

Stars in the Supermarket

The introduction of an intermediate standard
for animal friendly meat products

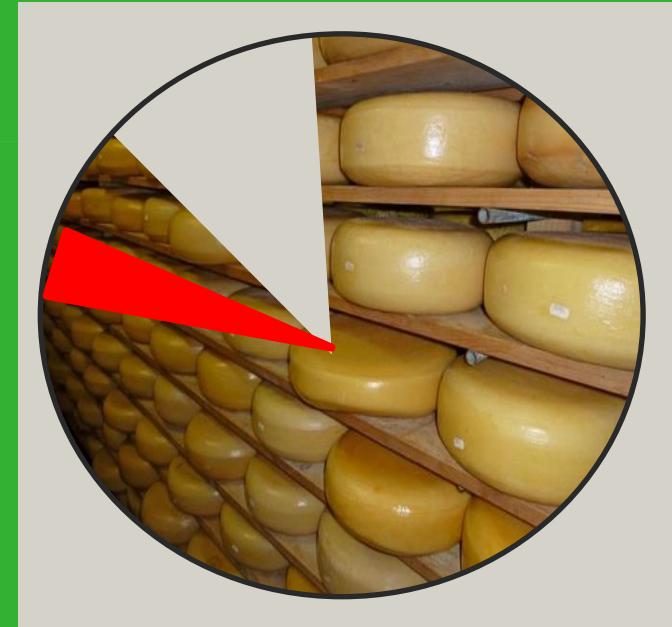
**Eva van den Broek
Machiel Reinders
Marleen Onwezen**



Animal friendly products

The Netherlands:

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

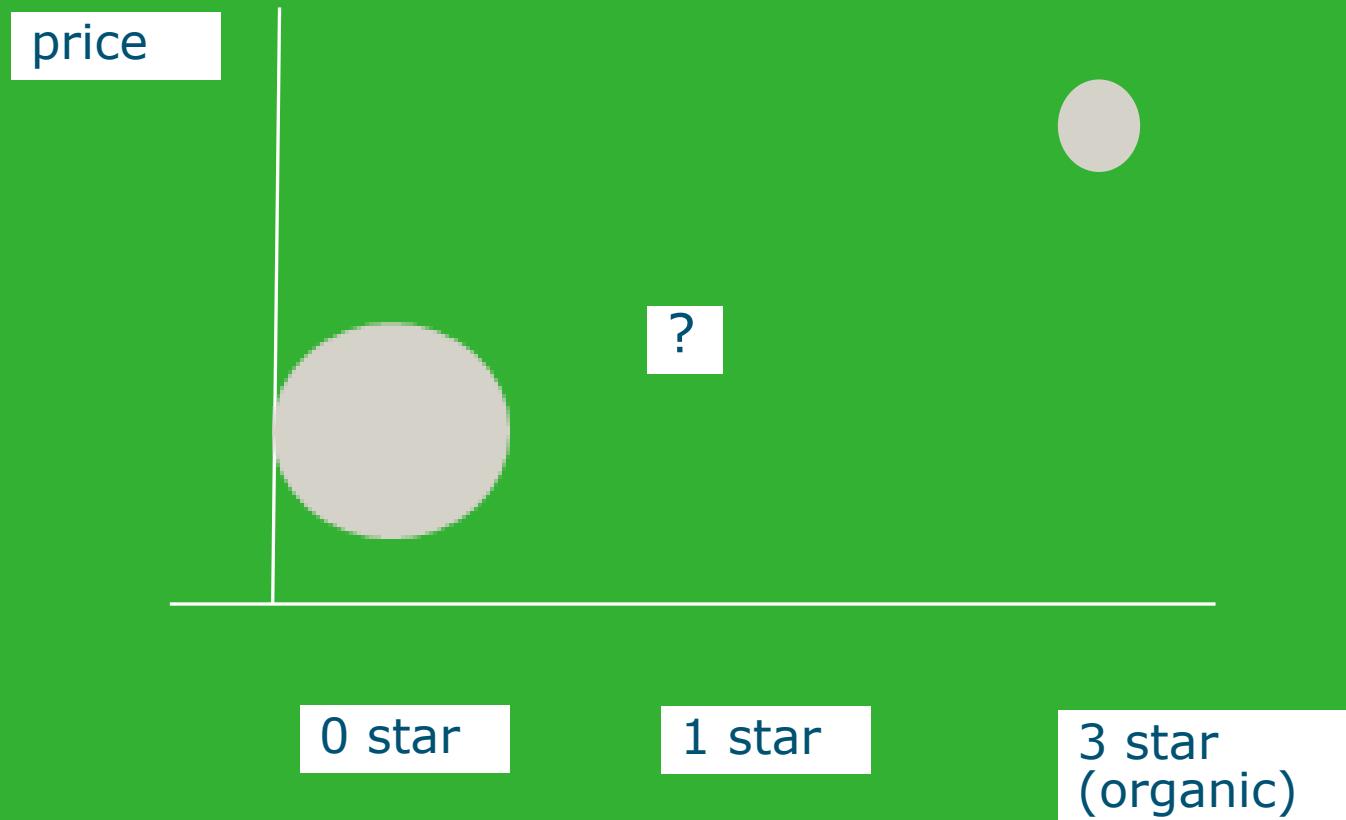


Potential reason for gap: price difference

- >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

0*
3*



chicken

veal

porc

Treatment 2: without intermediate, by organic

porc veal chicken



^{0*}
Regular

^{3*}
organic

Treatment 3: with intermediate, by animal



Treatment 4: with intermediate, by organic

porc veal chicken

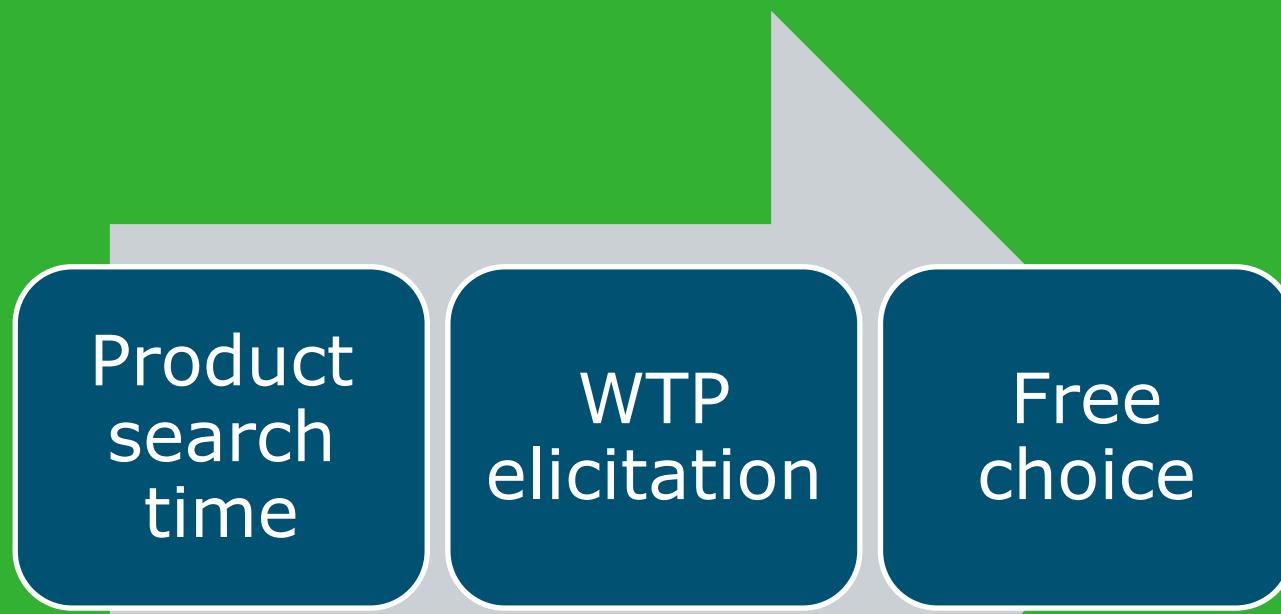


0*
Regular

1*
intermediate

3*
organic

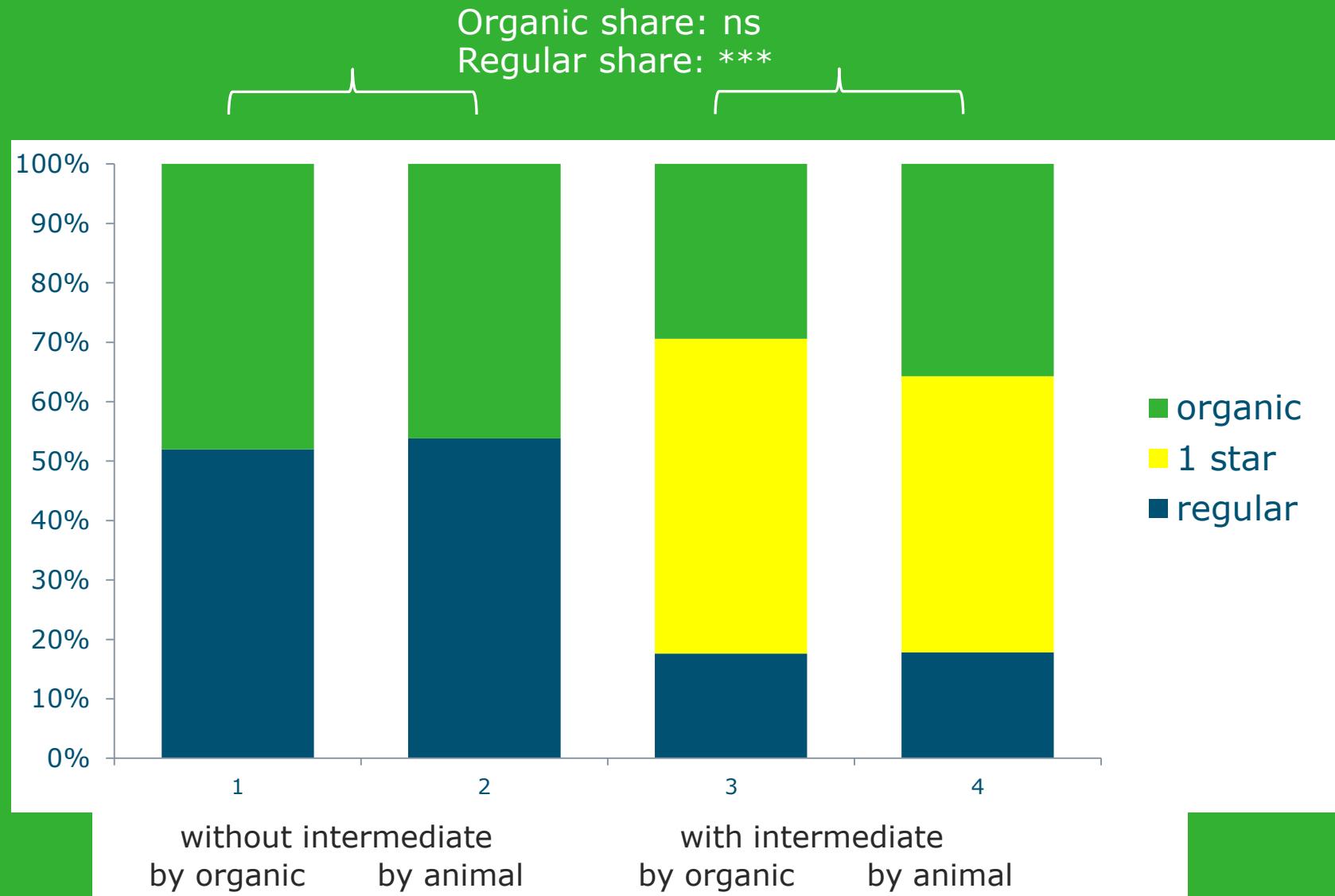
Experimental design



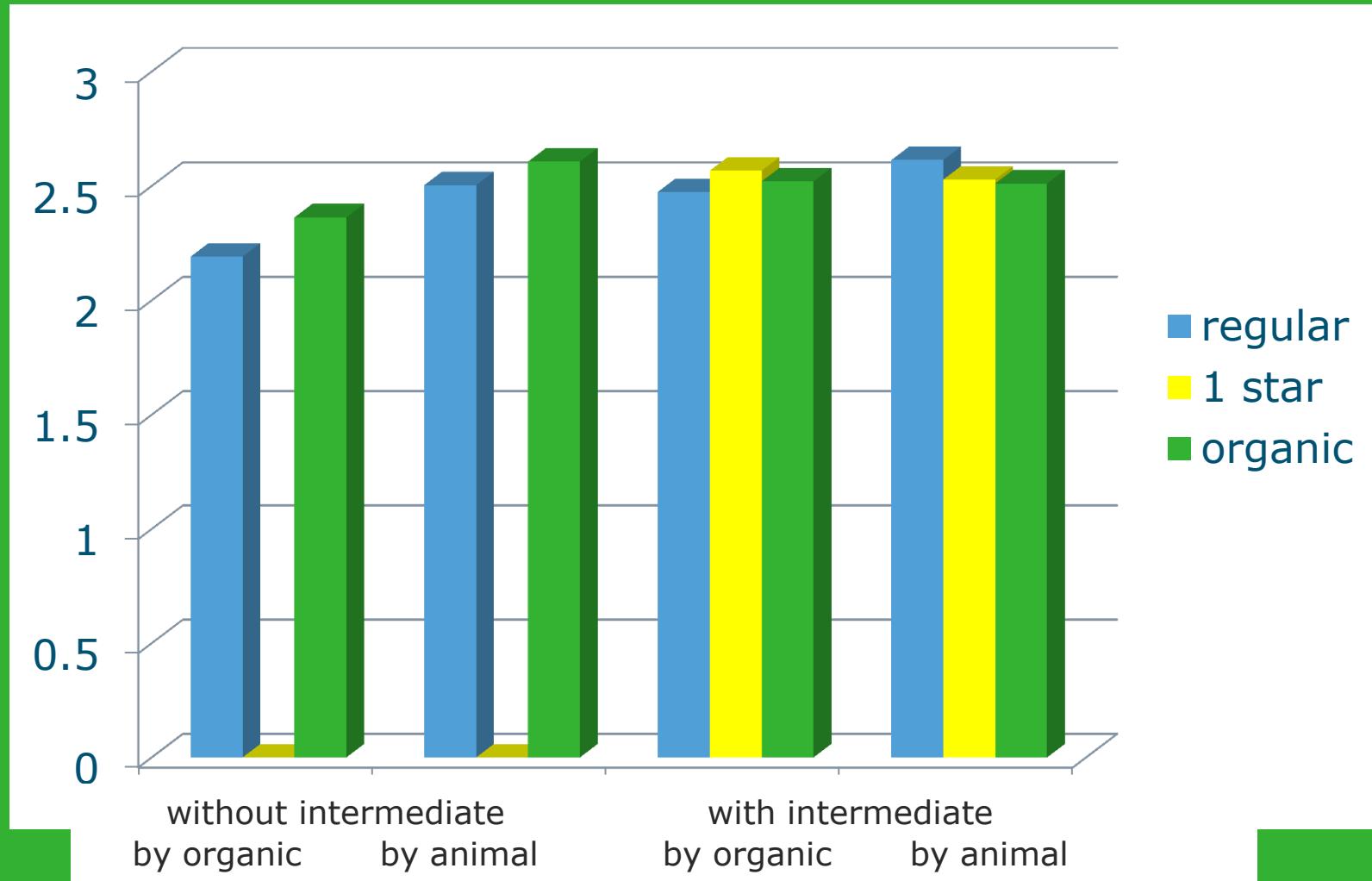
50 % discount
on product in
chosen *
category



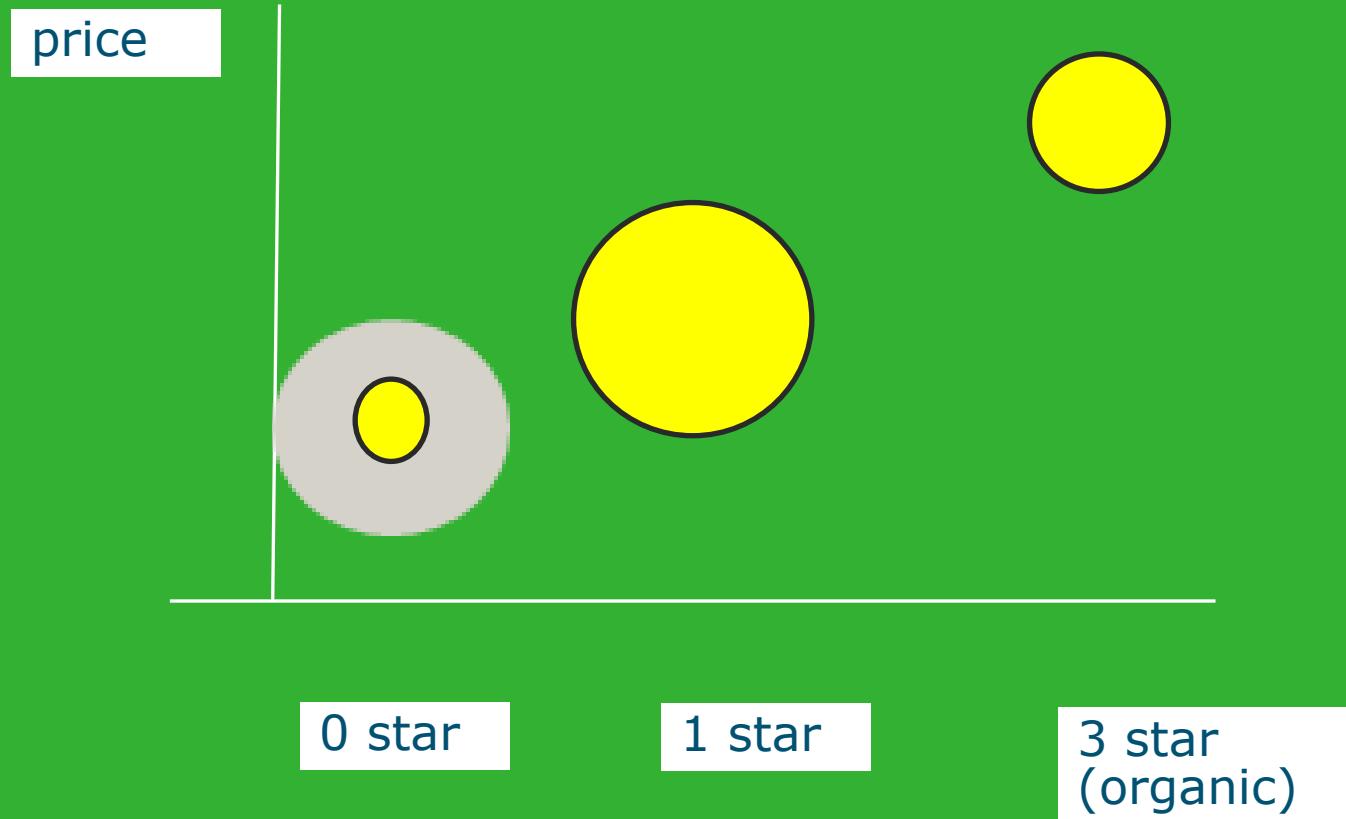
Results Part I: choice of meat products



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

Contact:
E.vandenbroek@wur.nl