

WILLINGNESS TO PAY FOR ORGANIC FOOD OF COMMUNITY IN TUARAN

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ABSTRACT

Willingness to pay (WTP) for organic food is often related to the price, health, income, education and awareness towards organic food. Consumption of organic food encouraging the activity of organic agriculture widely and increasing the production of organic food basis while creating consumer's awareness to prevent environment pollution due to the chemical usage in agriculture. The objective of this study to estimate the willingness to pay for organic food of community in Tuaran and to identify the factors that influence the willingness to pay for organic food and also to study the community awareness towards the benefit of organic food. This study covers 300 respondents which were randomly chosen amongst the community from three area in Tuaran (Pekan Tuaran, Kampung Berungis and Kampung Selupoh) and aged 21 years and above. In this study, two item of organic food were used which are a wisp of mustard and 1 Kilogram of pisang mas. Correlation Analysis was used to determine the factors of willingness to pay and awareness towards organic food. The result of study stated that the willingness to pay for organic food was influenced by the price and the percentage of willingness to pay of the community was only 33.3%. The percentage of non-organic food consumer was 86.7% and the percentages which do not understand what is organic food was 63.7%. This show that the awareness of community in Tuaran towards organic food was not gratified. The estimation value of WTP in this study was RM 2.00 – RM 2.99 for both organic foods.