Measuring Consumer Acceptance and Willingness to Pay for Specialty Tomatoes: Impact of Product, Taste, and Health Features

The increasing public health awareness and the promotion given to healthy eating habits as a measure to prevent obesity and chronic diseases have pushed consumer’s attention towards differentiated products. Many of the differentiated products, such as those with environmental, local, and other health and quality claims, are categorized as credence goods. Credence attributes, such as nutritional characteristics, are unobserved by consumers even after consumption, making the use of information crucial for marketing the benefits of the products. While there have been numerous studies examining the potential impacts of these attributes on consumer demand, few studies combine consumer valuation of credence attributes with sensory analysis of products and information treatments. This study attempts to shed more light on this area by considering both the impact of various attributes on consumer demand and the consistency in consumer valuation under different information treatments. The information treatments refer to tasting, health information, and the location of origin and production system of the products. Results of non-hypothetical economic experiments show that knowledge of location of origin of tomatoes does have an impact on consumer valuation. The same holds true for the taste attribute (experience) and the health attribute (credence). In particular, results suggest that consumers are willing to pay more for domestic tomatoes than imported tomatoes. Also, consumers’ willingness-to-pay (WTP) for locally grown tomatoes and specialty tomatoes increase after the tasting treatment; however, their valuation for organic tomatoes decreases after the tasting treatment. In general, consumers’ WTP for tomatoes increases by 4.1% after they receive the health information treatment.

“I love that I chose to come to Texas A&M for graduate school. The department is really a family that has allowed me to grow and challenge myself.”