

Revealed Preferences for Genetically Modified Food in Direct Marketing Experiments in Switzerland: Does it Matter Who Sells It?

Swiss citizens expressed their negative opinion about the use of genetically modified (GM) crops in agriculture with a vote for a five-year moratorium on the commercial growing of GM crops in November 2005. In view of the result of this national referendum, supermarket chains in Switzerland feel confirmed in their assumption that there is no demand for labelled GM food in their supermarket shelves.

In a research project funded by NFP 59, a Swiss National Research Programme, we tested this assumption through experimental consumer research. In other words, we wanted to find out whether the stated preferences as measured by public perception surveys, willingness-to-pay studies and the national referendum are really a good predictor for revealed preferences as measured through actual purchasing behavior.

For that purpose, we conducted direct-marketing experiments by renting five market stands in Zurich, Lausanne, Biel and Bern. These stalls will be used to sell labelled corn bread made from (1) GM corn (Bt 11, a pest-resistant and herbicide-resistant corn variety from Spain), (2) conventional corn and (3) organic corn. All the products were clearly labelled and sold by means of three different price scenarios; once the price of GM corn bread was equal to the organic, once it was equal to the conventional and once it was cheaper than conventional (the price difference was always in the range of 30%) The three products would be sold by different types of sellers (farmer family, school class, wise women, students).

By exposing consumers to different sales groups that elicit different affective responses, we wanted to find out whether consumers face life-style conflicts (e.g. they have a negative attitude toward GM food, but also like to buy food from farmers directly, especially when they show personal initiative).

The experimental design as well as the factorial design used for the statistical analysis of the experimental data largely follows the methodological approach developed by Knight et al. (2007)*.

From April to July 2008, the different types of corn bread were sold eight times in each location. An electronic cash register was used to enter the purchasing data as well as consumer data on gender, age category, nationality (swiss/foreigner), interest in more information and emotional response. In addition, consumers found a one-page questionnaire in the bread bag. Apart from some personal data, they had to indicate whether they liked the bread they bought and how they voted during the Swiss referendum on GMOs in 2005.

Preliminary results indicate that there are large variations with respect to the share of GM corn bread in each location, but it is too early to say whether they are related to the price or sales group. What is

surprising is that very few people were registered as responding negatively to the fact that GM corn bread was offered next to organic and conventional.

**Knight, J.G., Mather, D.W., Holdsworth, D.K., & Ermen, D.F. (2007). Genetically modified food acceptance: An experiment in six countries. Nature Biotechnology, 25(5), 507-508.*