Willingness to Buy Country-of-Origin Labeled Produce Items: A Study of Asians from the East Coast U.S.

Venkata S. Puduri, Ramu Govindasamy, and James E. Simon

Consumers are becoming increasingly concerned with the quality, safety, and production attributes of their food. Country-of-origin labeling (COOL) will help ensure fairer markets for both domestic and foreign food producers by ensuring consistent and accurate information at the point of sale. Several American consumer surveys indicate that from New Jersey in 2004 indicated that 84 percent of consumers would like markets to provide country of origin. The Agricultural Marketing Act of 1946 (incorporating country of origin labeling in the Farm Security and Rural Investment (FSRI) Act of 2002) to require retailers to inform consumers of the country of origin for covered commodities. The perceptions of and purchasing behavior toward COOL produce items are different among different ethnicities. Consumption patterns and produce preferences are influenced by socio-economic and cultural factors. The United States is a diverse country with ethnic communities from all over the world. Asians are the second largest ethnic population in the United States after Hispanics. According to 2000 U.S. Census, 30.2 million Asians lived in the United States, representing 3.5 percent of the total population, with the growth rate of 48 percent between 1990 and 2000. The growing immigrant population also brings a niche demand for familiar foods from their homelands. This creates a market for such produce items fueled by the increasing number of consumers eager to purchase them. This study analyzes predictors of ethnic Asian consumers’ willingness to buy country-of-origin labeled (COOL) produce items.

A survey questionnaire was prepared for the Asian ethnic group consisting of Asian Indian and Chinese in the East Coast region of the U.S. from Florida to Maine, including Washington D.C. Based on random sampling, 542 individuals were interviewed through a telephone survey during April and May of 2006. One of the survey instruments asked respondents whether they were willing to buy country-of-origin labeled ethnic produce; based on the responses we built a logit model to predict their willingness to buy country-of-origin labeled ethnic produce, and different behavioral, perceptual, and demographic attributes were selected as explanatory variables. Results indicated that 40 percent of respondents were willing to buy country-of-origin labeled Asian ethnic produce. According to the results of the logit model, those who indicated that ethnic language is very important in terms of their decision to shop ethnic produce, those who felt that the selection of produce is better in Asian ethnic outlets compared to conventional establishments, those who were willing to buy genetically modified and organic ethnic produce, those who were willing to buy recently introduced or new ethnic produce items. Very importantly, Asian Indian consumers were less willing to buy COOL produce items than were Chinese respondents. These results present considerable evidence that a significant part of the Asian Indian and Chinese subgroup of Asian consumers provide an in-depth understanding of individual and community attitudes and preferences toward country-of-origin labeled produce items. This information will be useful to policy makers, importers, and produce distributors for developing national legislation and marketing and labeling strategies to target this emerging and growing ethnic consumer population.

References


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Consumers are becoming increasingly concerned with the quality, safety, and production attributes of their food. Country-of-origin labeling (COOL) will help ensure fairer markets for both domestic and foreign food products by a high percentage of respondents strongly advocated the COOL requirements (Umberger et al. 2003). Survey results fresh produce (Puduri, Govindasamy, and Onyango 2009). To protect consumers' rights, the U.S. Congress amended the Agricultural Marketing Act of 1946 by incorporating country of origin labeling in the Farm Security and Rural Investment Act (Farm Bill) 2002, Federal Register 2003). The perceptions of and purchasing behavior toward COOL produce items are different among different ethnicities. Consumption patterns and produce preferences are influenced by socio-economic and cultural factors. The United States is a diverse country with ethnic populations from all over the world. Asians are the second largest ethnic population in the United States after Hispanics. According to 2000 U.S. Census, 30.2 million Asians lived in the United States, representing 3.5 percent of the total population, with the growth rate of 48 percent between 1990 and 2000 (U.S. Census Bureau 1990, 2000). The growing immigrant population also brings a niche demand for familiar foods from their homelands. This creates a market for such produce fueled by the increasing number of consumers eager to purchase them. This study analyzes predictors of ethnic Asian consumers’ willingness to buy country-of-origin labeled (COOL) produce items.

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