PAY ME TO CHOOSE HEALTHY?
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Abstract
Using a Multiple Price List (MPL) method, we analyze how perceptional abundance and scarcity affect food choices.
• We find that consumers decrease their WTP for healthy products when they are primed by abundance.
• Furthermore, when primed with abundance high-income subjects tended to be more price conscious compared to high-income subjects of the control condition and their behavior converged to the behavior of low-income subjects.
• We also find that being primed with scarcity did not impede cognitive function of low-income subjects.

Research Questions
• Does Scarcity/Abundance affect food choices when price is no concern?
• Does Scarcity/Abundance affect cognitive function?
• Do monetary transfers induce healthy food choices?
• Following the manipulation, participants completed a cognitive performance task and two MPLs regarding food products.
• Each MPL, one for snacks and one for beverages, consisted of 11 binary choices presented separately. In each choice decision, subjects were asked to choose between a healthy product and an unhealthy product with varying prices.

Structure of MPLs
1. Product A ($0.00) or Product B ($5.00).
2. Product A ($0.50) or Product B ($4.50).
3. Product A ($1.00) or Product B ($4.00).
4. Product A ($1.50) or Product B ($3.50).
5. Product A ($2.00) or Product B ($3.00).
6. Product A ($2.50) or Product B ($2.50).
7. Product A ($3.00) or Product B ($2.00).
8. Product A ($3.50) or Product B ($1.50).
9. Product A ($4.00) or Product B ($1.00).
10. Product A ($4.50) or Product B ($0.50).
11. Product A ($5.00) or Product B ($0.00).

Introduction
• Food policy has sought to increase the affordability of food by providing food assistance programs to more than 45 million Americans in excess of 100 billion annually. The basic assumption of food programs is that if healthy food is available and affordable people will eat it. However, this may not always be the case. For example, Amin et al. (2015) report that food waste increased 56% after requiring school children to select a fruit or a vegetable as part of their reimbursable meal. Leung et al. (2017) analyzed the relationship between SNAP participation and the Alternate Healthy Eating Index (AHEI). Leung et al. (2017) report that overall SNAP participants had 5% lower AHEI, and they also conclude that this group had higher obesity.
• It has been argued that the transfer schedule of SNAP benefits may create abundance and the subsequent scarcity within a month (Chrisinger 2017) since SNAP benefits are usually transferred in the first half of a month.

Experiment
• For this study, a total of 180 subjects were recruited to participate in the experiment in exchange for a $25 compensation.
• Participants were randomly assigned to one of three experimental conditions, where the state of resources was the manipulating factor: 1) scarcity condition, 2) abundance condition, and 3) control condition.
• Subjects in the scarcity (abundance) condition were induced to think about financial constraints (shopping challenge) by watching a 4-minutes video about resource scarcity (resource abundance) and by being exposed to a hypothetical scenario describing a financial problem (a monetary prize) they may experience (win).
• In the control condition, subjects received no information, and simply waited for 4 minutes before starting the experiment.

Results
Figure 2: Beverage Choice
Figure 3: Food Choice

Further Analysis
Figure 4: Raven Test Results
Figure 5: Across Income Levels
Figure 6: The Effect of Income Increments.

References
• Chrisinger, (2017), ‘Ethical imperatives against item restriction in the SNAP’, PM 100, 56—60.