

Title Economic analysis of consumer based attributes for rice in Benin
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Abstract

Consumers are becoming more aware of the quality attributes of different commodities found in the market and are choosing products that closely match their tastes and preferences. The consumer behavior model postulated by Lancaster (1966), says that products are consumed for the characteristics they possess, other than the product itself, and are associated with consumer preferences/utility. For example, in the case of rice, the quality characteristics (attributes) have important price based implications in terms of incentives for producers and consumers. This study empirically analyzes the relationship between price and product attributes towards consumer's choice for rice in Benin, using the hedonic pricing approach and discrete choice modeling at the household level. The results of econometric estimation indicate that consumers pay a premium for grain size, aroma, color, wholeness and cleanliness of grain and convenience attributes across the different regions studied. Consumers (rural and urban) prefer parboiled and imported rice over domestic rice and raw rice. Country of origin was found to influence rice preference indirectly through perceived quality. Socioeconomic factors are not important in consumer purchasing decisions. The results from this study suggest that both domestic and imported rice varieties have positive and negative implicit prices this emphasizes the importance of quality based attributes in future breeding programs to make domestic rice more competitive to imported rice.