecast is by providing more education and support to the farmers and by seeking both domestic and foreign investments. The government decided to put additional 1,58 million budget between the years 2012-2015 to support organic farming. Furthermore, the Ministry of Environment wants to ensure the whole process of getting licenses would be faster and easier to increase the interest among farmers. (Luomuruoka.fi, 2015).

One major part to increase the number of organic farms is to bring organic food products to the public kitchens. This is done by promoting different municipalities to increase the amount of organic food served. It is important that the municipalities get all the needed
help and support in order to increase the organic food used. (Maa- ja metsätalousministeriö, 2013).

As people are getting more educated and aware how their purchasing decisions have effect on their health, to the environment and to the livestock the organic food market has been predicted to grown rapidly in the following years. Overall in year 2013, the European consumer markets were the most attractive consumer markets in the world and the market has only grown after that. In 2013 the market had more than 500 million people consuming €8 billion worth of goods and services on a yearly basis. (Kotler et al. 2013: 146).

In the past 15 years, the organic food markets has expanded significantly and therefore IFOAM has published their ambitious forecast that in year 2030 as much as half of the food production in the world would be organic. Already the sales of organic products has expanded 157 per cent in the past 10 years so according to IFOAM the forecast can be reached in 15 years. (Tulppala, 2015).
3 Literature Review

The literature review forms a foundation to any research report and it presents and critically evaluates previous researches conducted. (Gould, 2011). In order to review the organic food markets in Finland and evaluate if there is enough demand to reach the forecast the Finnish Ministry of Agriculture and Forestry has published it is important to understand marketing thoroughly and the different factors that influences consumer buying behaviour.

To study marketing and consumer behaviour, various different theories are reviewed in the literature review. Both older theories that have been discovered already centuries ago with the newest findings are used to support the theory and to have a reliable information of marketing and consumer behaviour.

3.1 Marketing

There are various different models used to understand the complex and diverse aspects of marketing but almost all of them share the same idea that marketing is related to the relationships between customers and businesses. Most importantly marketing is related to dealing with customers and satisfying customer needs and wants by also ensuring the profitability of a company. Peter Drucker who is seen as one of the management gurus once stated that the aim of marketing: "is to make selling unnecessary". Drucker said that selling and advertising should be only a part of marketing tools to help build strong customer relationships and to satisfy the consumer needs. (Kotler, Armstrong, Harris & Piercy 2013: 4-5).

One tool that can be used to understand the marketing process is presented in Figure 4. The marketing process model covers the most important points every marketer should consider in order to be successful. In the model the first four steps are related to understanding consumers and building strong relationship with the customers and only after all the four steps have been thoroughly analysed and though, the marketer will be able to establish profitable customer relationships.
To start the whole marketing process, a marketer should understand the marketplace and carefully analyse the customer wants and needs. (Kotler et al. 2013: 5.) A famous model used to understand the consumer needs and wants is the hierarchy of needs developed by the psychologist Abraham Maslow. Maslow characterized the human needs into five different stages (Figure 5) starting from the most basics psychological needs like hunger and thirst and then moving to the need of self-expression and knowledge. (Lantos 2015: 3-5).

When using Maslow’s hierarchy of needs with marketing it is important to understand the cultural context. In some culture the wellbeing of the group (belongingness need) can be seen more important than the individual needs (esteem needs) and therefore the order of the hierarchy may be changed. (Solomon, Bamossy, Askegaard & Hogg 2013: 194-195).
After understanding the consumers’ needs it is important to review their wants. As Philip Kotler defined (2013: 6) wants can be seen as a form of needs. Sometimes the distinction between a want and a need is difficult but it can be said that wants differs from the needs as you might need for example food but you want something more specific for example chocolate.

Human needs become wants when they are linked to culture and individual personality. In different cultures the customers have different wants to satisfy their needs. The wants of a person living in Europe differs greatly from the wants of a person living in Asia. Finally wants become demands when the consumer demands products that will satisfy their wants and needs. All marketers should take into consideration needs, wants and demands which form the basics of marketing principles. (Kotler et al. 2013: 6).
Once the marketer has thoroughly analysed the marketplace and the consumer needs and wants, the next step is to develop a customer driven marketing strategy. It is important for the companies to decide which customer they will serve through target marketing and market segmentation. Marketing segmentation means dividing the market into different specific buyer groups which all have different needs, behaviour and characteristics. It is impossible and not effective to try to serve all of the buyers in the market and therefore it is important to choose which customers the company can serve well and profitably. Target marketing in the other hand means selecting the most appealing and attractive segments the company will focus on. (Kotler et al. 2013: 8-9).

Once it has been decided which customer the entity will be serving, it is important for any company to differentiate themselves and position themselves correctly in the marketplace in order to be successful. Positioning refers to the marketing strategy in which the aim is to position the brand better compared to its competitors in order to make the product more appealing in the eyes of the customers. The key of effective positioning is to create greater customer value by differentiating the market offering. (Kotler et al. 2013: 8-9).

A powerful tool that can be used to differentiate a company from its competitors and position it strongly in the market place is branding. According to Jobber (2010; 303) the reason of branding is to differentiate a seller from its competitors and help the customers to identify the seller's goods and services. Consumers recognises a brand from certain packaging, design, symbol or a name that the seller uses. Kevin Lane Keller has created the customer-based brand equity model as seen from the Figure 6 below. The brand equity model defines four essential steps in order to create a strong brand.

The first step of the model is to build the brand identity and make sure the consumers are aware of the brand. In order to make the brand well-known among the consumers, the company must analyse and understand the customer segments and needs of the target audience. (Keller 2001: 8).
After the first step, the next step is creating the brand meaning. This means communicating the brand image to the consumers. This step is divided into two parts, the performance state and the imagery state. The performance state is related to the product features, service, quality and price and how well the consumer needs are met with these features. The imagery on the other hand takes into account if the consumer is satisfied on a psychological and social level as well. (Keller 2001: 9-10).

Inevitably consumers form individual feelings towards a brand and they make judgments based on their experience. That is why it is important for companies not to promise more than they can actually deliver. Positive customer experience will reinforce positive consumer buying behaviour also in the future. Every company should try to reach the brand resonance stage, the top of the pyramid. At this stage the relationship between the brand and consumer has been created. This final stage consumers show deep brand loyalty and this final step can only be reached if the previous stages in the brand equity model meets the consumer's needs and wants. (Keller 2001: 13-15).

In marketing process the following step is to turn the well thought strategy into action. Companies have to focus on integrating the marketing program by delivering the promised value to the customer. This is done by using the 4p's known as the marketing mix. The 4p's are product, price, place and promotion and those are seen as the controllable
elements marketers use to create a marketing strategy. A product that will bring greater value to the consumer while promoted and distributed effectively with the correct price will sell easily. (Kotler et al. 2013: 12).

The final step of the marketing process is to create profitable customer relationship. This last and the most important step can be reached by using the customer relationship management (CRM) and partner relationship management. CRM is used to build strong customer relationship with the selected customers by going through the detailed information in individual customer level in order to maximize the customer satisfaction and customer loyalty. This final step is the most crucial step as the companies that manage to satisfy their customer needs by delivering superior value will have satisfied customers who stay loyal and in return the customers increase the company sales, the market share and the overall profit. (Kotler et al. 2013: 13).

3.2 Consumer Behaviour

As mentioned in the previous chapter, understanding the consumers’ needs and wants will help marketers to identify how consumers may behave toward purchasing a product. Consumer buying behaviour is a complex concept but a crucial part of marketing management. There are various factors that each marketer should take into account in order to understand the buying behaviour of an individual.

The definition of consumer buying behaviour varies slightly. Philip Kotler suggest that consumer buying behaviour means the buying behaviour of households and individuals, the final consumers that purchase goods and services. (Kotler et al. 2013: 144). Blackwell in the other hand mentions that consumer buying behaviour is related to the activities people undertake when consuming, obtaining and disposing of products and services. (Blythe 2013:5). Consumer market is the combination of these final consumers.

Many factors affect the consumer buying behaviour but understanding the behaviour is a key task for any marketer as it will format the foundation and help the marketer to make better marketing decisions. After understanding the buying behaviour of the target
audience, the marketer can base their product development, pricing, distribution and promotion on the knowledge they have of their customers. (Lantos 2015: 5).

3.2.1 Factors Affecting Consumer Behaviour

It is easy for any marketer to define which products were bought and how many products were purchased but the most difficult question arises when the marketer is trying to figure out why this specific product was purchased in the first place. Nowadays people have more money to spend than previously but in many case not as much time to search and compare products to find the best price-quality ratio. The huge variety of different products with the lack of time drive many people to look satisfactory instead of the optimum choices. (Bray 2008: 2-4).

A stimulus-response model developed by Philip Kotler tries to analyse the purchasing decision of a consumer and respond to the question why a specific product was purchased. In order to understand what triggers the buying decision, marketers try to figure out what is inside of the box called a buyer’s black box (figure 7). As it is demonstrated in this figure, the marketing stimuli, also known as the 4p's (product, price, place, promotion) together with the other stimuli (economic, political, social and technological) enters the buyer's "black box". (Kotler et al. 2013: 144-145).

![Figure 7. Model of buying behaviour (Kotler et al. 2015:145).](image-url)
It is important for the marketers to try to understand and analyse the buyer’s black box as it consists of the buyer’s decision process and characteristics. Only after these two factors are studied thoroughly, can the marketer understand why the product was purchased. Defining the decision-making process together with the buyer’s characteristics, the marketer is able to gather much needed information. It will guide how the product, dealer, retailer and brand are chosen and how often, how much and when is the product purchased. (Kotler et al. 2013: 145).

The other stimuli or the external factors: cultural, social, personal and psychological factors that forms the characteristics of a consumer identified by Philip Kotler will be discussed more thoroughly. All of the characteristics are something that the marketers cannot control but they should be considered and taken into account in order to understand how to meet the customer needs, wants and demands. (Kotler et al. 2013: 146).

Culture, subculture and social classes have strong influence in the consumer buying behaviour. According to Kotler culture has the most impact on consumer’s wants and behaviour and it forms the fundamental base for our wants. (Bergström & Leppänen 2007: 111). Cultural shifts are also affecting the markets and the marketers are trying to spot these shifts. The changes within a culture like the increased concern for health and wellness have already changed the current markets. (Luomu, 2014).
Other factors that have a strong influence on the consumer buying behaviour are the social factors. The opinions of other people and groups will affect the purchasing decisions of an individual. According to Kotler (2013: 149) these social factors are reference groups, family, roles and status.

Individuals are often influenced by reference groups which they do not directly belong to but they admire and wish to be part of. These groups are proved to have an influence to an individual’s buying behaviour as they create pressure and influence the person’s self-concept and attitudes. A reference group can also be one person. For example a famous singer or an athlete can serve as a reference group which will influence the consumer’s behaviour as they want to imitate the style of their idol. (Bergström et al. 2007: 110).

According to many researches the most important factor that will affect within a society is family. The family members have a strong influence to the products and services that are purchased together but they also have an influence to the decisions other family members are making in an individual level. (Kotler et al. 2013: 152).

Besides culture and social factors, also personal factors such as age, lifestyle, occupation, economic situation and personality will have an influence on the buying behaviour of an individual. As Kotler mentioned (2013: 153) consumers experience various changes in their life-stage during their lifetimes and as a result of that their purchasing behaviour will change as well.

Occupation and economic situation will have an influence to the consumer buying behaviour as for example people who work in the health industry may value organic products due to their claimed benefits more than a person working on the construction site. Moreover, if a person’s economic situation will not allow them to purchase the goods and services they desire they will have to adjust their buying in accordance and find substitutes. (Bergström et al. 2007: 114).

Addition to economic situation, time also impacts consumer buying behaviour according to Bergström (2007:114). If the consumer does not have the time to find the most economical choice they will have to use more money to find a quicker solution. Many
consumers are prepared to pay a bit more money in order to save time. An example of this are various premade foods that offer a quick solution for consumers.

The final factors that will affect consumer buying behaviour according to Kotler are the psychological factors: motivation, perception, learning and beliefs and attitudes. Needs are strongly related to the psychological factors and each person has various needs. When a need reaches a sufficient level of intensity it becomes a motive. A motive is something that will direct a person to find and seek satisfaction and therefore it will have a strong influence to the person’s consumer behaviour. (Kotler et al. 2013: 156).

Perception in the other hand guides a person to organise, select and interpret the information in order to form a picture of the world. As consumers are exposed to various adverts each day the marketers must pay close attention and work extra hard to reach the potential consumers’ attention. (Kotler et al. 2013: 157-158).

Some studies suggest that most human behaviour is learned including the buying behaviour. Learning is formed through different motives that will guide a person to act in a certain way or to buy a certain product or a service. A consumer might hear a friend suggesting a product they like or they might see a special offer. All of these factors that a consumer learns and gets from the surrounding cues might influence their response in buying the product. (Solomon et al. 2013: 264).

By doing and learning people acquire different beliefs and attitudes. These attitudes and beliefs will influence their buying behaviour. Beliefs are descriptive thoughts people have about something. People will develop different beliefs towards specific products and services. These beliefs will affect the buying behaviour and make up product and brand images. If a person has a strong negative belief toward a certain brand, a marketer could try to correct those in order to create a better image. (Solomon et al. 2013: 293).

3.2.2 Consumer Decision Making Process

After understanding the different external factors that might affect buyers buying behaviour it is important to look how the consumers actually make the buying decision. For
this, the consumer decision model as shown in the Figure 9 can be used. This five-stage process which was first developed by John Dewey in 1910 is still widely used and even nowadays it forms a base of consumer behaviour. The model is used to understand the different stages consumers go through when making a purchasing decision. These five stages consist of need recognition, information search, alternative evaluation, purchase decision and outcomes (post-purchase behaviour). (Bray: 2008: 15).

In reality the consumers may not pass through all these five stages mentioned in the figure below. If it is a product that is well-known, the customer may skip some of the stages or reverse them. However, the model is a useful tool that can be used to understand the phases a consumer might take when making a new purchase decision. (Solomon et al. 2013: 333).

![Figure 9. Consumer decision model (Solomon et al. 2013: 334).](image)

The whole purchasing process starts with need recognition when the consumer realises they have a problem or a need. This need may be triggered by internal stimuli (when need becomes a drive) or by external stimuli (for example a friend or an advertisement). After the first stage, the need recognition, the consumer often starts the information search which includes both internal and external search through consumer’s memories. (Bray: 2008: 15-17).
Where the consumer obtains the information for their search varies greatly. The information can be obtained from personal sources such as friends and family or from commercial sources meaning different advertisements and websites just to mention a few. Moreover, public sources (mass media and internet) or experimental sources (using the product, examining and handling) can be a form of an information search. (Kotler et al. 2013: 162).

After all the needed information has been gathered, the consumer may look into different alternatives there are in the market. For marketers it is important to know how consumers evaluate the different alternatives and process information of different brands in order to attract the interest of the target audience. However, the evaluation process is complex as consumers use several different evaluation processes. (Kotler et al. 2013: 162).

Finally, after the need has been recognised, the needed information has been searched and alternatives have been evaluated, the consumer makes the final purchasing decision. After the consumer has found the most preferred brand to purchase there are still some factors that can have an effect on the final purchasing decision. One of these factors is the attitudes of others that can still have strong influence. The opinion of somebody close to the consumer can have a sudden impact on the final decision. Other factors are the unexpected situational factors such as expected product benefits, price or income. Various unexpected events can affect the buying decision even such factors as current mood, change of the current economic situation, product availability or even a store atmosphere. (Kotler et al. 2013: 162).

Even after the consumer has made the final purchasing decision, the consumer decision model is not complete. The final step of the model is the post purchase behaviour that will determinate whether the purchase will be repeated in the future or not. Depending whether the purchasing decision has been satisfying depends on the consumer's expectations and the product's perceived performance. If the product does not meet the expectations, the consumer will be disappointed. That is why it is important the marketers do not make excessive promises. (Solomon et al. 2013: 332).
### 3.3 Individual Differences in Innovation

For marketers it is not enough to only analyse consumer behaviour. They also have to take into account how different products are behaving in the market. Depending how well the product is known by the consumer, the buying behaviour is affected in accordance. If the product is unknown, the buyer usually takes more time in making the purchasing decision, while when the product is well-known and familiar to the consumer, the decision of buying is faster and easier. Each consumer differ in their buying decisions as the humane nature, needs, moods and motivation varies. A purchase that is time-consuming and complex for one can be a regular purchase for other.

![Figure 10. Time of adoption of innovation (Solomon et al. 2013: 585).](image)

As it can be seen from figure 10, each individual adopts a new product differently. There are the innovators who almost immediately adopt the new concept and makes the purchasing decision of a new product. Then comes the early adopters who can also be seen as the opinion leaders. Early adopters represent 13.5% of the buyers and they adopt new ideas carefully but at a early stage. After that becomes the early majority (34%) who adopt new ideas faster than the average person. After early majority have tried the new innovation, the late majority, which also represents 34% of the buyers, will slowly show their interest to try the new product. Only after that, the last and the final group, the laggards, will adopt the new idea when the idea has become a tradition itself. (Kotler et al. 2013: 164-165).

The pace of in which a new product is adopted varies greatly. Some products go through each phases almost within a day when others might take much longer time to become known and gain acceptance. In order to any new idea or a company to become well-
known, the marketers should try to search for innovators and early adopters within their market segment and then try to direct their marketing towards this target audience. (Solomon et al. 2013: 585.)

3.4 Product Life Cycle

After any new product is launched, it will go through the product life-cycle (PLC) as demonstrated in figure 11. This model covers four stages: development, introduction of the product, growth, maturity and decline. The PLC model is often used to demonstrate and distinct the different stages of each product's life span. (Hundekar, Appannaiah, Reddy, 2010), (Kotler et al. 2013: 287).

![Product Life Cycle Diagram](image)

Figure 11. Product life cycle (Nellis et al. 2006: 267)

The PLC model is based on the assumption that each product has only a limited life span. Each of these different life cycles affects the sales of a product. By using the PLC model, the marketers are able to identify the ideal marketing decisions for each stage in the attempt to maintain the current sales and support the already achieved market share. (Terlutter, Weinberg, 2006: 123).
The first phase of the cycle is the introduction stage and it starts when a new product is launched. At this stage the marketers try to attract the innovators to try out the new product as discussed in the previous chapter. After the introduction phase, if the new product is accepted and it satisfies the market, the growth stage will begin. In the growth stage also the early adopters will step in the picture and continue the buying. Due to an increasing consumer group new competitors might enter the market when realising the profit opportunities. (Nellis et al. 2013: 267-268).

The third phase also known as the maturity stage starts when the sales of a product are declining. At this stage due to the declining profits, only the most well-established competitors will remain in the market. As the usage among the customer is declining the marketers are doing their best to increase the usage of the product. They can do this by trying to find new market segments and new consumers. They can also modify the product or the marketing mix in order to increase the attractiveness of the product. (Nellis et al. 2013: 268).

However, usually always at some point the product will reach the final stage after all the marketing attempts have been made and the sales will start declining depending of the product slowly or rapidly. At this stage the marketers will have to carefully analyse whether it is profitable to keep the product in the declining stage or if the production should be completely ended. (Nellis et al. 2013: 268), (Kotler et al. 2013: 289-291).

The launch of a product does not always follow this typical cycle or covers all the four stages. Some products enter the markets can have a rapid growth but then they die quickly. Others products might stay in the growth stage and mature stage for a long time, several years or even decades. Through strong repositioning and promotion it seems that some brands which are well-managed could live forever. (Terlutter et al. 2006: 123).

The PLC graph can be a useful tool for the marketers to help describing how the markets work. It can be used to develop powerful marketing strategies for all of the different stages the product goes through. (Kotler et al. 2013: 288).
4 Methodology

In order to review the key aim of this thesis a research was conducted. Research is used to study and investigate different materials and various sources in order to seek solutions and answers to questions. Research is something that is done when a question or a problem arises and search for facts is needed. Research should be a critical investigation that is objective and logical and it should be based on empirical evidence. The purpose of the research is to find solutions to different problems and answers to questions. (Krishnaswami, Satyaprasad, 2010: 2-3).

There are three different types of researches that can be used; descriptive, exploratory and causal research designs. All of these three research designs serves different purpose. Exploratory research is used to gather insights and ideas. Online surveys and open-ended questions are a form of exploratory research in order to create new ideas and initiatives. The responses are not statistically measureable but they provide a richer quality of information. (Ghauri & Grønhaug 2005: 58).

Descriptive research on the other hand is structured and the questions are planned beforehand. It offers results that can be measured statistically. An example of descriptive research can be multiple choice questions. With this method an opinion and behaviour represented by a group of people can be defined. (Krishnaswami et al. 2010: 12).

Causal research method is also a quantitative research method as it can be statistically measured. The main emphasise in causal research is to explain the relationship between variables. The purpose of this method is to understand the cause and effect to determine the relationship between two variables. (Ghauri & Grønhaug 2005: 58).

For this thesis a descriptive research design was chosen in order to gather data in the form of a questionnaire. Multiply choice questions with few open-ended questions were used to understand and analyse if there is enough demand for organic food production to reach the level the Ministry of Agriculture and Forestry has forecasted. The research studies consumer behaviour and the demand for organic food products in the Finnish market. In order to reach the forecast the Ministry of Agriculture and Forestry has made,
it is important to analyse if there is enough demand for the organic food production in Finland.

4.1 Quantitative Data Collecting

After understanding the different research designs it is important to understand the difference between qualitative and quantitative research methods. The main purpose of quantitative research is to gather numerical data. The methods used to gather quantitative data are structured. An example of these are various different surveys and interviews. Qualitative research on the other hand represents exploratory research and it is used to understand motivations and opinions. For qualitative research the sample size is usually quite small and the technique used is only semi-structured. An example of this could be different focus groups or individual interviews. (Krishnaswami et al. 2010: 6-7).

Quantitative research method was chosen to be used in a form of a questionnaire. Quantitative research method is highly useful when the purpose is to gather large data and get many different responses. One of the downsides of questionnaires is that often the questions are closed questions and additional questions to form a better picture of the responses cannot be asked.

A descriptive survey was chosen to analyse the beliefs and attitudes consumers have towards organic food products. Finally, to analyse what kind of consumers generally purchase organic food products questions regarding gender, age, education and income level was asked. Survey was chosen over an interview to have a higher response rate and minimize the influence the interviewer might have.

The questionnaire was posted to different online channels and Facebook groups to gather answers in all age groups and people living around Finland. In 2015 87% of Finns aged 16 to 89 used internet and the number has been only increasing after that. (Ti- lastokeskus, 2015). Therefore, it can be assumed publishing the questionnaire online should be accurate and not limit the responses gathered.
Population for the survey was set to be all consumers living in Finland. Due to the lack of time and resources to analyse the whole population, a sample was chosen. The sample size was set to be at least 100 responses to have an academically accurate research.

To calculate the sample size the population with the margin of error and confidence level must be taken into account. The population used in the calculation is the Finnish population meaning the people living in Finland currently being around 5.4 million people. (Tilastokeskus, 2015). The confidence level measures the certainty how accurately the sample measures the population and with this research the confidence level was chosen to be 90%. The typical confidence level is anywhere between 90 to 99 percent. Finally the margin of error was set to be 9% which resulted that around 100 responses had to be gathered. (SurveyMonkey, 2015).

In order to improve the validity of the questionnaire and to decrease the margin of error and to increase the confidence level, a wider and more encompassing questionnaire should be gathered. As there was only 104 responses to the questionnaire it is difficult to draw conclusion to represent the whole Finnish population.

The research question used was: "Can the demand of organic farming reach the level the Ministry of Agriculture and Forestry has forecasted?". Few supportive sub-questions were used such as: "how to increase the attractiveness of organic food products?" and "what should be done in order to increase the market share or organic food products in Finland?".

4.2 Reliability and Validity

Research methods can be considered reliable when the procedures used can be replicated and similar results to the original research can be achieved. However, every time when people are involved in the research this definition can be seen as problematic. Any study with people makes replication difficult as individuals may reply differently depending on many different factors such as their current mood. (Quinton and Smallbone, 2006: 129).
Questionnaire is used as a primary data to collect information of the Finnish organic food markets and as a secondary data different theories and previously conducted surveys are used to support the primary data. As the primary data has been gathered through questionnaires the exact number of responses can be determined which reinforces the reliability of the thesis.

It is not enough to have a research that is reliable. The research must also be valid. Validity can be divided into internal validity and external validity. As Quinton (2006: 126) mentioned in her book, the general explanation to describe internal validity is to see whether the research actually measured what it was supposed to be measuring. It is important to have questions that will provide an answer to the research question and meet the research objectives.
5. Findings and Analysis

5.1 Background Information

The survey was published online as it is a relatively inexpensive way to distribute and usually has high response rate. 104 responses were gathered in order to analyse the demand of organic food products in Finland.

Majority of the respondents were women (75) with the remaining being men. The age of the respondents varied but the largest group were people between the age of 20-29 forming a 50,5% of all the respondents. The second largest group were people between the age of 30-39 (25,7%) and the smallest group were people under 20 (4%). Furthermore, most of the respondents had a Bachelor's Degree or a higher degree (72,9%) and only 28 people had a secondary or primary school education (27,1%).

When asking the average gross income per year much variation can be seen. The biggest group were people earning 9999 euros or under, representing 21,8% of the respondents, and the smallest group were people earning 50000 euros or more (7,9%) as can be seen from the figure below. Most of the respondents had been purchasing organics for several years and only 17 persons had purchased organics for one year or less. When asking the respondents if they prefer buying organic option when available, 80 people out of the 104 mentioned they would prefer buying organic products.

Figure 12. Income level (online survey)
From the background information it can be seen that especially younger people have much interest towards organic products and majority of the respondents would choose organics if possible. Generally the people purchasing organics have higher education and they live in a households of less than five people.

5.2 Trends of Organic Food Products in Finland

For the survey 97 people had purchased organic food products and 7 had not. Therefore, it could be interpreted that majority of the people living in Finland would buy organics. However, as the survey clearly stated it analysed the organic food products in the Finnish market it might be that people who are not familiar with organic food products decided not to reply to the questionnaire.

When the respondents identified why they do not purchase organic food products, most people stated they do not have enough knowledge about organics and in their opinion the normal option is as good as the organic one and also cheaper. Furthermore, they stated they do not have enough information why organic food option would be better. However, when asking where do the respondents search information about organic food products, 32 people (30,5%) stated they do not search additional information. The most popular answer was searching online (54,3%) or asking a friend or a family member (37,1%) as it can be seen from the graph below. For the question, respondents were able to choose various options as they might use some of the methods when searching information or even all of them and therefore the total amount of the responses do not reflect 104.

![Figure 13. Search for information (Online survey)](image-url)
Whenever the respondents were searching additional information most of the respondents did not want to ask help from the store employee. Only 12.1% considered the information received from store employee was very or extremely important. Most influence on searching information and making the purchasing decision was based on the past purchase experience. From the respondents 20% considered past purchase experience extremely important and 33% very important. However, as it can be seen from the figure below there is much variation between all of the answers and each individual values different methods in order to have all the necessary information to make the purchasing decision.

Figure 14. Factors affecting search for information (Online survey)

The factors that many people stated to be extremely or very influential when making the purchasing decisions were quality of the products (72.1%), health (60.2%), animal rights (55.8%) and environment (52%). According to the responses marketing, adverts and other media did not have much influence when making the decision to buy organic food products. Only 10 people out of 104 considered marketing and adverts to be very or extremely influential as demonstrated in the graph below.
Figure 15. Factors affecting purchasing decision (Online survey)

How often the respondents buy organic food products varies greatly. The largest group, 38 of the respondents, buy organics several times a week and only 11 people buy organics few times a year. Overall 82.7% of the respondents buy organic food products at least once a month which states that there is a clear demand for the organic food products. In general, people spend less than 80 euros each month for organic food products. Only 11% of the respondents spend 80 euros or more every month.
When analysing which organic food products are mainly purchased it is clear that fruits and vegetables are the number one followed by grains and superfoods. The products that are least purchased as organics are meat and premade meals. By far the most popular option to buy organic food products is from supermarkets (61,4%). Only 1% of the respondents orders organic food products from abroad and 4% buys organics directly from local farms as illustrated in figure 15 below.

Figure 16. Where organic products are purchased? (Online survey)

To find out what would increase the consumer's spending the question: "What would increase your spending on organic food products" was used. As figure 16 shows, the most influential factor to increase spending would be a lower price. 66,3% of the respondents considered that lower price to be very or extremely important factor to increase their spending. Also greater availability (54,8%), wider product selection (49%) and scientific evidence of the health benefits (48,6%) were considered very or extremely important. The factors that had least influence to increase spending were celebrity endorsement and advertisements.
Furthermore, it can be seen that the economic downturn has affected the purchasing decisions of the consumers. 26.2% stated that the economic downturn has reduced their spending. However, majority of the respondents, 66%, said their spending has stayed the same. When asked if the price of organic food products would continue to rise 51.5% were not sure if they would continue purchasing organic food products. 29 people of 104 said they would keep purchasing and 21 said they would not if the price continued to rise.

Figure 17. What would increase spending? (Online survey)
What is good in the eyes of the marketers is that according to the online survey 44.1% of the respondents try often new products. However, majority of the respondents (50%) mentioned they mainly purchase the same products and just occasionally purchase new products.

In the open questions many of the respondents stated they would like to know more about organic food products. When asking the consumers how well they know the three main organic labels in Finland, quite many were not familiar what the labels stand for. The EURO leaf label that has to be used in all products in the European Union was the most known label. Only 17.3% did not know the label at all. However, especially the sun logo label was unfamiliar among the respondents. As many as 36.5% did not know the label. Also more knowledge about the ladybird label would be needed as 26.2% did not know the label at all.

Therefore, in order to increase the demand for organic food products, more knowledge about organics should be shared. As many of the respondents were not familiar with the benefits, or did not necessarily even recognise organic product, it would be important to make the consumers more aware.

Furthermore, it is clear that a lower price would increase the spending according to the respondents. From the open questions many of the respondents have stated they would purchase more organics if the price is more affordable. However, due to the process of organic farming the price has to be higher in order for the producers to stay competitive and profitable.

Another factor that is mentioned various times in the open questions is that the respondents wish to have some guarantee that the products are organic and preferably locally produced. Consumer do not wish to pay higher price if they cannot be sure where the products come from.

Finally, the respondents mentioned various times they wish the product selection would be wider and the organic product should be placed better in the store. People living in the rural areas might not have many options and some of the respondents also mentioned they do not want to spend time finding the organic options in the store. The
product placement should be done so that the consumer can find what they are looking for easily.

Finally when asked what kind of organic food products the respondents would like to see entering the markets, the number one response was clearly meat and fish products. This can indicate that there would be demand for meat and fish products but in many times there are not organic options available. Furthermore, many of the respondents mentioned they would buy basically anything organic but in their local stores even buying organic vegetables and fruits can be difficult and therefore buying non-organic option is necessary. Some of the respondents also compared Finland to other Nordic countries stating that in general Finland has a limited organic food selection and they would like to see wider selection in the future.

5.3 Pro Luomu Survey

The responses gathered from the online survey supports the survey conducted by Pro Luomu that was published 1.10.2015. Pro Luomu conducts surveys each year trying to analyse the consumer behaviour towards organic food products. Pro Luomu is the Finnish Organic Food Association which tries to promote and increase the organic food production in Finland. Pro Luomu is mainly financed by the Finnish government project funding. Pro Luomu works closely with different control systems, administration and scientists trying to publish accurate information and findings regarding organic food production. (Pro Luomu, 2015).

According to the survey almost half of the Finnish consumers use organic products at least once a month and they have expressed their interest to increase the usage in the future. Despite the current economic situation the number of consumers using organic products regularly has been increasing which support the results received from the online survey.

The survey divides the consumers into four different categories; active users, regular users, occasional users and people who do not purchase organic products at all as it can be seen from the graph below. The group that has been growing fastest are the active
users. Since 2010 the number of the active users has increased from 21 percent to 27 percent. These active users are consumers who will buy organic products weekly. Into this category falls couples in all age groups and families who have small children. Usually active users have higher education and they are in the age of 30-39. Most of the active users live in the metropolitan area. (Pro Luomu, 2015).

Graph 18. Typical consumers (Pro Luomu, 2015)

Another group that forms as big group as the active users according to Pro Luomu survey are consumers that use the products on a regular basis but at a low incidence. These consumers purchase organic products at least once a month but not in a weekly basis. These users are not as aware of organic products as the active users. They also have doubts if the products sold as organic are actually produced according to the regulations. The consumers in this category would like to have more proof that organic products actually differs from the original products sold in the market. (Pro Luomu, 2015).

The third user group are the occasional consumers who buy organic food products less than once a month and only occasionally. This group is the biggest group and 32 percent of the answerers fell into this category. According to the survey people in this group are usually men 40 years old or older. However, when comparing to previous years this group is getting smaller which demonstrates that people are becoming more aware of
organic products and slowly starting to consume more organic food products. (Pro Luomu, 2015).

The final consumer group are the consumers who do not purchase organic food products at all representing 14 percent of the answerers. These consumers are typically 18 years old or older men as well as people who have slightly lower income level. Furthermore, consumers that live in the countryside falls typically into this category. (Pro Luomu, 2015).

5.3.1 Consumer Motivation Towards Organic Food

As in the online survey, also in the survey conducted by Pro Luomi it can be seen that one of the most dominant factor why people choose to purchase organic food products is the health reasons. People feel it is less risky to consume products that has been produced without any additives. Consumers want to avoid chemicals, genetically modified products and benefit from the more nutrient diet. The participants who participated in the Pro Luomu survey stated that it is important to avoid antibiotics, hormones and other drugs that are used in animal products. (Prevention, 2011), (Pro Luomu, 2015).

On top of the health reason many consumer emphasises the environmental factors on the Pro Luomu survey. Organic farming is in harmony with nature and it supports the eco-sustenance. It is important for the ecosystem that chemicals are not used in the food production. Moreover, different fertilizers, agricultural chemicals and pesticides are currently contaminating the environment, destroying the farmland and poisoning the water supplies. Hence, choosing organic products consumers will protect the nature which for many people is an important factor. (Luomu.fi, 2014).

Lastly but not least consumers are concerned about the wellbeing of the livestock. Many consumer decided to choose organic meat, milk products or eggs due to the ethical aspects. Consumers are getting more aware how slaughter animals are treated and therefore some people prefer buying organic food to have a clean conscience. The recently released MOT document that addressed the defects of a mass production in Finland brought much attention to the ethical side. Even in Finland animals are not treated
as well as they should and therefore buying organic animal products might be better choice for many consumers. (Luomu.fi, 2010).

5.3.2 Consumer Barriers Towards Organic Food

Many consumers might feel that buying organic food products would be the best choice for their health, for the environment as well as for the animals used in the production. However, there are still many barriers that prevents consumers buying organic products. Some of these barriers are price, availability, and a lack of knowledge as revealed from the Pro Luomu survey.

Especially low-income individuals state that they would purchase more organic products if the price is not as high as it is at the moment. (Pro Luomu, 2015). This was also clear from the online survey that a lower price of organic food products would increase the spending for many consumers.

However, at the moment due to the nature of the product, the price has to be higher in order for the producers to stay competitive and profitable. In few years the price has come down slightly but still many consumers consider the price excessively high to have organic products as part of their everyday life. Additionally, as there are no chemicals and pesticides used in the production, organic food products will not last as long. Therefore, some consumers feel that the organic food is expensive and it gets rotten too easily. (Pro Luomu, 2015).

HOK-Elanto which is a group where many Finnish grocery stores belong to has announced that they will lower the price for over 100 organic food products. Their goal is to double the sales of organic food products in the next three years due to the lower prices. (Salonen, 2015). As one of the biggest barriers of purchasing organic food has been high price, this will hopefully attract more people to try organics and for the consumers who already purchase organics, it will hopefully increase the amount they are purchasing.
Another barrier that the consumers stated in the Pro Luomu survey was the poor availability of the organic products. Almost all big supermarkets already sell organic products but still especially some specific products requires the consumer to visit an organic shop. Many consumers mentioned that they would rather purchase all of their products in a single place in order to save time. However, in many times it is not possible for the smaller stores to bring organic food products to their selection and compete with the bigger stores as the demand is not high enough.

Lastly, the knowledge and benefits of organic food products should be increased. Surprisingly many of the respondents in the Pro Luomu survey did not see the benefits organic food might have for one’s health or for the animals and for the environment. They felt like the organic products are more or less the same and there is just another trend going on which will be shortly forgotten. The consumers did not quite understand the concept of organic and they were not aware of the strict, monitored process the organic food production has.

It is important that the perception of organic food products will be changed in order to make them more appealing. More customers should be aware of the benefits organic products have on the environment and on one’s health. As the survey conducted by Pro Luomu revealed still many people has a negative attitude toward organic products and these attitudes are hard to be changed.
6. Conclusion

As for the conclusion of this study, it can be stated that there is a clear demand for organic food products. However, to reach the forecast published by the Ministry of Forestry and Agriculture still much work needs to be done. The Finnish government has already taken different actions by increasing the budget for organic farming as well as providing support for municipalities to bring organic food products as part of their selection. Therefore, reaching the forecast is not impossible even though it will be challenging.

As both of the surveys reviled, most of the customers purchase their organic food products from a mainstream retail shops rather than from speciality stores, online or directly from the farms. It is therefore important to widen the selection of organic food products in every day grocery shops. This way more people would have an access to the selection. In addition, many of the respondents mentioned they would buy more organic food products if they are locally grown. This is something that the farmers should notice that the demand of organic food products is much higher than the supply. Especially the lack of organic meat and fish products is clear which forces the consumers to buy non-organic options.

Furthermore, many customer emphasised in the surveys the poor selection of the products. Even though the selection has been constantly growing and more products are entering the markets, still the selection for non-organic food products is much better. The consumers told that especially with the meat products a wider selection would be needed. Finally, also the awareness of organic food products should be increased. As the surveys revealed not all consumers recognized the EU leaf label nor are familiar with the benefits organic food products could bring.

To reach the forecast, the demand of organic food products must continue to rise. To increase the sales for organic food products it would be essential to have wider selection as well as easy access to the products. According to the online survey, the consumers do not like to visit various different stores to get the products they need. If they do not get the products they are looking for from the same place, they will most likely buy a substitute product. Therefore, wider selection and better store placement would be important to increase the sales.
The most visible action that government has taken to reach the forecast is by providing more education and support to the farmers and by seeking both domestic and foreign investments. The government decided to put additional 1,58 million budget between the years 2012-2015 to support organic farming. Furthermore, the Ministry of Environment wants to ensure the whole process of getting licenses would be faster and easier to increase the interest among farmers. (Luomuruoka.fi, 2015).

One major part to increase the number of organic farms is to bring organic food products to the public kitchens. This is done by promoting different municipalities to increase the amount of organic food served. It is important that the municipalities get all the needed help and support in order to increase the organic food used.

To research and study the organic farming further, a recommended study would be analysing the forecast made by the International Federation of Organic Agriculture Movement (IFOAM). IFOAM has published their ambitious forecast that in year 2030 as much as half of the food production in the world would be organic. It would be interesting to analyse the organic farming in a wider perspective and not only focus on the Finnish markets.
7. References


Online Survey

Consumer behaviour - Organic food products in Finland

This survey is used to analyse the demand of organic food products in Finland. I would kindly ask you to complete this survey, it will not take you more than 15 minutes. All answers will remain anonymous.

Your time is much appreciated!

*Required

Have you purchased organic food products? *

If you chose "no" could you kindly specify why you do not purchase organic food products?

How often do you purchase organic food products?

- Several times a week
- Once a week
- Once a month
- Few times a year
- Never
**Appendix 1**

**How much money do you spend on organic food products each month?**

- Less than 20€
- 20-49€
- 50-79€
- 80-109€
- Over 110€

**Which of the below organic food products do you buy and how often?**

<table>
<thead>
<tr>
<th></th>
<th>Never</th>
<th>Seldom</th>
<th>Sometimes</th>
<th>Often</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruits</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Vegetables</td>
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<td></td>
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<tr>
<td>Dairy products</td>
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<tr>
<td>Grains</td>
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<tr>
<td>Meat</td>
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<tr>
<td>Coffee and tea</td>
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<tr>
<td>Other beverages</td>
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<tr>
<td>Superfoods</td>
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<tr>
<td>Premade meals</td>
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</table>

**How often do you buy organic food products from the below options?**

<table>
<thead>
<tr>
<th></th>
<th>Never</th>
<th>Sometimes</th>
<th>Often</th>
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<tbody>
<tr>
<td>Organic shop</td>
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<td></td>
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<tr>
<td>Supermarket</td>
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<tr>
<td>Online shop</td>
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<tr>
<td>Local farms</td>
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<td></td>
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<tr>
<td>Ordering abroad</td>
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<td></td>
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</tbody>
</table>
Where do you search information about organic food products?

- Online
- Ads and brochures
- Ask from the store staff
- Ask a friend and family
- I don't search additional information

How important are the following factors when searching information about organic food products?

<table>
<thead>
<tr>
<th></th>
<th>Not At All Important</th>
<th>Slightly Important</th>
<th>Quite Important</th>
<th>Very Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Placement In Store</td>
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<tr>
<td>Store Employee reference</td>
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<tr>
<td>Food Labels</td>
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<tr>
<td>Family/Friends</td>
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<tr>
<td>Past Purchase Experience</td>
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</tbody>
</table>

How much influence do the following factors have on your purchasing decision of organic food products?

<table>
<thead>
<tr>
<th></th>
<th>Not at all influential</th>
<th>Slightly influential</th>
<th>Moderately influential</th>
<th>Very influential</th>
<th>Extremely influential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Health</td>
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</tr>
<tr>
<td>Environmental factors</td>
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</tr>
<tr>
<td>Animals rights</td>
<td></td>
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</tr>
<tr>
<td>Quality of the products</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Packaging</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Financial situation</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Marketing/adverts</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Media: Blogs, magazines, TV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family and friends</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand I trust</td>
<td></td>
<td></td>
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</tr>
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</table>
## What would increase your spending on organic food products:

<table>
<thead>
<tr>
<th></th>
<th>Not At All Important</th>
<th>Slightly Important</th>
<th>Quite Important</th>
<th>Very Important</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower price</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More knowledge about organic food</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greater availability</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>More advertisements</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Wider product selection</td>
<td></td>
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<tr>
<td>Opinion of friends/family</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Scientific evidence</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government regulation</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Celebrity endorsement</td>
<td></td>
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</tr>
<tr>
<td>Sustainable investment made by the brand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## How familiar you are with the following labels?

<table>
<thead>
<tr>
<th></th>
<th>I don't know the label</th>
<th>I have heard about the label</th>
<th>I am familiar with the label</th>
</tr>
</thead>
<tbody>
<tr>
<td>Euro leaf label</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ladybird label (leppäkertumerkki)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sun logo label (aurinkomerkki)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## If the price of organic products continued to rise, would you continue to purchase organic products?

- [ ] Yes
- [ ] No
- [ ] Not sure
In what way has the economic downturn affected your purchasing decision of organic food products?

- Increased spend
- Stayed the same
- Reduced spend

Do you purchase the same organic food products or do you like to try new products?

- Always purchase the same products
- Mostly purchase the same products
- Often try new products
- Always try something new

Do you prefer buying organic option if available?

- Yes
- No

What would make you to purchase more organic food products if anything?

What kind of organic food products you would like to see entering the markets?
Appendix 1

Gender
- Female
- Male

Age

Education level
- Primary School
- Secondary School
- Bachelor’s Degree
- Master’s Degree
- PhD
- Other: [Textbox]

Average Income (Year/Gross)

How many people currently live in your household?
- 1-2
- 3-4
- 5-6
- 7+

How many years have you purchased organic food products?
- 10 years or more
- 6-9 years
- 2-5 years
- 1 year
- Less than a year
Appendix 2

Survey Data

Have you purchased organic food products?

- Yes: 97 (93.3%)
- No: 7 (6.7%)

Gender

- Female: 75 (72.8%)
- Male: 28 (27.2%)

Age

- Under 20: 4 (4%)
- 20-29: 51 (50.5%)
- 30-39: 26 (25.7%)
- 40-49: 9 (8.9%)
- Over 50: 11 (10.9%)

Education Level

- Primary School: 2 (1.9%)
- Secondary School: 26 (25.2%)
- Bachelor's Degree: 51 (49.5%)
- Master's Degree: 20 (19.4%)
- PhD: 3 (2.9%)
- Other: 1 (1%)
Appendix 2

2 (4)

How many people currently live in your household?

- 1-2: 70 (67.3%)
- 3-4: 29 (27.9%)
- 5-6: 4 (3.8%)
- 7+: 1 (1%)

How many years have you purchased organic food products?

- 10 years or more: 15 (14.6%)
- 6-9 years: 20 (19.4%)
- 2-5 years: 51 (49.5%)
- 1 year: 8 (7.8%)
- Less than a year: 9 (8.7%)

Do you prefer buying organic option if available?

- Yes: 80 (76.9%)
- No: 24 (23.1%)
Appendix 2

3 (4)

How often do you purchase organic food products?

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Several times a week</td>
<td>38</td>
<td>36.5%</td>
</tr>
<tr>
<td>Once a week</td>
<td>26</td>
<td>25%</td>
</tr>
<tr>
<td>Once a month</td>
<td>22</td>
<td>21.2%</td>
</tr>
<tr>
<td>Few times a year</td>
<td>11</td>
<td>10.6%</td>
</tr>
<tr>
<td>Never</td>
<td>7</td>
<td>6.7%</td>
</tr>
</tbody>
</table>

How much money do you spend on organic food products each month?

<table>
<thead>
<tr>
<th>Range</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 20€</td>
<td>24</td>
<td>24%</td>
</tr>
<tr>
<td>20-49€</td>
<td>33</td>
<td>33%</td>
</tr>
<tr>
<td>50-79€</td>
<td>32</td>
<td>32%</td>
</tr>
<tr>
<td>80-109€</td>
<td>5</td>
<td>5%</td>
</tr>
<tr>
<td>Over 109€</td>
<td>6</td>
<td>6%</td>
</tr>
</tbody>
</table>

If the price of organic products continued to rise, would you continue to purchase organic products?

<table>
<thead>
<tr>
<th>Answer</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>29</td>
<td>28.2%</td>
</tr>
<tr>
<td>No</td>
<td>21</td>
<td>20.4%</td>
</tr>
<tr>
<td>Not sure</td>
<td>53</td>
<td>51.5%</td>
</tr>
</tbody>
</table>

In what way has the economic downturn affected your purchasing decision of organic food products?

<table>
<thead>
<tr>
<th>Effect</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>8</td>
<td>7.8%</td>
</tr>
<tr>
<td>Stayed the same</td>
<td>68</td>
<td>66%</td>
</tr>
<tr>
<td>Reduced spend</td>
<td>27</td>
<td>20.2%</td>
</tr>
</tbody>
</table>

Do you purchase the same organic food products or do you like to try new products?

<table>
<thead>
<tr>
<th>Preference</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Always purchase the same products</td>
<td>2</td>
<td>2%</td>
</tr>
<tr>
<td>Mostly purchase the same products</td>
<td>51</td>
<td>50%</td>
</tr>
<tr>
<td>Often try new products</td>
<td>45</td>
<td>44.1%</td>
</tr>
<tr>
<td>Always try something new</td>
<td>4</td>
<td>3.9%</td>
</tr>
</tbody>
</table>
Organic food products purchased

<table>
<thead>
<tr>
<th>Category</th>
<th>Often</th>
<th>Sometimes</th>
<th>Seldom</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vegetables</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dairy Products</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grains</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Meat</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Coffee and Tea</td>
<td></td>
<td></td>
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<tr>
<td>Other Beverages</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Superfoods</td>
<td></td>
<td></td>
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<tr>
<td>Premade Meals</td>
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</table>

How familiar you are with the following labels?

<table>
<thead>
<tr>
<th>Label</th>
<th>Sun logo label</th>
<th>Ladybird label</th>
<th>Euro leaf label</th>
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<tbody>
<tr>
<td>I am familiar with the label</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have heard about the label</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>I don't know the label</td>
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