Results of Research about Consciousness of Foodstuff Consumers in Hungary

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ABSTRACT

The role of health and environmental consciousness in consumers' lifestyle is often explored in the US and Europe. The study mainly targets one element of this topic: consumers' priorities in foodstuff markets, while exploring trends with respect to health and environmental consciousness.

I conducted a nationwide primary research in Hungary in March 2012, the main results of which are published in this study. The goal was to assertain the place and role of these elements in our foodstuff consumption. In my research the main question being:
How self-restrictive and self-conscious are we when purchasing and consuming foodstuff? – with every foodstuff purchase we make decisions about our environment, which indirectly has an effect on the producers, manufacturers and dealers. I will briefly review the foodstuff consumers segments in Hungary, which first have been identified using factor analysis followed by cluster analysis. I have identified the following consumer groups based on health consciousness: Conscious majority, Conscious by commitment, Economist "housewife", Youthfully eclectic and Passives.

1. INTRODUCTION

After the country's transformation to a market economy in 1989 the Hungarian society was ready to open up to Europe. Consumers' habits have drastically changed from selecting shops to behaviour in after sales. The increase in consumer freedom coincides with globalization, therefore the need for more consciousness when purchasing.

Today issues such as environmental protection, a healthy diet, quality assurance of food and consumer protection are attracting more and more publicity.

The role of ecological consumer protection is constantly growing in Hungary, ultimately stating that conscious consumption will play important role in consumer values.

An other basic factor, which has brought and continues to bring revolutionary changes in consumption practices is the speedy evolution of information technology. The volume and accessibility of a great variety in information available results in growing differences amongst customers and also creates new consumer groups.

Information technology has brought about fundamental changes in our lifes. Mass information and unequal availability for customers has resulted increasing differences between consumers, on top of it has created new consumer groups, for instance the LOHAS (Lifestyle of Health and Sustainability) consumer group.

The main target of my research is the identification and characterization of enviromental and health counscious consumer groups, and their tendencies in foodstuff consumption. Therefore, in order to outline consumer's responsibilities and limits, following to qualitative research, I commenced multistep data acquisition as early as in March 2008. This was followed by a nationwide survey in March 2012 of which results I am pleased to make public. The two main elements of my research: the health and enviromental consciousness. However this study focuses on the health aspect only.

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2. MATERIALS AND METHODS

The nationwide questionnaire in March 2012 involved 1300 consumers of which 1053 was suitable for evaluation, hence this was the sample size.

My target when creating the sample was the representativeness and randomness. The sampling with Quotas were aimed to provide representativeness by gender, age (above 18) and type of residence.

The data survey was conmpleted in-home using a standard questionnaire and personal interviews. Response time was 20-25 minutes and the number of structured questions inclusive of personnel data were 31.

Data obtained was analyzed with SPSS programme (originally, Statistical Package for the Social Sciences, later modified to read Statistical Product and Service Solutions).

This analysis used both one and multiple variables. Statistically valid at the 95% confidence level +/- 2%.

Scale type of questions were analysed by using average and percentage computations as well as crosstabulations.

I also used descriptive statistics (mean, deviation, distribution) during prediction for identifying groups, factor analysis and K-means clustering method was used. Cluster centers were defined.

This segmentation was used to identify and predict the five segments of membership and can be used for quantitative extrapolative analysis of future consumer behavior.

3. RESULTS AND DISCUSSION

3.1. Health Consciousness and Behaviour

Health consciousness assesses the readiness to undertake health actions (Becker et al. 1977). Health conscious consumers are aware and concerned about wellness and are motivated to improve and/or maintain their health, and quality of life to prevent ill health by engaging in healthy behaviours and being self-conscious regarding health (Newsom et al. 2005; Kraft & Goodell, 1993; Plank & Gould, 1990; Gould, 1988). Such individuals tend to be aware of and involved with nutrition and physical fitness (Kraft & Goodell, 1993). Previous research has identified interest in health as a primary motive for the purchase of organic food (Lockie et al. 2002; Grankvist & Biel 2001). In addition, health consciousness has been found to predict attitudes, intention and purchase of organic foods (Magnusson et al. 2003; 2001) since organic produce buyers are aware that food intake affects their health, they appreciate healthy and natural foods and are willing to switch foods to improve their health (Schifferstein & Oude Ophuis, 1998).

Health behaviour, an action taken by a person to maintain, attain, or regain good health and to prevent illness. Health behavior reflects a person's health beliefs. Some common health behaviors are exercising regularly, eating a balanced diet, and obtaining necessary inoculations (Mosby's Medical Dictionary).

Harris and Guten have summarized the elements of healthy behaviour in complex system as early as in 1979: excercise, mental health, hygiene, avoiding goods of harmful pleasures, regular health check-up and conscious nuitrition (Harris & Guten, 1979).

Matarazzo described two opposite forms of healthy behaviour in 1984.

The first is the ventureous or risky behaviour in health: unhealthy nuitrition, smoking, excessive consumption of alcohols etc.

The other is the so called preventive health behaviour: the proactive and conscious acts which are the subjects of my study.

3.2. The rising of New Consumer

Consumers behaviour is under transformation. Therefore, companies should be prepared for the increased ability of consumers' conscious, well-informed and independent decision making. This is what Lewis and Bridger address in their book "The Soul of the New Consumer" when discoursing the old and new consumer behaviours (Table 1).

Table 1: Features of the behaviour of old and new consumer

consumer's behaviour	
OLD	**NEW**
Comfort	Authenticity
Follows others	Innovator
Less active	Active
Accommodating	Independent
Less informed	Well informed

Source: Lewis & Bridger, 2001

Convenience is the top priority for the old type of consumer, driving their decisions and behaviours. Their purchasing decisions are a follower style rather than an initiator or opinion-shapers. They prefer the routine products and take risk with new products very rarely.

Contrarily the New Consumers consciously look for the reliance and credibility hence authentic producers and brands. They are initiators, open for novelties, ready to take risks when purchasing since well informed.

In the same time (2001) a new consumer segment has been emerging, which is named LOHAS (Lifestyle of Health and Sustainability) by marketing literature. LOHAS consumers tend to make their purchasing decisions in keeping with their values of social and environmental responsibility. LOHAS consumers are those who are passionate about the environment, the planet, social issues, health, human rights, relationships, fair trade, sustainable practices, peace, spiritual and personal development. The LOHAS numbers show that an enormous consumer market exists for sustainable and healthy products.

3.3 Examination of Customer Behaviour (primary market research)

3.3.1 Customer Behaviours

I first of all examined the purchasing behaviours being an important part of consumers behaviour examination. Customers selection of stores are shown in Table 2.

Table 2: Selection of store types per gender and total (n=1053)

Selection of store types	Male (%)	Female (%)	Total (%)
Grocery/shop	4.9	4.9	9.9
Supermarket	14.2	19.6	33.8
Hypermarket	27.5	24.2	51.8
Traditional market	1.3	3.2	4.6
Total	48.1	51.9	100.0

Source: Author (2012)

Table No 2 clearly shows that, similarly to the results of other domestic researches, more than 80% of the population prefers supermarkets and hypermarkets. Men mainly prefers hypermarkets, while women more extensively use traditional markets.

As a follow-up, I inquired for the reasons for preference when selecting shops, here I have accepted multiple answers of which results are as follows (Table 3).

Table 3: The reasons of preference in selecting shop (n=1053)

Preferences	Percent
I can buy everything in the same place	63.2
The closest place	42.8
Best prices	35.9
Convenient, fast	34.6
Polite service	9.7
The quality is very good	9.3
The shop's own brands are preferred	6.3

Source: Author (2012)

Results indicate that today's consumers' top preferences when selecting shops are practicality, time efficiency, convenience and price. Surprisingly the quality of product was important for one out of ten only. About the source of information for foodstuff, I have allowed multiple responses (Table 4)

Table 4: The source of information for foodstuff (n=1053)

Preferences	Percent
Newspapers/ printed advertisements (brochures)	57.9
TV advertisements	29.2
Shop assistant	21.5
Packaging	20.7
Friends, collegues…etc.	20.2
Do not use any source	**14.2**
Internet	8.3

Source: Author (2012)

The existence of printed (brochures) and TV advertisements are still very important from the view of marketing communication, along with the role of the sales force and salesmen's role and instore methods.

Emphasizing the increased tendency of using the Internet is not required and, as the results of my research properly shows, that 13% of higher graduates use the Internet for information while none of the elementary graduates do. The response "do not use any source" was given by 20.7% of elementary graduates and every fourth of university students whose foodstuff purchases are usually made by their parents.

The research per gender shows that the number of knowledgable women are more than double than men (18.8%). Women are more receptive for TV (17.4%) and newspaper advertisements (32.7%), men are more mindful of packing (11.7%) then women (9.0%), also men use internet more frequently then women.

3.3.2 Consciousness and Awareness in Foodstuff Purchasing

Following to customs in purchasing, I have switched to the elements and size of consumers' consciousness. The question was: „Is that true, when foodstuff purchasing?"

Seven listed features have been classified in a 5 grade scale, response 1- means not true while response 5- means completely true.

Domestic foodstuff customers' self-estimation is that they are very economic, conscious and specifically price responsives as shown by most figures averaging around 4 percent. Brand loyalty is the least true feature as average figure of 3.08 percent indicates. There are significant differences in view of genders, the women are more economic, more price sensitives and a little more informed then men.

Table 5: Average of Customer's features according to store types and totals (n=1053)

Shops types	Brand loyalty	Awareness	Thoroughness	Consciousness	Routine	Economic	Price responsive
Small shop/ grocery	2.82	3.07	3.48	3.73	4.15	3.99	3.73
Supermarket	3.04	3.37	3.82	3.95	3.74	3.96	3.74
Hypermarket	3.21	3.35	3.79	3.94	3.79	3.93	3.91
Traditional market	2.54	3.52	4.17	4.33	4.08	4.27	4.15
Total	3.08	3.34	3.79	3.94	3.82	3.96	3.84

Source: Author (2012)

We can see in the Table 5, that customers of traditional markets qualified the highest averages for all features except for brand loyalty. Their consciousness (4.33) and economic (4.27) are significantly higher than average. Only 4.6% of respondents choose this type of shopping (see Table 2) of which 67% are women.

3.3.3. The Result of Cluster Analysis

I will briefly review the segments of foodstuff consumers, which first have been identified using factor analysis followed by segment analysis. I have identified the following consumer groups based on health consciousness.

1. Segment: Conscious Majority (34.2%)

The majority of the respondents are women with higher qualifications. Quarter of this segment is from the capital Budapest and the half of which are Hungarian citizens.

The average age is the highest: 50.2 years (deviation 17 years), with the highest degree of retireds (35.5%), the number of students are non characteristic.

The size of the most characteristic households are of 2-3 persons, netto income is average between USD 250-750 per Month. 85% of them go to super- or hypermarkets for shopping owing to their price responsiveness. They believe are well informed, the half of this group only purchase healthy food provided the prices are acceptable.

Due to the high ages in this group they have the highest degree of healt problems.

This segment is the most acceptive of the hungarian products (though higher prices) and, due to economical crisis they change their food shopping habits the most.

2. Segment: Conscious by Commitment (18.4%): LOHAS group?

Mostly women from Budapest and large cities with higher education (44%), with lowest degree from countryside. Average age is 46.0 years (deviation 16 years).

Usually they live in households of 2-3 persons, with the highest number of enterpreneurs and income.

They spend the most on foodstuff every Months especially when price is not important.

They are the most health conscius customers, 30.9% of them purchase always healthy food, mostly health nourishers. They are ready to change their diet for the sake of their health. They believe themselves to be healthy dieters. They prefer local foodstuff based on quality.

Reviewing domestic and foreign publications this segment corresponds the most to LOHAS group described before. My target is to get better aquainted with the attitudes of this segment in my next research.

3. Segment: Economist Housewife (14.0%)

Ladies are highly (61.1%) represented in this group. They are mostly middle graded (secondary school), the less from Budapest, mostly from the countryside.

They are mostly (43%) employees with medium income, larger (4-5 or even 6-7) households therefore they are the most price responsive. Their nourishement is the least healthy.

They do not prefer domestic foodstuff, if they believe the quality is medium only and they do not buy it unless the price is less.

They are conscious shoppers with list in hand, while price plays the most important role in decisions, they are loyal to brands more than average person.

4. Segment: Youthfully Eclectic (21.7%)
Eclectic means their key factors when making decisions is a mix of styles and customs.
Men are highly (62.4%) represented, mostly middle graded (secondary school) or are on the way to higher degree (21%). 49% of them live in cities in the countryside, while 37.6% live in villages.
This group includes mainly students and employees with lower incomes (18.4%) and the lowest average age (36.8 year), the highest degree (21.4%) of singles, small households.
The prices are of less important, the quality. They do not really care about the origin of the products, but mostly (3.9%) prefer foreign stuff, the lesser they are informed about the domestic products and brands.

5. Segment: Passives (11.7%)
They are mostly (59%) men, lowest grade of education, mainly (38.3%) medium graded employees and enterpreneurs, high degree (27.5%) of pensioners. The average age is 45 with high deviation of 27 years.
One of every four is single, mostly living in households of 2-4, their income is less then average. They spend the less on foodstuff due to single status, small households and low income.
They are tipically inactive and unconcerned in decision makings, they are interested in prices only. 30% of them are not oriented when shopping and 0.8% are only interested in quality.
This group is the least interested in health and environment consciousness, about 60% of them are totally negligent in this regard. They do not change their diet for the sake of their health. They (42%) also believe have never got problems with their health due to unhealthy diet.

4. SUMMARY

The primary and secondary researches indicate transformation of our habits in food consumption. Customer group (LOHAS group) consciously controlling consumption has turned up in Hungary, who consider trust, sustainabilty, health and enviromental protection increasingly important.

My primary research shows the difference in health consciousness between the five clusters by statistics. While 18.4% of food shoppers are considered „Conscious by commitment” in Hungary (30% in developed countries), the ratio of passive least health conscious customers is around 11.7% („passives”). Conscious shopping is already there with one third of population, but their purchasing power is small, average income is not enough for more expensive halthy food. Health consciousness should take a greater role in our shoppings in the future.

My further target is to investigate the development of clusters subject to health consciousness.

Early education of children in schools and at home is important. It is the responsibility of parents and institutions that our growing children become health and enviromental conscious and also will keep constant eye on sustainable growth.

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