

Analysis of World Market
of Organic Products in the Context
of Environmental Marketing

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Analysis of World Market of Organic Products in the Context of Environmental Marketing

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Analysis of the global market for organic products within the environmental marketing has been made. The main features that illustrate the current state of the organic branch development in world agriculture has been determined. Indicated on the consumer aspect in the context of meeting the ecological needs of society.

Key words: *market, organic products, agriculture, ecological marketing.*

Organic products from year to year are becoming increasingly relevant because the large number of environmental, economic and social benefits compared to traditional agriculture. This is because of the fact that the most intensive agricultural methods, which are most popular in the world, making a destructive effect on the environment, and also almostly making them unsuitable for agriculture.

Another equally important problem is that because depletion of land resources and the rapid growth of the planet population about 800 million people are hungry. From the point of view of environmental marketing, organic products are one of the most effective instruments in solving three key issues: reducing negative environ-

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Analysis of World Market of Organic Products in the Context of Environmental Marketing environmental influence, ensuring a competitive and efficient production, satisfying environmental needs of society. Agro-industrial complex make the influence not only on the ecological component, but also on the economic and social spheres. This is why the study of the dynamics of demand, supply and consumption in the world organic market are relevant.

Speaking about the general situation on the market for organic products, it should be admitted that 50.9 million hectares were allocated to organic agriculture in the world. Also, by the end of 2015, 179 countries of the world were involved in organic agriculture. Regarding the area, in the context of the continents, it looked like this (fig. 1).

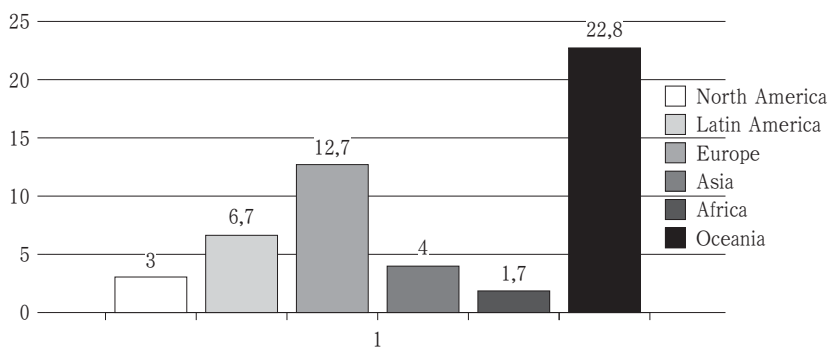


Fig. 1. Areas under organic agriculture in terms of continents by the end of 2015, million hectares

Source: [3]

As in the analysis of other industries of agriculture, it is expedient to make the analysis of countries with the largest territories of cultivation of certain types of produce. What about organic, the countries with the largest areas of cultivation of such products are presented in figure 2.

Today, 50.9 million hectares are under organic farming. The regions with the most organic agricultural land is Oceania, with 22.8 million hectares. Europe has

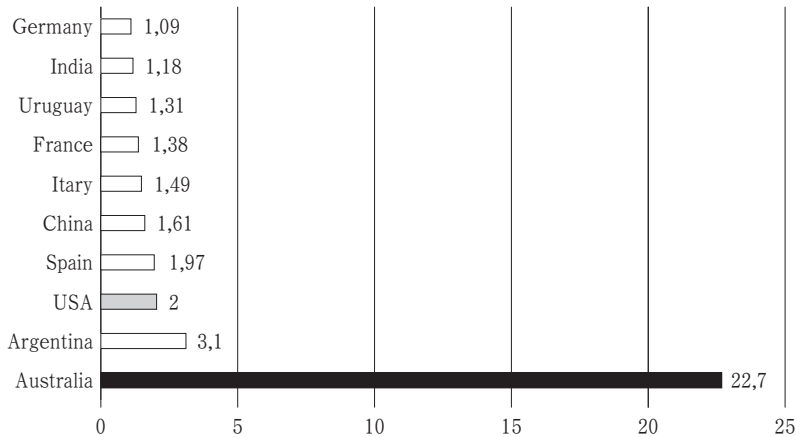


Fig. 2. Countries with the largest areas for organic agriculture in 2015, million ha

Source: [3]

12.7 million hectares, Latin America (6.7 million hectares), Asia (Almost 4 million hectares), North America (almost 3 million hectares) and Africa (1.7 million hectares). Oceania has 45 percent of the world's organic agricultural land. Europe, a region that has had a very steady growth of organic land for many years, has a quarter of the world's organic farming land, followed by Latin America with 13%. Australia, which experienced a significant increase in organic land in 2015 (+4.4 million hectares), is the country with the largest organic agricultural land.

The agricultural area is almost 37.8 million hectares. Three-fourths of the world's organic farming land. In addition to organic farming, there are other organic zones, such as wild gathering areas. These territories make up more than 39.7 million hectares (table 1, figure 3).

It should also be said that to the list of 20 largest countries in the area of organic agricultural land, Ukraine belongs too. In recent years, this trend in agriculture has become increasingly relevant in this country. The detailed position of countries in

Table 1 Areas under organic agriculture in terms of regions and their share on a global scale in 2015

Regions	Organic agricultural land, ha	Shares of regions on a global scale, %
Africa	1683482	3
Asia	3965289	8
Europe	12716969	25
Latin America	6744722	13
North America	2973886	6
Oceania	22838513	45
Total	50919006	100

Source: [3]

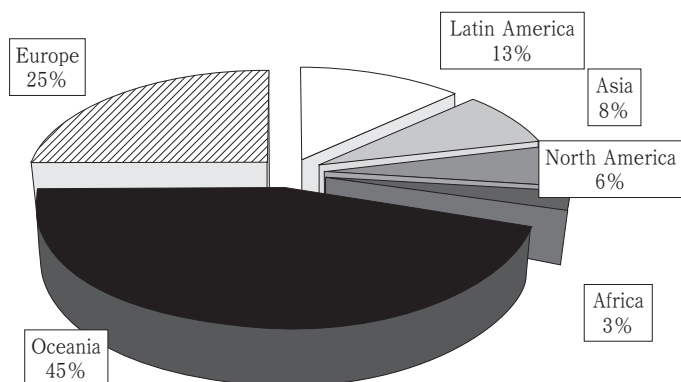


Fig. 3. Share of organic farming in terms of continents in 2015, %

Source: [3]

the area of organic agricultural land is given below (table 2).

What about production, so there is some dissonance - Australia, as the country with the largest area of organic farming, is not among the countries with the largest number of producers. However, India is the absolute leader in this aspect (figure 4).

The share of the global market for organic products by continent is directly proportional to the chart above, with the largest share of Asia (35%). In turn, the

Table 2 Top 20 countries with the largest area of organic farming, including mussels

Country	Area
Australia	22 690 000
Argentina	3 073 412
USA	2 029 327
Spain	1 968 570
China	1 609 929
Italy	1 492 579
France	1 375 328
Uruguay	1 307 421
India	1 180 000
Nemetchina	1 088 838
Canada	944 558
Brazil	750 000
Mexico	584 093
Poland	580 731
Austria	553 570
Sweden	518 983
UK	495 929
Turkey	486 069
Czech Republic	478 033
Ukraine	410 550

Source: [3]

least is the countries of North America (fig. 5).

As already mentioned above, global demand for organic produce in the world is constantly increasing. This is because of the fact that in recent years among the population there is concern about the degree of satisfaction of their natural (environmental needs), especially in nutrition part. That is why society, from year to year is ready to spend more and more money on the purchase of environmentally friendly food products and, accordingly, increase the total market volume in cash equivalent. In 2015, the total market in the world amounted to 75 billion euros (fig.

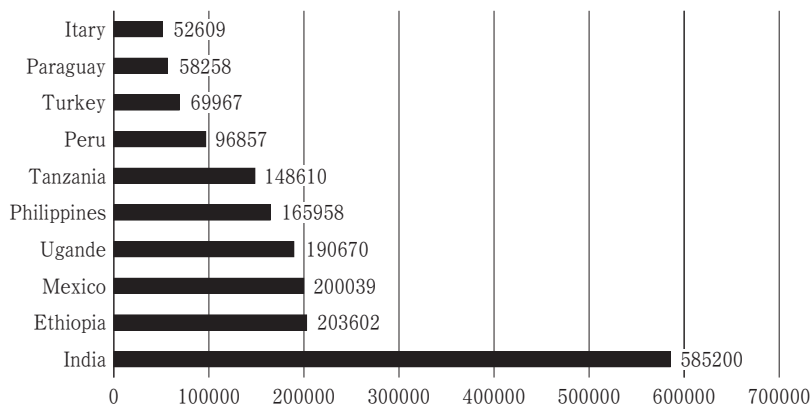


Fig. 4. Top 10 countries with the largest number of organic producers

Source: [3]

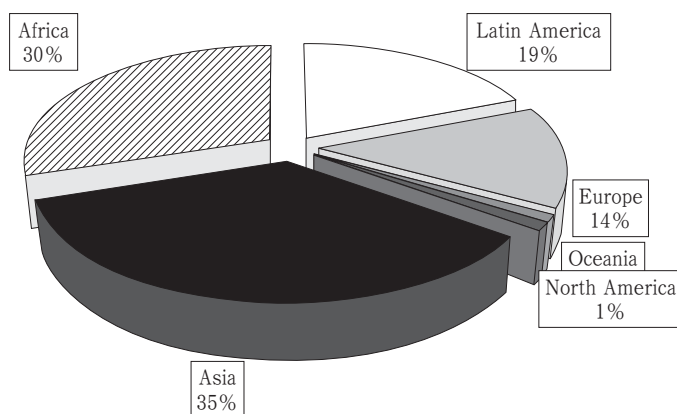


Fig. 5. Share of producers of organic products in the continental crust for 2015

Source: [3]

6).

Speaking about the satisfaction of the ecological needs of the society, it should be noted that the main tool that influenced the increase in demand for environmentally safe products and increase the market volume, became the socio-ethical concept of

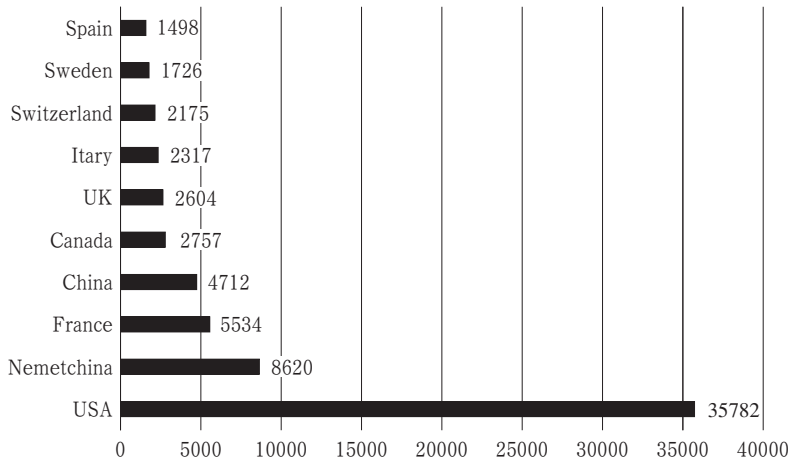


Fig. 6. Top 10 countries with the largest volume of organic products market in 2015, million euros

Source: [3]

marketing and, accordingly, derived from it the concept of environmental marketing. Ecological marketing has a significant impact on the development of environmental production and the promotion of such goods among the population, since the model of ecological marketing involves combining in one system the needs of three areas: society, business, environment.

The rapid pace of awareness of society as an integral subject of the environment has led many large multinational corporations, representatives of agrarian businesses, a number of states to review their strategic priorities and adopt measures to change the vector of their own development. It is about adopting doctrines on limiting carbon emissions to the atmosphere, almost complete abandonment of nuclear power engineering, the transition to renewable energy sources, conservation of agricultural land, and the promotion of the development of environmentally safe agricultural production. Such timeline of events gave an additional incentive to increase the consumption of environmentally friendly food by society. And, as a

Analysis of World Market of Organic Products in the Context of Environmental Marketing result, the average population is ready to increase its own expenses for the purchase of such goods each year (fig. 7).

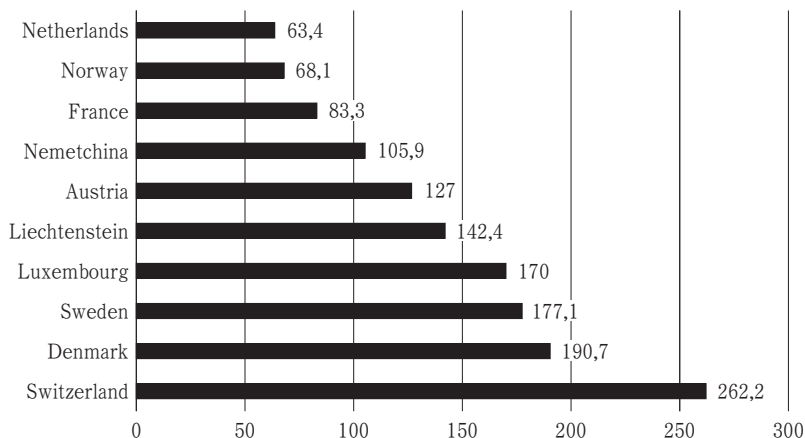


Fig. 7. Consumption of organic food per capita in 2015, euro

Source: [3]

CONCLUSION

So, analyzing the world market for environmentally safe products, we can conclude demand for this product has a steady tendency to increase. The absolute leader in this indicator is the USA (the market volume is more than 3 billion euros). Taking into account current political, economic and social trends, it can be argued that ecologically-oriented production becomes prevalent and becomes a competitive sector of world agriculture..

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