

**MEDIA RELEASE**

**15 October 2008**

**Organics please, if the price is right**

A third of Kiwis have bought organic fruit and vegetables in the past month. However, we are price sensitive. As the price of organic products rises compared to other products, they become too costly for us, according to the latest Research New Zealand poll.

The poll found that 34 percent of Kiwis had purchased organic fruit and vegetables in the last four weeks, 14 percent had bought organic dairy products and 11 percent had bought organic meat products.

When asked how much more they would be prepared to pay for organic products, compared to other food, 24 percent of New Zealanders felt an extra 5 percent in price was too much. An extra 10 percent in price put these products out of reach for over one-half of all Kiwis (55 percent).

Research New Zealand Director Emanuel Kalafatelis said only 3 percent of New Zealanders were willing to pay whatever it cost for organic products.

“Our poll showed that while organic foods were popular with New Zealanders, when it comes down to it, at a time when our grocery budgets are being stretched, our buying decisions are influenced by price. As the price we asked about rose, the number of New Zealanders who chose organic food dropped.”

Mr Kalafatelis said the response to questions about free range food were similar to those for organic food. One-half of people polled (56 percent) believed that free-range food would be too expensive if it cost 10 percent more than other food.

*The Research New Zealand poll of 529 people aged 15 and over was conducted by telephone between the 16 and 26 September. The maximum margin of error is +/- 4.7 % (at the 95% confidence level). The data has been weighted to ensure it is an accurate representation of New Zealand's general population. The poll was not taken on behalf of any organisation but as part of Research New Zealand's monthly survey of attitudes and opinions.*



**Respondents were asked:** 'Which, if any, of the following types of organic food have you bought in the last four weeks?'

'Compared to other food, at what price do you believe organic food would be too expensive for you and your family?'

'At what price do you believe free-range foods would be too expensive for you and your family?'

**Table 1: Organic products purchased in the last 4 weeks**

*Which if any of the following types of organic food have you bought in the last four weeks?*

	Total	Under \$40,000	\$40,000-\$69,999	\$70,000 plus	Don't know/Refused
Base =	500	198	98	151	53
	%	%	%	%	%
Organically grown fruit or vegetables	34	36	32	34	34
Organic dairy products	14	16	12	13	15
Organic meat products	11	11	8	16	6
None of the above	54	51	54	57	53
Don't know	5	4	5	2	11

Total may not sum to 100% due to rounding.

**Table 2: Organic foods - Price sensitivity**

*Compared to other food, at what price do you believe organic food would be too expensive for you and your family? That is, do you feel organic food would be too expensive if it cost...?*

	Total	Under \$40,000	\$40,000-\$69,999	\$70,000 plus	Don't know/Refused
Base =	500	198	98	151	53
	%	%	%	%	%
Five percent more	24	27	31	16	23
10 percent more	31	31	33	34	21
25 percent more	21	20	16	28	16
Or more than 25 percent	12	11	11	17	6
No price would be too expensive	3	1	3	1	12
Not interested in organic food (no matter what it costs)	5	4	6	3	16
Don't know	3	5	0	1	7

Total may not sum to 100% due to rounding.



**Table 3: Free-range foods – price sensitivity**

*Thinking now about free-range foods, at what price do you believe free-range food would be too expensive for you and your family? That is, do you feel free-range food would be too expensive if it cost...?*

	Total	Under \$40,000	\$40,000-\$69,999	\$70,000 plus	Don't know/Refused
Base =	500	198	98	151	53
	%	%	%	%	%
Five percent more	24	29	29	13	27
10 percent more	32	32	33	35	25
25 percent more	23	18	25	28	22
Or more than 25 percent	12	11	5	16	11
No price would be too expensive	4	2	7	4	10
Not interested in organic food (no matter what it costs)	3	4	2	2	3
Don't know	2	4	0	2	2

Total may not sum to 100% due to rounding.

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