



UNIVERSITI TEKNOLOGI MARA

A STUDY ON FACTORS THAT INFLUENCE CONSUMER'S  
PURCHASING BEHAVIOR FOR SAZARICE'S RICE IN KOTA  
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### 1. INTRODUCTION

#### 1.1. Background of Study

Rice has remained the staple food in the daily meals of Malaysian household. Every year Malaysians consume 1.8 million metric tons of rice on average. Warr.et al (2008) reported that national requirement for rice has declined around 15% from 1995 to 2005 in Malaysia despite of the increase in population growth. Global food crisis from year 2007-2008 also has triggered the declined. Now, many Malaysians opted for other substitutes like wheat and bread due to urbanization and rising of income (Norimah et al., 2008). Similarly, consumption of rice also has continually decreased in some developing countries like Korea over the past few decades as the national diet has become more westernized (Keunmin 2004). Although the consumption of rice is declining, rice is still the most preferred food and important meal in Malaysian's menu. Most Malaysians prefer to take local rice due to their cultural eating habits (Wong, 2004).

To fully meet the rice requirement of the country, BERNAS imports about 30% to 40% of Malaysia's domestic rice demand annually. To protect the local rice farmers, BERNAS' import volume merely covers the shortfalls of demand after ensuring the local rice production finds its way to the market. BERNAS also imports special rice varieties that cannot be produced locally like basmati and fragrant rice to cater to the various types of culinary tastes of our multi-racial society. Both local and imported rice procured by BERNAS are distributed to licensed wholesalers. Rice is also distributed to consumers and other end users through its subsidiary companies.