Preferences For Food With Nutrition and Health Claims in a Close-To-Realistic Choice Context

Jessica Aschemann, University of Kassel, Germany
Ulrich Hamm, University of Kassel, Germany

In 2007, the EU introduced a regulation on nutrition and health claims on food products in response to the increasing importance of claims. However, to what extent and how European consumers react to claims remains an open question. This study analyses purchase behaviour in a close-to-realistic laboratory choice test. The results show that foods with nutrition and health claims are generally preferred. Determinants of choice are perception of healthiness of the product, extent of information search and credibility of the claim. Participants’ behaviour and statements indicate that the premise of designing a close-to-realistic choice context has been met.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/14720/volumes/v36/NA-36

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
Results
We hypothesized that in equal financial offer combination eReferral situations (e.g. the same amount for each party such as $5/$5), the higher the total financial offer combination for senders and receivers combined, the more eReferral results would occur. All three dependent variables increased significantly between the group that received $5 for both parties ($5/$5) compared to the group that received $25 for both parties ($25/$25) as follows: 1) the rate of eReferral “invitation emails” sent out increased from 40.1 to 100.4 per thousand ($p < 0.0001), 2) the rate of “new members” increased from 13.9 to 42.9 per thousand, ($p < 0.0001), and 3) the rate of “new buyers” increased from 7.1 to 21.1 per thousand, ($p < 0.0001).

In unequal financial offer combination eReferral situations (e.g. a different amount for each party such as $5/$10), we also hypothesized that the higher the total financial incentive offer combination for senders and receivers combined, the more eReferral results would occur. Groups in this analysis included $5/$10 and $10/$5 ($15 total), $5/$25 and $25/$5 ($30 total), $5/$50 and $50/$5 ($55 total). Significant increases of all three dependent variables occurred as each total incentive level increased ($p < 0.0001). As an example, the rate of eReferral “invitation emails” sent increased from 47.2 per thousand in the $15 total group, to 59.5 in the $30 group, to 71.3 in the $55 group ($p < 0.0001).

We also hypothesized that in cases with an unequal financial offer combination (e.g. $10/$5), those conditions with the sender receiving a higher financial offer than the receiver would yield higher eReferral rates than when the receiver’s incentive is higher. Subjects with offer conditions of $5/$10, $5/$25 and $5/$50 were combined into a ‘sender lower’ financial offer group, while subjects with offer conditions of $10/$5, $25/$5 and $50/$5 were combined into a ‘sender higher’. An ANOVA analysis was performed. The hypothesis was supported as eReferral results increased significantly from the “sender lower” to the “sender higher” groups. The rate of eReferral “invitation emails” sent increased from 48.1 to 68.8 per thousand ($p < 0.01); the number of “new members” increased from 17.2 to 23.5 per thousand ($p < 0.05); and the number of “new buyers” increased from 7.5 to 12.1 per thousand ($p < 0.05).

When conditions within the unequal financial offer combination eReferral situations were isolated, those with the offer combinations of $50/$5 and $25/$5 showed significantly better measures in all three dependent variables than all three conditions in which the senders offer was lower ($5/$10, $5/$25 and $5/$50).

Conclusion
The results of this field experiment provide insight into consumer responsiveness to company-initiated eReferrals under different conditions. Not surprisingly, as the incentive to the referrer increased, so did the sender’s eReferral effort and success in referring others. eReferrals rates also correlated positively to higher incentive levels for receivers of the eReferral. There were significant increases in eReferrals as the offer incentives increased both to senders and receivers. However, the effect of the size of the incentive to the sender was stronger than the effect of the size of the incentive to the receiver. When incentives to senders and receivers were unequal in size, eReferral results were higher when the sender’s incentive was higher.

On a deeper level, the results suggest that mild positive inequity (i.e., inequity favoring the receiver of the offer) is tolerable, and in fact may motivate the highest level of effort (as measured by eReferral rates). Yet, too great a level of positive inequity may have a negative effect on motivation (as measured by eReferral rates). In short, the power of greed may only motivate consumers up to a point. At some maximum level of tolerance for positive inequity, our results suggest that consumers may be more motivated by offers that involve sharing rewards with others.

References

Preferences for Food with Nutrition and Health Claims in a Close-to-Realistic Choice Context
Jessica Aschemann, University of Kassel, Germany
Ulrich Hamm, University of Kassel, Germany

Abstract
In 2007, the EU introduced a regulation on nutrition and health claims on food products in response to the increasing importance of claims. However, to what extent and how European consumers react to claims remains an open question. This study analyses purchase behaviour in a close-to-realistic laboratory choice test. The results show that foods with nutrition and health claims are generally preferred. Determinants of choice are perception of healthiness of the product, extent of information search and credibility of the claim. Participants’ behaviour and statements indicate that the premise of designing a close-to-realistic choice context has been met.

Introduction
Health is an important motive for food choices and increasingly used as an argument in the communication strategies of food companies. In reaction to this trend, the EU commission developed the regulation (EC) No 1924/2006 on nutrition and health claims. Its aims are an EU-wide harmonisation in the handling of claims and consumers’ protection from misguidance with regard to the “healthiness” of products. However, research on European consumers’ reactions towards such claims on food is scarce so far, especially in a realistically designed decision context. This study, funded by the German Research Foundation, examines the influence that claims have on purchase decisions and the determinants of food choice in the presence of claims, using the choice-test method.