

Effects of socio-economic and demographic variables on Vietnamese households' expenditure for dairy products



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Introduction

- The dairy sector has become one of the fastest growing food sectors in Vietnam.
- Vietnam is the 20th most important importer of dairy products in the world
- Import demand is foreseen to rise.
- Vietnam has become a highly potential market for investors in the dairy industry.



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The major objective

To analyze the effects of socio-economic and demographic variables on Vietnamese households' decision to purchase dairy products and how much to spend per capita on these items.

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Data and methodology

- Three double-hurdle models are estimated
- Products considered:
 - fresh milk,
 - milk powder
 - other milk products
- Data base: Vietnamese Household Living Standard Survey datasets from 2010.

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Results

Household characteristics are found to be significant in affecting dairy products' expenditure. For instance, urban households, female-headed households, and households that have children aged under seven years old, all have a greater preference than other households. Age and education have positive effect on the probability of consumption and quantity of products consumed.



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Conclusion

- The results of this study help to understand how the changing socio-economics and demographics of the Vietnamese population impacts households' dairy products expenditure.
- This understanding may help policy makers to implement policies related to dairy industry, nutrition and food security.