

# **Factors Affecting on Willingness to Pay Premium Price for Organic Foods**

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At present, Sri Lankan organic food market is at a nascent stage, but organic food is accelerating. Identifying organic food consumers' behaviors is vital since consumers pay a premium price even worldwide. Hence, this study aims to determine factors that impact consumers' willingness to pay a premium price for organic food in the Sri Lankan context. This research study is descriptive, and data has been collected from 141 respondents using snowball sampling, a non-probability sampling technique. Secondary data were collected through a rigorous literature review. Primary data were collected through an online consumer survey conducted in the Colombo district using a structured questionnaire. Collected data were analyzed using mean analysis, frequency measures, and regression. The study was conducted in Colombo District. It was found that consumer characteristics like employment & income and consumer perceptions like concern for the environment, perceived health benefits positively impact willingness to pay a premium price. No significant impact was found between social image, perceived quality, and willingness to pay a premium price. This study provides recommendations and insights for strategies that would be useful for organic food manufacturers according to their business situation to maximize benefits and design reasonable pricing and communication strategies accordingly. It is hoped that the study will contribute to the field of organic foods. Moreover, the factors considered under this study on consumers' willingness to pay the premium price are unique and have not been considered under one conceptual framework in previous studies.

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