

STUDY ON THE LEVEL OF CONFIDENCE THAT ROMANIAN CONSUMERS HAVE REGARDING THE ORGANIC PRODUCTS

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Abstract

Organic agriculture is a domain that is growing rapidly both in Europe or worldwide and in Romania. However, there is a limited number of researches which, by the used methodology, are able to offer a definite and appropriate image of the Romanian market of organic products. In this respect, we considered as relevant to conduct certain market researches which can offer a wide image of the Romanian market of organic products. The present study aimed to briefly present some ideas learned from these researches concerning the level of confidence that the Romanian consumer has in organic products and the way in which the level of confidence may influence the purchasing behavior. Among the most important conclusions, it could be mentioned the low level of confidence that a large number of Romanian consumers has regarding the organic products, the decision to buy organic products is strongly influenced by the confidence expressed by the consumer, as well as the lack of confidence in organic products represents one of the main reasons for not buying it, in some cases being more important than the high price. After a deeper analysis, the final conclusion is that, at least partially, the low level of confidence in organic products is determined by the confusion and the low information level, on one hand, and by some producers' practices that so not seem to comply with the certification community norms.

Key words: confidence, organic, organic certification, Romanian consumer

INTRODUCTION

Organic agriculture is growing rapidly both in the European Union and in Romania. As the certified organic products on the market, the demand has had a continuous increasing direction during the last decade. According to the last report published in 2013 by the International Federation of Organic Agriculture Movements (IFOAM), the widest organization in organic farming [14], the development course of the organic sector is obvious.

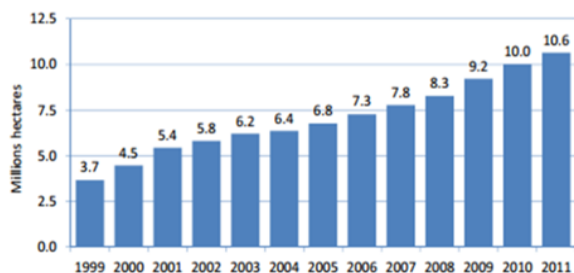


Fig. 1. Europe – Development of organic agricultural land 1999-2011

Source: Lampkin, Nik and FiBL, based on national data sources and EUROSTAT

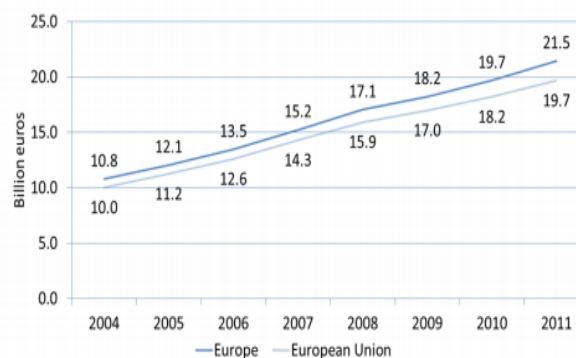


Fig. 2. Europe and European Union: Market development 2004-2011

Source: FiBL-AMI surveys 2006-2013

In Figure 1 it is presented the evolution of the surfaces of organic farming in Europe during 1999-2011.[11] It has a continuous growing direction, in a little more than a decade practically reaching to a triple size of total surfaces for organic farming. The evolution of the surfaces included in organic farming is directly related with the increased market of organic products (Fig. 2).

Considering the 2011-2014 reference interval, the evolution of the market growth rate

registered a faster rhythm than the total of organic farming surfaces, which means that the demand recorded a slight increase than the offer. [11, 12]

The same directions are available for the organic products market in Romania.[3] According to the most recent reports of MARD, the number of producers registered in organic farming increased five times during 2010-2014, while the cultivated areas almost doubled.[15]

According to the IFOAM report, during the year 2011, the market value of organic products in Romania was of about Euro 80 million. (IFOAM-FiBL). [11]

Despite these trends, there is a very limited number of market researches regarding the organic products market in Romania.

In addition, in most of the cases, the methodology used to conduct the researches is not able to provide an overview on the consumption or the consumers of such products.

In a different approach, the food market in Romania is characterized by some certain features which substantially vary from most the EU markets. Two of these features are the large number of producers who are operating in small farms and self-consumption.

Based on these aspects, this study aimed to carry out a market research on the organic products market in Romania. The purpose is to highlight a series of market characteristics regarding consumers, manufacturers and retailers of organic products.

Among the most interesting results are the ones relating to the confidence that the Romanian consumer has regarding the authenticity of the organic products. Confidence is a very important component of the consumer behavior as it represents a motivating factor and it can become, as further demonstrated, the main reason for buying or non buying organic products.

MATERIALS AND METHODS

The study goal is to complete an analysis of the level of confidence that consumers have in organic products or, more precisely, that those products strictly respect the European

certification rules in force. Furthermore, the study aims to clarify the correlations of the level of confidence that exists between the consumer and his/her purchasing behavior and the consumption of organic products.

The study is based on the results of two wider researches carried out during October 2013 and June 2014: a quantitative research among consumers and a quality research among the farmers registered in organic farming in Romania.

The quantitative research was carried out in April-June 2014 and it targeted a focus group of 1,000 people nationally representative for urban areas. It was conducted and concluded with satisfactory accuracy a random sampling, planned according to gender, age group and type residence places. The research was conducted by survey, having as data collection instrument the telephone survey.

The exploratory research was carried out during the period October-December 2013. The method of primary data collection was represented by in-depth semi-directed interview.

The investigated focus group included 15 persons, owners or managers of organic farms. In order to obtain a more comprehensive image, farmers from all geographical areas of the country were interviewed.

Producers of all important farming sectors were also represented: field crop, vegetable farming, animal husbandry, beekeeping, mixed farms.

Another criterion regarding the sampling was the configuration of the landscape where the farmers carry out their activity. Therefore, with approximately equal proportions there are represented the plain, hills and mountain areas. [2]

The statistical analysis of the data was performed using the IBM SPSS Statistics software. For the qualitative research we used the interview content analysis method.

We also consulted and used secondary data sources, especially those from Ministry of Agriculture statistics, as well as the information obtained directly from the Department of Organic Agriculture representatives within the Ministry.

RESULTS AND DISCUSSIONS

First of all we have to mention that, of the total of consumers focus group on the organic products, were asked only those who answered that they knew what organic products were. They represent 83.6% of the population studied, while 13.25 % of respondents answered that they did not know what organic products were, and 3.1% were not sure. (fig. 3)

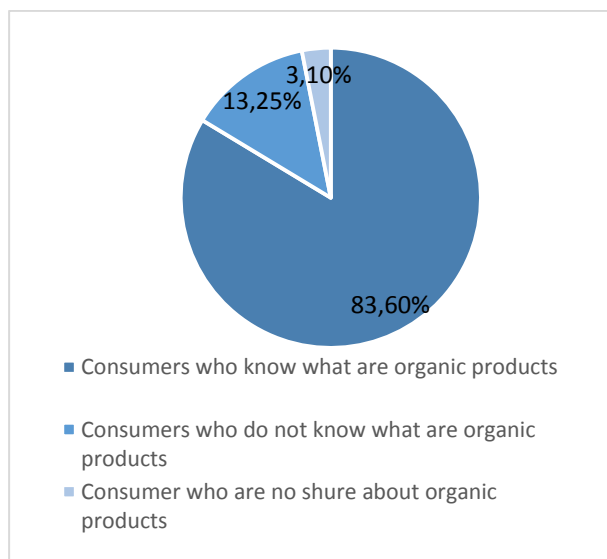


Fig. 3. Responses distribution to the question “Do you know what are organic products?”
Source: Own calculation.

The level of consumers' confidence in conformity of organic products

To verify directly the level of confidence in organic products, the respondents were asked a question: "Do you believe that organic products strictly observe rules of certification? Namely, are they really organic..." The answers were recorded using a semantic differential scale of 5 steps. (fig. 4)

It may be noted that a satisfactory level of confidence (a lot of confidence or enough confidence) was expressed by 19.5% of respondents, while 38% of them said they had pretty little or very little confidence that organic products observe the certification standards.

A special discussion may exist in the case of more than 42% of the respondents who were placed in the middle of the scale.

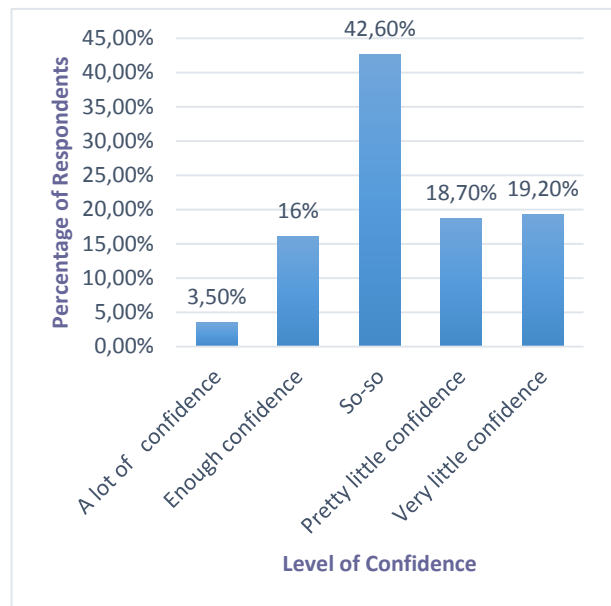


Fig. 4. The respondents' level of confidence regarding organic products
Source: Own calculation.

In the event that the secondary data regarding the consumers of organic products in Romania would have been more detailed and if there were previous representative researches on that matter, so that hypotheses could be formulated, we could have chosen a scale with an even number of steps. In this way we could have determined how many of the nearly half of respondents who were placed in the middle of the scale were likely to confide in than to distrust and how many vice versa. Given the present situation, we believe that the answer „so so" rather indicates an insufficient level of confidence in genuineness of organic products. However, it may be assumed that some of those who answered, there was a percentage of undecided persons and a number of respondents who are merely not interested in that domain, but whose balances cannot be determined in this research. Back to the matter, there was a small percentage of respondents, less than 20%, who stated that had a lot of confidence or enough confidence in the organic products.

Comparing with the European Union level, approximately 70% of the consumers declared that they confided in the organic products.[13] The causes of this situation are more subtle and do not represent the subject of the present study. However, during the research we

identified some clues which could explain the low confidence of the Romanian consumer in organic agriculture. Among them we mention the confusion that many of the respondents made between certified organic products and conventional products without certification, presented as organic, as well as the low level of consumer's information on organic products. To support these statements, among others, the answer to the question "How do you recognise the organic products when buying them?" can be added. We consider eloquent the fact that only 9.1% of the buyers of organic products state the ECO certification/ logo/ label as being the identification element of organic products. In terms of bivariate analysis, there is not any significant connection between the level of confidence in organic products and respondents' gender, age category to which they belong, type of residence place or level of education.

There is a weak connection between the level of confidence in organic products and the information level that the respondents declare that they have on such matter. In order to determine how informed respondents consider themselves on organic products, they were asked to perform a self-evaluation on a scale from 1 to 10. Afterwards, in order to enable the statistical analysis, according to the scales given, we established three categories of respondents: well informed (9-10), averagely informed (5-8) and poorly informed (1-4). The correlation is demonstrated in the way that the persons who answered that were well informed about the organic products tend to have more confidence that those products comply with the certification norms. Thus, 29% of those well informed said that they had a lot of confidence or enough confidence, compared to 18% of those who consider themselves averagely informed and 12% of the poorly informed. On the other hand, regarding those who declared no confidence in organic products certification, there were no significant differences according to the level of information

The way in which the level of confidence influences the buying behavior of organic products

One of the directions undeniably detached from quantitative research is that confidence is the main factor to influence the decision to purchase. More precisely, lack of confidence, or insufficient confidence in organic products expressed by a high percentage of respondents represents, together with the price or the consumption from own products, are some of the main reasons which limit the purchase of organic products.

The questionnaire used for mentioned research comprises a number of open questions, including at least three which are directly related to reasons for buying/ not buying organic products. Such questions were addressed to those who declared that they have not bought organic products so far, and those who buy such products monthly or rarely. After analyzing the content of open questions we were able to categorise the received answers in several generic categories. Buyers of organic products were asked which were the main factors that could increase the frequency of purchase. (Table 1).

Table 1. Main factors that could determine the respondents to buy organic products more often.

	What could determine you to buy organic products more often?	Respondents (%)
1	Lower prices	32.8
2	The safety that the products are organic. More Confidence in farmers	30.1
3	Products availability in shops	10.9

Source: Own calculation.

They unassisted identified elements which could determine them to buy organic products more often. In table 1 it can be observed that, together with the price, the lack of confidence in producers/ the safety that the products meet the rigors of organic farming, represent the main factors which determined the consumers not to buy organic products more often. As a matter of fact, these factors are directly correlated.

Taking into account the fact prices for organic products are significantly higher than those of conventional products [5, 8], the consumer needs a proper motivation to pay more. While superior qualities and benefits associated with

organic products are not questioned by most of the respondents (including those who have never bought such products), the lack of confidence is in the position to reduce or even to cancel a positive motivation associated with intrinsic qualities of organic products. The same discussion is valid also for the category of respondents who have not bought organic products so far. When asked about the main reasons for not buying they answered unassisted and their responses are listed in the following table (Table 2).

Table 2. Main reasons for not buying organic products

	What are the main reasons why you have not bought organic products so far?	Respondents (%)
1	Own production. Family has a farm at the countryside	33.1
2	The lack of confidence	28.9
3	The price is high	23.2

Source: Own calculation.

In this case too, the lack of confidence is the second reason for not buying, in order they mentioned.

Worth noting that the most frequent reason for not buying is determined by particularity of the Romanian market, self-consumption, while for consumers who do not have opportunity to get their own products, lack of confidence is a more frequently reason for not buying than the high prices, generally associated with organic products.

A subcategory of respondents who have not bought organic products yet, but expressed their willingness to buy such products in future, were asked to mention the main factors that might facilitate the purchase (Table 3).

Table 3. Factors that could encourage the buying of organic products among the non-buyers.

	What could determine you to buy organic products in future?	Respondents (%)
1	More confidence. The safety that the products are organic	22
2	Lower prices	19.5
3	A healthier way of life. Other reasons concerning the health	16.3

In this case too, confidence has been identified as the main motivating factor, with a greater balance in the answers comparing to the decrease of prices, which, in previous

researches, was considered to be the most important reason for not buying organic products among the informed consumers. [5, 8].

It may be noted from the data previously presented, that both consumers and non-consumers of organic products, in large numbers, express their lack of confidence regarding the genuineness of these products. For both categories of respondents lack of confidence represents a factor that limits or restricts the purchase of organic products. The relationship between the confidence and the decision to buy organic products can be expressed more clearly, and analyzing the correlation between the level of confidence declared by the respondents and the answer to the question “Have you bought organic products so far?” (Fig. 5)

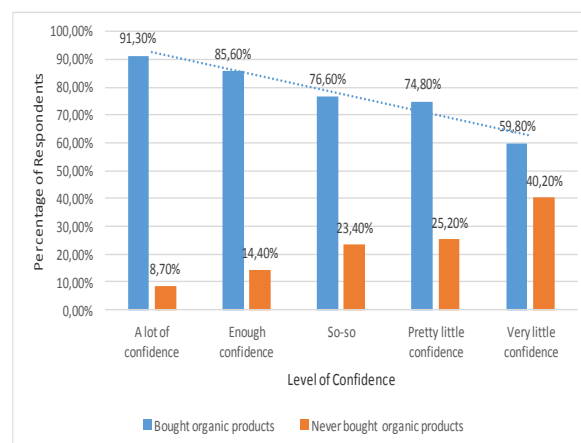


Fig. 5. Consumers/Non Consumers variation depending on confidence level

Source: Own calculation.

It may be noted that between the two categories of answers there is a significant connection, in the meaning that they are inversely proportional.

As the level of confidence in organic products decreases, the percentage of persons who have never bought organic products increases. Interesting to note is the fact that there is no, in case of buyers of organic products, statistically significant connection between the level of confidence and the frequency of purchase, although the respondents who buy frequently organic products seem to have more confidence in their genuineness.

This lack of correlation can be rather

explained by the confusion that many of consumers make between certified organic products and similar conventional products, which they consider as being organic, confusion which influences the analysis results of the primary data.

Confidence in organic products from the perspective of producers and control authorities.

Having as its starting point the low level of confidence expressed by a large percentage of consumers, we considered to necessary to correlate their point of view with the perspective of those involved in the production and the control authorities. Especially, to conduct a brief analysis to see whether the reticence and concerns expressed by consumers regarding the conformity of the organic products have a real basis.

Producers' point of view, as shown in exploratory research by in-depth interview, at declarative level, is normal. Organic products produced in the farms are in full compliance with European certification norms, safe for consumption and of higher quality comparing to conventional products. Although the analysed sample was relatively small, typical of qualitative research, there are some indications that determine us to question the sincerity of some manufacturers. [2]

Precisely, 13% of those surveyed state regarding their competitors that they do not strictly observe the rules of organic farming. It should be noted that they are part of a more developed branch in Romanian organic farming, the production of eggs. Taking advantage of the fact that we were able to contact all leading manufacturers registered at the Ministry of Agriculture regarding the organic eggs production, we conducted a detailed analysis of this sector[1].

Considering the respondents' statements and the visits of production facilities, where we were allowed to visit, we could identify another two aspects that question the conformity of the organic products in this category:

- 2 of 5 producers said they obtained very high productions (percentages of egg laying 87-93% per day), difficult to achieve even for conventional farming systems and totally

unnatural for organic farming. In this situation the conformity of the feed used with rigors of organic farming can be questioned, more precisely the use of chemical or biological synthesis components, which significantly increase production, but are prohibited in organic farming.[6]

- Where we were allowed to visit the production facilities (in 2 cases out of 3 which gave us the permission), the growing system seemed to be rather industrial, closer to conventional agriculture than organic agriculture. Actually, all the equipments were automatic and the birds had at most theoretically access to grazing grass (4 square meters per bird as required by law) in reality, although the weather was favorable, the birds were kept inside farm.[6, 9]

There are some question marks regarding other analyzed branches of organic farming, such as crop production, they are all connected mainly with high levels of production reported by some farmers, basically similar to those of conventional agriculture.[7,10] However, we are able to bring specific scientific arguments, we prefer only to bring them into question.

Although we mentioned the previous aspects, it is imperative for the accuracy of the analysis to mention that this is not a general course, in most of the analysed cases we lack of basis to say that there are suspicions about the respondents' sincerity or the quality of their products.

The perspective of the control and certification authorities is clear: all organic certified products on the market comply with European legislation in force.

Representatives of certification authorities accredited in Romania take advantage of every opportunity (conferences, specific exhibitions, producers meetings) retire their point of view. It cannot be questioned in a scientific research. However we can discuss on this topic, the points of view of governmental organizations in Romania.

In Romania, the organic agriculture is represented by a department within the Ministry of Agriculture and Rural Development.

Although undersized, it deals with solving all

problems of organic agriculture, as well as strategies proposals and implementation of EU strategies regarding the development of the sector.

The representatives of this department provided us with the latest statistics available, and giving us additional information that are not found in these statistics. We consider important and relevant the presentation of some conclusions that emerged from the discussions with the department director of Organic Agriculture Department within MARD. The ideas are directly related to certification authorities, certification and compliance process of organic products and these are presented with the prior consent of the person mentioned.

- In 2013, MARD withdrew the accreditation the two institutions of organic certification on Romanian market, after finding serious and repeated irregularities when performing the control tasks. The economic agents certified by the mentioned authorities were forced to remedy the identified deficiencies and to re-certify to other accredited authorities. A great part of the important operators on the organic products market from Romania were certified by two authorities that had lost accreditation. The certification and control authorities currently accredited do not have enough staff, especially qualified specialists to verify the specific activity of all the economic agent in the portfolio.

- Laboratory analysis of the finished products, with the purpose to identify certain compounds banned in organic agriculture are rarely used.

- Certification and control authorities tend to be very tolerant towards the economic agents that they inspect, the main cause of this fact is represented by the contractual relationship between them (certification and control authorities are financed exclusively from sums collected from the farm operators they verify, charged as certification fees)

- Government authorities have difficulties in monitoring the sector because of the small number of staff.

- Government authorities prefer not to publicise the deficiencies found, to avoid

discrediting a perspective sector, which is just starting out.

In short, we can say that there are some specific reasons that could feed the lack of consumer confidence in organic products. In this study we tried to determine, among other things, if there are some objective factors that may underlie at the low confidence of the Romanian consumer, in organic products. These factors were identified as a result of scientific research and we can not say in any way that any one of them would be widely known. Specifically, we can not categorically say that any irregularities in the process of obtaining organic products identified by us, although real, are among the factors that influence consumer confidence in organic products or its purchasing behavior. All that we can say is, with a very high degree of certainty, that there are significant irregularities.

CONCLUSIONS

Following the researches, it can be concluded that the level of confidence of the Romanian consumer in organic products is quite low.

A relatively small percentage of respondents (under 20%) declare they have enough or very much confidence in this product category, while almost 40% of them say they have little or very little confidence in organic products. By comparison, according to research carried out at EU level, approximately 70% of consumers say they have confidence in organic products.

The lack of trust does not refer to the intrinsic qualities of organic products. The benefits of their consumption and superior qualities to the conventional products are acknowledged and accepted by the majority of respondents, including those who have not so far bought organic products. Instead, consumers have strong reservations about the authenticity of organic products and that if indeed they strictly fulfill the rules of certification in force.

Lack of confidence regarding the conformity of organic products significantly influence consumer buying behavior, in particular the decision to purchase organic products. Both

non buyers of organic products, and those who do buy such products at a lower frequency (the vast majority of buyers, in fact, buy a monthly or occasional) mention in large numbers and unattended, as the main reason for not purchasing, the lack of confidence / insufficient confidence.

Also, following the analysis of primary data, it was unquestionably revealed that the levels of confidence in purchasing / not purchasing organic products are directly correlated. As the level of confidence in organic products declared by the respondents increases, the percentage of those who buy such products increases too.

Analyzing the data obtained from exploratory research among producers and secondary data provided by the Department of Organic Agriculture within MARD, we concluded that there could be a link between the low confidence manifested by the Romanian consumer in organic products and certain objective factors which could affect the quality of these products.

There are elements that can cause us to believe that the production process does not meet in all cases the national standards (and European at the same time) of organic certification. Among these elements we mention very high productivity achieved in some farms we studied or the industrial technological process observed in the case of certain producers. In addition, seem quite unclear the integrity and professionalism shown by some organic certification bodies. As main argument in this direction can highlighted, the withdrawal of accreditation, in 2013, of two major certification and control bodies present on the Romanian market. Although in this study we have identified a number of elements that can question the conformity of some organic products present on the market, we do not have sufficient data to support categorically that any irregularities identified by us, although real, would be among factors that influence consumer confidence in the organic products.

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