

## **THE POSITION OF THE EU ORGANIC LABEL AMONG HUNGARIAN CONSUMERS - FACTORS OF AWARENESS AND REGULAR SHOPPING**

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The European Union's Common Agricultural Policy (CAP) has undergone many reforms and - over the past decades - has reached a level where food security issues are basic criteria for the European food production. As a result, European food is linked to high quality and reliability worldwide by the consumers, creating a significant market for products from the old continent. From the beginning of the 1990s, the EU has been trying to reinforce this positive overall impression with quality systems which are regulated at the Community level.

Basically, European decision-makers regard two areas as being of paramount importance: geographical indication and organic food. Each system has separate certifications and labels to help consumers make their decisions. Despite the fact that these products are also important factors of EU trade policy and in the case of geographical indications in Hungary, there has been a separate Origin Protection Program since 2015, the relationship between European consumers, and especially those in Central and Eastern Europe, with this system is a rather undiscovered area. That's why the aim of this study is to investigate the awareness of the Hungarian consumers about the EU organic label and the factors that determine the awareness of the EU organic logo and the regular purchases. Not surprisingly, the awareness of the EU organic label and organic food is still low despite the growing tendency in the recent years.

The survey conducted in Hungary is based on a sample with 1,019 consumers. The online consumer survey was implemented during the second half of 2017. In Hungary, the proportion of bio-areas is low compared to the EU average, and Hungary occupies only the 20th place among the 28 Member States of the European Union. Consistently, the consumption of organic products is not outstanding in Hungary, totalling EUR 3.04/person/ year, whereas the European average is EUR 50.12/person/year. Results show that among the European food quality labels the organic label is one of the most recognized ones in Hungary, but its average awareness is still very low: less than every fourth Hungarian consumer knows what this label is for.

The awareness of the EU organic logo is mainly determined by the sex (male), diet (fish consumption, (ovo)-vegetarian) and the place of purchase (alternative routes and internet). Regarding regular purchases, trust in the label and the system is crucial next to the age (younger ones), and purchase (supermarket). Therefore, in order to increase the sales of products with EU organic label, it is essential to sell bio food more widely, which will enable consumers to know more about organic products and the EU organic logo; as well as the application of a proper marketing strategy by companies to reach their potential target group, mainly the younger consumers. In any case, the future goal is to raise the awareness of bio and other quality systems (eg. GI) products because the higher level of consumers' awareness and trust can lead to a higher level of consumer willingness to pay. And this results in mutual benefit for both producers and consumers.