

A Study on Factors Influencing Consumer Purchase Behavior and Marketing Strategies for Organic Rice¹

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Abstract

As national income increases, the concept of green consumption which emphasizes the importance of health and safety also becomes more popular in Taiwan. Under such new trend, the amount of organic products produced and the market for organic food have both grown rapidly. While organic agricultural products are major food commodities usually consumed, the potential effects consumer buying behavior may bring to the development of the entire organic agricultural industry also become eminent. Based on the concept, this study aims to examine the purchasing behavior in order to understand consumer motivation of buying organic rice, decision-making process, and factors that influence their evaluation. Through investigating the distribution channels of commodities, we can have a more thorough understanding about the structure of organic food industry and marketing strategy for organic products. Applying cluster analysis, I roughly divide the consumers into three different groups: consumers who buy organic products because they have listened to other people's recommendation (Consumers attracted by Word-of-Mouth Marketing), consumers whose social class belongs to the middle class (Middle Class Consumers), and consumers who believe in "LOHAS" ideas (LOHAS Consumers). The results show that "Information acquirement", "Number of people dining at home" and "Organic rice items" are three major factors that influence purchasing behavior and thus categorize consumers into different clusters. By using correspondence analysis, I collect features of these three clusters, and provide Farmers' Association enough data and helpful suggestions for their future marketing strategies. For consumers who make decision based on other people's recommendation, sellers can apply word-of-mouth marketing strategy to attract them. As for "Middle Class Consumers," sellers can use promotion activities to appeal to the customers. Finally, for "LOHAS Consumers," sellers should put more attention on relationship-building and leave the customers a good impression.

Key words: Organic Agricultural, Consumer Channel, Consumer Behavior, Organic Rice.

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