

# Factors influencing demand and supply of food essay examples

[Business](#), [Marketing](#)



## **Introduction**

The most fundamental and essential aspect of economics is demand and supply. In any common marketplace, a commodity's price is usually determined by its supply and demand. Demand refers to the quantity of a product or service desired by customers. Supply, on the other hand, refers to the amount of a product that the market is able to offer. As will be seen, the supply and demand are very dynamic and keep on changing from time due to a variety of factors. This essay seeks to explore some of the factors that have been influencing the demand and supply for food in recent years. Food is the single most important commodities in the world. Since it is a basic need, the demand for food is always high. One factor that influences the demand for food is the population size and growth. The world's population has been rising steadily and consequently, the demand for food has been rising (Chern and Kyrre 16). The world essentially needs more food to feed its increasing population. Some countries particularly third world countries have high rates of population growth that consequently translate to high demand for food. Unfortunately, the demand for food in those countries often leads often exceeds the level of supply, and this has massive ramifications for the country. It is very common to witness people in these countries dying because of hunger. Another thing to be considered is that low supply means food price volatility. In such countries, even the little food available is sold at very high prices that many cannot afford (Chern and Kyrre 34).

The other factor that influences the demand for food is changing food tastes. Very often, people tend to change the tastes for various foods where they

abandon some foodstuffs that they were consuming earlier and start embracing new kinds of foodstuffs (Cruyningen and Thoen 78). Consequently, the demand for the new foodstuff embraced increases while the demand for the foodstuff abandoned tends to go down.

The other factor that influences the supply and demand of food and that is quite similar to changing food tastes is food consumption patterns. The world's food consumption patterns change very often. For instance, it has been scientifically proven that people tend to eat a lot during the cold seasons; this is because of low body metabolism and consumption of energy (Cruyningen and Thoen 84).

In terms of supply, several factors influence the amount of food that can be supplied to the market place. One of these factors is weather conditions and climate. Most of the foodstuff in the market place is comprised of items such as vegetables, cereals and fruits. These are foodstuffs that are grown in farms and that require special weather conditions for them to grow and mature. However, as nature has often proven, climate and nature are very unpredictable. Some years will see very favorable weather and climatic conditions such as heavy rains that favor the production of such foodstuffs. Some years will experience massive droughts that dry up everything in the farms including the mentioned commodities. In such scenarios, the ability of the market to supply agriculture-based foodstuffs is affected. There will be either a shortage of food or an excess of it.

The other factor that influences supply is infrastructure, for instance transport. Transport determines how the food will reach the market place. Sometimes, the demand can be high but there are no means of availing the

food to the marketplace. Alternatively, the means available may be in very poor conditions. This may result in a fictional shortage of food, whereby although food is available, there is no way of availing it to the market place and food supply is deemed low.

The other factor that determines the supply of food is production technology. In the modern context, technology has advanced massively, and this has been felt very much in the production sector, particularly in the food production. New ways of producing food have been emerged, and this has had a big impact on food supply. Technology has brought about new ways and faster ways of producing food, therefore, leading to an overall increase in the food supply.

The demand and supply of food go hand in hand. According to Knechtel, when the demand of food is high, the prices go up significantly, as suppliers attempt to cash in on the high demand (31). Some suppliers have even been known of holding back on their food products to create an artificial shortage in the market place. The suppliers then release their products when the demand is high, and they charge exorbitant prices. The consumers have no choice but to pay since food is a basic requirement that one cannot live without.

In recent years, imploding population and dire climatic conditions are two most critical factors that have affected the balance between food supply and demand. According to Boursakis and Weightman, the impact on the global food pattern has, however, been alleviated by the emergence of new ways of producing food as well as synthetic foodstuffs (102). These have helped to bridge the widening gap between the demand of food in the world and its

supply.

Food scarcity continues to be a problem and many third world nations still rely on developed nations for food aid, as well as the international food organizations such as the World Food Program (WFP) and the Red Cross. However, these developed nations are working hand in hand with the governments of the developing nations to make sure that they become self-sufficient in terms of food production and they do not have to rely on foreign aid.

## **Works Cited**

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