Comparing Serial, and Choice Task Stated and Inferred Attribute Non-Attendance Methods
 in Food Choice Experiments
 Vincenzina Caputo, Ellen J. Van Loo, Riccardo Scarpa, Rodolfo M. Nayga, Jr. and Wim Verbeke<sup>1</sup>
 (Original submitted April 2016, revision received October 2016, accepted May 2017-)

### Abstract

10 A number of choice experiment (CE) studies have shown that survey respondents employ heuristics such as attribute non-attendance (ANA) while evaluating food products. This paper addresses a set 11 12 of related methodological questions using empirical consumer data from a CE on poultry meat 13 with sustainability labels. First, it assesses whether there are differences in terms of marginal 14 willingness to pay estimates between the two most common ways of collecting stated ANA (serial 15 and choice task level). Second, it validates the self-reported ANA behaviour across both 16 approaches. Third, it explores the concordance of stated methods with that of the inferred method. Results show that WTP estimates from serial-level data differ from those from choice task-level 17 18 data. Also, self-reported measures on choice task ANA are found to be more congruent with model 19 estimates than those for serial ANA, as well as with inferred ANA.

20

8

9

Keywords: Attribute non-attendance; serial stated attribute non-attendance; choice task stated
attribute non-attendance; inferred attribute non-attendance; choice experiments; sustainable food
labels.

24 JEL classifications: C33, C35.

<sup>1</sup> Vincenzina Caputo is at the Department of Agricultural, Food and Resource Economics, Michigan State University, MI, USA. E-mail: <u>vcaputo@msu.edu</u> for correspondence. Ellen J. Van Loo and Wim Verbeke are at the Department of Agricultural Economics, Ghent University. Riccardo Scarpa is in the Business School, University of Durham, UK. Rodolfo M. Nayga, Jr. is at the Department of Agricultural Economics and Agribusiness, University of Arkansas, and also affiliated with the Norwegian Institute of Bioeconomy Research and NBER. The authors would like to thank the Editor, David Harvey, and two anonymous journal referees for their helpful and comprehensive comments and suggestions. This work was partially supported by the AgBioResearch of Michigan State University. This work was partially supported by the USDA National Institute of Food and Agriculture, [Hatch] project [1013332].

#### 26 1. Introduction

27 Modelling food choice behaviour in a random utility framework requires an adequate 28 understanding of which food attributes are actively evaluated by each respondent and which ones 29 are not. Such understanding is not only essential to develop appropriate individual utility functions 30 to be used in estimation, but it is also crucial for improving CE survey designs and determining the 31 reliability and validity of welfare estimates. These important considerations are, however, often 32 neglected in food choice studies, especially those involving stated preference surveys using choice 33 experiments (CEs). For example, some CE respondents may ignore some of the food attributes 34 used to describe the product profiles while evaluating the set of alternatives in a choice task. In the 35 CE literature, this issue is commonly called 'attribute non-attendance' (ANA) behaviour. To progress research in this area, we examine (1) the estimation effects of alternative ways of 36 37 modelling stated ANA behaviour, and (2) the concordance in results between both serial and 38 choice task stated ANA and those obtained through the inferred ANA method.

39

40 Stated ANA methods rely on asking respondents follow-up questions on whether specific attributes 41 were ignored when evaluating alternatives in a choice task. Self-reported statements can be asked 42 at the end of the entire choice task sequence (i.e. serial stated ANA) (Hensher et al., 2005; Rose et 43 al., 2005; Campbell, 2007; Hensher and Rose, 2009; Scarpa et al., 2009; Cameron and DeShazo, 44 2010; Balcombe et al. 2011; Alemu et al., 2013; Thiene et al., 2012; Kragt, 2013; Colombo and 45 Glenk, 2014; Glenk et al., 2015) or after each individual choice task (i.e. choice task stated ANA) (Puckett and Hensher, 2008, 2009; Scarpa et al., 2010). Alternatively, the inferred ANA method 46 infers ANA behaviour through the estimation of analytical models and is most often based on the 47 48 latent class framework (Hess and Rose, 2007; Scarpa et al., 2009; Hensher and Greene, 2010; 49 Campbell et al., 2011; Hensher et al., 2012; Caputo et al., 2013) and more rarely on the variable 50 selection method. The most popular latent class model is the equality-constrained latent class 51 model (ECLC). In the ECLC model, classes do not refer to differences in preference intensities as 52 in the standard latent class models. Instead, they differ on the basis of the particular pattern of 53 attributes with no impact on utility. The coefficients for the attributes with a recognised impact on 54 utility (non-zero) may be assumed to be either the same or different across classes (Scarpa et al., 55 2009; Campbell et al., 2011; Caputo et al., 2013). Other inferred methods include the combined latent class mixed logit (Hess et al., 2013), the random parameter mixed panel logit models (Hess 56 57 and Hensher, 2010) and the ECLC with scale and preference heterogeneity model (Thiene et al. 58 2015).

60 The choice modelling literature illustrates how ignoring ANA behaviour in CEs has repercussions for market share predictions and welfare measure estimates (Hensher et al., 2005; Lancsar and 61 Louviere, 2006; Hensher, 2006, 2008; Scarpa et al., 2009, 2010; Carlsson et al., 2010; Hensher and 62 63 Greene, 2010; Campbell et al., 2011; Hole, 2011). However, there is, as yet, no consensus on the best way to account for ANA behaviour. For instance, should stated ANA information be collected 64 at the end of a sequence of choice tasks or after each individual choice task? Studies on choice task 65 ANA (Puckett and Hensher, 2008, 2009; Scarpa et al., 2010) show that ANA behaviour often 66 67 varies along the series of choice tasks presented to respondents, pointing to the inadequacy of an 68 assumed uniform ANA behaviour, as implied in the serial choice task approach. In this regard, an 69 important methodological question is whether and to what extent collecting ANA information after 70 each choice task (i.e. choice task ANA) influences subsequent choice behaviour as opposed to 71 asking ANA information after the respondent has gone through the whole series of choice tasks in 72 the CE (i.e. serial ANA). While the previously mentioned studies have examined either serial or 73 choice task ANA, to date, only Scarpa et al. (2010) have compared these two stated ANA 74 approaches in a public good context. However, in their study they did not actually collect serial ANA information. Instead, they collected choice task ANA and then reconstructed serial ANA 75 76 based on the reported choice task ANAs. Thus, their serial ANA data might have been affected by 77 the ANA questions asked during the CE at the choice task level. Their findings suggest that 78 accounting for choice task ANA significantly improves model fit and yields marginal WTP 79 estimates that seem to be more accurate for the public goods in question (i.e. natural park features 80 in their study).

81

82 Moreover, there have been concerns in the literature about possible measurement errors in stated 83 ANA. These concerns refer to (a) whether the self-reported ANA behaviours collected at either the 84 serial or choice task level are consistent with the true ANA behaviour, and (b) to what extent they 85 can be affected by recall problems and approximations (Scarpa et al., 2010). Measurement errors can exist when, for example, respondents who indicated to have ignored a given attribute have 86 87 actually not fully ignored it, but most likely have just given to it a lower importance (Campbell and 88 Lorimer, 2009; Carlsson et al., 2010). Obviously, measurement error in ANA behaviour can affect 89 the reliability and/or validity of the stated ANA methods. So, should researchers rely on self-90 reported ANA information when modelling consumer choice behaviour? If it is assumed that self-91 reported ANA information is accurate, then the attributes reported as ignored are selectively 92 removed from the individual utility in the data estimation process (Campbell and Lorimer, 2009; 93 Alemu et al., 2013; Scarpa et al., 2013). We refer to this modelling approach as the 'Conventional ANA' model. However, incorrectly constraining an attribute self-reported as ignored to have a zero 94

95 impact on the utility function could lead to a mis-specified choice model (Hole et al., 2013). 96 Scarpa et al. (2013) noted that one way to validate self-reported stated ANA statements is to specify an indirect utility function that separately estimates two coefficients for each of the 97 98 attributes, depending on whether the respondent identified the attribute as having played a role in 99 the evaluation of alternatives or not. We refer to this second modelling approach as the 'validation 100 method'. Studies employing this validation method have demonstrated discrepancies between what 101 survey respondents self-reported and what this approach suggests they actually did (Campbell and 102 Lorimer, 2009; Hess and Hensher, 2010). Other studies concluded that a separate treatment on the 103 basis of such self-reported ANA did not improve model fit (Balcombe et al., 2011). This method 104 has, so far, only been applied to validate self-reported serial ANA statements but not yet to choice task ANA statements (Campbell and Lorimer, 2009; Alemu et al., 2013; Scarpa et al., 2013). 105

106

107 Finally, measurement errors have also been mentioned as a possible reason for the lack of 108 concordance (no one-to-one correspondence) in the CE outcomes when using stated ANA and 109 inferred ANA. A number of researchers (e.g. Hess and Hensher, 2010; Kragt, 2013; Scarpa et al., 110 2013) have compared results between serial stated ANA with inferred methods. Their findings 111 generally suggest that (i) there is little concordance between serial stated and inferred ANA, and 112 that (ii) inferred ANA models provide better model fit (e.g. Hess and Hensher, 2010; Kragt, 2013; 113 Scarpa et al., 2013) than models based on serial stated ANA. These findings suggest that inferring 114 ANA econometrically could be a valuable alternative, also considering the possible measurement 115 error discussed above. However, it remains difficult to know which method could better represent 116 the 'true' ANA behaviour (Collins, 2012). While the stated ANA approach is vulnerable to 117 measurement errors, the inferred method has the drawback of requiring the researcher to make 118 decisions on how to take ANA into account in the models (e.g. number of latent choice-119 behavioural classes, structure of preferences, etc.). Thus, the relative merits of using the inferred 120 method could largely depend upon subjective choices made by researchers given the data at hand.

121

122 The current literature on ANA in choice modelling is mostly in the field of transportation (Hensher 123 et al., 2005; Hensher, 2006, 2008; Hensher and Greene, 2010), environmental valuation (Campbell 124 et al., 2008; Scarpa et al., 2009, 2010; Carlsson et al., 2010; Campbell et al., 2011; Kragt, 2013), 125 and health economics (Hole, 2011; Mc-Intoch and Ryan, 2002; Lancsar and Louviere, 2006; Hole 126 et al., 2013). Only three studies have examined ANA in food choice modelling (Bello and Abdulai, 127 2016; Caputo et al., 2013; Scarpa et al., 2013). Bello and Abdulai (2016) measured the impact of 128 consumer non-attendance behaviour on *ex-ante* hypothetical bias mitigation methods using only the serial ANA approach. Scarpa et al. (2013) studied inferred and stated ANA but did not collect 129

choice task ANA responses. Caputo *et al.* (2013) only inferred ANA using latent class models butdid not analyse stated ANA.

132

133 Amongst the many methodological issues that have so far not been answered, we focus on three 134 that we deem important for the modelling of ANA in food choice. First, we investigate whether 135 there is any systematic difference in terms of CE outcomes (e.g. WTPs and model performance) 136 across the two forms of stated ANA to test the robustness of previous findings (e.g. Scarpa et al., 137 2010). We do so by implementing two experiments: the Serial experiment, in which the ANA questions are asked at the end of the entire sequence of CE questions, and the Choice Task 138 139 experiment, in which the ANA questions are asked at the end of each CE question. Hence, in 140 contrast to Scarpa et al. (2010), we directly collect ANA information at both the serial and choice 141 task levels by exposing our sample of respondents to two independent treatments. Second, 142 following Scarpa et al. (2013), we validate the self-reported serial and choice task ANA statements 143 using the stated ANA model approach in which two coefficients for each attribute are estimated: 144 one for the self-reported attended attributes and one for the self-reported ignored attributes. This allows us to identify whether there is any discrepancy between what survey respondents say they 145 146 did when reporting ANA in our CE surveys across the entire series of choice tasks and in each 147 separate choice task, and what they actually did do. Finally, we infer ANA using a latent class 148 framework and then examine differences in results across the various methods to account for ANA 149 (inferred, serial stated and choice task stated).

150

The rest of the article is structured as follows. The next section reports the experimental procedures used in the *Serial* and the *Choice Task* experiments, followed by a section that describes the empirical analysis. The results are then reported, followed by the conclusions.

154

### 155 2. Choice Experiment Design and the Experiments

156 We constructed a CE study on a chicken breast product in Belgium, which was described using a 157 combination of five attributes: (i) organic label, (ii) animal welfare label, (iii) free-range claim, (iv) 158 carbon footprint label, and (v) price. For the organic logo, three levels were considered: the EU organic logo, the Belgian private Biogarantie logo, and no organic logo. The levels for the free-159 160 range claim included those currently regulated in the European Union (EU) (EC, 2008): free-range, 161 traditional free-range and, free-range total freedom. The levels of the price attribute were chosen 162 based on the actual prices of chicken breast gathered during a store check in food stores in Belgium 163 in February 2012, shortly before the survey was conducted. The levels used for carbon footprint were based on reported values in the literature for producing a chicken breast (Foster *et al.*, 2006;
Just Bare, 2010) and adopting a 20% and a 30% carbon footprint reduction as alternative levels.
The definitions of the attributes and attribute levels are shown in Table 1.

### 167 168

169

### (INSERT TABLE 1)

170 Based on these attributes, a D-optimal CE design was developed following the approach by Street 171 and Burgess (2007).<sup>2</sup> We first generated an orthogonal factorial design for the first alternative, 172 reducing the original 288 ( $3^2 \times 4^2 \times 2$ ) combinations to just 16. Then, using the generators described 173 by Street and Burgess (2007) a practical set of 16 pairs was obtained, with a D-efficiency of 95.7%. 174 Finally, the 16 choice sets were divided into two blocks and the participants were randomly 175 assigned to one of the two blocks. To increase the similarity with a real shopping experience, a nobuy alternative was added to each choice set. Following Scarpa and Rose (2008), the design was 176 177 evaluated ex post in terms of its potential D-error. We calculated an efficient design based on the 178 estimates obtained from the multinomial logit (MNL) model estimated from both the serial and 179 choice task datasets. We found our design to require 103 and 89 design replicates in the Serial and Choice Task experiments, respectively, given that the two blocks were obtained with 206 and 178 180 181 participants. Since our sample size consisted of 344 and 257 subjects in the Serial and Choice Task 182 experiments respectively, it far exceeded this requirement.<sup>3</sup> Hence, our designs seem to have 183 performed adequately ex post, with the larger sample size compensating for the lack of efficiency 184 in terms of *D*-error.

185

In the CE survey, each participant was presented with eight choice tasks. Each choice task included two experimentally-designed product profiles and a no-buy option (see example in Figure 1). A cheap talk script was included to mitigate the potential for hypothetical bias (Silva *et al.*, 2011), and was presented to the participants before they were asked to engage in the choice tasks. The identification of what attributes were ignored was obtained from supplementary ANA questions asked of participants and recorded in two different ways. Participants were randomly assigned to one of two experiments. In the *Serial* experiment (serial ANA), the ANA questions were asked of

 $<sup>^{2}</sup>$  We acknowledge that there are several alternative approaches to designing a CE and refer readers to Johnson *et al.* (2013) who give an overview of the most common experimental design approaches used in discrete choice studies.

<sup>&</sup>lt;sup>3</sup> Design statistics are available upon request.

participants at the end of the sequence of choice tasks, while in the *Choice Task* experiment
(choice task ANA) participants were asked what attributes they ignored after each choice task.<sup>4</sup>

- 195
- 196 197

### Insert Figure 1 here

#### 198 3. Empirical Analysis

The price attribute was treated as a continuous variable in all models, while the food quality labels were treated as dummy-coded attributes. We used dummy coding rather than effect coding because this allowed us to meaningfully restrict the parameters of self-reported ignored attributes to zero. As pointed out by Caputo *et al.* (2013), putting a zero restriction on an effect-coded variable (-1,1)would not be equivalent to a zero weight in the utility function, but rather to a weight which is intermediate between absence and presence of the attribute, which makes it collinear with the alternative-specific constant (ASC).

206

### 207 3.1. Modelling Serial and Choice Task Stated ANA using a RPL-EC Model

The serial and choice task CE datasets were used to estimate a Panel Logit model with Random Parameters and Error Component (RPL-EC) (Scarpa *et al.*, 2005, 2007; Hess and Rose, 2008). Accordingly, the utility function that individual *i* obtains from choice alternative *j* in choice situation *t* is as follows:

### 212 213

214

 $U_{ijt} = ASC + \alpha PRICE_{ijt} + \boldsymbol{\beta}_i' \mathbf{x}_{ijt} + \mathbf{1}_j(\eta_{it}) + \varepsilon_{ijt}$ 

215 where ASC is an alternative-specific constant representing the no-buy choice alternative;  $\alpha$  is the 216 marginal utility of price;  $PRICE_{ijt}$  is the price of alternative j for person i at choice situation t;  $\beta_i$ 217 is a vector of utility parameters for participant i;  $\mathbf{x}_{ijt}$  is a k-dimensional vector of observed non-218 monetary food attributes and their levels related to alternative  $j_i$ , individual i and choice task t in the 219 sequence. These are represented by the sustainability labels illustrated in Table 1: organic (OrgEU 220 and OrgBE), animal welfare (AW), free-range (FR, FRtrad and FRtot), and reduced level of CO2 221 emitted (CO20 and CO30).  $1_i$  (•) is an indicator function that takes the value of 1 for both 222 experimentally designed food profiles, and 0 otherwise;  $\eta_{it}$  is a zero-mean normally distributed 223 respondent-specific idiosyncratic error component shared by the two hypothetical alternatives (i.e.

Commented [RC1]: Typesetters, move equation numbers to right margin
Commented [CV2R1]: Done! Thank you!

(1)

<sup>&</sup>lt;sup>4</sup> For example, 'Did you ignore information about the organic label?'

those alternatives that portray a purchase decision), and is absent in the utility of the no-buy alternative (Scarpa *et al.*, 2007);  $\varepsilon_{ijt}$  is an i.i.d. extreme value error term. The coefficients of the sustainability labels are assumed to be independent and normally distributed, while the price coefficient is assumed to be fixed. This assumption may appear to be somewhat restrictive, but it provides us with the obvious advantage that the ratios of sustainability label and price coefficients (marginal WTPs) are normally distributed. In addition, it allows us to incorporate the individual self-reported ANA information for the price attribute when estimating choice models.

231

232 The RPL-EC specification is employed because it simultaneously accounts for heterogeneity in 233 consumer preferences, by allowing the coefficients of the different claims to vary randomly over 234 individuals and to deviate from the population mean, and for correlation across utilities, by 235 identifying the additional variance of the utility of the experimentally designed alternatives, 236 different from the no-buy option. The latter is of particular importance since the no-buy option is 237 included in the choice tasks of our CE design. The no-buy option is actually experienced by 238 participants while the experimentally designed alternatives are hypothetical. Hence, the utilities of 239 the hypothetical options are likely to be more correlated between each other than with the no-buy 240 option. In addition, hypothetical options require each respondent to conjure up a given profile of 241 food attributes at each choice task and as a consequence, they tend to display a higher utility 242 variance than the utilities of the no-buy option.

243

244 Given the possible differences in Gumbel error scale across the serial and choice task data, the interpretation of the coefficient values across the estimated models is not recommended (Greene 245 246 and Hensher, 2003; Scarpa and Del Giudice, 2004). Hence, we test whether monitoring stated 247 ANA at the serial or choice task level leads to different choice outcomes and then focus on the 248 marginal WTP estimates. We proceed in two steps. In the first step, using the data from each experiment (i.e. Serial and Choice Task), we estimate two RPL-EC models, where the coefficients 249 for the self-reported ignored attributes are constrained to zero during estimation). The implicit 250 251 assumption of this model is that an observed choice provides no information concerning the 252 respondent's preferences for those attributes that are ignored (Alemu et al., 2013). Hence, the 253 coefficient estimates are conditional on the subset of those respondents who stated they have 254 considered the attributes in the Serial experiment (Campbell and Lorimer, 2009), and on the subset 255 of choice tasks in which the respondents claimed to have considered the attributes in the Choice 256 Task experiment. For this reason, these models are referred to as 'Conventional ANA' models.

In the second step, we use the estimated coefficients and variance covariance matrices from these two models to perform the parametric bootstrapping method proposed by Krinsky and Robb (1986).<sup>5</sup> It results in a distribution of 1,000 marginal WTPs for each attribute. These 1,000 values are used to perform the combinatorial test suggested by Poe *et al.* (2005)<sup>6</sup> and test the following hypotheses:

263

264  $H_0: (WTP_{Conventional-ANA Serial,k} - WTP_{Conventional-ANA Choice Task,k}) = 0, \text{ and}$ 

265

266  $H_1: (WTP_{Conventional-ANA Serial,k} - WTP_{Conventional-ANA Choice Task,k}) \neq 0.$ 

267

If  $H_0$  is rejected, we concluded that serial and choice task ANA produce significantly different WTPs. This leads us into the second issue we wish to investigate, namely which of the two stated ANA approaches (e.g. serial vs. choice task) is most adequate in capturing the ANA behaviour.

271

#### 272 3.2. Validating Stated ANA: Serial and Choice Task

273 If respondents provide truthful responses to the ANA questions, then their choice behaviour should 274 be consistent with self-reported ANA (Scarpa et al., 2013). To evaluate which of the two stated 275 ANA approaches (i.e. serial and choice task) best agrees with self-reported ANA statements, we 276 followed Scarpa et al. (2013) and estimated a second RPL-EC model, named 'Validation model', 277 in which two coefficients are estimated for each of the attributes, depending on whether the 278 attribute was stated as being either considered or ignored. Following Scarpa et al. (2013), we used 279 a vector of k attendance indicators for each respondent i, one for each non-price attribute k. We 280 denote the generic element of such vector as  $1_{ik}(A=1)$  if respondent i stated having attended

<sup>&</sup>lt;sup>5</sup> In particular, 1,000 observations for each attribute are drawn from multivariate normal distributions with means given by the estimated coefficients and covariance given by the estimated covariance matrix of the coefficients from each of the econometric models estimated for the *Serial* and *Choice Task* experiment. The 1,000 draws for each coefficient are then used to calculate the marginal WTP at each draw as the negative ratio between the parameter estimated of the non-monetary attribute and the parameter estimates for the price. The lower and the upper limit of the confidence interval for each attribute are given by the 26th and 975th sorted estimates of WTP.

<sup>&</sup>lt;sup>6</sup> The Poe-test is performed to compare all possible combinations of the 1,000 bootstrapped values of marginal WTPs obtained from the two econometric models across *Serial* and *Choice Task* experiments. Hence, 1,000,000 (1,000 x 1,000) differences are calculated for each hypothesis test of interest.

attribute *k*, and  $1_{ik}$ (A=0) if respondent *i* stated having ignored it. By denoting the utility coefficients conditional on attendance with the superscript 1 and those conditional on non-attendance with the superscript 0, the indirect utility function can be expressed as follows:

284

287

285 (2)  $V_{ijt} = ASC + 1_i(A = 1)\alpha^1 PRICE_{ijt} + 1_{ik}(A = 1)\beta_i^{1'}\mathbf{x}_{ijt}$ 286  $+1_i(A = 0)\alpha^0 PRICE_{ijt} + 1_{ik}(A = 0)\beta_i^{0'}\mathbf{x}_{ijt} + 1_i(\eta_{it})$  (2) **Commented [RC3]:** Typesetters, move equation numbers to right margin

where  $1_i(\cdot)$  is an indicator of ANA for the price attribute by individual *i*, with  $1_i(A = 1)$  if 288 289 individual *i* stated having attended to the price attribute, and  $1_i(A = 0)$  otherwise; as before,  $1_{ik}(\cdot)$ is a k-dimensional vector of indicators of ANA for individual i and non-price attribute k 290 291  $(k=1,2,\ldots,4)$ , with  $1_{ik}(A=1)$  if individual *i* stated having attended to attribute *k*, and  $1_{ik}(A=0)$ otherwise. Hence, the utility coefficients  $\alpha^1$  and  $\alpha^0$  refer to the marginal utilities of price for the 292 293 respondents who attended and not-attended the price attribute, respectively. Similarly, the vector of 294 utility coefficients  $\beta_i^1$  refers to the coefficients for attended sustainability labels, while the utility coefficients  $\boldsymbol{\beta}_i^0$  refer to those for the self-reported ignored attributes. The coefficients of the 295 296 sustainability labels were assumed to be normally distributed, while the price coefficient was 297 assumed to be fixed. The rest of the variables in equation (2) are defined as in equation (1).

299 The significance of the coefficient estimates for the ignored attributes can be used as a validation 300 method. If the estimates for the food attributes stated as being ignored are different from zero, then 301 this would indicate that respondents did not fully ignore these attributes. If this condition is verified, 302 then there is evidence of discrepancies between what survey respondents reported and what they 303 actually did in their choice behaviour (Campbell and Lorimer, 2009; Scarpa et al., 2013). Hence, 304 this model also allows us to corroborate whether or not the hypothesis of the standard method (i.e. 305 the 'Conventional ANA' model), which restricts the coefficients to zero for the self-reported ignored attributes is appropriate in our data. We explored this in both the Serial and Choice Task 306 307 experiments.

308

298

### 309 3.3. Exploring the Concordance between Stated and Inferred ANA using an ECLC Model

To explore the concordance between the results from stated and inferred approaches, we also infer the incidence of ANA behaviour in the sample using an Equality Constrained Latent Class (ECLC) model for panel data (Hess and Rose, 2007; Scarpa *et al.*, 2009; Campbell *et al.*, 2011; Caputo *et al.*, 2013). The ECLC models are different from standard latent class models, which are intended to explore preference heterogeneity. This is because ECLC models are based on classes embedding different forms of attendance to attributes (Scarpa *et al.*, 2013) rather than different preference
intensities. Hence, in the ECLC model, a specific form of ANA can be based on the estimation of
class-specific membership probabilities with adequate restrictions on the utility coefficients.
Membership probabilities from the ECLC model estimates can then be used to explore the
concordance of the ECLC model with the frequencies of the self-reported ANA information at both
the serial and the choice task levels (Kragt, 2013; Scarpa *et al.*, 2013).

321

Formally, in the ECLC model, the unconditional probability of the observed panel of *T* choices by respondent *i* is a weighted average over the *C* classes with weight  $\pi_c$ , and each ANA class has indirect utility which embeds the zero-constrained coefficients:

 $P_{i,T} = \sum_{c} \pi_{c} \prod_{t} \frac{\exp(V_{ijtc})}{\sum_{j} \exp(V_{igtc})}.$ 

325

326 327 (3)

(3)

Commented [RC5]: Typesetters, move equation numbers to right margin
Commented [CV6R5]: Done! Thank you

328 In this application we estimate<sup>7</sup> an ECLC model accounting for both the presence of separate 329 classes of taste intensity (AA) and various patterns of serial attribute non-attendance (ANA) 330 (Caputo et al., 2013). This is motivated by the fact that groups may differ not only in terms of 331 patterns of attendance, but also in terms of taste intensities as demonstrated by the popularity of 332 conventional latent class models, which were originally motivated by preference variation. Given 333 that taste heterogeneity can co-exist with attribute processing, more than one AA class ought to be 334 considered (Hensher et al., 2013). Similarly, the introduction of multiple AA classes may also 335 reduce the chance of the attribute processing classes (ANA classes) capturing both taste 336 heterogeneity and attribute processing.

337

# 338

### 339 4. Data and Results

340 4.1. Sample Characteristics and Stated ANA Statements: Descriptive Statistics

Data were collected by a market research company through an online survey conducted in Belgium in March 2012 and targeting the person of the household most often in charge of food purchases. A

total of 601 participants completed the CE surveys and they were randomly assigned to either the

<sup>&</sup>lt;sup>7</sup> The ECLC model was estimated in Latent Gold.

Serial (n=344) or the *Choice Task* (n=257) experiments. Socio-demographic characteristics were similar across the two sub-samples (all chi-square p>0.05) (see Table S1 in the online Appendix).

Only 18% of the respondents in the Serial experiment reported having attended to all five attributes 347 348 (see Table S2 in the online Appendix). The remaining 82% of the respondents stated having 349 ignored at least one attribute. The carbon footprint attribute was stated as ignored most frequently, 850 by 71% of the respondents (see Table S3 in the online Appendix Table 7). Although the meaning of 351 each attribute level was explained to the participants prior to the CE, the low awareness of carbon footprint labels (Gadema and Oglethorpe, 2011) and the absence of this label in the Belgian poultry 352 353 meat market (Van Loo et al., 2014) might explain its low stated attendance. However, we speculate 354 it could also be related to other reasons such as attribute levels not being relevant. The other 355 sustainability labels (organic, animal welfare and free-range) were stated to have been ignored by 42% to 50% of the respondents (see Table S3 in the online Appendix Table 7). Also, as expected, 356 357 the price attribute had the highest attendance and was reported to have been ignored by 26% of the 858 respondents<sup>8</sup> ((see Table S2 in the online Appendix). Table 7).

360 In the Choice Task experiment, we recorded information about ANA for each of the eight choice 861 tasks (see Tables S3 and S3-S4 in the online Appendix-and Table-1). In this experiment, the carbon 362 footprint attribute was reported as ignored in 44% of all choice tasks and thus was the attribute 363 reported as the least attended to. Price had the lowest stated non-attendance, consistent with the 364 Serial experiment. Approximately 32% (for price) to 70% (for carbon footprint) of the respondents 365 did not follow the same attribute processing behaviour in all eight choice tasks as they did not 866 indicate having ignored the attribute or having attended to the attribute in all eight choice tasks 867 (Tables34 and s45). Instead, these respondents stated that they ignored the attributes in between 868 one and seven choice tasks out of the eight choice tasks (online Table <u>\$3\$4</u>). This suggests that 369 collecting information on attribute processing behaviour at the choice task level may be more 370 informative than collecting information at the serial level where respondents are assumed to follow 371 the same strategy for the whole sequence of choice tasks. Similar findings were reported in outdoor

359

**Commented [RC7]:** Author, so far only table 1 has been cited tables should be cited in numerical order

**Commented [CV8R7]:** Thank you for this really good comment. We now added a new table in the Appendix S3, and changed the numbering order of all the tables in the Appendix. Thank you!

<sup>&</sup>lt;sup>8</sup> Similar shares of respondents who ignored the price/cost attribute are reported by other choice studies. In the field of food choice experiments, Scarpa *et al.* (2013) reported that about 38% and 35% of their respondents either rarely or never attended to the price level when choosing chicken and beef, respectively. In the field of environmental choice experiments, Carlsson *et al.* (2010) found out that about 24% and 31% of their respondents ignored the cost attribute in their study on flourishing lakes streams and clean air, respectively. Kragt (2013) reported 22% of their respondents stated that they ignored cost.

372 recreation studies (Scarpa *et al.*, 2010), suggesting the advantages of monitoring ANA at the373 choice task level.

374

4.2. Estimates from the Conventional-ANA RPL-EC Models for Serial and Choice Task
Experiments

377 Table 2 reports the coefficient estimates from the 'Conventional ANA' model with correlated 378 random taste and error<sup>9</sup> for the Serial and Choice Task experiments. We remind the reader that the 379 'Conventional ANA' model constrains the coefficients to zero for those attributes that each 380 respondent reported ignoring. In both Serial and Choice Task experiments, the alternative specific 381 constants for the no-buy option have statistically significant and negative estimates, indicating that 382 respondents favour the proposed hypothetical purchase alternatives. Also, the price coefficient 383 estimates are, as expected, negative and statistically significant. Finally, the estimates of the 384 standard deviations of the error components and sustainability labels are statistically significant in 385 both experiments, suggesting the presence of heteroskedasticity across utilities (Scarpa et al., 2007) and preference heterogeneity. 386

387

388 In the Serial experiment, the coefficient estimates of all the sustainability labels are positive and 389 statistically significant. The highest utility increment occurs when information on the 'free-range 390 total freedom' label is presented (FRtot), followed respectively by 'traditional free-range' (FRtrad), 391 organic Belgium (OrgBE), 'free-range' (FR), EU organic (OrgEU), 30% CO<sub>2</sub> reduction (CO30), 392 animal welfare (AW), and 20% CO2 reduction (CO20) labels. All coefficient estimates in the 393 Choice Task experiment are also positive and statistically significant. The attributes by and large 394 maintain the same relative rankings as in the Serial experiment estimates. The main difference 395 being a drop of FRtrad from second to fourth rank and a rise of AW from seventh to fifth on the 396 basis of the point estimates.

397 398

399

#### Insert Table 2 here

Table 3 reports the marginal WTP estimates for *Serial* and *Choice Task* experiments, along with the 95% confidence intervals based on the Krinsky and Robb (1986) bootstrapping procedure with 1,000 draws, as well as the results of the Poe-Test. The relative importance ranking of WTPs for

<sup>&</sup>lt;sup>9</sup> Correlation across random taste coefficients is estimated by means of a Cholesky matrix (Cholesky matrix estimates are available upon request).

403 the labels changes across the experiments. Specifically, in the Serial experiment, the relative 404 importance ranking of the marginal WTPs is: FRtot, FRtrad, OrgBE, FR, OrgEU, CO30, AW and CO20, while in the Choice Task experiment the rank order is OrgEU, FRtot, OrgBE, FRtrad, AW, 405 FR, CO30 and CO20. Most notably, when comparing the marginal WTPs across the Serial and 406 407 Choice Task experiments, our hypothesis of equality of marginal WTPs across the Serial and 408 Choice Task experiments is rejected for two (OrgEU, AW) out of the eight sustainability labels at 409 the 5% significance level and rejected for an additional three attributes at the 10% significance level (OrgBE, FRtot and CO20). While the marginal conditional WTP is higher in the Choice Task 410 411 experiment than in the Serial experiment for OrgEU, OrgBE, AW and FRtot, the opposite is true 412 for CO20.

#### Insert Table 3 here

416 4.3. Validity of ANA statements across serial and choice task

Table 4 reports the coefficient estimates from the 'Conventional ANA' model with correlated random taste and error for both the *Serial* and *Choice Task* experiments.<sup>10</sup> In this model, those standard deviations estimates found to be insignificant in the restriction tests were restricted to zero, indicating absence of heterogeneity and fixed coefficients. We remind the readers that the 'Validation ANA Model' implies the estimation of separate coefficients for attributes reported as attended to and those reported as non-attended to.

423

413 414

415

424 In the Serial experiment, coefficient estimates for attributes reported as being considered show the 425 expected signs and are significant. The coefficient estimates for the attributes reported as being 426 ignored are also statistically significant, except for the organic labels (OrgEU and OrgBE). This 427 implies that in this experiment, respondents who stated having ignored the free-range (FRtrad), 428 animal welfare (AW), and reduced carbon footprint (CO20 and CO30) labels (rather than stating 429 having completely ignored) were assigned lower utility values than those who stated that these 430 labels were attended to. Evidence of choice behaviour inconsistent with self-reported non-431 attendance was also found in previous food choice studies (Alemu et al., 2013; Campbell and 432 Lorimer, 2009). Similar to our case, others showed that rather than ignoring attributes completely,

Commented [RC9]: Author, throughout the paper I have changed 'stated to have ...' to 'stated having ...' Commented [EVL10R9]: Ok thanks

<sup>&</sup>lt;sup>10</sup> Random coefficients with insignificant standard deviation estimates were fixed, implying absence of heterogeneity.

433 respondents might be putting lower weights on attributes that they claimed to have ignored (Alemu 434 et al., 2013; Campbell and Lorimer, 2009; Carlsson et al., 2010; Scarpa et al., 2013). Most notably, in the Choice Task experiment, the coefficient estimates for attributes reported as 435 being ignored are not statistically significant for six (FRtrad, AW, FR, FRtot, CO20 and CO30) out 436 of the nine total number of attributes. These results suggest that ANA self-reporting at the choice 437 438 task level is generally consistent with the choice behaviour that was actually adopted. 439 440 Insert Table 4 here 441 442 4.4 Estimates of the ECLC model: Are self-reported ANA concordant with inferred ANA? 443 A way of assessing the concordance between stated (serial and choice task) and inferred methods is 444 to test their concordance in terms of the inferred ANA frequency for each attribute (Scarpa et al., 445 2013). The classes in our ECLC model differ in their nature. Some are preference heterogeneity classes while others are behavioural ANA classes, which have different sub-sets of attribute 446 447 coefficients set to zero in accordance with different forms of ANA. Given five attributes, a total of 448 32 ANA class combinations are possible in our study. After having tested several specifications,11 we only focus on a specification with 3 preference classes and 16 classes: 3 preference classes with 449 7, 6 and 3 classes differing not only in terms of preference structure but also in terms of different 450 451 ANA patterns. In particular, 452 453 (i) preference class one (c=1) includes one complete attendance (AA1), one complete ANA (random choice), and five lexicographic preferences for single attributes (only one out of k454 455 matters, all other k-1 coefficients are set to zero); 456 457 (ii) preference class two (c=2) incorporates one complete attendance class (AA2), and ANA for 458 a single attribute k; and

<sup>&</sup>lt;sup>11</sup> The exact combinations of taste-differing classes and sub-sets of non-attendance are defined using a datadriven process. All classes for which probability membership was found to be lower than a given threshold were discarded. In addition, consistent with the literature, the Akaike Information Criteria (AIC), the Bayesian Information Criteria (BIC) and the modified Akaike Information Criteria (3AIC) were also used to drive our model selection. The lower the information criterion value, the better is the model fit.

460 preference class three (c=3) includes one complete attendance (AA3), and ANA for a pair (iii) of attributes k sharing the desire to fulfill a similar sustainability dimension (rather than a 461 462 common metric), such as organic and carbon footprint labels and animal welfare and freerange labels. Comparable attributes such as organic and carbon footprint labels, as well as 463 animal welfare and free-range labels, could satisfy a related dimension (e.g. environmental 464 465 sustainability or animal friendliness). So, there is a possibility that respondents eager to simplify complexity of choice enacted decision heuristics resulting in some kind of 466 aggregation into the same overarching dimension (see Hensher et al., 2013). For instance, 467 both free-range and animal welfare labels are ethical claims related to farming systems (e.g. 468 469 animal housing, stocking density, outdoor access); and the popularity of free-range farming 470 is mainly related to animal welfare issues given that animals raised under free-range 471 conditions are not confined in intensive production systems (Van Loo et al., 2014). Thus, 472 hypothesising that these labels fulfil a similar dimension when considered in alternative 473 evaluation, and are either jointly ignored or jointly attended to, makes sense.

Estimates of our ECLC model are reported in two separate tables: Table 5 displays the estimates of
the class-specific membership probabilities, while Table 6 reports the coefficient estimates from
the ECLC model. The largest preference class has an estimated membership probability of 54.1%,
shared across seven ANA classes, as described in Table 5, which also reports the second and third
preference classes shared respectively by six and three ANA classes.

Insert Table 5 here

Insert Table 6 here

480

474

481

482

### 483

484 Estimates of the attribute coefficients across the three preference classes are shown in Table 6. For 485 preference class 1, all coefficients are significantly different from zero and the pattern of signs is 486 consistent with our expectations, except for the negative effect for the OrgEU label. Specifically, 487 the archetype member of preference class 1 tends to prefer the CO30 label, followed by FRtot, FRtrad, CO20, FR, AW and OrgBE. In preference class 2, all estimated coefficients are significant 488 489 and with expected signs. In this class, members generally prefer free-range labels, such as FRtot, 490 FRtrad and FR followed by the OrgBE, OrgEU, CO2, CO30 and AW. Finally, estimates in 491 preference class 3 report a negative effect for price and the no-buy alternative-specific constant. 492 Consumer choices from this preference class are only significantly affected by the OrgEU label, FRtrad and AW labels. 493

494

Commented [RC11]: Should this be a new para? Commented [EVL12R11]: No this belongs to iii) 495 Table 7 displays the frequencies of self-reported ANA for the Serial and Choice Task experiments 496 and contrasts these with the inferred frequencies of ANA from the ECLC model. Results suggest that frequencies at the choice task level are similar to frequencies based on the inferred method 497 (ECLC), with relative differences between 3% and 8% for organic, free-range and carbon footprint 498 499 labels. We find larger relative differences only for the attributes animal welfare label and price: for 500 the former, they were 39% self-reported versus less than 27% in the ECLC models, resulting in a 501 relative difference of 46.6%. For price, they were 20.4% for the self-reported ANA versus 30.5% 502 in the ECLC models, resulting in a relative difference of -33.0%.

Larger differences are found when comparing the frequencies obtained from the serial ANA with those from the ECLC model (relative differences ranging from 11% to 65%). Thus, concordance between inferred and stated ANA is better for the choice task ANA than for the serial ANA. This has also been reported by Kragt (2013), who also found little concordance between ECLC and serial ANA.

509

503

### 510 511

#### Insert Table 7 here

### 512 4.5. Comparing model fits

513 Table 8 reports the Akaike Information Criteria (AIC), the Bayesian Information Criteria (BIC), 514 and the modified Akaike Information Criteria (3AIC) that are used to compare data fit across 515 models. We also report the model fit of the Full Attendance RPL-EC model, in which ANA was 516 not accounted for, i.e. this model assumes that respondents attended all attributes (see model 517 estimates in Table <u>\$5-\$6</u> in the online Appendix). When looking at the performance of Stated 518 ANA models, we can conclude that addressing ANA using self-reported choice task ANA is better 519 than addressing ANA using self-reported serial task ANA in terms of model fit. Importantly for the 520 Choice Task experiment, the 'Conventional ANA' model has a better performance than the 521 validation model. On the other hand, for the Serial experiment, the 'ANA-Validation' model is the 522 best model. The difference in best model performances across the Serial and Choice Task 523 experiment is also confirmed by the coefficient estimates in the 'ANA-Validation' model (Table 524 4), which are mostly statistically significant for the non-attenders in the Serial experiment, and statistically insignificant in the Choice Task experiment. This implies that in the Serial experiment, 525 526 respondents did not truly ignore the attributes that they self-reported as ignored; thus the 527 'Conventional ANA' model may lead to biased results.

#### Insert Table 8 here

529 530

#### 531 5. Conclusion and Future Research

Past studies have shown that addressing ANA behaviour using both stated and inferred methods affects both market share prediction and welfare estimates (Scarpa *et al.*, 2014). However, only a few studies have explored the merits of stated *vis-à-vis* inferred ANA. Our study is the first that examines this issue in food choice data, notably in terms of assessing (i) how WTP estimates are affected by the incorporation of serial vs. choice task stated ANA by using both conventional and validation modelling approaches; and (ii) whether WTP estimates from both stated ANA methods (i.e. serial and choice task) are concordant with those from the inferred method.

539

540 Our results generally suggest that firstly, the 'Conventional ANA' model applied to serial versus 541 choice task self-reported ANA leads to differences in marginal WTP estimates. The marginal 542 WTPs for the sustainability labels in the Choice Task experiment are generally higher than those in 543 the Serial experiment (5 out of 8 cases). By contrast, Scarpa et al. (2010) found higher WTPs when 544 accounting for serial ANA than for choice task ANA. However, their study differed from ours in 545 two important ways: 1) in their study, self-reported serial ANA information was not recorded in the 546 survey. Rather, it was derived from information reported at the choice task level; 2) in our study, 547 ANA behaviour is modelled using RPL-EC models, rather than multinomial logit models.

548

549 Secondly, self-reported ANA at the choice task level suggests that few respondents follow the same attribute processing strategies throughout the entire sequence of choice tasks. As such, 550 551 collecting ANA information at the choice task level is more desirable than at the serial level. This 552 makes sense because ANA information gathered at the serial level may fail to capture the changes 553 in attribute processing behaviour along the CE sequence. This is further confirmed by the estimates 554 obtained from the validation model (ANA-Validation) which show that, when allowed to take a 555 value different from zero, most of the coefficients of the self-reported ignored attributes in the Serial experiment are indeed significantly different from zero. Instead, only a few coefficients are 556 557 found to be significantly different from zero in the Choice Task experiment. This suggests that 558 there is higher concordance between what respondents reported they ignored and what their 559 choices show. This result corroborates the finding reported by Scarpa et al. (2010) that the intra-560 respondent variation of attribute attendance at the single choice task level is of substantial 561 importance to the welfare estimates and model fit when addressing ANA behaviour. This higher

562 concordance of choice task data extends to inferred ANA probabilities obtained with the ECLC 563 model.

564

Finally, in terms of the empirical fit to the data, the choice task stated ANA models appear to outperform models based on both serial stated ANA and inferred ANA. Taken together, these findings provide guidance on how one should collect ANA information and what model specifications should be used when incorporating ANA behaviour in CE models. In particular, our overall results suggest that although the collection of choice task ANA data requires more effort from the respondents as compared to the serial ANA, the advantages of accounting for choice task ANA might outweigh its additional cost and effort.

572

573 The literature and our findings lead to a number of interesting areas for future research on the issue of ANA. For example, stated ANA studies usually assume that respondents ignore a specific 574 575 attribute, irrespective of its levels. However, it is possible that respondents only ignore subsets of 576 food attribute levels (Erdem et al., 2015). Future research on attribute processing strategies with respect to stated ANA might evaluate ANA based on the attribute levels. Moreover, people may 577 578 follow certain attribute processing strategies based on the attribute level present in the choice task. 579 Hensher et al. (2012), for instance, suggest research on the use of respondent-specific attribute 580 ranges as certain attributes might only be relevant if a respondent-specific threshold level is 581 reached. Future research might also investigate how ANA is linked to the complexity of the task 582 (e.g. number of attributes, number of attribute levels, number of choice sets, ranges of attributes) 583 (Hensher, 2006; Carlsson et al., 2010; Collins and Hensher, 2015), the importance and relevance of 584 single food attributes, and the specific relevance of attribute levels (Hensher et al., 2012). Finally, 585 attendance to attribute can be corroborated with neurological data derived from eye-tracking 586 investigations measuring times of eye-fixation (Balcombe et al., 2015), other measures of 587 cognitive effort or by recording access to attribute information during computerised surveys (Kaye-588 Blake et al., 2009; Kravchenko, 2016). While this area of research is still in its infancy and can be

589 challenging, it is a promising area for future research.

#### 590 References

- Alemu, M. H., Mørkbak, M. R., Olsen, S. B. and Jensen, C. L. 'Attending to the reasons for
  attribute non-attendance in choice experiments', *Environmental and Resource Economics*, Vol.
  54(3), (2013) pp. 333–359.
- Balcombe, K., Burton, M. and Rigby, D. 'Skew and attribute non-attendance within the Bayesian
  mixed logit model', *Journal of Environmental Economics and Management*, Vol. 62(3), (2011)
  pp. 446–461.
- Balcombe, K., Fraser, I. and McSorley, E. 'Visual attention and attribute attendance in multiattribute choice experiments', *Journal of Applied Econometrics*, Vol. 30(3), (2015) pp. 447–
  467.
- Bello, M. and Abdulai, A. 'Impact of ex-ante hypothetical bias mitigation methods on attribute
  non-attendance in choice experiments', *American Journal of Agricultural Economics*, Vol.
  98(5), (2016) pp. 1486–1506.
- Cameron, T. A. and DeShazo, J. R. 'Differential attention to attributes in utility-theoretic choice
  models', *Journal of Choice Modeling*, Vol. 3(3), (2010) pp. 73–115.
- Campbell, D. 'Willingness to pay for rural landscape improvements: Combining mixed logit and
   random-effects models', *Journal of Agricultural Economics*, Vol. 8(3), (2007) pp. 467–483.
- Campbell, D., Hutchinson, W. G. and Scarpa, R. 'Incorporating discontinuous preferences into the
  analysis of discrete choice experiments', *Environmental & Resource Economics*, Vol. 41(3),
  (2008) pp. 401–417.
- Campbell, D. and Lorimer, V. S. 'Accommodating attribute processing strategies in stated choice
   analysis: Do respondents do what they say they do?' in European Association of Environmental
   and Resources Economics, Annual Conference, Amsterdam, (2009)-anne-2009.
- 613 Campbell, D., Hensher, D. A. and Scarpa, R. 'Non-attendance to attributes in environmental choice
  614 analysis: a latent class specification', *Journal of Environmental Planning and Management*, Vol.
  615 1, (2011) pp. 1–16.
- Caputo, V., Nayga, R. M. Jr. and Scarpa, R. 'Food miles or carbon emissions? Exploring labeling
  preference for food transport footprint with a stated choice study', *Australian Journal of Agricultural Economics*, Vol. 57, (2013) pp. 1–18.
- Carlsson, F., Kataria, M. and Lampi, E. 'Dealing with ignored attributes in choice experiments on
  valuation of Sweden's environmental quality objectives', *Environmental & Resource Economics*,
  Vol. 47(1), (2010) pp. 65–89.
- Collins, A.T. 'Attribute nonattendance in discrete choice models: Measurement of bias, and a
   model for the inference of both nonattendance and taste heterogeneity', PhD dissertation
- 624 (Institute of Transport and Logistics studies, Business School, The University of Sydney, 2012).

| 625 | Collins, A. T. and Hensher, D. A. 'The influence of varying information load on inferred attribute   |
|-----|--|
| 626 | non-attendance', in S. Rasouli and H. Timmermans (eds.), Bounded Rational Choice Behaviour:          |
| 627 | Applications in Transport (Bingley, UK: Emerald Group Publishing Limited, 2015) pp. 73–94.           |
| 628 | Colombo, S. and Glenk, K. 'Social preferences for agricultural policy instruments: Joint             |
| 629 | consideration of non-attendance to attributes and to alternatives in modelling discrete choice       |
| 630 | data', Journal of Environmental Planning and Management, Vol. 57(2), (2014) pp. 215–232.             |
| 631 | European Commission (EC). European Commission Regulation (EC) No 543/2008 of 16 June.                |
| 632 | Laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 as            |
| 633 | regards the marketing standards for poultry meat. Official Journal 829 of the European Union,        |
| 634 | L157, (2008), pp. <del>230.46–87</del>   |
| 635 | Erdem, S., Campbell, D. and Hole, A. R. 'Accounting for attribute-level non-attendance in a health   |
| 636 | choice experiment: Does it matter?' Health Economics, Vol. 24(7), (2015) pp. 773-789.                |
| 637 | Foster, C., Green, K., Bleda, M., Dewick, P., Evans, B., Flynn, A. and Mylan, J. 'Environmental      |
| 638 | impacts of food production and consumption: A report to the Department for Environment,              |
| 639 | Food and Rural Affairs', Manchester Business School (Defra, London, 2006). Available online          |
| 640 | at: <u>http://www.ifr.ac.uk/waste/Reports/DEFRA</u>  |
| 641 | Environmental%20Impacts%20of%20Food%20Production%20%20Consumption.pdf (Last                          |
| 642 | accessed: 5 January 2013).   |
| 643 | Glenk, K., Martin-Ortega, J., Pulido-Velazquez, M. and Potts, J. 'Inferring attribute non-attendance |
| 644 | from discrete choice experiments: Implications for benefit transfer', Environmental and              |
| 645 | Resource Economics, Vol. 60(4), (2015) pp. 497–520.  |
| 646 | Greene, W. H. and Hensher, D. A. 'A latent class model for discrete choice analysis: Contrasts       |
| 647 | with mixed logit', Transportation Research Part B: Methodological, Vol. 37(8), (2003) pp.            |
| 648 | 681–698.   |
| 649 | Hensher, D. A. 'Revealing differences in willingness to pay due to the dimensionality of stated      |
| 650 | choice designs: an initial assessment', Environmental and Resource Economics, Vol. 34(1),            |
| 651 | (2006) pp. 7–44.   |
| 652 | Hensher, D. A. 'Joint estimation of process and outcome in choice experiments and implications       |
| 653 | for willingness to pay', Journal of Transport Economics and Policy, Vol. 42(2), (2008) pp. 297-      |
| 654 | 322.   |
| 655 | Hensher, D. A. and Rose, J. M. 'Simplifying choice through attribute preservation or non-            |
| 656 | attendance: Implications for willingness to pay', Transportation Research Part E, Vol. 45(4),        |
| 657 | (2009) pp. 583–590.  |

Hensher, D. A., Collins, A. T. and Greene, W. H. 'Accounting for attribute non-attendance and
common-metric aggregation in a probabilistic decision process mixed multinomial logit model:
a warning on potential confounding', *Transportation*, Vol. 40(5), (2013) pp. 1003–1020.

661 Hensher, D. A. and Greene, W. H. 'Non-attendance and dual processing of common-metric

- attributes in choice analysis: a latent class specification', *Empirical Economics*, Vol. 39(2),
  (2010) pp. 413–426.
- Hensher, D. A., Rose, J. and Greene, W. H. 'The implications on willingness to pay of respondents
  ignoring specific attributes', *Transportation*, Vol. 32(3), (2005) pp. 203–222.
- Hensher, D. A., Rose, J. M. and Greene, W. H. 'Inferring attribute non-attendance from stated
  choice data: Implications for willingness to pay estimates and a warning for stated choice
  experiment design', *Transportation*, Vol. 39(2), (2012) pp. 235–245.
- Hess, S. and Rose, J.M. 'A latent class approach to modelling heterogeneous information
  processing strategies in SP studies' (Oslo Workshop on valuation methods in transport planning,
  Oslo, 2007).
- Hess, S. and Hensher, D. A. 'Using conditioning on observed choices to retrieve individualspecific attribute processing strategies', *Transportation Research Part B: Methodological*, Vol.
  44(6), (2010) pp. 781–790.
- Hess, S. and Rose, J. M. 'Should reference alternatives in pivot design SC surveys be treated
  differently?' *Environmental and Resource Economics*, Vol. 42(3), (2008) pp. 297–317.
- 677 Hess, S., Stathopoulos, A., Campbell, D., O'Neill, V. and Caussade, S. 'It's not that I don't care, I
- just don't care very much: Confounding between attribute non-attendance and taste
  heterogeneity', *Transportation*, Vol. 40(3), (2013) pp. 583–607.
- Hole, A. R. 'A discrete choice model with endogenous attribute attendance', *Economics Letters*,
  Vol. 110(3), (2011) pp. 203–205.
- Hole, R., Kolstad, J. R. and Gyrd-Hansen, D. 'Inferred vs. stated attribute non-attendance in choice
  experiments: a study of doctors' prescription behaviour', *Journal of Economic Behavior & Organisation*, Vol. 96, (2013) pp. 21–31.
- 585 Johnson, F. R., Lancsar, E., Marshall, D., Kilambi, V., Mühlbacher, A., Regier, D. A., Bresnahan,
- B. W., Kanninen, B. and Bridges, J. F. P. 'Constructing experimental designs for discrete-choice
  experiments: Report of the ISPOR conjoint analysis experimental design good research
- 688 practices task force', *Value in Health*, Vol. 16(1), (2013) pp. 3–13.
- 689Just Bare. 'The carbon footprint of Just BARE boneless skinless chicken breast', Life cycle690assessmentsummaryreport,2010.Availableonlineat:

- http://www.gnpbusiness.com/files/Just\_BARE\_SummaryLCAReport\_FNL6-30-11.pdf (Last
   accessed: 5 January 2013).
- Kaye-Blake, W.H., Abell, W.L. and Zellman, E. "Respondents" ignoring of attribute information
  in a choice modelling survey", *The Australian Journal of Agricultural and Resource Economics*,
- 695 Vol. 53(4), (2009) pp. 547–564.
- Kragt, M.E. 'Stated and inferred attribute attendance models: a comparison with environmental
  choice experiments', *Journal of Agricultural Economics*, Vol. 64(3), (2013) pp. 719–736.
- Kravchenko, A. 'The value of irrigation water in New Zealand', Ph.D. Thesis (University ofWaikato, Hamilton New Zealand, 2016).
- Krinsky, I. and Robb, A.L. 'On approximating the statistical properties of elasticities', *The Review* of *Economics and Statistics*, Vol. 64(4), (1986) pp. 715–719.
- Lancsar, E. and Louviere, J. 'Deleting 'irrational' responses from discrete choice experiments: a
  case of investigating or imposing preferences?' *Health Economics*, Vol. 15(8), (2006) pp. 797–
  811.
- McIntosh, E. and Ryan, M. 'Using discrete choice experiments to derive welfare estimates for the
   provision of elective surgery: Implications of discontinuous preferences', *Journal of Economic Psychology*, Vol. 23(3), (2002) pp. 367–382.
- Poe, G.L., Giraud, K.L. and Loomis, J.B. 'Computational methods for measuring the difference of
  empirical distributions', *American Journal of Agricultural Economics*, Vol. 87, (2005) pp. 353–
  365.
- Puckett, S. M. and Hensher, D.A. 'The role of attribute processing strategies in estimating the
  preferences of road freight stakeholders', *Transportation Research Part E: Logistics and Transportation Review*, Vol. 44(3), (2008) pp. 379–395.
- Puckett, S. M. and Hensher, D. A. 'Revealing the extent of process heterogeneity in choice
  analysis: an empirical assessment', *Transportation Research Part A*, Vol. 43(2), (2009) pp.
  117–126.
- 717 Rose, J.M., Hensher, D.A. and Greene, W.H. 'Recovering costs through price and service
- differentiation: Accounting for exogenous information on attribute processing strategies in
  airline choice', *Journal of Air Transport Management* 11(6), (2005) pp. 400–407.
- Scarpa, R. and Del Giudice, T. 'Market segmentation via mixed logit: Extra-virgin olive oil in
  urban Italy', *Journal of Agricultural & Food Industrial Organisation*, Vol. 2(1), (2004) pp. 1–
  18.
- Scarpa, R., Ferrini, S. and Willis, K. 'Performance of error component models for status-quo
   effects in choice experiments applications of simulation methods in environmental and resource

- economics', in R. Scarpa and A. Alberini (eds.), *Applications of Simulation Methods in Environmental and Resource Economics* (The Netherlands: Springer-Verlag, 2005) pp. 247–273.
- 727 Scarpa, R., Gilbride, T. J., Campbell, D. and Hensher, D. A. 'Modelling attribute non-attendance in
- choice experiments for rural landscape valuation', *European Review of Agricultural Economics*,
  Vol. 36(2), (2009) pp. 151–174.
- Scarpa, R. and Rose, J. M. 'Design efficiency for non-market valuation with choice modelling:
  How to measure it, what to report and why', *Australian Journal of Agricultural and Resource Economics*, Vol. 52, (2008) pp. 253–282.
- Scarpa, R., Thiene, M. and Hensher, D. A. 'Monitoring choice task attribute attendance in
  nonmarket valuation of multiple park management services: Does it matter?' *Land Economics*,
  Vol. 86(4), (2010) pp. 817–839.
- Scarpa, R., Willis, K. and Acutt, M. 'Valuing externalities from water supply: Status-quo, choice
  complexity and individual random effects in panel kernel logit analysis of choice experiments', *Journal of Environmental Planning and Management*, Vol. 50(4), (2007) pp. 449–466.
- Scarpa, R., Zanoli, R., Bruschi, V. and Naspetti, S. 'Inferred and stated attribute non-attendance in
  food choice experiments', *American Journal of Agricultural Economics*, Vol. 95(1), (2013) pp.
  165–180.
- Silva, A., Nayga, R. M. Jr, Campbell, B. L. and Park, J. L. 'Revisiting cheap talk with new
  evidence from a field experiment', *Journal of Agricultural and Resource Economics*, Vol. 36(2),
  (2011) pp. 280–291.
- Street, D. and Burgess, L. *The Construction of Optimal Stated Choice Experiments* (Hoboken, NJ:
  John Wiley & Sons Inc, 2007).
- Thiene, M. and Meyerhoff, J. 'Scale and taste heterogeneity for forest biodiversity: Models of
  serial nonparticipation and their effects', *Journal of Forest Economics*, Vol. 18(4), (2012) pp.
  355–369.
- Thiene M., Scarpa, R. and Louviere, J. 'Addressing preference heterogeneity, multiple scales and
  attribute attendance with a correlated finite mixing model of tap water choice', *Environmental*
- 752 *and Resource Economics*, Vol. 62(3), (2015) pp. 637–656.
- Train, K.E. *Discrete Choice Methods with Simulation* (Cambridge, UK: Cambridge University
  Press, 2003).
- Van Loo, E. J., Caputo, V., Nayga, R. M. Jr. and Verbeke, W. 'Consumers' valuation of
  sustainability labels on meat', *Food Policy*, Vol. 49, (2014) pp. 137–150.
- 757
- 758 Supporting Information

| 759            | Additional Supporting Information may be found in the online version of this article at the             |                   |  |
|----------------|---|-------------------|--|
| 760            | publisher's website:  |                   |  |
| 761            |   |                   |  |
| 762            | Table S1: Demographics across experiment  |                   |  |
| 763            | Table S2: Number and attributes ignored by the respondents in the Serial experiment                     |                   |  |
| 764            | Table S3: Attributes ignored by the respondents in the Serial and Choice Task experiments               |                   |  |
| 765            | Table <u>8384</u> : Attributes ignored by the respondents <u>across choice tasks</u> in the Choice Task |                   |  |
| 766            | experiment  |                   |  |
| 767            | Table S4S5:         Number of attributes ignored across choice tasks in the Choice Task experiment      |                   | <b>Commented [RC13]:</b> Author this table not cited in the text please add citation to text   |
| 768            | Table <u>S5S6</u> : Parameters estimates and unconditional WTPs from the full attendance model          | $\langle \rangle$ | Commented [EVL14R13]: In text citation was added   |
| <br>769<br>770 |   |                   | Commented [CV15R13]: As per my previous comment, I added<br>a new table and changed the numbering order of the others reported<br>in the Appendix. I also made a few edits/additions/changes. Thank<br>you |
| //0            |   |                   |  |

### Figures

Alternative B

Free-range—total freedom

# 772

| 7 | 7 | 3 |
|---|---|---|
|   |   |   |

| 2 Figure 1. Example of c | choice set question |
|--------------------------|---------------------|
|--------------------------|---------------------|

| Organic logo         | EU Organic logo         | No logo              |
|----------------------|-------------------------|----------------------|
| Animal welfare label | EU Animal welfare label | No label             |
|                      |                         |                      |
| Free-range claim     | Traditional free-range  | Free-rang<br>freedom |

Alternative A

| Reduced carbon footprint label | No label | 5.6 kg CO <sub>2</sub> compared<br>to 7 kg CO <sub>2</sub> | chosen |
|--------------------------------|----------|--|--------|
| Price                          | €20/kg   | €25/kg   |        |
| I prefer                       | 0        | 0  | 0      |

774

775

Alternative C

Neither

nor B is

alternative A







- differs significantly between Serial and Choice Task experiment for each of the attributes t (all five
- Chi-square test have p <0.05). In the Serial experiment, data from 2,752 choice tasks (344
- respondents) were used, while for the Choice Task experiment 2,056 choice tasks were used (257

respondents).

## Tables

Table 1

| Attributes and levels for the choice experiment |  |
|---|--|
|   |  |

| Attributes                      | Levels considered                                       |
|---------------------------------|---|
| Organic label                   | - No organic label                                      |
|                                 | - Biogarantie label ( <i>OrgBE</i> )                    |
|                                 | - EU Organic label ( <i>OrgEU</i> )                     |
| Animal welfare protection label | - No animal welfare label present                       |
|                                 | - European animal welfare label (AW)                    |
| Types of free-range farming     | - No free-range claim                                   |
| claim                           | - Free-range (FR)                                       |
|                                 | - Traditional free-range (FRtrad)                       |
|                                 | - Free-range-total freedom ( <i>FRtot</i> )             |
| Reduced carbon footprint label  | - No carbon footprint label                             |
| (CO <sub>2</sub> emitted)       | - 20% reduction: 5.6 kg $CO_2e$ compared to 7 kg $CO_2$ |
|                                 | ( <i>CO</i> 2)  |
|                                 | - 30% reduction: 4.9 kg $CO_2e$ compared to 7 kg $CO_2$ |
|                                 | ( <i>CO3</i> )  |
| Price                           | - €10/kg  |
|                                 | - €15/kg  |
|                                 | - €20/kg  |
|                                 | - €25/kg  |

| Conventional ANA model (i.e. ignored parameters set to zero) across Serial and Choice Task experiments |  |               |                              |              |                                     |               |                    |              |  |
|--|--|---------------|------------------------------|--------------|-------------------------------------|---------------|--------------------|--------------|--|
|  | Serial experiment<br>(N <sup>1</sup> =2,752) |               |                              |              | Choice Task experiment<br>(N=2,056) |               |                    |              |  |
|  | β  | z-values      | σ                            | z-values     | β                                   | z-values      | σ                  | z-values     |  |
| No-buy   | $-8.28^{***}$                                | 10.23         | _                            | _            | -6.19***                            | 7.45          |                    |              |  |
| Sd. of ERC   |  |               | 7.71***                      | 18.16        |                                     |               | 8.76***            | 12.90        |  |
| Price<br>OrgEU   | -0.28***<br>1.37***                          | 18.15<br>6.04 | _<br>1.95 <sup>***</sup>     | -<br>7.19    | $-0.32^{***}$<br>$3.12^{***}$       | 13.20<br>7.93 | _<br>2.18***       | _<br>5.29    |  |
| OrgBE<br>AW  | 1.62***<br>1.06***                           | 8.97<br>7.99  | 1.37***<br>0.83***           | 6.40<br>4.90 | 2.55***<br>1.93***                  | 6.38<br>8.51  | 2.46***<br>1.56*** | 8.01<br>5.36 |  |
| FR<br>FRtrad   | $1.41^{***}$<br>$1.65^{***}$                 | 7.39<br>8.13  | $0.92^{***}$<br>$0.91^{***}$ | 3.22<br>2.91 | 1.77***<br>2.07***                  | 5.49<br>5.77  | 1.90***<br>2.08*** | 4.57<br>4.53 |  |
| FRtot  | 1.97***                                      | 8.82          | $1.62^{***}$                 | 5.74         | 2.83***                             | 7.32          | 2.16***            | 5.13         |  |
| CO20<br>CO30   | 0.82<br>1.30***                              | 5.55<br>4.24  | 1.33<br>2.07***              | 2.91<br>3.61 | 0.37<br>1.19***                     | 1.58<br>3.53  | 2.22***            | 4.56<br>5.39 |  |

 Table 2

 Conventional ANA model (i.e. ignored parameters set to zero) across Serial and Choice Task experiments

*Notes:* <sup>1</sup>Number of observations (choices); \*\*\*, \*\*, \* indicate significance at 1%, 5%, 10% levels, respectively.

|              | Serial experiment                            | Choice Task experiment                       |                      |  |
|--------------|--|--|----------------------|--|
|              | Mean<br>(st. dev.)<br>[Confidence intervals] | Mean<br>(st. dev.)<br>[Confidence intervals] | P-Value <sup>2</sup> |  |
| OrgEU        | 4.93 <sup>1***</sup><br>(0.79)               | 9.63***<br>(1.03)                            | 0.0001               |  |
|              | [3.3916–6.4920]                              | [7.5905–11.6613]                             |                      |  |
| OrgBE        | 5.81***<br>(0.62)                            | 7.82***<br>(1.07)                            | 0.0519               |  |
|              | [4.6184–7.0596]                              | [5.7857–9.9732]                              |                      |  |
| AW           | 3.83***<br>(0.48)                            | 5.95***<br>(0.65)                            | 0.0036               |  |
|              | [2.9062–4.7675]                              | [4.7178–7.2563]                              |                      |  |
| FR           | 5.10 <sup>***</sup><br>(0.70)                | 5.44***<br>(0.88)                            | 0.3767               |  |
|              | [3.7598-6.4.19]                              | [3.6503-7.1392]                              |                      |  |
| FRtrad       | 5.96 <sup>***</sup><br>(0.72)                | 6.39***<br>(1.00)                            | 0.3631               |  |
|              | [4.5155–7.3502]                              | [4.4823-8.4717]                              |                      |  |
| FRtot        | 7.10 <sup>***</sup><br>(0.76)                | 8.72***<br>(1.02)                            | 0.0974               |  |
|              | [5.6031-8.6403]                              | [6.7822–107990]                              |                      |  |
| <i>CO</i> 20 | 3.00 <sup>***</sup><br>(0.89)                | 1.16*<br>(0.72)                              | 0.0518               |  |
|              | [1.3183-4.7583]                              | [-0.2285-2.4932]                             |                      |  |
| <i>CO30</i>  | 4.68<br>(1.14)                               | 3.66***<br>(1.04)                            | 0.2538               |  |
|              | [2.5001-6.8137]                              | [1.6668–5.6768]                              |                      |  |

 
 Table 3

 WTP estimates from the conventional ANA model (i.e. ignored parameters set to zero) across Serial and Choice Task experiments

Note: \*\*\*, \*\*, \* indicate significance at 1%, 5%, 10% levels, respectively.

<sup>1</sup> Numbers are means of 1,000 bootstrapped WTP estimates from the 'Conventional ANA' models across the *Serial* and *Choice Task* experiments calculated using the Krinsky–Robb bootstrapping method.

 $^2$  *p*-values testing whether the marginal WTP distribution for each attribute from the *Serial* experiment equals to the marginal WTP distribution for the corresponding attribute from the *Choice Task* experiment. The *p*-values are based on the non-parametric combinatorial method proposed by Poe *et al.* (2005) to 1,000 bootstrapped WTP estimates from the 'Conventional ANA' models across the *Serial* and *Choice Task* experiments calculated using the Krinsky–Robb bootstrapping method.

### Table 4

Estimates from the Validation ANA model (i.e. estimated two coefficients for each attribute) across Serial and Choice Task experiments

|               | Serial experiment<br>(N <sup>a</sup> =2,752) |              |              |              | Choice Task experiment<br>(N=2,056) |             |              |              |
|---------------|--|--------------|--------------|--------------|-------------------------------------|-------------|--------------|--------------|
|               | β  | z-<br>values | σ            | z-<br>values | β                                   | z-score     | σ            | z-<br>values |
| No-buy        | -7.01***                                     | 11.73        |              |              | -6.94***                            | 8.77        |              |              |
| Sd. of ERC    |  |              | 5.88***      | 7.68         |                                     |             | 6.27***      | 9.99         |
| Considered    |  |              |              |              |                                     |             |              |              |
| Price         | $-0.26^{***}$                                | 18.90        | -            | -            | -0.30***                            | 13.75       | -            | -            |
| OrgEU         | 1.09***                                      | 7.25         | -            | -            | 2.43***                             | 7.19        | $1.89^{***}$ | 4.50         |
| OrgBE         | 1.35***                                      | 10.30        | $0.42^{**}$  | 2.17         | 1.98***                             | 6.99        | 2.03***      | 5.94         |
| AW            | 0.97***                                      | 8.47         | $0.68^{**}$  | 2.27         | 1.73***                             | 8.67        | 1.18***      | 2.84         |
| FR            | 1.25***                                      | 7.12         | 1.04***      | 3.35         | 1.56***                             | 6.10        | 0.95**       | 2.23         |
| FRtrad        | 1.47***                                      | 7.84         | 0.85**       | 2.24         | 1.76***                             | 6.07        | 1.37***      | 3.13         |
| FRtot         | 1.89***                                      | 9.44         | 1.32***      | 3.40         | 2.54***                             | 7.42        | 1.71***      | 3.78         |
| CO20          | $0.70^{***}$                                 | 3.69         | $1.08^{***}$ | 3.92         | $0.46^{**}$                         | 2.21        | 1.22***      | 3.65         |
| CO30          | 1.20***                                      | 4.60         | 1.77***      | 3.54         | 1.13***                             | 3.91        | 1.60***      | 2.77         |
| Ignored       |  |              |              |              |                                     |             |              |              |
| <u>Price</u>  | <u>-0.05***</u>                              | <u>4.16</u>  |              | _            | $-0.08^{***}$                       | <u>3.78</u> | <u>_</u>     | <u>-</u>     |
| <u>OrgEU</u>  | <u>-0.07</u>                                 | <u>0.58</u>  |              | -            | $-0.04^{*}$                         | <u>1.91</u> | $0.54^{*}$   | 1.78         |
| <u>OrgBE</u>  | <u>-0.09</u>                                 | <u>0.88</u>  | <u> </u>     | -            | -0.41***                            | <u>2.63</u> | -            | <u> </u>     |
| AW            | 0.21**                                       | 2.50         |              |              | -0.08                               | <u>0.60</u> |              |              |
| <u>FR</u>     | 0.32**                                       | 2.29         |              | =            | 0.09                                | 0.39        | =            |              |
| <u>FRtrad</u> | <u>0.35**</u>                                | 2.15         | <u>_</u>     | <u>_</u>     | 0.04                                | <u>0.16</u> | <u>_</u>     | =            |
| <u>FRtot</u>  | <u>0.49***</u>                               | <u>3.28</u>  | <u>_</u>     | <u>_</u>     | <u>0.18</u>                         | <u>0.80</u> | <u>_</u>     | =            |
| <i>CO20</i>   | 0.18**                                       | 2.21         | -            | -            | 0.10                                | 0.61        | -            | _            |

Formatted Table

| - | <b>Commented [CV16]:</b> I restructured the table to avoid inconsistencies of the formatting of the numbers! |
|---|--|
| - | Formatted: Centered  |

33

•

| <u>CO30</u>      | <u>0.42***</u>                | <u>3.82</u>       | = |   | <u>-0.04</u>         | <u>0.23</u>       | <u> </u>            |                   |
|------------------|-------------------------------|-------------------|---|---|----------------------|-------------------|---------------------|-------------------|
| Ignored          |                               |                   |   |   |                      |                   |                     |                   |
| Price            | - <del>0.05</del> ***         | <mark>4.16</mark> | - | - | <u>0.08***</u>       | <mark>3.78</mark> |                     | -                 |
| <del>OrgEU</del> | -0.07                         | <mark>0.58</mark> | - | - | <mark>-0.04</mark> * | <mark>1.91</mark> | <mark>0.54</mark> * | <mark>1.78</mark> |
| <del>OrgBE</del> | <del>-0.09</del>              | <mark>0.88</mark> | - | - | <u> </u>             | <mark>2.63</mark> | -                   | -                 |
| AW               | <del>0.21**</del>             | <mark>2.50</mark> | - | - | <mark>-0.08</mark>   | <mark>0.60</mark> | -                   | -                 |
| FR               | <del>0.32**</del>             | <del>2.29</del>   | - | - | <del>0.09</del>      | <del>0.39</del>   | -                   | -                 |
| <b>FRtrad</b>    | <del>0.35</del> **            | <del>2.15</del>   | - | - | <del>0.04</del>      | <del>0.16</del>   | -                   | -                 |
| FRtot            | <del>0.49<sup>***</sup></del> | <del>3.28</del>   | - | - | <del>0.18</del>      | <del>0.80</del>   | -                   | -                 |
| <del>CO20</del>  | 0.18 <sup>**</sup>            | <del>2.21</del>   | - | - | 0.10                 | <del>0.61</del>   | -                   | -                 |
| <del>C030</del>  | <del>0.42***</del>            | <del>3.82</del>   | - | - | -0.04                | <del>0.23</del>   | -                   | -                 |

Note: \*\*\*, \*\*, \* indicate significance at 1%, 5%, 10% levels, respectively; \* Number of observations (choices).

| + | Formatted Table     |
|---|---------------------|
| • | Formatted: Centered |
| 4 | Formatted: Centered |
| 4 | Formatted: Centered |
| + | Formatted: Centered |

| Table 5                                       |  |                      |  |  |  |  |
|---|--|----------------------|--|--|--|--|
| Class memberships from the ECLC model (N=344) |  |                      |  |  |  |  |
| Preference classes<br>(Probabilities %)       | Description ANA behaviour                                | Probabilities<br>(%) |  |  |  |  |
|   | AA1 (complete attendance)                                | 23.73                |  |  |  |  |
|   | AA-PRICE (Only price attended)                           | 14.93                |  |  |  |  |
|   | AA-ORG (Only organic labels attended)                    | 0.07                 |  |  |  |  |
| Preference class 1                            | AA-AW (Only animal welfare labels attended)              | 3.69                 |  |  |  |  |
| (34.14%)                                      | AA-FREE (Only free-range labels attended)                | 4.16                 |  |  |  |  |
|   | AA-CO (Only carbon footprint labels attended)            | 2.35                 |  |  |  |  |
|   | ANA (complete ANA)                                       | 5.21                 |  |  |  |  |
|   |  |                      |  |  |  |  |
|   | AA2 (full attendance)                                    | 2.34                 |  |  |  |  |
|   | ANA-PRICE (only price ignored)                           | 15                   |  |  |  |  |
| Preference class 2                            | ANA-ORG (only organic labels ignored)                    | 0.07                 |  |  |  |  |
| (23.63%)                                      | ANA-AW (only animal welfare labels ignored)              | 0.1                  |  |  |  |  |
|   | ANA-FREE (only free-range labels ignored)                | 6.04                 |  |  |  |  |
|   | ANA-CO (only carbon footprint labels ignored)            | 0.08                 |  |  |  |  |
|   |  |                      |  |  |  |  |
|   | AA3 (complete attendance)                                | 7.34                 |  |  |  |  |
| Preference class 3                            | ANA-AW+FREE (animal welfare and free-range labels        | 0.12                 |  |  |  |  |
| (22.23%)                                      | ignored)   |                      |  |  |  |  |
|   | ANA-ORG+CO (organic and carbon footprint labels ignored) | 14.77                |  |  |  |  |

| Table | 6 |
|-------|---|
|-------|---|

Estimates from the ECLC model ( $N^1 = 2,752$ )

|            | Preference Class 1<br>(AA1) |          | Preference Class 2<br>(AA2) |          | Preference Class 3<br>(AA3) |          |
|------------|-----------------------------|----------|-----------------------------|----------|-----------------------------|----------|
| Parameters | β                           | z-values | β                           | z-values | β                           | z-values |
| PRICE      | -0.94***                    | 6.61     | -0.20***                    | 5.31     | $-0.22^{***}$               | 9.10     |
| OrgEU      | $-1.07^{**}$                | 2.27     | 1.27***                     | 4.74     | 5.56**                      | 2.46     |
| OrgBE      | $0.66^{*}$                  | 1.86     | 1.65***                     | 6.07     | 7.19                        | 1.62     |
| AŴ         | $1.45^{***}$                | 5.54     | $1.16^{***}$                | 5.88     | $0.55^{***}$                | 3.05     |
| FR         | 2.16***                     | 4.13     | $2.22^{***}$                | 5.59     | 0.36                        | 1.34     |
| FRtrad     | $2.80^{***}$                | 4.06     | $2.60^{***}$                | 6.49     | $0.90^{***}$                | 3.33     |
| FRtot      | 3.37***                     | 4.80     | 3.06***                     | 6.92     | 0.26                        | 0.91     |
| CO20       | 2.36***                     | 3.13     | $1.22^{***}$                | 4.49     | 1.47                        | 0.65     |
| CO30       | 5.64***                     | 3.88     | $1.18^{***}$                | 4.24     | 4.95                        | 1.11     |
| NOBUY      | $-22.02^{***}$              | 7.60     | 3.35***                     | 5.88     | $-3.44^{***}$               | 7.33     |

*Notes:* <sup>1</sup>Number of observations (choices); \*\*\*, \*\*, \* indicate significance at 1%, 5%, 10% levels, respectively.

### Table 7

Frequencies of self-reported ANA (serial and choice task) versus inferred ANA latent classes (ELCL)

|                  | Serial      | Choice Task        | Inferred    | (S-        | (T-        |  |
|------------------|-------------|--------------------|-------------|------------|------------|--|
|                  | experiment  | experiment         | ANA         | ECLC)/     | ECLC)/     |  |
|                  | (S)         | (T)                | (ECLC)      | ECLC       | ECLC       |  |
|                  | %           | %                  | %           | %          | %          |  |
|                  | Respondents | Choice tasks       | Respondents | Relative   | Relative   |  |
|                  |             |                    |             | difference | difference |  |
|                  |             |                    |             |            |            |  |
| Organic labels   | 50.29       | 41.83              | 45.18       | 11.31      | -7.42      |  |
| EU animal        | 49.42       | 39.49              | 26.94       | 83.44      | 46.60      |  |
| welfare label    |             |                    |             |            |            |  |
| Free-range claim | 42.15       | 33.71              | 32.41       | 30.06      | 4.00       |  |
| Carbon footprint | 70.64       | 44.21              | 42.91       | 64.62      | 3.03       |  |
| Price            | 25.58       | 20.43              | 30.48       | -16.07     | -32.98     |  |
| Complete         | 17.73       | 34.58              | 33.41       | -46.92     | 3.51       |  |
| Attendance       |             |                    |             |            |            |  |
| Complete ANA     | 7.56        | 5.16               | 5.21        | 45.87      | 7.49       |  |
| N                | 3441        | 2,056 <sup>2</sup> | 344         | 344        | 344        |  |

*Notes:* <sup>1</sup>Number of respondents; <sup>2</sup> Number of total choices (e.g. 8 per respondent).

|         | Summary statistics of model fit |                   |            |             |              |           |  |
|---------|---------------------------------|-------------------|------------|-------------|--------------|-----------|--|
|         |                                 | Serial experiment |            | Choice Tasl | Inferred ANA |           |  |
|         |                                 |                   |            |             |              |           |  |
|         | Complete                        | Standard          | ANA        | Standard    | ANA          | ECLC      |  |
|         | Attendance                      | ANA               | Validation | ANA         | Validation   |           |  |
| Ν       | 2,752                           | 2,752             | 2,752      | 2,056       | 2,056        | 2,752     |  |
| LL      | -1,780.14                       | -1,711.37         | -1,714.22  | -1,123.11   | -1,116.55    | -1,665.77 |  |
| BIC/N   | 1.452                           | 1.402             | 1.404      | 1.296       | 1.361        | 1.340     |  |
| AIC/N   | 1.334                           | 1.284             | 1.286      | 1.146       | 1.158        | 1.243     |  |
| AIC3/   | 1.354                           | 1.304             | 1.306      | 1.173       | 1.194        | 1.260     |  |
| N. Par. | 55                              | 55                | 55         | 55          | 74           | 45        |  |

Table 8

*Note*: N. Par refers to number of parameters.