

# Stars in the Supermarket

The introduction of an intermediate standard  
for animal friendly meat products

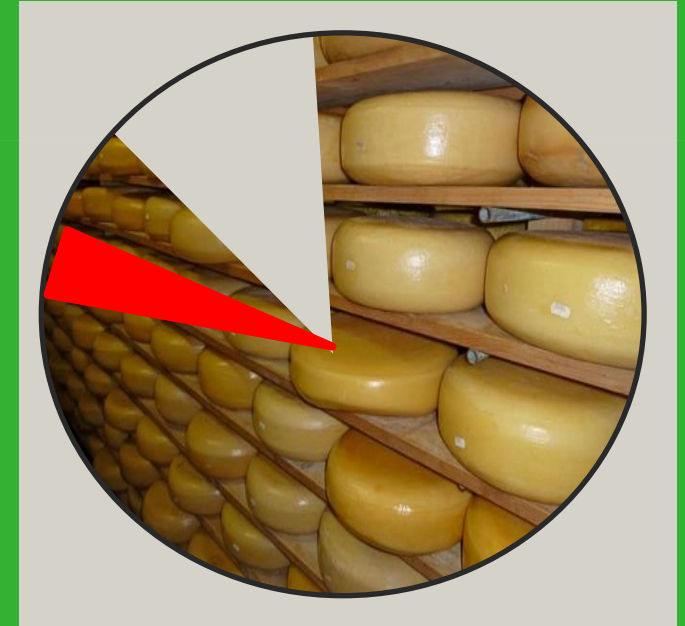
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**Marleen Onwezen**



# Animal friendly products

The Netherlands:

- > 85% has 'willingness to buy'  
(Onwezen et al., 2011)
- only 5.6% market share  
(Bakker 2012)

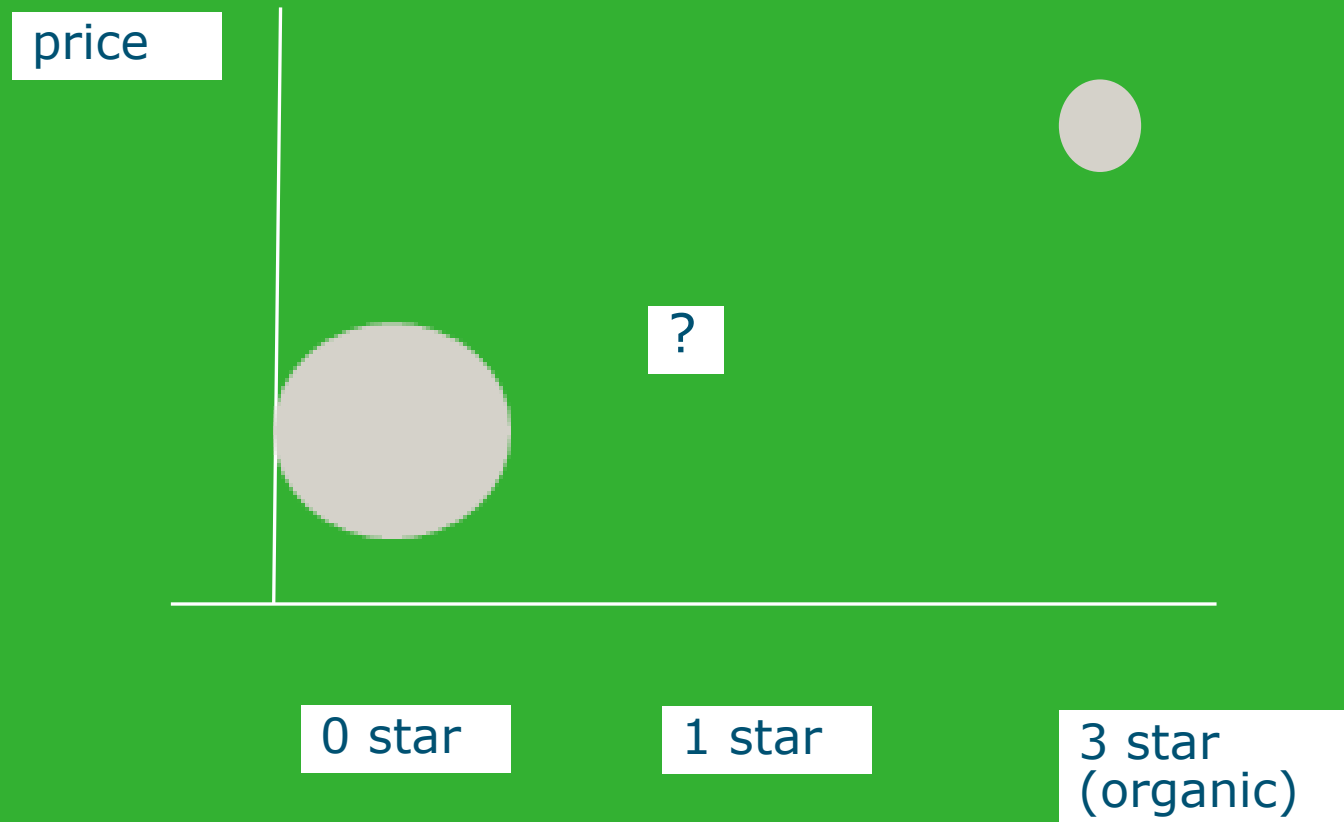


Potential reason for gap: price difference

- > Introduction of 'intermediate segment'
- Extension from binary to categorical



# Market share



# Background literature

- Compromise effect (Simonson, 1989)
- Middle option (Kamenica, 2008)
- Balance effect (Chernev, 2004)

-> suggests a high demand for 'in between segment' with animal *friendlier* products

-> will it cannibalize on the upper segment?

# Research question

What is the effect of introduction of intermediate standard on

- Organic product share
- Regular product share
- Willingness to Pay

# Method: Virtual supermarket



# Experimental design

- Exp I (virtual supermarket, 90 participants):

Layout shelf	Without intermediate	With intermediate
By animal	Trt 1	Trt 3
By organic	Trt 2	Trt 4

- Exp II (follow-up, online, 510 participants):
  - No extra communication
  - Shelf banners
  - Package stickers
  - Package colors

# Treatment 1: without intermediate, by animal



# Treatment 2: without intermediate, by organic

chicken  
veal  
porc



0\*  
Regular

3\*  
organic

# Treatment 3: with intermediate, by animal



# Treatment 4: with intermediate, by organic

porc  
veal  
chicken



0\*  
Regular

1\*  
intermediate

3\*  
organic

# Experimental design

50 % discount  
on product in  
chosen \*  
category

Product  
search  
time

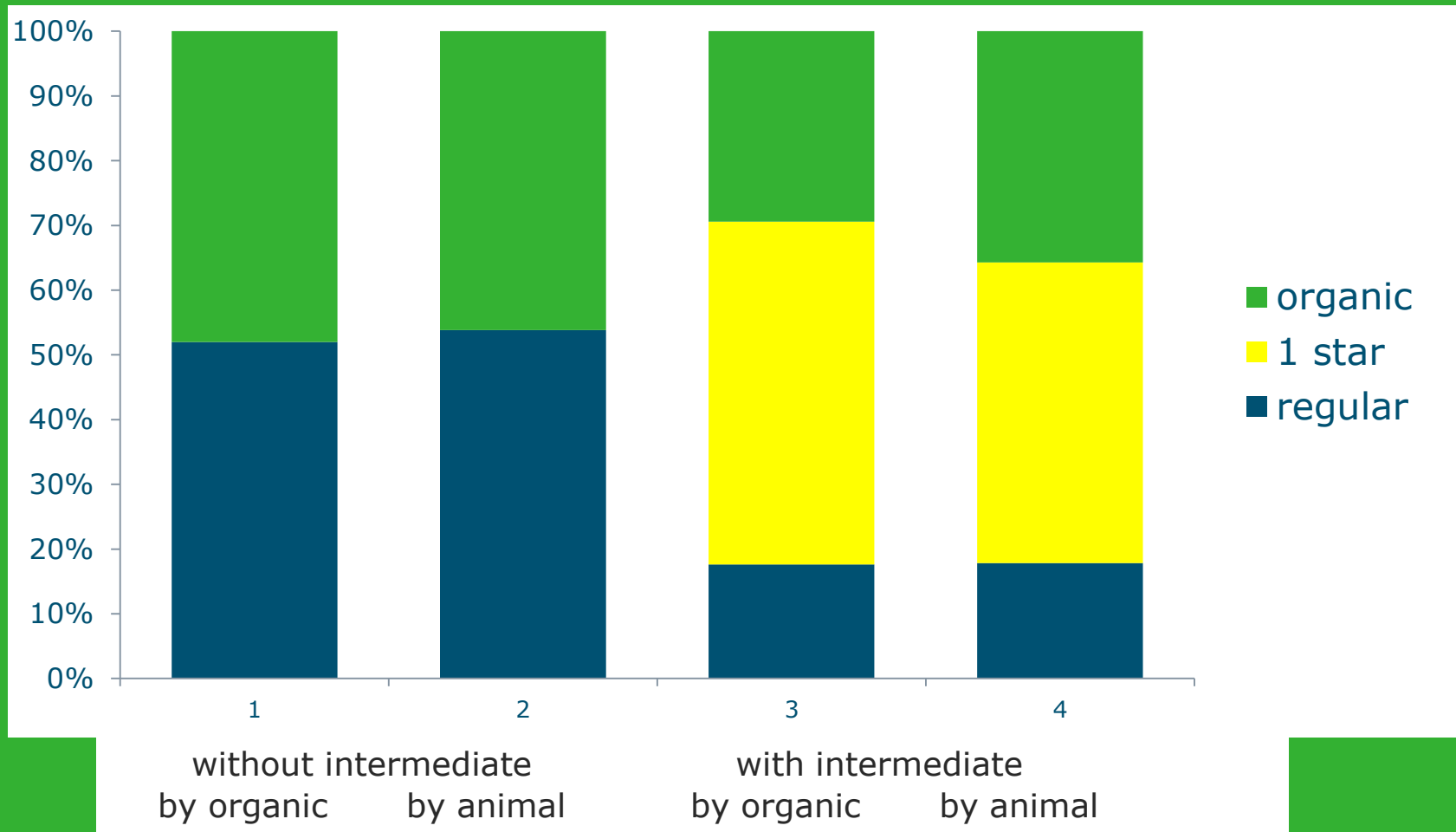
WTP  
elicitation

Free  
choice

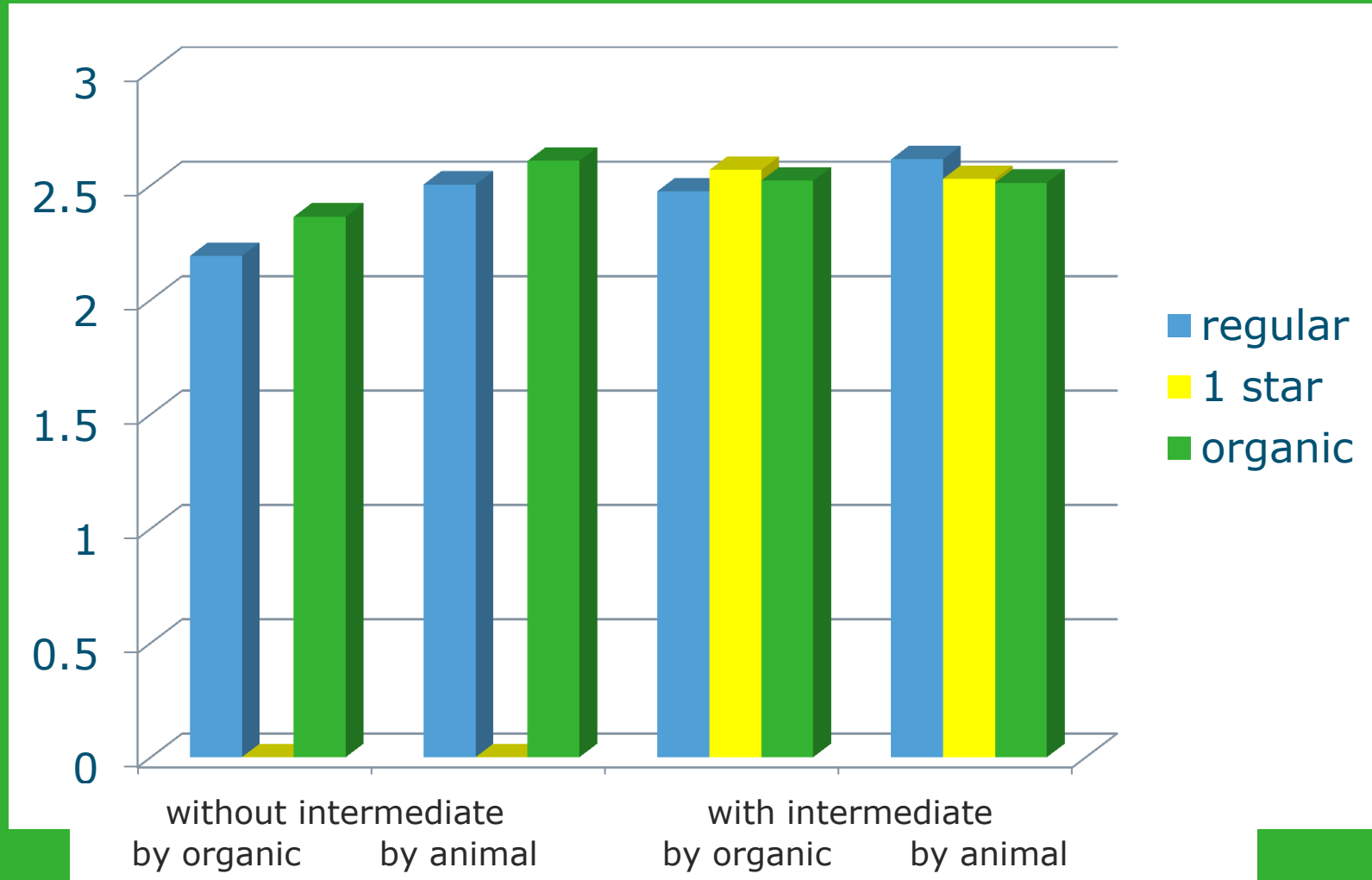


# Results Part I: choice of meat products

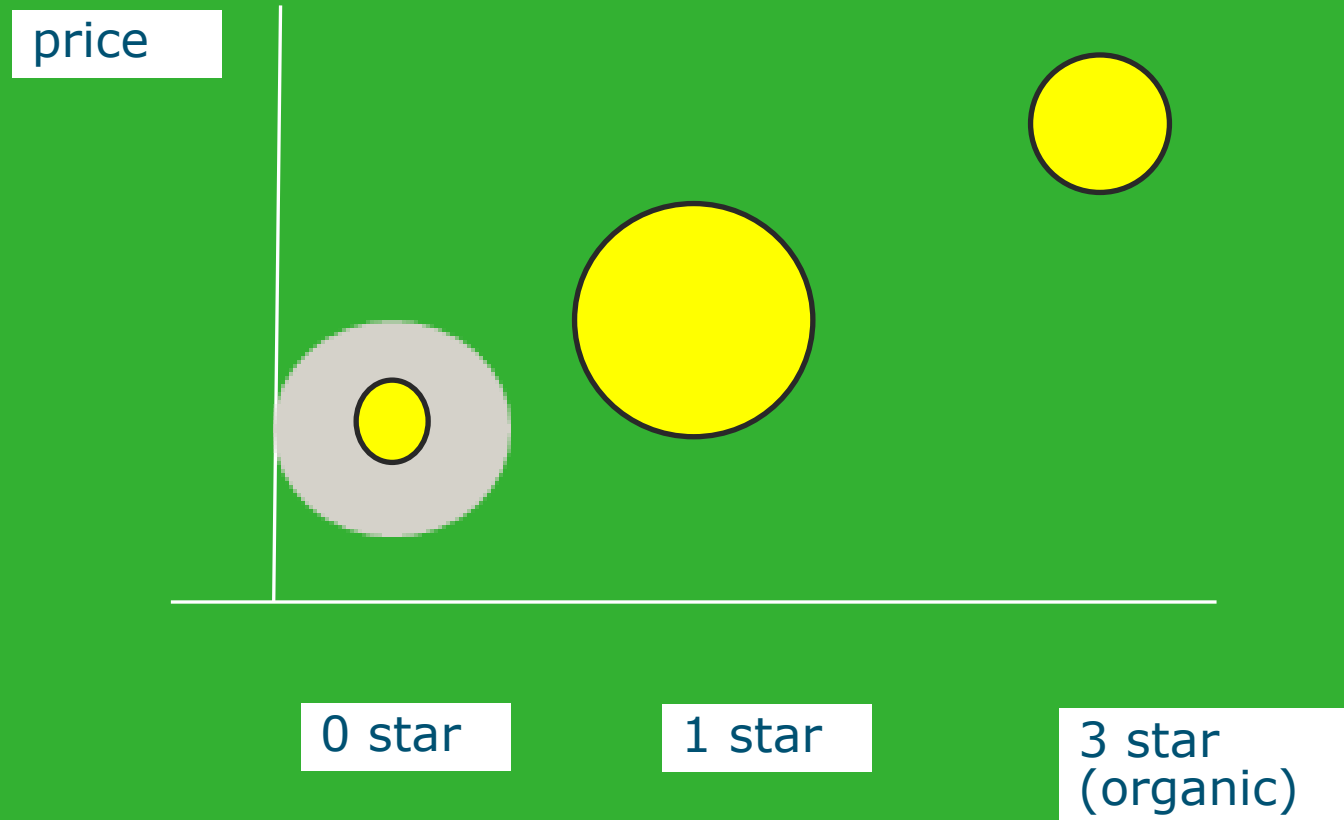
Organic share: ns  
Regular share: \*\*\*



# Results Part I: Willingness to pay



# Conclusion: cannibalization?



# Results Part I

- Intermediate segment increases share of animal friendly meat
- Intermediate segment does not cannibalize on share of organic meat
- WTP: no significant differences

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