AGRICULTURAL AND RESOURCE ECONOMICS
KASETSART UNIVERSITY

01119536

Economics of Food Consumption for Agricultural and Food Business

Suwanna Sayruamyat

Department of Agricultural and Resource Economics
Faculty of Economics, Kasetsart University

Email: suwanna.s@ku.th
FB: Suwanna Sayruamyat
Website: www.eatecon.com
FB Page: EatEcon

Objectives

1. Students can analyse changes in food consumer behaviour by applying behavioural economic theory.
2. Students can analyse the impact of food consumption policies and measures on consumers and producers from case studies.

Course description

- Economic Theories of Food Consumption
- Risk Preferences on Food Consumption
- Demand for Food Attributes
- Effects of Food Consumption on Health
- Bias in Decision Making of Food Consumption
- Effects of Ethical and Environmental Concepts on Food Consumption
- Consumption of Food Away from Home and Food at Home
- Food Loss and Food Waste
- Food Policy
- Consumer Behaviour and Nudging Policy

Assessment

Task	Percentage
Midterm Examination	20
Final Examination	20
Individual report	30
Class Participation	30
Total	100

Individual report (30%):

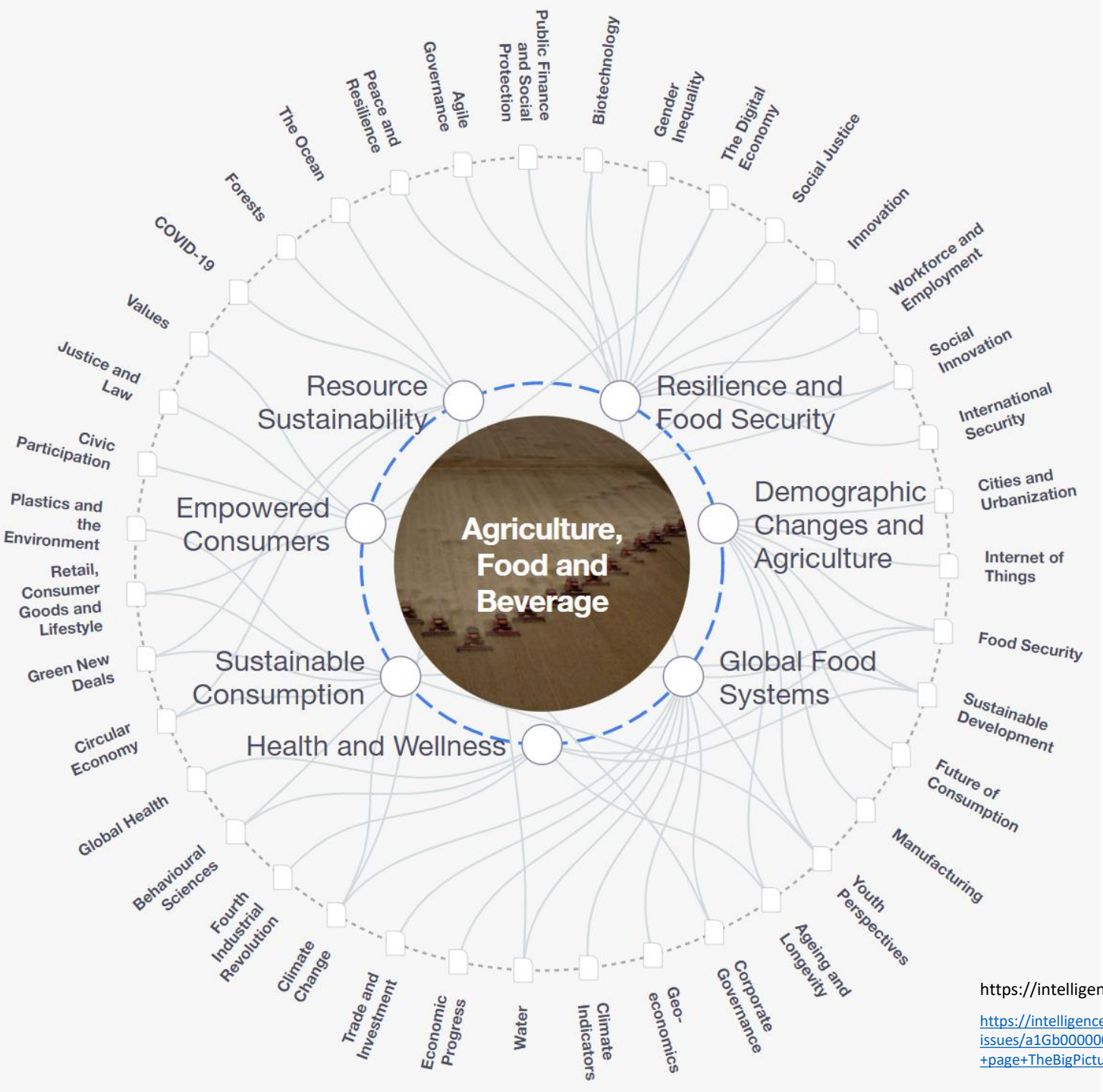
- The essay based on a topic that word limited (< 2,500 words – 20%. Submission in pdf version.
- Presentation – 5%
- Q&A – 5%

How Starbucks Operates Like a Bank While Serving Coffee | The Economics Of | WSJ

WSJ

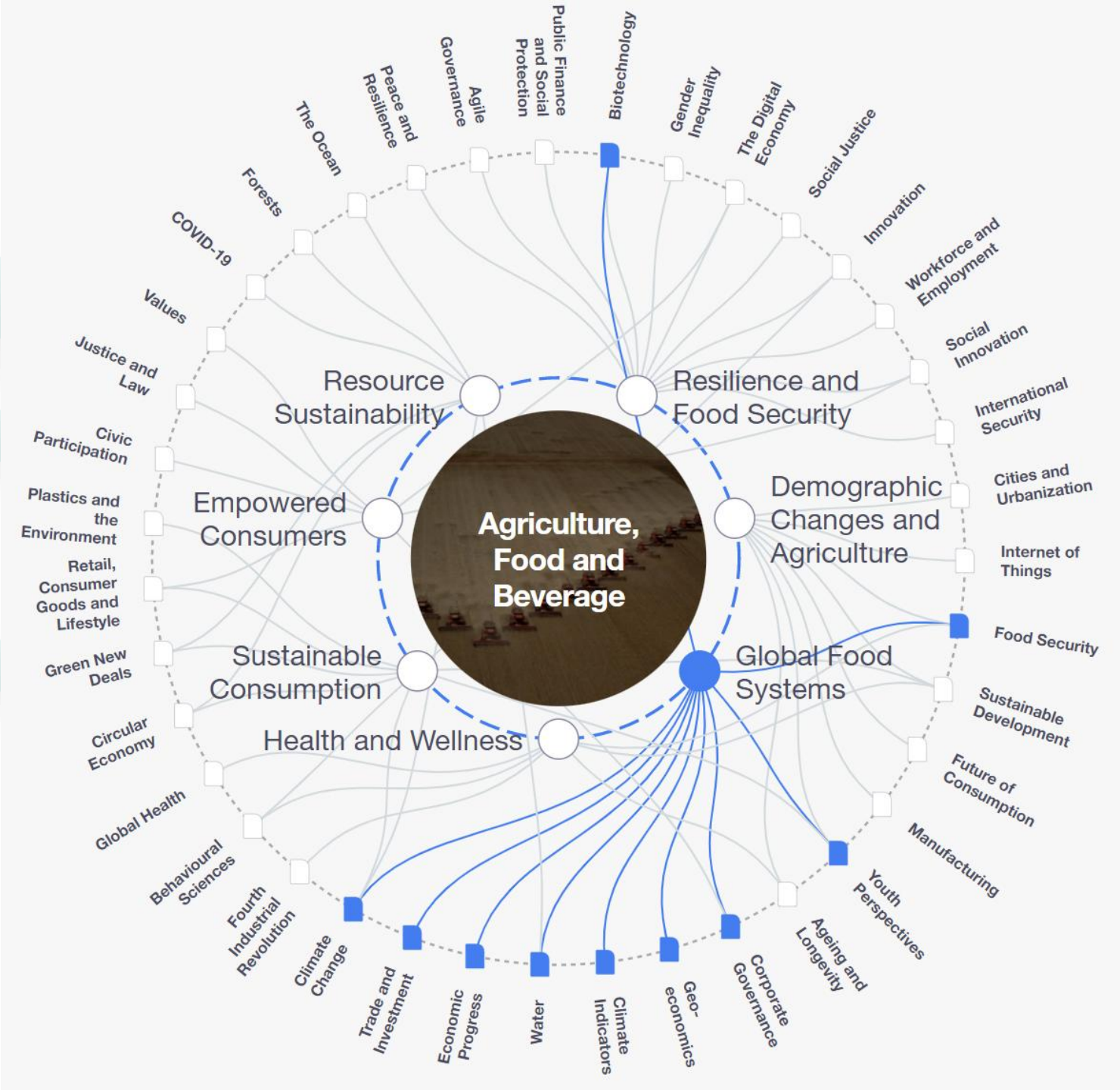
Wall Street Journal
3.72M subscribers

Why food consumption matter

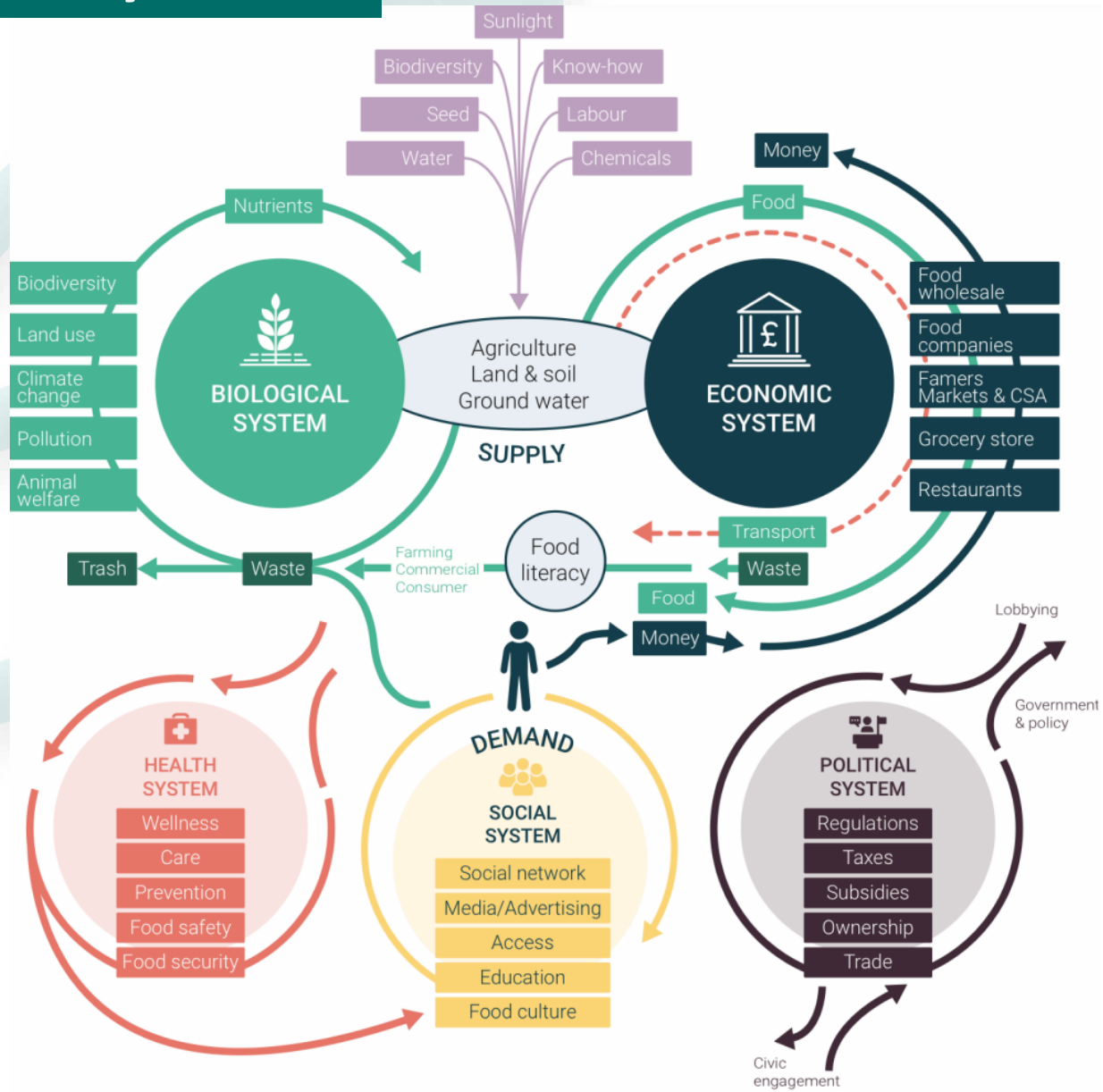


https://intelligence.weforum.org/topics/a1Gb00000015MIVEA2

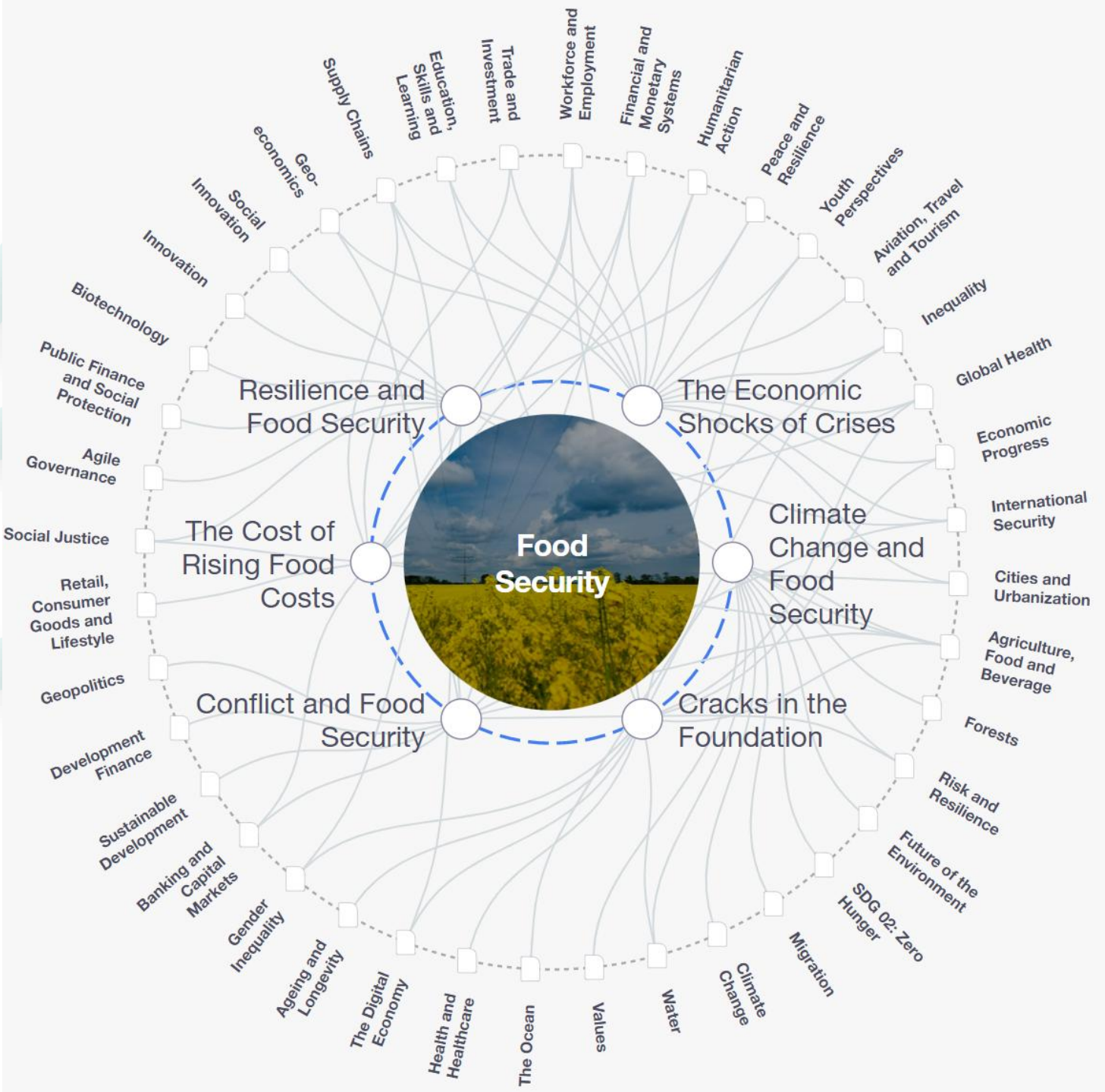
https://intelligence.weforum.org/topics/a1Gb00000015MIVEA2/key-issues/a1Gb00000015QrIEAU?utm_source=Weforum&utm_medium=Topic+page+TheBigPicture&utm_campaign=Weforum_Topicpage_UTMs


Agriculture, Food and Beverage
Resource Sustainability
Resilience and Food Security
Empowered Consumers
Demographic Changes and Agriculture
Sustainable Consumption
Global Food Systems
Health and Wellness
Biotechnology
Gender Inequality
The Digital Economy
Social Justice
Innovation
Workforce and Employment
Social Innovation
International Security
Cities and Urbanization
Internet of Things
Food Security
Sustainable Development
Future of Consumption
Manufacturing
Youth Perspectives
Ageing and Longevity
Corporate Governance
Geo-economics
Climate Indicators
Water
Economic Progress
Trade and Investment
Climate Change
Fourth Industrial Revolution
Behavioural Sciences
Global Health
Circular Economy
Green New Deals
Retail, Consumer Goods and Lifestyle
Plastics and the Environment
Civic Participation
Justice and Law
Values
COVID-19
Forests
The Ocean
Peace and Resilience
Agile Governance
Public Finance and Social Protection

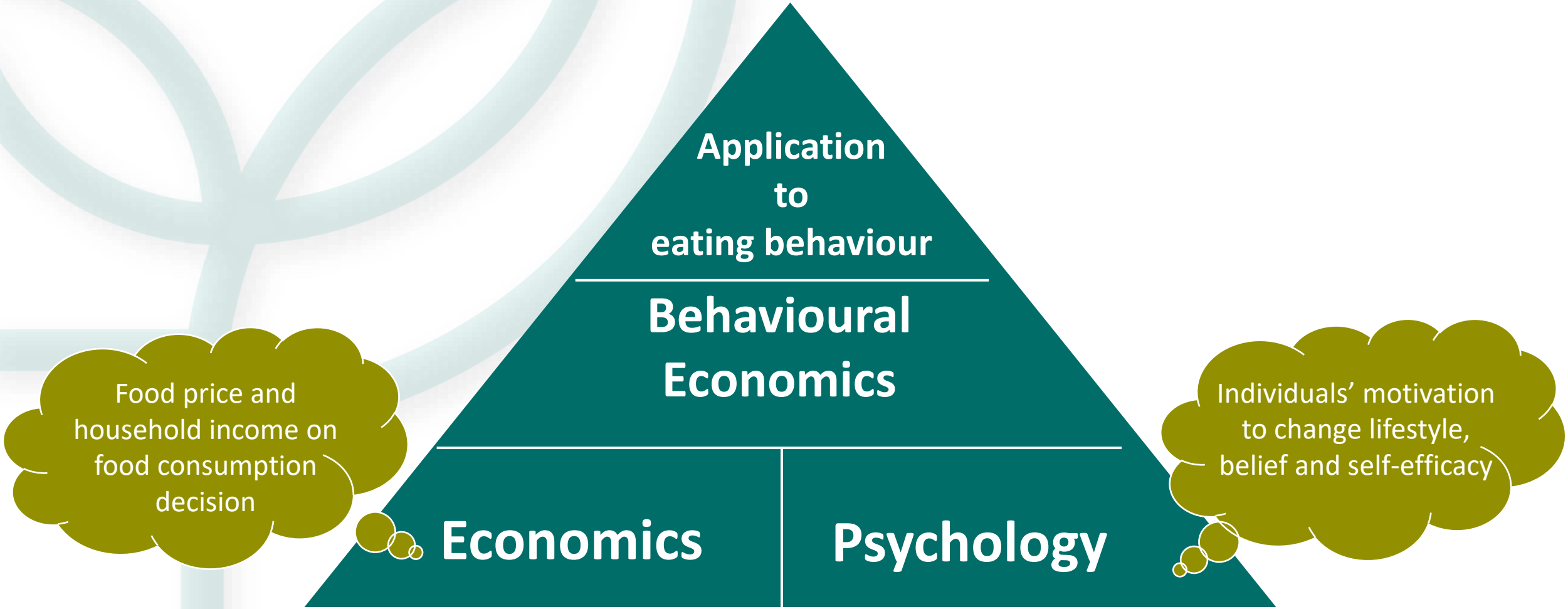
Overview of the food system



Source: Adapted from the Nourish Food System Map, www.nourishlife.org. *Copyright WorldLink, all rights reserved.*
Source: d'Angelo et al. (2020)

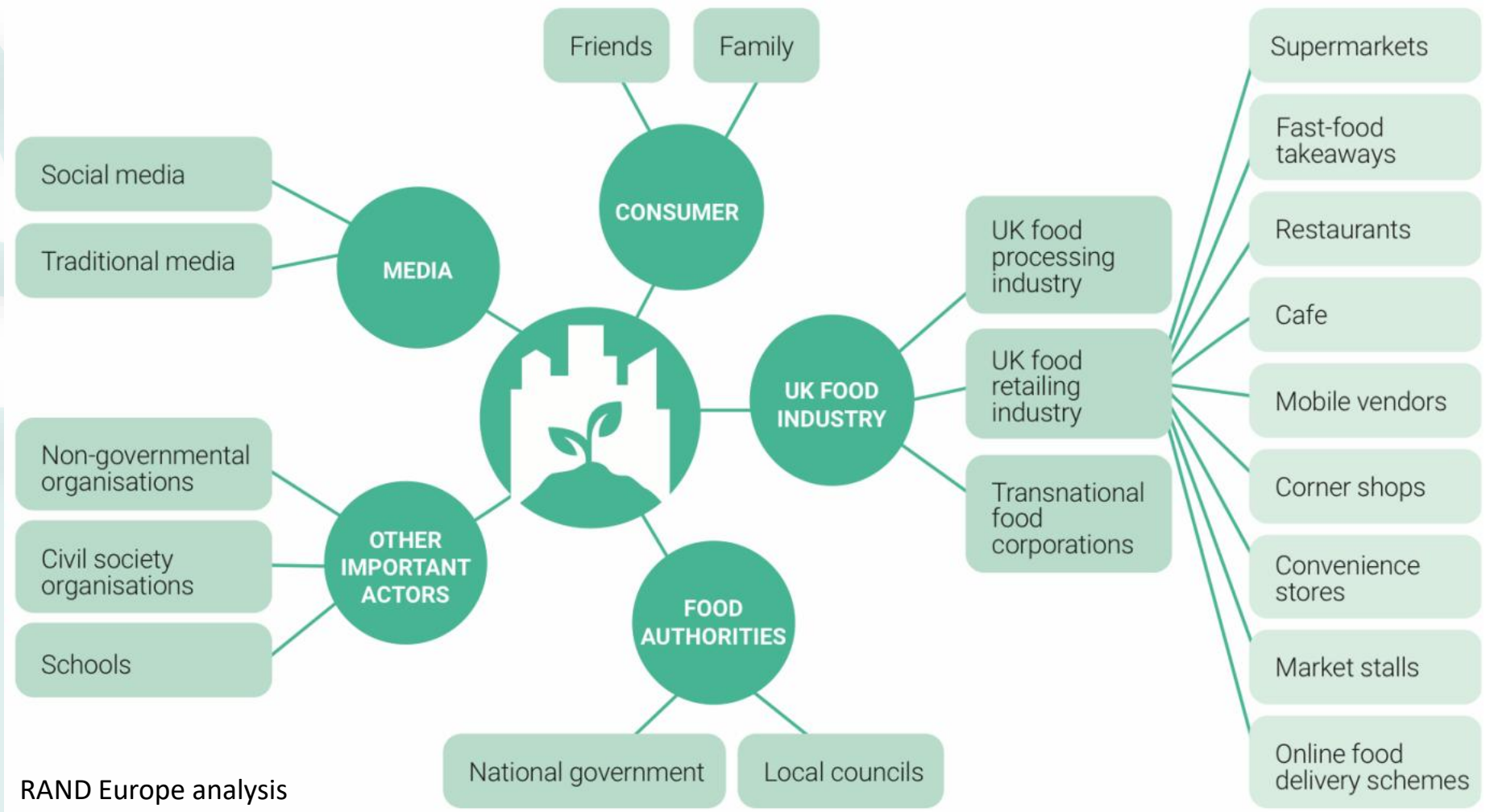

Food Security
Resilience and Food Security
The Economic Shocks of Crises
The Cost of Rising Food Costs
Climate Change and Food Security
Conflict and Food Security
Cracks in the Foundation
Supply Chains
Geo-economics
Social Innovation
Innovation
Biotechnology
Public Finance and Social Protection
Agile Governance
Social Justice
Retail, Consumer Goods and Lifestyle
Geopolitics
Development Finance
Sustainable Development
Banking and Capital Markets
Gender Inequality
Ageing and Longevity
The Digital Economy
Health and Healthcare
The Ocean
Values
Water
Climate Change
Migration
SDG 02: Zero Hunger
Future of the Environment
Risk and Resilience
Forests
Agriculture, Food and Beverage
Cities and Urbanization
International Security
Economic Progress
Global Health
Inequality
Aviation, Travel and Tourism
Youth Perspectives
Peace and Resilience
Humanitarian Action
Financial and Monetary Systems
Workforce and Employment
Trade and Investment
Education, Skills and Learning

Behavioural economics and food consumption



What do factors determine Food consumption?

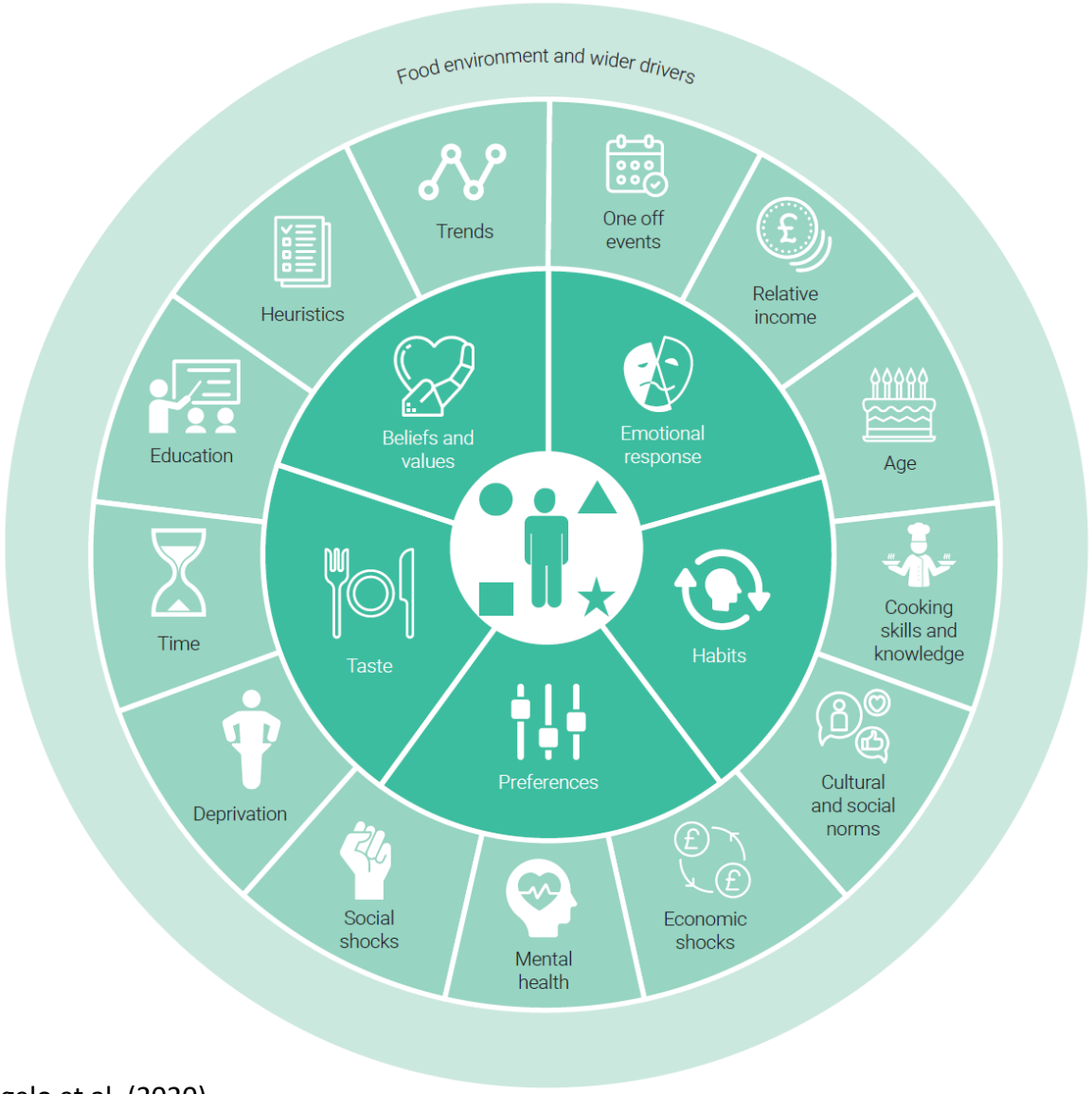
Overview of the food systems actors that the literature cites as important in shaping consumption practices in the UK



RAND Europe analysis

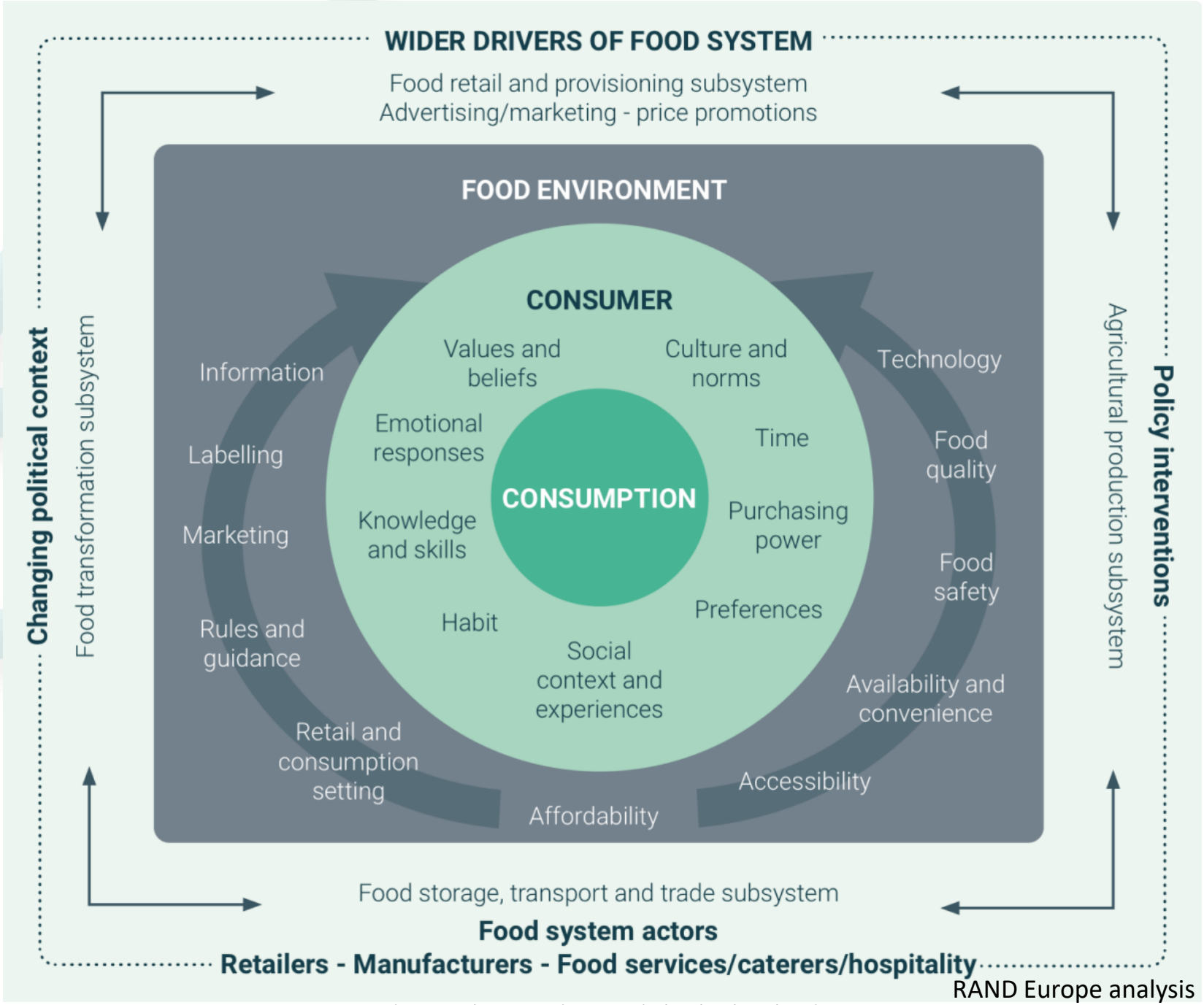
Source: d'Angelo et al. (2020)

Overview of the drivers of individual and social differences in food consumption



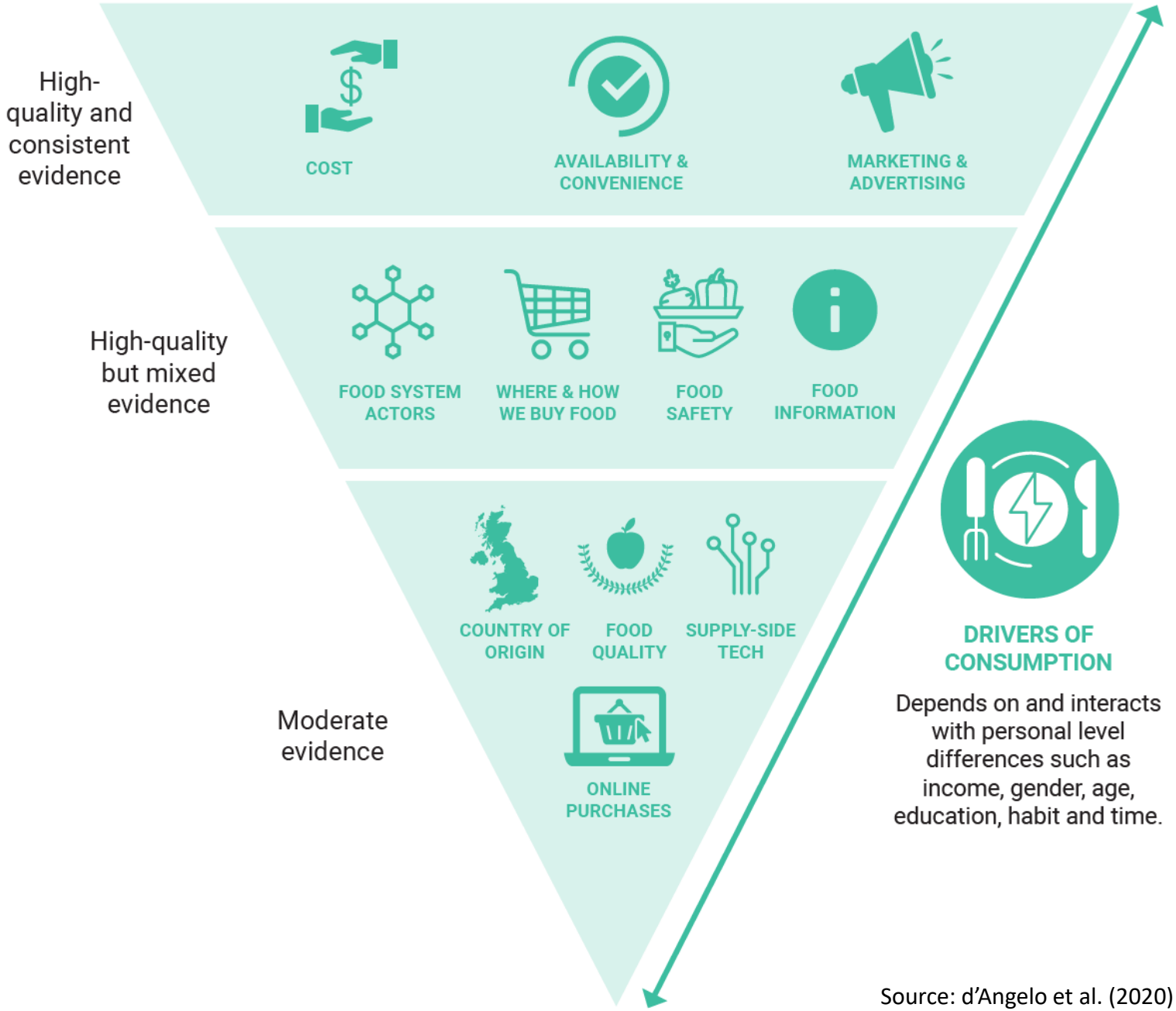
Source: d'Angelo et al. (2020)

Conceptual framework illustrating the drivers of food consumption and their interaction



RAND Europe analysis
Source: d'Angelo et al. (2020)

Overview of the strength of evidence on different drivers of trends and patterns in consumer practices and preferences and their coverage in the literature



Source: d'Angelo et al. (2020)

Determinants of food consumption

Cultural	Social	Personal	Psychological	Economical
• Culture • Subculture • Social class	• Family • Reference • Role and status	• Age • Income • Occupation • Life style • Personality	• Motivation • Perception • Learning • Beliefs • Attitudes	• Personal income • Family income • Income expectations • Liquid assets • Government policy

Economics and the business cycle

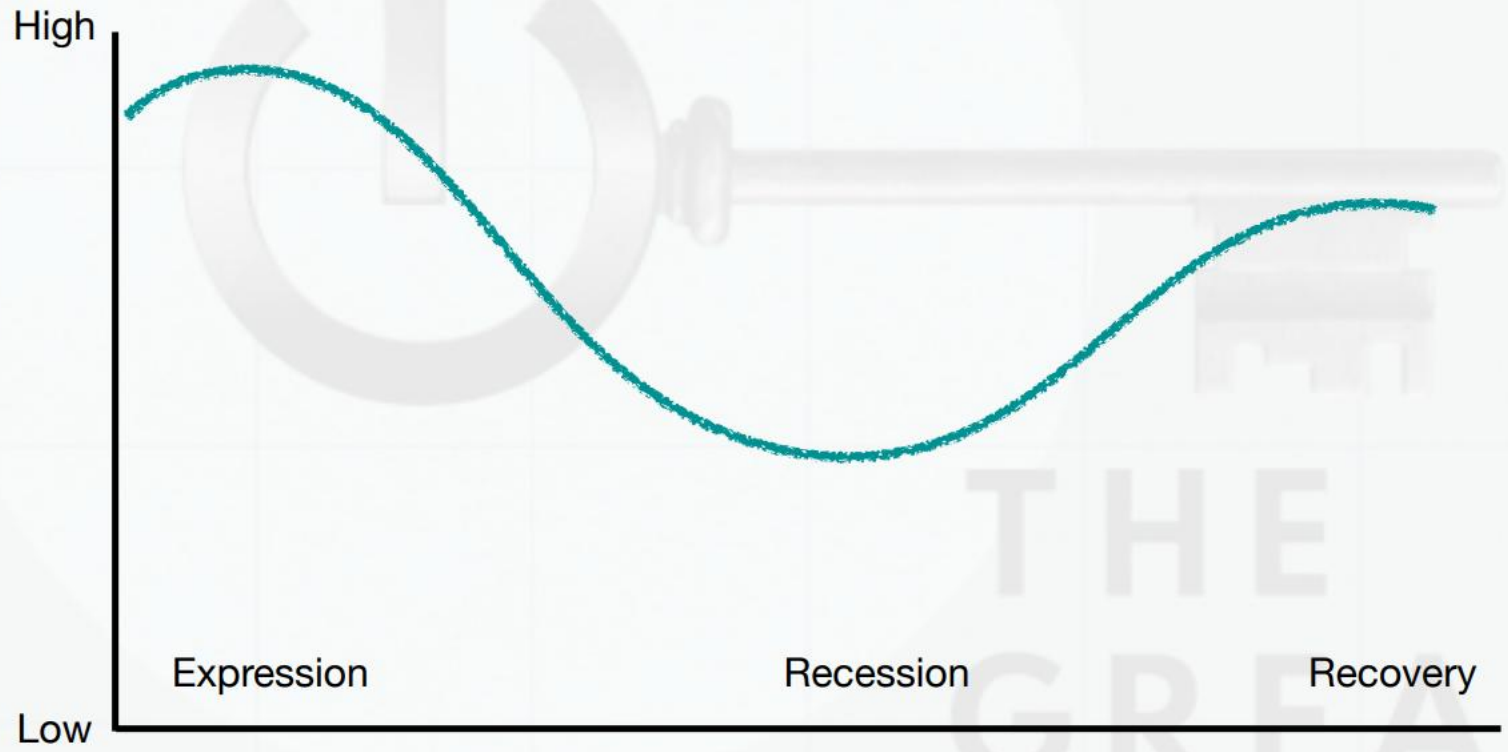
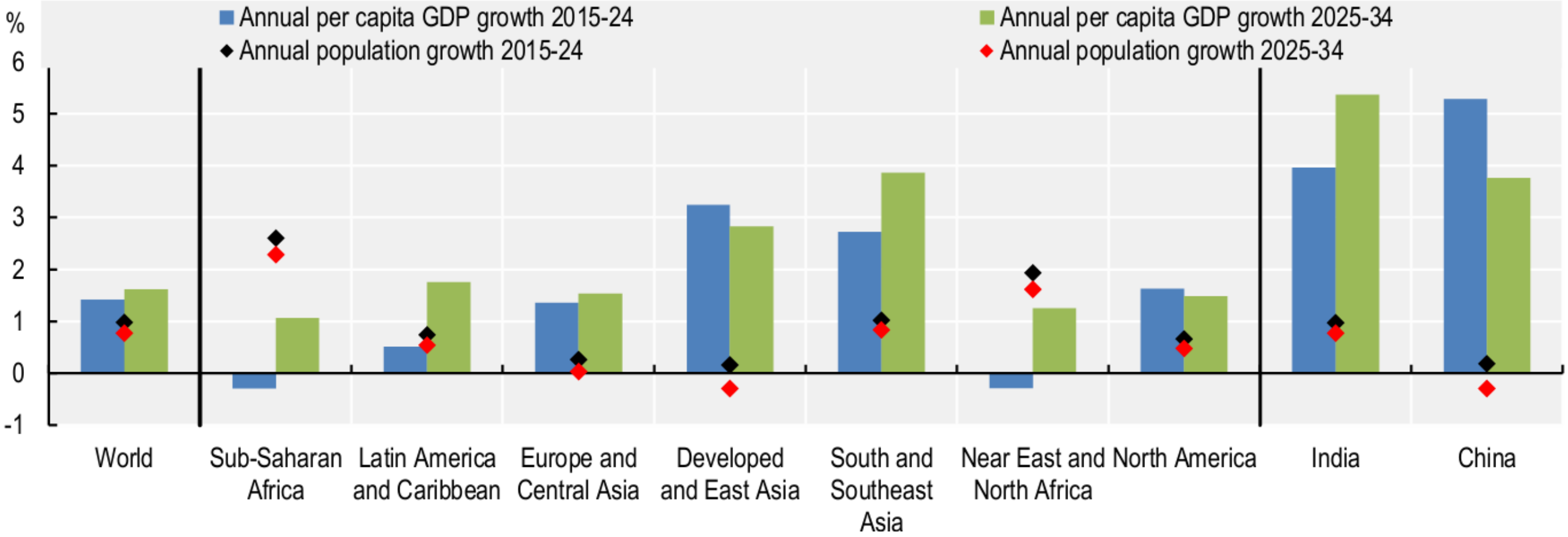


Figure 1.3 Business cycle. The economy goes through stages that tend to be cyclical. The stages reflect changes in employment, production, and consumption

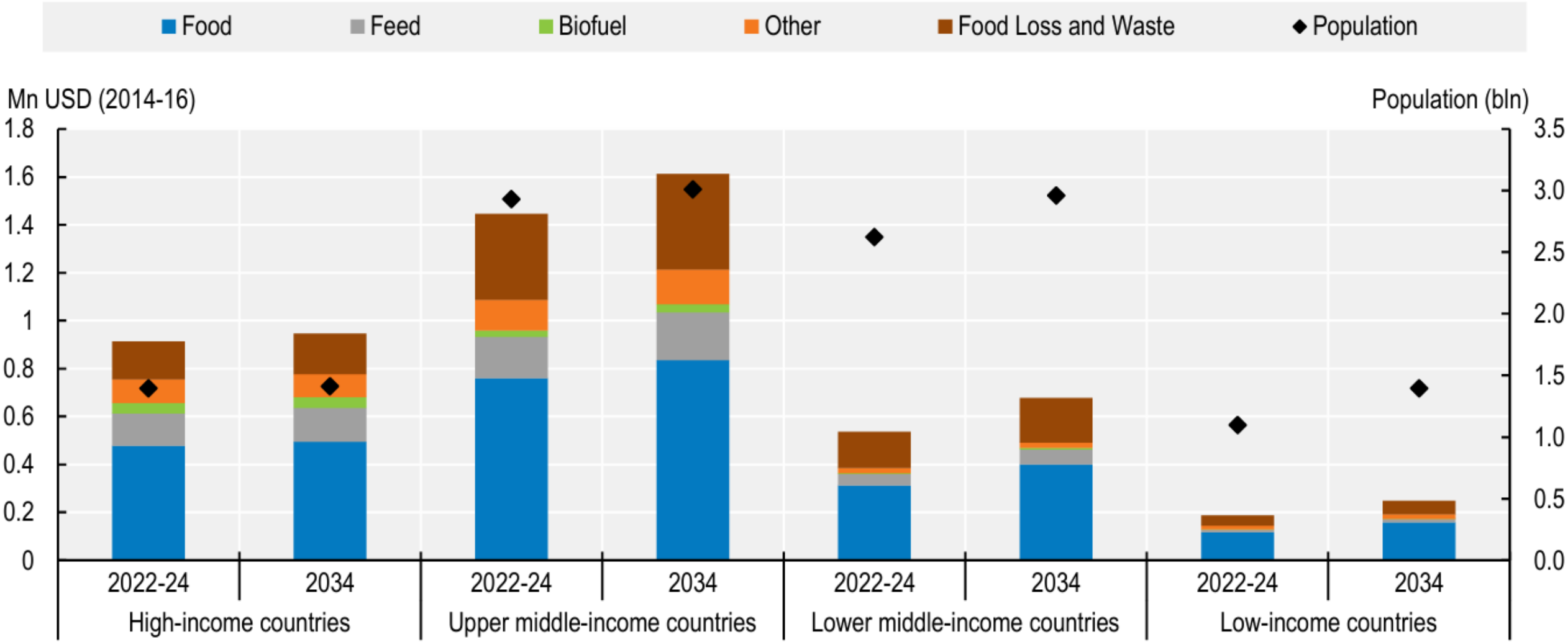
Source: Goldsmith (2016)

Annual GDP per capita and population growth rates



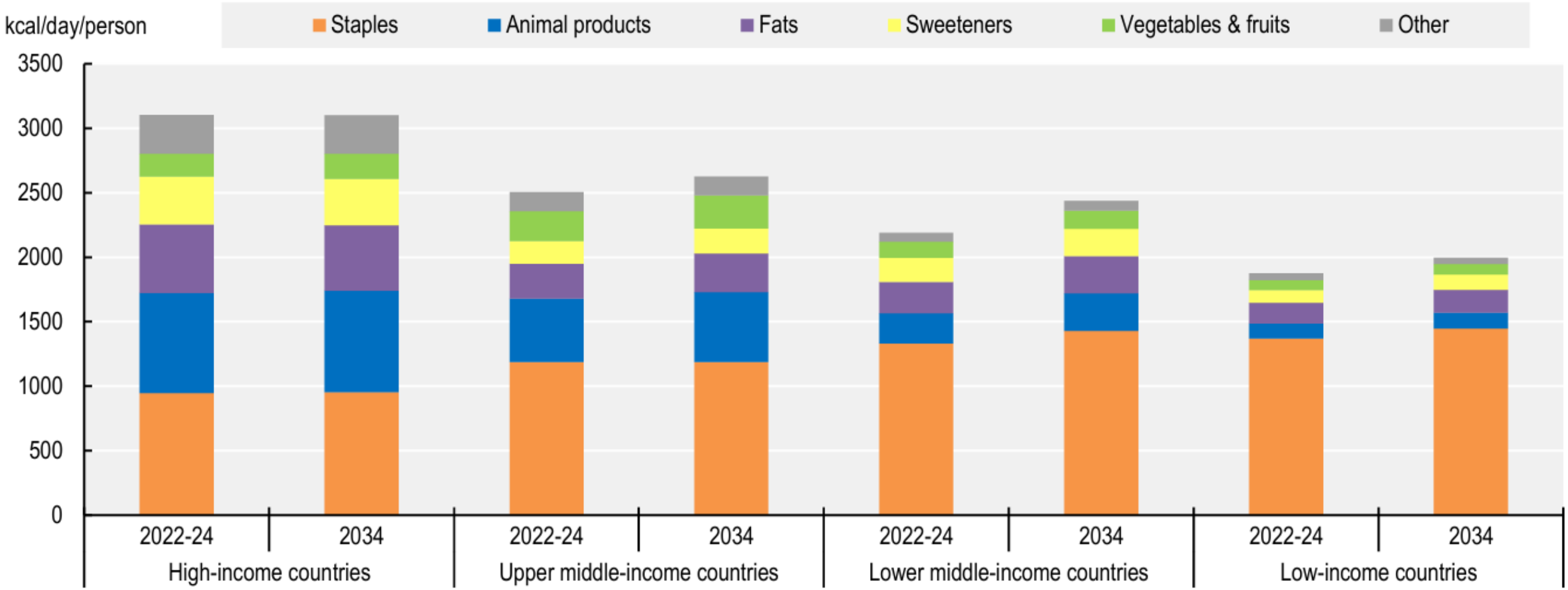
Note: Aggregated regional GDP figures are calculated using exchange rate-based rather than purchasing power parity (PPP) weights.
Source: OECD/FAO (2025), ''OECD-FAO Agricultural Outlook'', OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

Use of agricultural commodities by type and income group



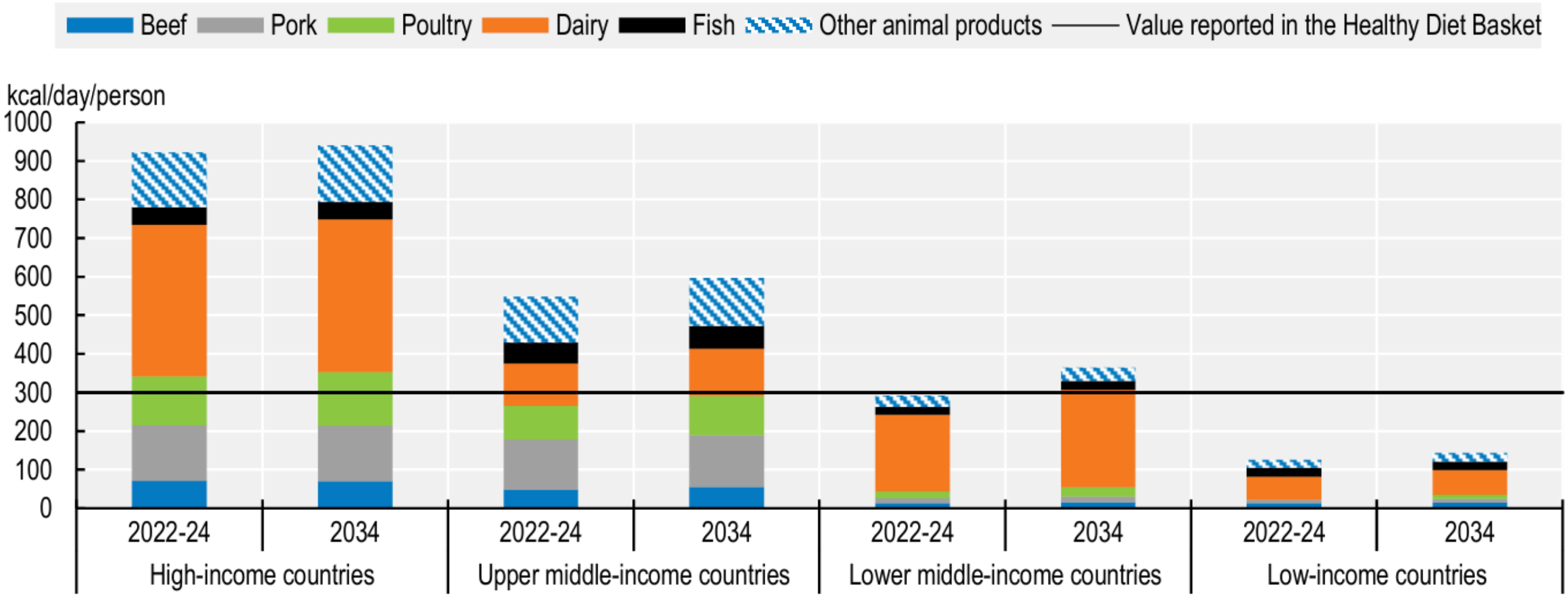
Note: Values are measured at constant USD of the period 2014-16.
Source: OECD/FAO (2025), "OECD-FAO Agricultural Outlook", OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

Contribution of food groups to total daily per capita caloric food intake



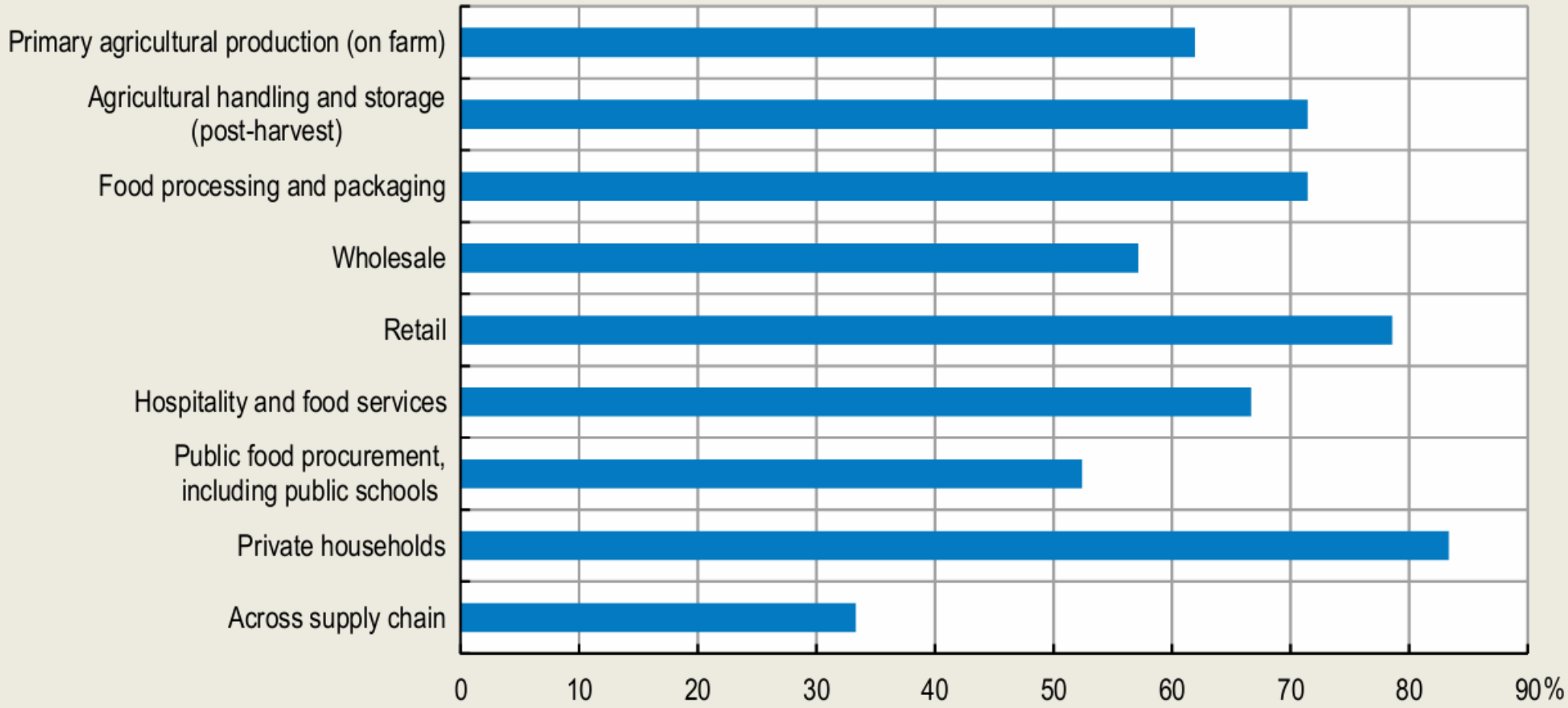
Note: Estimates are based on historical food supply time series from the FAOSTAT Food Balance Sheets database which are extended with the Outlook database and adjusted to account for estimated distributional and household wastes. Products not covered in the Outlook are extended by trends. Staples include cereals, roots and tubers and pulses. Animal products include meat, dairy products (excluding butter), eggs and fish. Fats include butter and vegetable oil. Sweeteners include sugar and HFCS. The category 'Other' includes other crops and animal products.
Source: OECD/FAO (2025), ''OECD-FAO Agricultural Outlook'', OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

Animal source foods in total food intake



Note: Estimates are based on historical time series from the FAOSTAT Food Balance Sheets database which are extended with the Outlook database. The category 'Other animal products' includes sheep meat, eggs and other products not covered in the Outlook are extrapolated by trends.
Source: OECD/FAO (2025), ''OECD-FAO Agricultural Outlook'', OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

Extent of policy attention across different agro-food chain stages



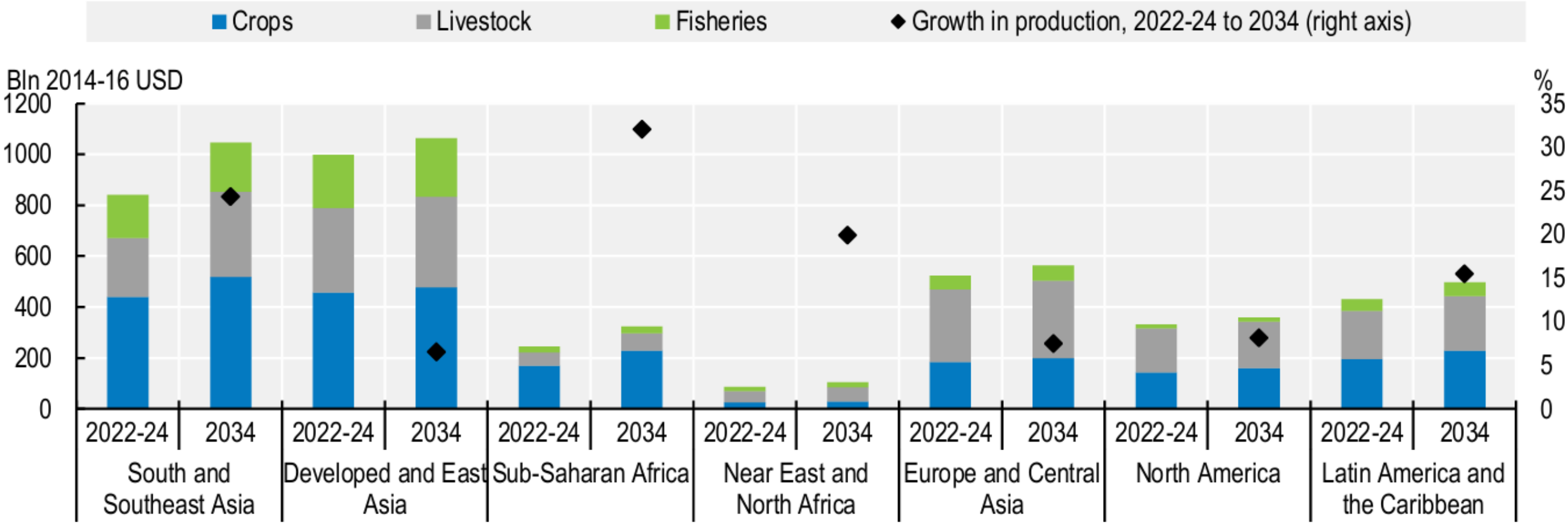
Note: Share of countries with a least one policy instrument for a given supply chain stage.
Source: OECD (2025[16]).

Biofuel production from major feedstock

	Production #ranking in 2022-2024 (market shares)		Major feedstock used in base period 2022-2024	
	Ethanol	Biodiesel	Ethanol	Biodiesel
United States	#1 (45.7%)	#2 (22.3%)	Maize	Soybean oil, used cooking oils
European Union	#5 (5.3%)	#1 (29.3%)	Maize / wheat / sugar beet	Rapeseed oil / used cooking oils/palm oil
Brazil	#2 (25.3%)	#4 (11.7%)	Sugarcane / maize / molasses	Soybean oil / used cooking oils
China	#3 (8.3%)	#5 (4.3%)	Maize / cassava	Used cooking oils
India	#5 (5.4%)	#15 (0.3%)	Sugarcanes / molasses / rice/maize / wheat	Used cooking oils
Canada	#6 (1.4%)	#12 (0.9%)	Maize / wheat	Canola oil / used cooking oils / soybean oil
Indonesia	#19 (0.1%)	#3 (18.5%)	Molasses	Palm oil
Argentina	#8 (1%)	#8 (2.2%)	Maize / sugarcane / molasses	Soybean oil
Thailand	#7 (1.1%)	#7 (2.4%)	Molasses / cassava / sugarcane	Palm oil
Colombia	#15 (0.3%)	#9 (1.2%)	Sugarcane	Palm oil

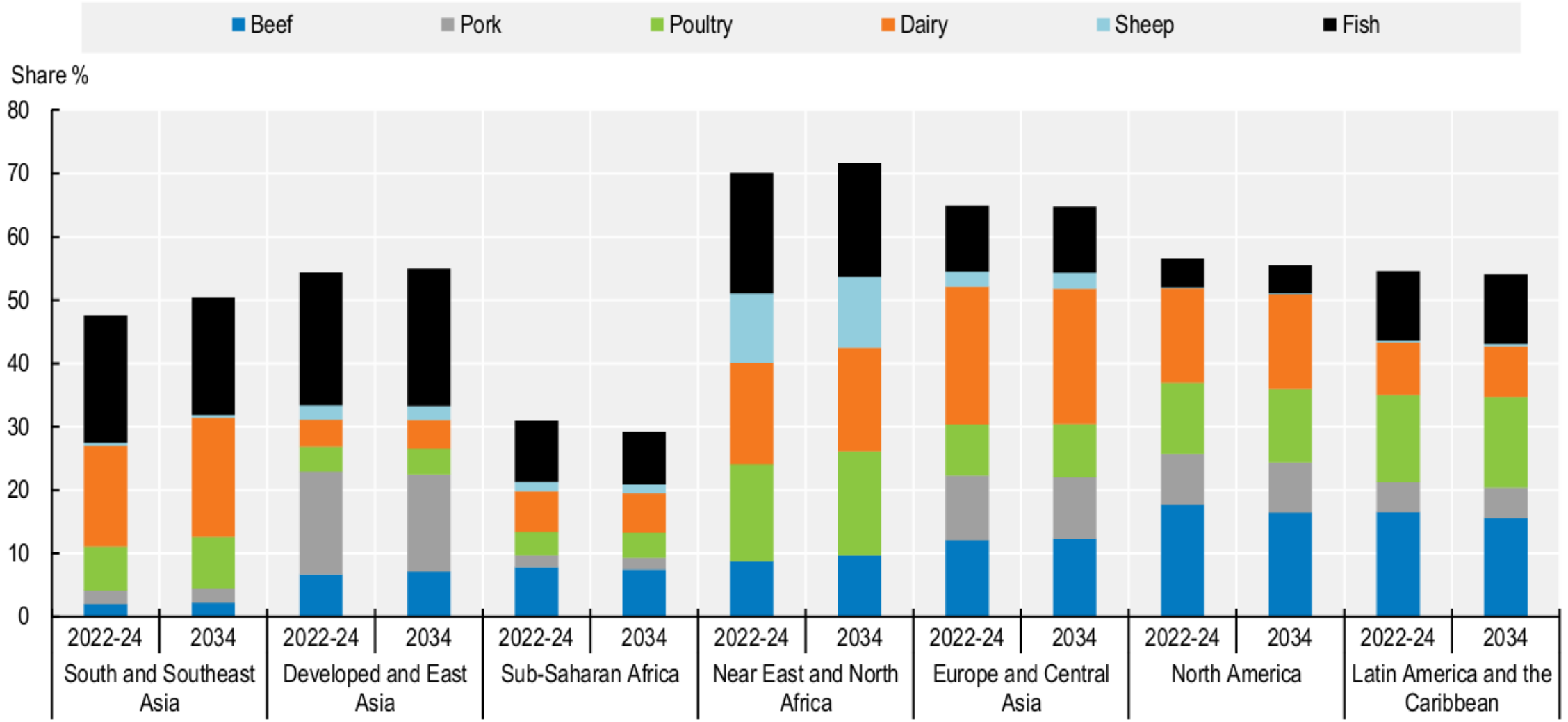
Notes: #numbers refer to country ranking in global production; percentages refer to the production share of countries in the base period. In the OECD-FAO Agricultural Outlook 2025-2034, biodiesel includes renewable diesel (also known as Hydrotreated Vegetable Oil or HVO), although these are different products.
Source: OECD/FAO (2025), ''OECD-FAO Agricultural Outlook'', OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

Trends in global agricultural production



Note: Values are measured at constant USD of the period 2014-2016.
Source: OECD/FAO (2025), ''OECD-FAO Agricultural Outlook'', OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

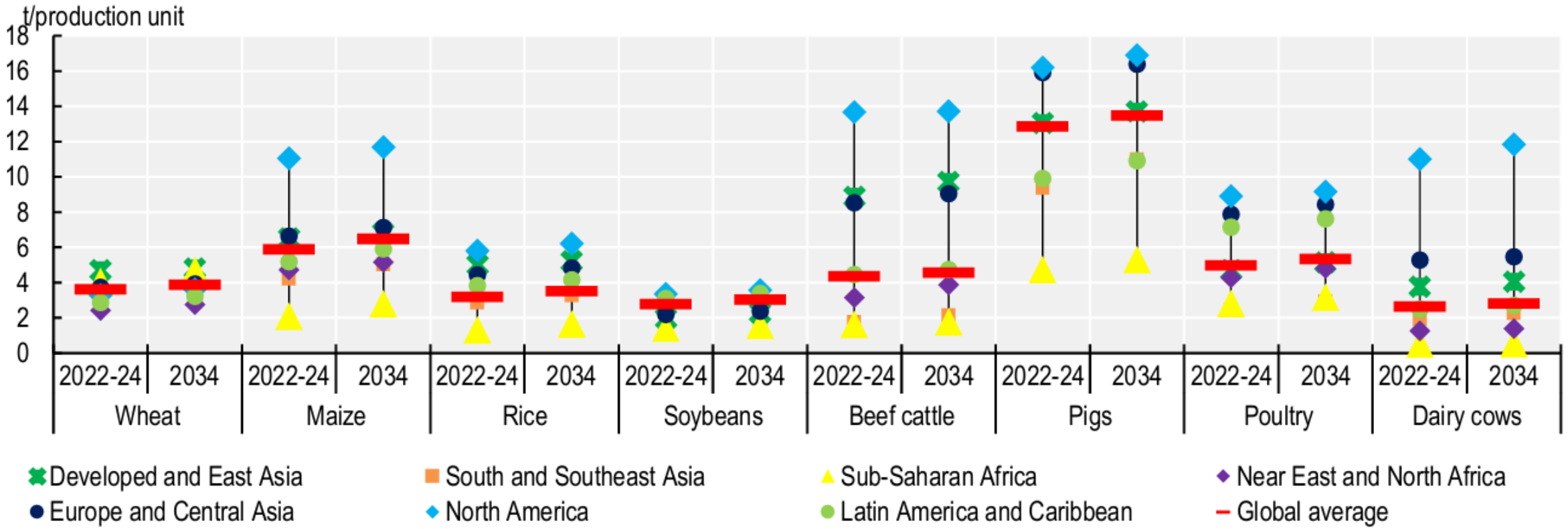
Share of animal production in total agricultural production



Note: Shares in animal production are based on production values measured at constant USD of the period 2014-16.

Source: OECD/FAO (2025), "OECD-FAO Agricultural Outlook", OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

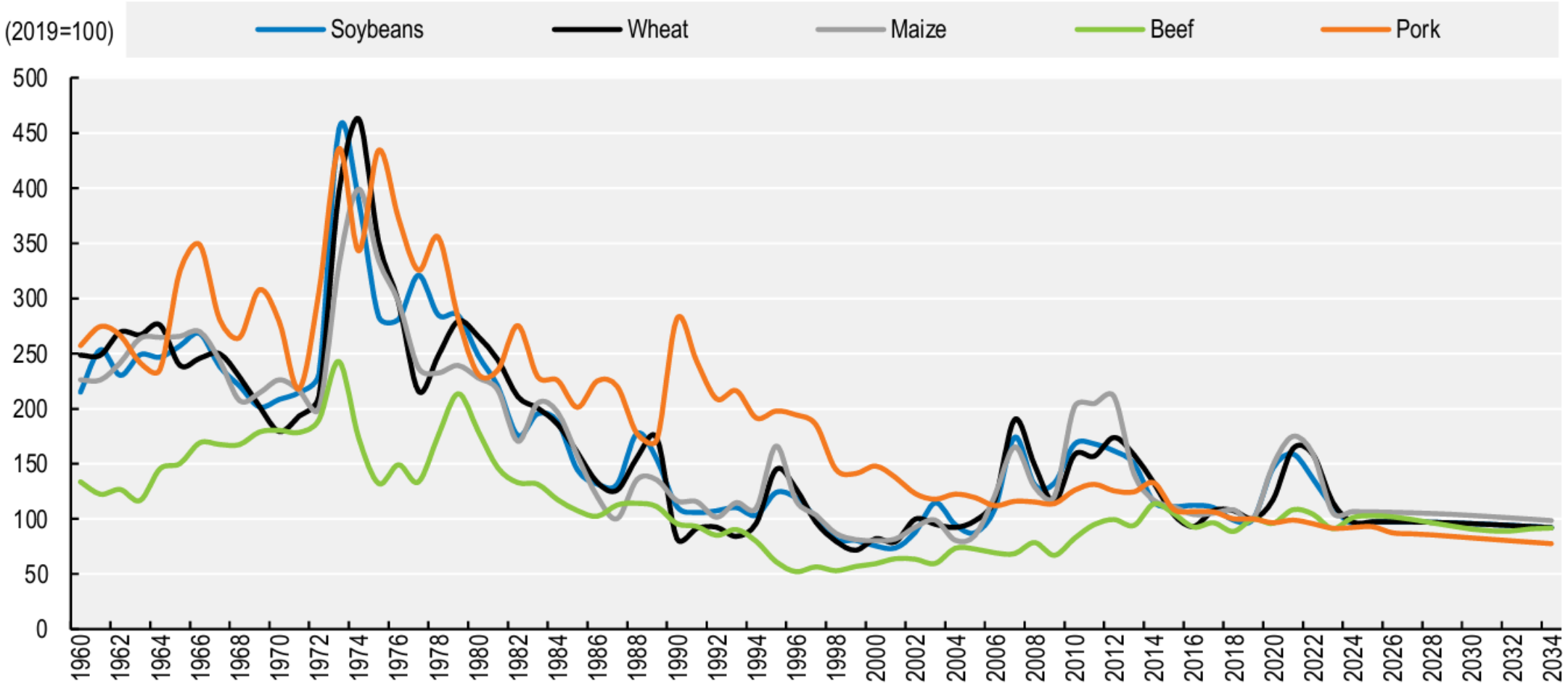
Change in projected yields for selected commodities, 2022-24 to 2034



Note: Productivity is measured as tonnes of grain per area harvested for crops, tonnes of milk per cow for dairy, tonnes of meat per 100 productive animals for beef and pork, and tonnes of meat per 1 000 productive hens for poultry. Each symbol represents the average yield for a given commodity within a region. The red lines correspond to the global average per commodity.

Source: OECD/FAO (2025), "OECD-FAO Agricultural Outlook", OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

Long-term evolution of commodity prices, in real terms



Note: Historical data for soybeans, wheat, maize and beef from World Bank, "World Commodity Price Data" (1960-89). Historical data for pork from USDA QuickStats (1960-89).
Source: OECD/FAO (2025), "OECD-FAO Agricultural Outlook", OECD Agriculture statistics (database), http://data-explorer.oecd.org/s/1hc.

Prevalence of undernourishment

https://www.fao.org/interactive/hunger-map/en/

World's Biggest Food Franchises (1950-2020)

Data Is Beautiful
101K subscribers

What's the future of food? | The Economist

The Economist
2.58M subscribers