

# Productivity and Growth in Organic Value Chains (ProGrOV)

## REASONS WHY CONSUMERS PAY MORE FOR ORGANIC VEGETABLES IN NAIROBI

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### Introduction

Consumption of organic products in Kenya has increased as evidenced by the emergence of products labeled Organic in the market, specialized organic green grocer shelves stocking organic products in major supermarkets, organic menus and specialized organic restaurants in major cities. However, there is limited information on the factors that influence consumers' willingness to pay more for organically produced vegetables. Similarly, the demand for organic products outstrips the supply and producers are not aware of this information.



Availability of such information is important so as to inform the policy making processes, consumer education and also inform producers so as to produce to meet consumer's expectations. To address the information gap, a consumer survey was carried out to evaluate factors that influence consumer's willingness to pay premium prices for organically produced vegetables in Nairobi.



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## Study Approach

A questionnaire was administered to 308 consumers to collect demographic information and consumption characteristics of organic and potential organic products consumer. The interviews took place at 10 Organic Outlets and an additional 10 fresh produce stores within Nairobi specifically; Karen, Westlands, Yaya center, Ngong Road, City Center, Ridge ways, Village market, South B, Mombasa road, Buru Buru, and Langata.

Organic Product	Consumer Proportion %
Vegetables	90
Fruits	50
Meat	8
Honey	6
Eggs	6
Potatoes	4
Packed Salad	4
Beans	4
Milk	4
Millet	2
Cassava	2
Flour	2
Coffee	2
Mushroom	2
Yams	2
Chicken	2

Figure 1: Average farm gate prices for organic and conventional vegetables during the survey period

## Results

### *Key organic vegetables and products*

- Organically produced fresh vegetables and fruits were found to be most preferred products by Kenyan consumers. Consumer preference for organic products is not limited to vegetables and fruits only; there are opportunities y for other organic food products, such as dairy and meat products.

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## Why pay more

- Health and Nutrition were identified as the main reasons to pay premium prices for organic products. Also consumers stated that organic products were safe, being free from chemical residues. The further noted that organic production benefited the environment and conserved biodiversity.

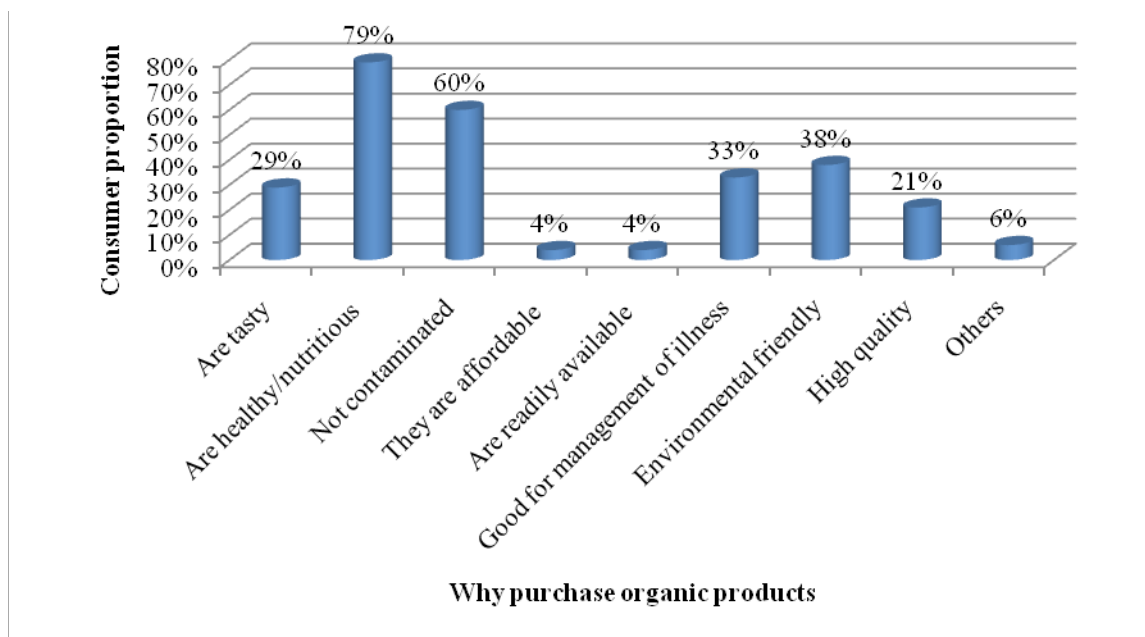


Figure 2: Cost analysis for organic and conventional production system per unit acre

## Consumer confidence

- Many consumers were not aware of the organic mark verifying organically produced goods. Instead they believe anything labeled organic is genuinely organic something that opportunistic traders have taken advantage. Those that were aware had obtained information through KOANs consumer awareness campaigns .

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## *Opportunities for increased organic consumption*

- For increased organic product consumption, awareness creation and consumer sensitization through Television, Radio and would be ideal tools. promotional awareness campaigns should also be intensified in open air markets, supermarkets and green groceries since popular outlets to more consumers. Consumers need to be educated about the EAOM so that they can demand for the mark and by inference ensure farmers comply with the EAOPS.

## Conclusion

Given the fact that the study showed most consumers perceive organic products as healthy and nutritious, safe and environmentally friendly, it is important to avail clear information on these aspects as part of consumer awareness. The study also found that majority of consumers are aware of organic products, but in most cases they do not have adequate information on availability and identification. In this regard, there is need for policy incentives that support organic agriculture consumption and education to create awareness about what organic agriculture is and its benefits particularly on health, nutrition, safety and environmental concerns.

In order to assure confidence that genuine organic products are sold in outlets, there is need for policy incentives to enforce the use of East Africa Organic Product Standards (EAOPS), and ensure that only producers complying to the standard are allowed to label their products as organic using the East Africa Organic Products Mark (EAOM).

### **Partners**

Makerere University, Uganda  
University of Nairobi, Kenya  
Sokoine University of Agriculture, Tanzania  
Aarhus University, Denmark  
University of Copenhagen,  
Denmark  
International Centre for Research in Organic Food  
Systems (ICROFS), Denmark

### **Associated partners**

National Organic Movement of Uganda  
(NOGAMU)  
Kenya Organic Agriculture  
Network (KOAN)  
Tanzania Organic Agriculture Movement (TOAM)  
Project

### **Duration**

January 2011-December 2016

### **Further reading:**

The project 'Productivity and Growth in Organic Value Chains (ProGrOV) is funded by the Danish Ministry of Foreign Affairs.

### **For more information visit:**

<http://icrofs.dk/en/research/international-research/progrov/>

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