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**MEAT CONSUMPTION PATTERNS IN VIETNAM: EFFECTS OF HOUSEHOLD
CHARACTERISTICS ON PORK AND POULTRY CONSUMPTION**

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Meat Consumption Patterns in Vietnam: Effects of Household Characteristics on Pork and Poultry Consumption

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Introduction

Vietnamese meat demand is important for several reasons. Consumers spend more than 20 % of food expenditure on meat (VHLSS 2010). Furthermore, the meat demand, especially pork, has been rapidly increasing.

Vietnam's demand for pork has grown more rapidly than domestic production and the real price of pork has risen fast over the last years. In addition, the meat and poultry industry is positioned as one of Vietnam's most important manufacturing industries.

=> So understanding meat demand is important for Vietnamese producer, trader and agricultural policy makers and meat consumption provides an important case study for demand analysis.

The major objective

Analyze the consumption patterns of pork and poultry in Vietnam

Data and methodology

The data analyzed in this study is from the Vietnamese Household Living Standard Survey (VHLSS) 2010. The Tobit model has been widely employed to estimate expenditure and consumption with censored data. The demand equation can be written as:

$$\ln(Y_i) = \beta_0 + \beta_{i1} \text{Hsize} + \beta_{i2} \text{Urban} + \beta_{i3} \text{Female} + \beta_{i4} \text{Ethnic} + \beta_{i5} \text{Age} + \beta_{i6} \text{Edu} + \beta_{i7} \text{Income} + \sum_{j=2}^6 \beta_{ij8} \text{Reg}_{ij}$$

Results

To identify the factors affecting pork and poultry consumption, two demand functions were estimated and the results are presented on the table. The results are consistent with prior expectations concerning household's characteristics. Almost all coefficients of the equations are statistically significant at 0.01 and 0.05 level.

Estimated Tobit model of pork and poultry consumption

Variables	Pork		Poultry	
	Parameter	Std. error	Parameter	Std. error
Intercept	2.081***	0.064	0.606***	0.100
HHsize	-0.089***	0.007	-0.044***	0.010
Urban	0.064***	0.023	0.031	0.036
Female	-0.050**	0.024	-0.065*	0.038
Ethnic minority	-0.204***	0.032	-0.238***	0.050
Age	0.006***	0.001	0.007***	0.001
Edu	0.042***	0.003	0.094***	0.005
Income	0.001***	0.000	0.004***	0.001
Northern midland and mountain area	0.197***	0.036	0.115**	0.056
North Central and Central coastal area	-0.424***	0.030	-0.937***	0.047
Central highlands	-0.368***	0.044	-0.508***	0.069
South east	-0.447***	0.036	-0.388***	0.057
Mekong river delta	-0.539***	0.032	-0.436***	0.049
Log likelihood :	-12912.43		-16872.8	
LR chi2(12) :	1411.1		1357.87	
Prob > chi2 :	0.000		0.000	
Pseudo R2 :	0.0518		0.0387	

Notes: the dependent variable is the natural logarithm of the meat consumption per capita in kg/year *** p<0.01; **p<0.05; *p<0.1.

Conclusion

- The econometric results indicate that socio-economic variables and geographic variables are important factors for Vietnam's future meat consumption.
- Understanding meat consumption pattern will help policy makers to implement measures to ensure food security. The policies may address food redistribution between rural and urban areas, ethnic groups, the poor and the rich
- The preference of Vietnamese customer for fresh (warm) meat and the growing shortfall in Vietnam's domestic supply of meat leads to opportunities as well as threats for foreign exporters.

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