1 Understanding farmers' preference for traits of chickens in rural Ethiopia

2 Abstract

3

4 Traditional poultry production plays an irreplaceable role in the sustenance of livelihoods in 5 rural Ethiopia. Ironically, however, much has been done to replace indigenous poultry breeds with exotic genetic resources regardless of the importance producers and consumers attach to 6 7 attributes of the resources. This study aims at informing policy to establish effective indigenous poultry breeding and conservation programs. Discrete choice experiment (DCE) was 8 employed to generated data. Designing of the DCE involved identification, definition and 9 measurement of attributes of adaptive, productive, and socio-cultural importance considering 10 the multiple functions of village chickens. Random Parameters Logit and the Generalized 11 Multinomial Logit (G-MNL) models were used to estimate taste parameters. Economic values 12 13 of traits of chickens were estimated using the utility in willingness to pay (WTP) space approach, based on G-MNL model formulation. The results show that important traits of 14 chickens to farmers are mothering ability, diseases resistance, and meat and eggs taste. These 15 findings question the appropriateness, at least in the prevailing production system, of the 16 *Ethiopian national government's effort to improve productivity in village poultry by targeting* 17 specialized egg layer improved chickens. The findings also suggest that poultry breeding 18 19 programs aiming to provide readily acceptable breed technology by farmers need to prioritize traits of adaptive importance, and mothering ability, instead of focusing on egg productivity 20 only. The key implication is that the unique qualities of the indigenous poultry breeds need to 21 be carefully identified and prioritized before resorting to those that proved to be successful in 22 23 different production systems.

24

25 Key words: Economic value, choice experiment, WTP-space, poultry, genetic resources

27 Introduction

Livestock are an important component of the livelihoods of many poor households. Village 28 poultry is livestock farm enterprise that plays significant role in boosting incomes and nutrition 29 for the poorest rural households. This farm enterprise also plays key role in poverty alleviation, 30 food security and the promotion of gender equality in developing countries (Alders and Pym, 31 2009; Bagnol, 2009; FAO, 2010a; Besbes et al., 2012; Lindahl et al., 2018). For many, home 32 33 grown chickens and eggs are their only source of high-quality protein. Nearly all families in developing countries at the village level, including landless and the poorest, are owners of 34 poultry (Wong *et al.*, 2017). In Ethiopia, particularly, poultry¹ production is an integral part of 35 the mixed crop-livestock farming system practiced by most rural households. The total poultry 36 population in the country is estimated to be 50.38 million out of which 96.9%, 2.56 %, 0.54% 37 are indigenous, exotic and hybrid, respectively (CSA, 2013). 38

39

Village poultry production typically uses indigenous genetic resources, which are adapted to a 40 specific harsh environment (FAO, 2010a; Wong et al., 2017; Lindahl et al., 2018). This is 41 mainly why indigenous chickens in Ethiopia provide major opportunities for increased protein 42 supply and income for smallholders. Village poultry also play a supplementary role in relation 43 to other crop-livestock activities by providing cash. However, indigenous chicken breeds are 44 claimed to be slow grower and poor producer of small sized egg (Wong et al., 2017). Despite 45 these disadvantages, indigenous birds are also characterized by many advantages such as good 46 egg and meat flavor, good brooding and natural incubation capacity, high dressing percentages, 47 and they require low cost with little care for production (Dana et al., 2010; FAO, 2010a; Besbes 48 et al., 2012; Wong et al., 2017). They are, therefore, well suited to the very limited input that 49 poor producers can provide. 50

¹ In Ethiopia, poultry is typically chicken.

Development policy interventions in the past focused on introduction of exotic breeds of 52 53 chickens. Those interventions mainly aimed to enhance productivity in a village production environment. However, the purposes of raising livestock go beyond their output functions and 54 include other significant socio-economic and socio-cultural roles (Drucker and Anderson, 55 2004; FAO, 2010b). Multi-functionality and resilience are particularly important for many of 56 57 the poor livestock farmers (Anderson, 2003; Kassie et al., 2009; Wong et al., 2017). Village poultry are often utilized for several purposes simultaneously (FAO, 2010a). Poultry in 58 59 Ethiopia, especially in villages, are kept for a multiplicity of reasons. In addition to yielding animal protein and providing a surplus for sale to generate cash, they are reared for social and 60 cultural reasons. Hence, the genetic resource base of indigenous chickens is crucial to meet the 61 62 multiple production objectives of households.

63

Introduction of exotic chicken breeds to smallholder farmers have been undertaken for decades 64 in order to improve productivity of poultry subsector in Ethiopia. However, increased 65 productivity of the village poultry subsector by using exotic breeds has failed to become 66 sustainable (Teklewold et al., 2006; Dana et al., 2010). Exotic breeds have not adapted well to 67 harsh rural production environments. The extensive and unplanned distribution of exotic 68 chicken breeds has also resulted in dilution of the indigenous genetic stock in developing 69 70 countries. If this trend continues, it could result in a loss of potentially valuable genetic diversity of the indigenous chickens (Faustin et al., 2010). This is the case in Ethiopia where 71 there is a danger of losing valuable adaptive and production traits of indigenous chickens due 72 to unplanned and indiscriminate distribution of exotic chicken (Wilson, 2010). 73

A possible intervention to improve village poultry production is to target indigenous breeds 75 based on needs and preferences of smallholder farmers. Wilson (2010) argued that the oft-76 preferred route to higher output and productivity is to improve the local genetics followed by 77 changes in management. This route to higher village poultry productivity requires diverse 78 indigenous chicken gene pools. There exists a diverse indigenous chicken genetic resource base 79 in Africa, and particularly in Ethiopia. A recent study by Psifidi et al. (2016) confirmed 80 81 existence of genetic diversity and supports the feasibility of genetic improvement for enhanced antibody response, resistance to parasitism and productivity within and across indigenous 82 83 chicken ecotypes in Ethiopia.

84

Well-thought-out plans for management of indigenous chicken genetic resources and breeding 85 program are also crucial to improve productivity in village chickens using the local gene pools. 86 The management of animal genetic resources requires many decisions that would be easier to 87 make if information on the economic value of populations, traits and processes were available 88 (Scarpa et al., 2003). Markets provide important information about economic values and 89 preference for traded goods and services. Many of the benefits derived from the existence of 90 traits of indigenous chicken genetic resources are, however, not transacted in a market. 91 Valuation studies for animal genetic resources are of interest in those contexts. Economic 92 93 valuation of animal genetic resources (AnGR) is essential to guide decision makers, providing 94 rational bases for priority setting for breed improvement programs and for conservation programs (Roosen et al., 2005). In Ethiopia, however, there is no context specific empirical 95 evidence on preferences and valuation of traits of indigenous chickens to make informed 96 97 decision on management of chicken genetic resources and breeding programs. This paper addresses this evidence gap building on recent advancements in preference and valuation 98 methodologies that are yet not applied in AnGR valuation studies. 99

Revealed and stated preference-based techniques are the two viable approaches to value non-101 marketed goods, like adaptive traits of chickens. Stated preference-based valuation is widely 102 used in identifying preferred traits of livestock and economic valuation of animal genetic 103 resources. Since its application in valuation of the hairless creole pigs genetic resources in 104 Mexico by Scarpa et al. (2003), studies commonly employ discrete choice experiment (DCE) 105 106 method in AnGR valuations. Studies made by Ouma et al. (2007), Zander and Drucker (2008) and Kassie et al. (2009), for example, used choice experiment data and random parameter logit 107 108 model to examine farmers' preferences for traits of cattle in East Africa. Faustin et al. (2010) used the same approach to investigate preferred traits of chicken in rural Benin. More recent 109 studies also used the DCE approach in valuation of animal genetic resources and conservation 110 benefits (see Tada et al., 2013; Zander et al., 2013; Ragkos and Abas, 2015; Woldu et al., 111 2016). 112

113

The objective of this study is to identify preferred traits of indigenous chickens and to derive the value of these traits to farmers in rural Ethiopia where production system is semi-subsistent. We employ the discrete choice experiment and state-of-the-art econometric models to estimate economic value of productive and adaptive traits of chicken. This study, therefore, informs the breeding programs for improvement of indigenous chicken and management of genetic pool for future use in Ethiopia.

120

121 Methods

122

123 Discrete Choice experiment: Design and Application

124 Discrete Choice experiment (DCE) is an increasingly used stated preference method for non-

125 market valuation. DCE method has a theoretical foundation in Lancastrian consumer theory

(Lancaster, 1966), which assumes that agents derive utility from characteristics of the goods
instead of goods as a direct object of utility, and an econometric base in random utility theory
(Luce, 1959; McFadden, 1974) as the random utility framework in dichotomous choice
contingent valuation models (Hanemann, 1984). DCE arose from conjoint analysis but differs
from this method in that individuals are asked to choose from alternative bundles of attributes
instead of ranking them. Thus, DCE is consistent with random utility theory (Adamowicz *et al.*, 1998).

133

134 Unlike contingent valuation method, DCE enables estimation of values of attributes and provides the opportunity to identify marginal values of attributes rather than value of the good 135 as a whole only (Hanley et al., 1998a; Bateman et al., 2002). The DCE approach is essentially 136 a structured method of data generation (Hanley et al., 1998a) and hence, it is a significant 137 improvement over other popular stated preference based methods such as contingent valuation. 138 Originally, DCE has been used in the transport economics (see Hensher and Truong, 1984) and 139 marketing literature (see Louviere and Woodworth, 1983), but increasingly applied in other 140 research areas, including: environment (Drake, 1992; Adamowicz et al., 1998; Hanley et al., 141 1998b; Danny, 2007); food safety and quality (Tonsor et al., 2005; Loureiro and Umberger, 142 2007); and other related disciplines. There is also a growing literature in application of DCE 143 in valuation of animal and plant genetic resources (see Scarpa et al., 2003; Birol et al., 2006; 144 Ouma et al., 2007; Eric et al., 2008; Roessler et al., 2008; Kassie et al., 2009; Byrne et al., 145 2012). 146

147

148 Attribute identification and DCE designing

Designing a DCE requires careful definition of the attributes and attribute level determinationas well as generation of statistically efficient and practically manageable DCE design (Hanley

et al., 1998b; Kassie et al., 2009). Hensher et al. (2005) also advises that sufficient time is 151 spent in identifying and refining attributes, attribute levels and attribute labels to be used before 152 proceeding to the formal design of DCE. This study involved a series of procedures to 153 determine attributes of chicken and attribute levels used in DCE design. Participatory rural 154 appraisal (PRA) and informal study and review of existing literature were used. PRA was 155 conducted with local farmers to identify potential attributes of chicken and determine attribute 156 157 levels in two local areas of Horro district. The PRA largely involved ranking exercises to identify traits and trait level that are relevant for the DCE. Discussants were asked to list 158 attributes of chicken they would consider when buying poultry² and to rank them according to 159 their importance. The informal study was very brief and involved local market observations 160 and informal talk with individual farmers at their home. This aimed to have a better 161 understanding of traits of chickens that farmers would focus on during usual transactions. 162 Findings from the PRA and informal study was supplemented by a study on chicken production 163 objectives and preferences using PRA by (Dana et al., 2010). The attributes, attribute levels, 164 and attribute level labels used to describe each attribute used in DCE were determined after 165 thorough discussion and in consultation with poultry breeders and geneticists. Additionally, 166 two focus group discussions were conducted in October 2012 in two villages of Horro to further 167 examine how farmers would understand the levels of traits of birds we considered in our choice 168 experiment. 169

170

The final attributes considered in designing of the DCE included traits with cultural significance, productive traits and adaptive traits. Plumage color is a trait of poultry with cultural significance. Three attribute levels were used for this trait; predominantly white, predominantly black and predominantly red. During the focus group discussion, we learned

² In Ethiopia, poultry is typically chicken.

that farmers had a range of views regarding plumage color of chicken. While predominantly 175 black plumage color is disliked by some relating to ceremonial use of chicken, others believed 176 177 chicken with black plumage color were less vulnerable to predators compared with birds with white plumage color. Productive traits considered in the DCE design were: number of eggs per 178 clutch; body size; and mothering ability. For number of egg per clutch, typical values for the 179 minimum, average, and maximum number of eggs per clutch that a given hen would normally 180 181 lay was used as trait levels. Trait levels for 'body size' was presented using the usual local expression and had three levels; small, medium, and large. Mothering ability is the capacity to 182 183 incubate, hatch an optimum proportion of eggs set for hatching and to look after chicks. From the two rounds of focus group discussions, we learned that farmers would normally set a 184 proportion of laid eggs for hatching. On average farmers would set twelve eggs for hatching 185 by a given hen at a time and they would either eat or sell the remaining eggs. This was due to 186 the natural limits on the hen's ability to incubate beyond an optimal number of eggs, any more 187 would mean some eggs remain unhatched and infertile. Accordingly, 'mothering ability' had 188 three levels with maximum number of eggs set for hatching twelve; 'Hatch and raise 4 chicks 189 from 12 eggs', 'Hatch and raise 8 chicks from 12 eggs', and 'Hatch and raise 12 chicks from 190 12 eggs". Diseases resistance is an adaptive trait considered in the DCE design. This had two 191 trait levels; 'rarely gets sick', 'often gets sick and may die'. Meat and eggs taste was also 192 included in the experiment as farmers realized differences in taste of meat and egg between 193 194 local and exotic/ cross breed chicken. It had two attribute levels; poor and good. We used three levels for price of chicken; ETB 40, ETB 55 and ETB 70. These are averages of minimum, 195 average and maximum price of mature chickens obtained during the focus group discussions 196 and local market observation by the researchers. Throughout all profiles, the age of the 197 hypothetical chickens was uniformly set at the age of five to six months, which is average 198

maturity age in that specific area. The summary of attribute and attribute levels used in thisDCE is given in Table 1.

201

202 (Table 1 about here!)

203

We used SAS software macros to combine identified attributes and attribute levels to generate 204 generic chicken profiles where breeds of poultry were not included. There are 972 (i.e. $3^{5*}2^{2}$) 205 possible ways to combine the selected attributes and attribute levels to generate profiles. 206 207 However, full-factorial design like this is too cost-prohibitive, tedious and cognitively demanding for respondents to make meaningful choice for most practical situations (see also 208 Kuhfeld, 2010). Consequently, fractional factorial experimental design which focuses on 209 210 orthogonality is commonly used in resource valuation studies (Rose and Bliemer, 2004). Therefore, an orthogonal fractional-factorial experimental design (Hensher et al., 2005; 211 Kuhfeld, 2010) was used to generate profiles based on the attributes and attribute levels in this 212 study. The design was obtained based on common measures of design efficiency, D-efficiency 213 and A-efficiency. D-Efficiency maximizes the determinant of the information matrix, while 214 A-Efficiency attempts to minimize the sum of the variances of estimated coefficients (Kuhfeld, 215 2010). The final design had an optimal combination of high D-Efficiency, 99.64, and A-216 Efficiency, 99.7. The design generated 36 chicken profiles, which was too many judgments for 217 218 an individual respondent to make. Therefore, these profiles were randomly grouped into 18 chicken choice sets, each choice sets having two profiles, and blocked into three: hence each 219 respondent could be presented with six choice sets. An opt-out option was included into the 220 choice sets to avoid forced choice so that the DCE was consistent with utility maximization 221 and demand theory (Bateman et al., 2002). Accordingly, respondents were presented with six 222 choice sets, each containing three alternatives: two chicken profile and opt-out option. Choice 223

sets were supplemented by visual aid (pictures) to help communicate information aboutattribute levels.

226

227 **The survey**

The formal survey was conducted in Horro district of Ethiopia as part of a larger project 228 working on reducing the impact of infectious diseases on village poultry production in 229 Ethiopia. This study was approved by the University of Liverpool Committee on Research 230 Ethics (reference-VREC76). Horro district is located at about 315 km west from Addis Ababa. 231 232 The predominant agricultural practice in this area is a mixed crop-livestock farming system and livestock production is an integral part of the semi-subsistent farming. Farm activity in 233 Horro district is rain-fed and staple crops occupy the farmland during the cropping season 234 which serves as grazing land in dry season. The district receives an average annual rainfall of 235 1,685 mm (ranging from 1,300 to 1,800 mm) and the annual average temperature is 19 °C 236 (ranging from 14 to 24 °C). 237

238

The formal survey was conducted in February and March 2013. The survey was conducted by 239 well-trained and experienced enumerators who were postgraduate students from Haramaya 240 University and Addis Ababa University with keen interest to learn DCE under close 241 supervision of the researchers. The enumerators had good understanding of livestock 242 243 development and extension. Training of enumerators included the principles of DCE, introduction to the study, and simulated interviews among enumerators. Prior to the formal 244 survey, the questionnaire was extensively piloted and pre-tested with individuals and in focus 245 246 group discussions during early January 2013.

The pilot survey for the DCE showed that communicating attribute and attribute levels was 248 workable and that respondents could complete the choice exercise at ease. Following the 249 feedback from pilot survey, only minor changes were made. The order of the questionnaire 250 presentation was re-arranged by bringing some demographic questions to the beginning to help 251 get respondent attention for the choice task. The DCE household survey was carried out in four 252 'Gandas', lowest administrative unit in government structure consisting of several villages, 253 254 selected by the project from two different market channels in the district. Sample respondents were randomly selected from the list of households provided by agricultural development 255 256 agents. This DCE survey was administered on 450 farmers drawn by employing sampling with probability proportional to the population size of each Ganda. 257

258

259 Econometric model

260

The random utility framework is the theoretical basis for integrating behavior with economic 261 valuation in the DCE. The basic assumption of random utility theory is based on the premise 262 that agents behave rationally choosing the alternative that would yield the highest utility. 263 Conditional logit (McFadden, 1974) and Random parameter logit (RPL) (McFadden and Train, 264 2000; Hensher and Greene, 2003) models are often used to estimate preference weights 265 attached to attributes. The conditional logit, however, assumes that the taste parameters are 266 homogeneous across respondents. It is also based on the more restrictive assumption of 267 independence of irrelevant alternatives (IIA) (Hensher et al., 2005). The RPL relaxes the IIA 268 assumption. It is a highly flexible and computationally practical approach to discrete response 269 270 analysis model that can approximate all random utility models (McFadden and Train, 2000; Train, 2003). In RPL, the utility of person n from chicken profile j in choice situation t is 271 $U_{njt} = \beta'_n x_{njt} + \epsilon_{njt}$ 272 (1)

273 Where, x_{njt} is a vector of observed variables related to chicken traits and respondent's socio-274 economic characteristics, β_n is a vector of coefficients of these variables for each *n* 275 representing that person's taste, ϵ_{njt} is an unobserved random term that is independent and 276 identically distributed (iid) extreme value.

277

One key aspect of choice analysis is capturing heterogeneity among respondents to a DCE, 278 differences in taste and differences in scale variation. Though the RPL accounts for taste 279 280 heterogeneity, the scale is generally normalized to one assuming that all individuals respond to the choice experiment with identical error variances. However, consumer behavior may depend 281 not only on heterogeneity in preferences but also on differences in the scale of the idiosyncratic 282 283 error term (Louviere et al., 2002; Train and Weeks, 2005; Louviere and Eagle, 2006; Greene 284 and Hensher, 2010). As a result of these growing evidences, Fiebig et al. (2010) have developed a generalized multinomial logit model (G-MNL) that is supposed to take taste and scale 285 286 heterogeneity into account. In G-MNL framework, the individual utility is specified as:

287
$$U_{njt} = [\sigma_n \beta + \gamma \eta_n + (1 - \gamma)\sigma_n \eta_n] x_{njt} + \epsilon_{njt}$$
(2)

In this model, the scaling term, σ_n , is no longer assumed to be one for identification and it scales vector of utility weights up or down. The G-MNL framework nests several different well-known choice models as special cases when the preference weight, β_n , is specified as

291
$$\beta_n = \sigma_n \beta + \gamma \eta_n + (1 - \gamma) \sigma_n \eta_n \tag{3}$$

292 Where, $\gamma \in [0,1]$ is parameter that determines the level of interaction between σ_n and η_n .

The elements of β_n may deviate from the sample mean β by η_n , which is a random variable with zero mean and standard deviation to be estimated. η_n serves to account for random heterogeneity in preferences. Following Fiebig *et al.* (2010), σ_n could follow a log-normal distribution with mean 1 and standard deviation, τ . This parameter, τ , captures the scale heterogeneity across respondents. The G-MNL model is estimated by maximum simulated 298 likelihood (Greene and Hensher, 2010; Greene, 2012). Let $y_{njt} = 1$ if person *n* chooses option 299 *j* at choice occasion *t*, and 0 otherwise. Then simulated probability of observing person *n* 300 choosing sequence of choices $\{y_{njt}\}_{t=1}^{T}$ using the G-MNL utility weight specification (Fiebig 301 *et al.*, 2010) is

$$302 \qquad \hat{P}_n = \frac{1}{D} \sum_{d=1}^{D} \prod_t \prod_j \left(\frac{\exp(\sigma^d \beta + \gamma \eta^d + (1-\gamma)\sigma^d \eta^d) x_{njt}}{\sum_{k=1}^{J} \exp(\sigma^d \beta + \gamma \eta^d + (1-\gamma)\sigma^d \eta^d) x_{kjt}} \right)^{y_{njt}}, \tag{4}$$

Where, $\sigma^d = \exp(\bar{\sigma} + \tau \varepsilon_0^d)$, η^d is *K*-vector distributed MVN $(0, \Sigma)$ whereas ε_0^d a N(0, 1)scalar. The simulation involves drawing $\{\eta^d\}$ and $\{\varepsilon_0^d\}$ for d = 1, 2, ..., D number of draws.

Another important part of this study is estimation of willingness to pay for the traits and trait levels in the DCE. Willingness to pay for attributes in valuation studies could be estimated using two approaches; the preference space and WTP space. Studies have shown that models in WTP space provide WTP distributions with a lower incidence of extreme values than models in preference space (see Train and Weeks, 2005; Scarpa *et al.*, 2008). The WTP-space approach provides more behaviorally plausible willingness to pay estimates and

has also become appealing alternative (Train and Weeks, 2005; Scarpa *et al.*, 2008; Fiebig *et al.*, 2010; Hensher and Greene, 2011; Greene, 2012). Therefore, the WTP space approach was
applied in this study to obtain reliable WTP estimates of chicken trait.

315

As suggested by Greene and Hensher (2010), the G-MNL model can be reparametrized to estimate taste parameters in WTP space. The utility function as separable in price, P, and nonprice, X, attribute can be written as:

319
$$U_{njt} = \sigma_n \left(-\beta_{p,n} P + \beta'_n X_{njt} \right) + \left[\gamma \eta_n + (1 - \gamma) \sigma_n \eta_n \right] X_{njt} + \epsilon_{njt}$$
(5)

320
$$U_{njt} = \sigma_n \beta_{p,n} \left(-P + \left(\frac{\beta'_n}{\beta_{p,n}}\right) X_{njt} \right) + [\gamma \eta_n + (1 - \gamma)\sigma_n \eta_n] X_{njt} + \epsilon_{njt}$$
(6)

Normalizing the price coefficient, $\beta_{p,n}$, of –p to 1 yields the WTP space specification:

322
$$U_{njt} = \sigma_n \left(-P + (\beta_n^{\prime*}) X_{njt} \right) + [\gamma \eta_n + (1 - \gamma) \sigma_n \eta_n] X_{njt} + \epsilon_{njt}$$
(7)

where, $\beta_n^{\prime*}$ directly gives the individual-specific WTP estimates. In this formulation, WTP distribution can be specified directly and the model produces generally reasonable estimates of willingness to pay for individuals in the sample (Train and Weeks, 2005; Greene and Hensher, 2010; Hensher and Greene, 2011). This WTP estimates, or implicit price, for changes in an attribute provides a measure of the relative importance that respondents attach to attributes within the chicken profiles.

329

330 Result and discussion

331

332 Farmers' characteristics

333 Farmers' basic demographic characteristics and the codes used in the random parameter logit estimation are reported in Table 2, below. The average age of the respondent farmers was about 334 42 years. The mean family size was more than 6 persons and ranges from 2 to 16 persons. On 335 average, farmers had one child below five years and the average number of children below 17 336 was more than 3 in the research sample. Data was also collected on religion of the respondent, 337 as religion is believed to influence farmers' preference for traits of chickens. More than 55% 338 of responding farmers were followers of Ethiopian Orthodox Christianity, about 38% of them 339 were evangelical Christians, and the remaining were followers of other religions (including 340 traditional and Muslim). About 38% of farmers had attended elementary school and 16% of 341 them had attended high school and 12% of them could read and write; however, a significant 342 proportion of farmers (31%) had no any form of education. About 80% of respondents were 343 male farmers and 20% were female. This large disparity was observed because we targeted 344 head of the household for whom the list of farmers was available for sampling. 345

346

347 (Table 2 about here!)

348

349 Empirical result

350

Attributes of chickens and attribute levels together with codes used in model estimation are given in Table 1. Following Hensher *et al.* (2005), effects coding was used for DCE traits to measure nonlinear effects in the trait levels to avoid confounding in the grand mean. In both RPL and G-MNL models, the utility parameters for all attributes were entered as random assuming normal distributions. The models were estimated using NLOGIT version 5 and estimates were obtained utilizing 200 Halton draws for the simulations. The simulated maximum likelihood estimates for both RPL and G-MNL models are reported in Table 3.

358

The estimation results of both models are broadly comparable in terms of the sign and statistical 359 significance of the coefficients of parameters. The goodness-of-fit measures for both, RPL and 360 G-MNL, models provided similar result with very slight difference. The two models were 361 highly statistically significant, $(x_{24}^2 = 2581.7 \text{ and } p < 0.001 \text{ for the RPL})$ and $(x_{25}^2 = 2581.7 \text{ and } p < 0.001 \text{ for the RPL})$ 362 2581.3 and p<0.001 for the G-MNL). The Akaike Information Criterion (AIC) and pseudo R^2 363 obtained from the two models are also comparable (Table 3). The pseudo R^2 values also 364 suggest the goodness-of-fit of the models are adequate. Discussion of results will be based on 365 G-MNL as results from the two models are comparable and the WTP-space result reported in 366 Table 4 is also estimated based on the G-MNL model. The model results show that all traits 367 were highly significant determinants of choice and the signs of all attributes were as expected. 368 369 The constant variable in the model result represents the opt-out option in the alternatives provided for choice. It had negative and statistically significant mean coefficient indicating 370

371 respondents preferred to choose from the two alternatives associated with various trait levels372 instead of opting out.

373

The coefficient of price, the monetary attribute, was significant and negative, as expected. This 374 implied that it is unlikely that that respondents preferred and chose chicken profiles with higher 375 prices. Farmers preferred chickens with predominantly white plumage color, compared with 376 377 predominantly red plumage colored chicken, as indicated by positive and statistically significant coefficient. The predominantly black plumage color was, however, not preferred as 378 379 indicated by negative and significant coefficient. As this trait is mainly of cultural importance, the explanation may be the fact that farmers in the area use poultry for ceremonial purpose 380 during various festive periods where plumage color plays important role. Chickens with white 381 plumage color are preferred during most holidays (example, for New Year), and chickens with 382 predominantly black plumage color are generally believed to cause misfortune. This result was 383 consistent with a previous study that analyzed preference for chicken traits in African (Faustin 384 et al., 2010). 385

386

The trait 'eggs per clutch' had a positive mean parameter indicating farmers' preference for 387 hens that lay larger numbers of eggs per clutch, which is not unexpected. Likewise, the trait 388 'large body size' had positive and significant coefficient. This suggests farmers preferred 389 390 chickens with larger body size compared with smaller ones. Similarly, the traits 'good mothering ability' and 'good meat and egg taste' had positive coefficients and were significant 391 indicating farmers' preference for these attributes. Chickens that were characterized by poor 392 393 mothering ability were not preferred, as indicated by negative and significant coefficients of the respective traits. The result also revealed that farmers prefer chickens with good disease 394 resistance, as indicated by the positive and significant coefficient. Mothering ability, disease 395

resistance and meat and egg taste were typical attributes of indigenous breeds of poultry which
previous attempts to enhance productivity of village poultry sector, through distribution of
exotic chickens, in Ethiopia have failed to consider.

399

400 (Table 3 about here!)

401

402 The magnitudes of parameter estimates revealed that good mothering ability, the ability to hatch the optimum proportion of eggs set for hatching and to look after the chicks, is the most 403 404 important traits in chicken profile choice among rural farmers, while number of eggs per clutch was the least. This finding was interestingly contrary to the previous efforts by the government 405 of Ethiopia to enhance village poultry productivity by introducing improved poultry breeds 406 407 which mainly specialize in egg laying. This is likely due to the lack of market for eggs and poor linkage to urban markets in these areas. Hence, farmers in rural Ethiopia keep poultry 408 primarily for local sale of live birds targeting various national and religious festive periods 409 (New Year, Christmas, and Easter). Under the prevailing production system farmers 410 completely rely on mother hens to incubate and hatch eggs, in contrast to the situation for 411 commercial poultry farms. Therefore, farmers are rational in their choice given prevailing 412 production system and poor market in rural Ethiopia. The weight attached to mothering ability 413 which is an important trait of the indigenous chicken, may imply farmers' interest in preserving 414 415 the local genetic pool, though the risk of losing this genetic resource is always there due to poorly planned interventions. 416

417

Disease resistance was also found to be very important, second only to white plumage color.
Previous studies on preference for traits of chickens and other livestock species similarly report
the importance of disease resistance (see Ouma *et al.*, 2007; Kassie *et al.*, 2009; Faustin *et al.*,

2010). The importance of the trait 'disease resistance' may be a consequence of the economic 421 importance of poultry diseases in rural Ethiopia and lack of poultry health services. The 422 magnitude of the parameter for white plumage color indicates that the cultural significance of 423 plumage color which is even more pronounced than trait of productive importance. This finding 424 is consistent with previous studies in African countries including Benin, Somalia, Cameroon 425 and in Zambia (Guèye, 2000; Faustin et al., 2010). Meat and egg taste was also identified as a 426 427 very important influential trait in chicken profile choice – again more so than the productive traits (eggs per clutch and body weight). Guèye (2000), from a review of studies in Senegal 428 429 and Nigeria, also reported that eggs and chicken meat from indigenous stocks are preferred by African consumers to those derived from commercial flocks of imported stocks. Good meat 430 and egg taste is mainly attributes of indigenous chickens and it is recognized in the study area 431 (Dana et al., 2010). Therefore, preference for good meat and egg taste suggests an opportunity 432 for improvement of village poultry productivity based on indigenous gene pool and 433 conservation programs by participating local farmers. 434

435

Preference heterogeneity was examined based on the mean and standard deviations of the 436 random parameters and mean coefficients of the interaction terms. Random parameters in the 437 model were interacted with socio-economic variables (Table 2) to investigate the possible 438 sources of heterogeneity around the mean. Although all possible interactions were tried in 439 440 preliminary estimation, only significant ones were used in the final model estimation and the results are reported in Table 3. Statistically significant estimates for derived standard deviations 441 for random parameters suggest existence of heterogeneity in the parameter estimates over the 442 sample population. The estimated means and standard deviations of each of the random taste 443 parameters gives information about the share of the population that places positive values or 444 negative values on the respective attributes or attribute levels (Train, 2003). In our estimation 445

result, the standard deviation of 'predominantly white plumage color', 'large body size', and 446 'poor mothering ability' had statistically significant standard deviations. The attribute 447 'predominantly white plumage color' was statistically significant with mean parameter of 448 0.472 and standard deviation of 1.336, such that 64% of respondents preferred chicken profiles 449 with predominantly white plumage color while 36% of the respondents preferred chickens with 450 predominantly red plumage color. The trait 'large body size' had mean 0. 388 and standard 451 452 deviation 1.787. This implied 59% of the respondents preferred chicken profiles with large body size. 453

454

Chickens with predominantly white plumage color were not preferred by followers of the 455 Orthodox religion. This could be due to the cultural significance of chickens with 456 predominantly red plumage color (the base attribute level) during various festive seasons 457 among respondents with Orthodox religious background. Parameter estimate for interaction 458 variable between 'good meat and egg taste' and 'education level' is positive and significant. 459 This implies as education level increases, preference for chickens with 'good meat and egg 460 taste' increases. One possible explanation for this finding may be that more educated farmers 461 could realize the preference for good meat and egg taste in the market and hence they preferred 462 to choose chicken with good meat and egg taste for reproduction. The model also revealed that, 463 as respondent age increases, preference for diseases resistant chickens increases. Animal health 464 services in rural Ethiopia are very limited and older farmers may not have had experience of 465 poultry health service use. It is also likely that older farmers recognize the limitations of these 466 services, when available, and may therefore place greater value on disease resistant chickens, 467 adapted to the local environment. 468

469

471 Willingness to pay estimates for chicken traits

472

Willingness to pay (WTP) estimates represent the marginal rate of substitution between prices 473 and traits levels of the chicken profiles used in the DCE. The coefficients of attributes in WTP-474 space provide estimates of mean WTP for each trait levels. The WTP-space model was 475 estimated based on the G-MNL formulation (equation 7). WTP estimates from the WTP-space 476 model result are presented in Table 4. The pseudo R^2 is 0.411 suggesting the goodness-of-fit 477 of the model is adequate. The model result also provided reliable WTP estimates for traits of 478 479 chickens given the price levels used in the DCE and the prevailing market price of chicken in the study area during the survey. Trait level determination for price and model estimations were 480 carefully conducted using the recent development in WTP estimations. However, the absolute 481 magnitudes of WTP still needs to be interpreted carefully due to the volatility of chicken prices 482 based on different seasons of the year, as price increases over the festive periods or following 483 484 the wet season when diseases outbreak is highly likely. In this study, therefore, marginal WTP for changes in an attribute levels provides a measure of the relative importance that respondents 485 attach to attributes within the chicken profiles. 486

487

488 (Table 4 about here!)

489

Estimates of the willingness to pay for trait levels indicated that farmers attach the highest value to the trait 'good mothering ability' of chickens. Chickens with good mothering ability fetched a welfare gain of ETB 38.83, and the welfare loss from chickens with poor mothering ability was about ETB 50.5. This finding is consistent with Faustin *et al.* (2010), who found that better mothering ability was highest valued trait of chickens in Benin. The WTP values estimates also show that the implicit price of 'disease resistance' is higher than all other traits

of chicken, next to 'good mothering ability'. The WTP for disease resistant chicken was ETB 496 22.04 higher than susceptible ones. Previous animal genetic resources valuation studies, in 497 developing countries also reported similar results (see Ouma et al., 2007; Kassie et al., 2009; 498 Faustin et al., 2010). Farmers' willingness to pay higher for diseases resistant chickens is 499 justifiable given chicken infectious diseases are widespread and animal health service is very 500 limited in Ethiopia (Bettridge et al., 2014; Terfa et al., 2018). The WTP estimates also revealed 501 502 that farmers are willing to pay a premium that is ETB 15.34 for chickens that had good meat and egg taste, compared with poor meat and egg taste, everything else kept constant. The 503 504 implicit price attached to the trait level 'good meat and egg taste' is even higher than the values attached to productive traits of chickens, body size and number of eggs per clutch. The value 505 that farmers attach to 'good meat and egg taste' is 2.55 times the value attached to 'eggs per 506 clutch' and 1.6 time the value attached to large body size. The WTP-Space result also revealed 507 heterogeneity in the mean willingness to pay estimates with respect diseases resistance and 508 plumage color. 509

510

Generally, farmers were willing to pay way more for good mothering ability, diseases resistant 511 and good meat and egg taste, but less for the traits body size and egg per clutch. Based on mean 512 WTP estimates, farmers' preference for traits of the resource in question can generally be 513 ordered from most preferred to least preferred. For the traits of chickens, this order of 514 515 prioritization is: good mothering ability; diseases resistance; good meat and egg taste, large body size, larger number of eggs per clutch, and white plumage color. However, it should be 516 noted that this study was conducted in a semi-subsistent farming system where there is limited 517 market access for eggs and chicken. In areas where there are adequate markets and well-518 established poultry value chains involving smallholder farmers, different ranks for these 519

attributes could be obtained. Under similar production system, however, the findings reported

521 in this paper are consistent with previous studies (Faustin *et al.*, 2010)

522

523 Conclusion

524

The government of Ethiopia and international research systems run different programs to 525 improve village poultry productivity, mostly by introducing improved chickens. It is important 526 to understand if the aims of these programs are in line with farmers' preferences in the 527 528 prevailing production and market system. This is especially so as the programs could lead to loss of indigenous genetic resources that are valuable to farmers. This study aims to understand 529 farmers' preferences for traits of chicken in rural areas of Ethiopia, in semi-subsistent mixed 530 farming system. This study analyzed preferences for indigenous poultry traits elicited using 531 discrete choice experiment. The study used RPL and G-MNL models to estimate the taste 532 parameters. The WTP-space, based on G-MNL model formulation, was used to estimate mean 533 WTP for traits of chicken. 534

535

The results of the study revealed that in this semi-subsistent farming system, where chickens 536 are kept for multiple purposes under low/no input, adaptive traits are of considerable 537 importance to farmers. Diseases resistance attracted the highest mean WTP implying the 538 economic importance of adaptive traits of chickens. In Ethiopia, there exists diverse indigenous 539 chicken gene pool and genetic improvement for enhanced antibody response, resistance to 540 parasitism and productivity within and across chicken ecotypes is achievable (Psifidi et al., 541 2016). Therefore, an alternative way to improve village poultry productivity is to target locally 542 adaptable genetic resources that farmers value the most. This approach could potentially 543

provide improved chickens that are readily acceptable by farmers and facilitates conservationof locally adaptable chicken genetic resources.

546

The trait mothering ability, which entailed high production performance, measured by ability 547 to hatch an optimum proportion of incubated eggs and looking after chicks, was ranked above 548 the traits of egg production performance and body size of chickens. This is likely because 549 550 poultry keeping in rural Ethiopia is semi-subsistence oriented; farmers have limited access to markets and hence place less value on egg production. This finding is contrary to the Ethiopian 551 552 government's ongoing efforts to enhance productivity of village poultry by introducing commercial and specialized egg layer improved chickens. This effort is likely to be driven by 553 a traditional economic analysis that focuses on egg and meat production with little or no 554 attention to the adaptive importance of chickens. This suggests the need to revisit the national 555 strategy to enhance village poultry productivity and rural livelihood. It is important to 556 understand farmers' preferences and production objectives in the prevailing production system 557 to achieve increased productivity in village poultry. Good mothering ability, a preferred trait 558 of chickens by farmers, is characteristic of indigenous chicken in rural Ethiopia. Therefore, 559 future breeding programs could achieve better chicken productivity and wider adoption of new 560 breed technologies by targeting indigenous chicken genetic resources. Noticeably, meat and 561 egg taste, a typical attribute of indigenous chicken, was also among the highly preferred and 562 valued traits of chicken. This is an incentive for farmers to keep indigenous chicken and an 563 opportunity to preserve local genetic pool at farm level. Our results suggest that in the 564 prevailing production system, future breeding programs need to consider indigenous genetic 565 resource, targeting the preferred and most valued traits of chicken, to enhance village poultry 566 productivity. This approach considers the preference and production objectives of farmers and 567 could be widely adoptable by farmers. Therefore, this approach could help achieve the twin 568

goals of enhanced productivity and conservation of adaptable local chicken gene pool. An
alternative to local genetic resources is introduction of chicken strains that are adaptable to the
tropics and resemble the local chicken traits that are preferred and highly valued by farmers.

572

The findings also revealed the existence of heterogeneity in preferences for the attributes and 573 mean WTP. Farmers' religious background, age, and education levels were found to be a source 574 575 of preference heterogeneity. Chickens with predominantly white plumage color were not preferred by followers of the Ethiopian Orthodox Christianity, reflecting the socio-cultural 576 577 significance of chicken with predominantly red plumage color. Disease resistant chickens were preferred by older respondents and this could be because older farmers have more risk aversive 578 behavior and lack of access to animal health services. Similarly, farmers with higher education 579 level preferred chicken profiles with good meat and egg taste. Good meat and egg taste is 580 mainly attributes of indigenous chickens in the study area (Dana et al., 2010). This suggests 581 that educated farmers realize preferences for local chickens in the market. 582

583

This research identified the most preferred and valued traits of chickens to smallholder farmers. 584 These findings give important insight into the reason for the unsuccessful adoption of improved 585 chickens, despite long term effort made by government to introduce such birds, mainly aimed 586 at enhancing egg production in rural Ethiopia. These results also have important implications 587 588 for the need to better understand smallholder farmers' preferences, as they have multiple production objectives in the prevailing production and marketing system. Hence, an effective 589 and sustainable breeding program that aims to improve rural livelihood through enhancing 590 village poultry productivity needs to maintain traits of chickens important to smallholder 591 farmers. Specifically, traits of chickens like disease resistance, mothering ability, meat and egg 592 taste, body size and eggs per clutch should be prioritized in effective chicken breeding program. 593

594 On the other hand, the risk of loss of the indigenous chicken genetic pool necessitates a 595 conservation program to preserve economically important genetic resources. Therefore, for an 596 effective and successful breeding and conservation programs, these identified traits of chickens 597 need to be maintained.

598 **References**

- 599 Adamowicz, W., Boxall, P., Williams, M., Louviere, J., 1998. Stated preference approaches
- 600 for measuring passive use values: choice experiments and contingent valuation. Amer. J. Agr.

601 Econ. 80, 64-75.

- Alders, R., Pym, R., 2009. Village poultry: still important to millions, eight thousand years
- after domestication. World's Poultry Science Journal 65, 181-190.
- Anderson, S., 2003. Animal genetic resources and sustainable livelihoods. Ecolog. Econ. 45,331-339.
- Bagnol, B., 2009. Gender issues in small-scale family poultry production: experiences with
- 607 Newcastle Disease and Highly Pathogenic Avian Influenza control. World's poultry science
- 608 journal 65, 231-240.
- Bateman, I.J., Carson, R.T., Day, B., Hanemann, M., Hanley, N., Hett, T., Jones-Lee, M.,
- Loomes, G., Mourato, S., Özdemiroğlu, E., Pearce, D.W., Sugden, R., Swanson, J., 2002.
- Economic valuation with stated preference techniques: a manual. Edward Elgar Publishing
- 612 Ltd Cheltenham, UK.
- Besbes, B., Thieme, O., Rota, A., Guèye, E., Alders, R., Sandilands, V., Hocking, P., 2012.
- 614 Technology and programmes for sustainable improvement of village poultry production. In:
- 615 Sandilands, V., Hocking, P. (Eds.), Alternative systems for poultry: Health, welfare and
- 616 productivity. Carfax Publishing Company, Abigdon, Oxfordshire, UK, pp. 110-127.
- 617 Bettridge, J.M., Lynch, S.E., Brena, M.C., Melese, K., Dessie, T., Terfa, Z.G., Desta, T.T.,
- Rushton, S., Hanotte, O., Kaiser, P., Wigley, P., Christley, R.M., 2014. Infection-interactions
- 619 in Ethiopian village chickens. Preventive Veterinary Medicine 117, 358-366.
- Birol, E., Smale, M., Gyovai, Á., 2006. Using a choice experiment to estimate farmers'
- 621 valuation of agrobiodiversity on Hungarian small farms. Environ. Resource Econ. 34, 439-
- **622** 469.

- Byrne, T.J., Amer, P.R., Fennessy, P.F., Hansen, P., Wickham, B.W., 2012. A preference-
- based approach to deriving breeding objectives: applied to sheep breeding. Animal 6, 778-788.
- 626 CSA, 2013. Agricultural sapmle survey: Report on livestock and livestock characteristics.
- 627 Central statistical agency, Addis Ababa, Ethiopia.
- 628 Dana, N., van der Waaij, L.H., Dessie, T., van Arendonk, J.A.M., 2010. Production
- objectives and trait preferences of village poultry producers of Ethiopia: implications for
- 630 designing breeding schemes utilizing indigenous chicken genetic resources. Tropical Animal
- 631 Health and Production 42, 1519-1529.
- 632 Danny, C., 2007. Willingness to Pay for Rural Landscape Improvements: Combining Mixed
- 633 Logit and Random-Effects Models. J. Agr. Econ. 58, 467-483.
- Drake, L., 1992. The non-market value of the Swedish agricultural landscape. Europ. Rev.
 Agr. Econ. 19, 351-364.
- 636 Drucker, A.G., Anderson, S., 2004. Economic analysis of animal genetic resources and the
- 637 use of rural appraisal methods: lessons from Southeast Mexico. International Journal of
- 638 Agricultural Sustainability 2, 77-97.
- 639 Eric, R., Guy, G., Riccardo, S., 2008. Valuing animal genetic resources: a choice modeling
- 640 application to indigenous cattle in Kenya. Agr. Econ. 38, 89-98.
- 641 FAO, 2010a. Chicken genetic resources used in smallholder production systems and
- opportunities for their development, by P. Sørensen. FAO Smallholder Poultry Production
- 643 Paper No. 5. Rome.
- 644 FAO, 2010b. Smallholder poultry production livelihoods, food security and sociocultural
- 645 significance, by K. N. Kryger, K. A. Thomsen, M. A. Whyte and M. Dissing. FAO
- 646 Smallholder Poultry Production Paper No. 4. Rome.

- Faustin, V., Adégbidi, A.A., Garnett, S.T., Koudandé, D.O., Agbo, V., Zander, K.K., 2010.
- Peace, health or fortune?: Preferences for chicken traits in rural Benin. Ecolog. Econ. 69,1848-1857.
- Fiebig, D.G., Keane, M.P., Louviere, J., Wasi, N., 2010. The generalized multinomial logit
- model: accounting for scale and coefficient heterogeneity. Marketing Sci. 29, 393-421.
- Greene, W., 2012. NLOGIT 5 Reference Guide. Econometric Software. Inc., Plainview, NY.
- 653 Greene, W.H., Hensher, D.A., 2010. Does scale heterogeneity across individuals matter? An
- empirical assessment of alternative logit models. Transportation 37, 413-428.
- Guèye, E., 2000. The role of family poultry in poverty alleviation, food security and the
- promotion of gender equality in rural Africa. Outlook on agriculture 29, 129-136.
- 657 Hanemann, W.M., 1984. Welfare evaluations in contingent valuation experiments with
- discrete responses. Amer. J. Agr. Econ. 66, 332-341.
- Hanley, N., Wright, R., Adamowicz, V., 1998a. Using Choice Experiments to Value the
- 660 Environment. Environmental and Resource Economics 11, 413-428.
- Hanley, N., Wright, R.E., Adamowicz, V., 1998b. Using choice experiments to value the
- 662 environment. Environ. Resource Econ. 11, 413-428.
- Hensher, D.A., Greene, W.H., 2003. The Mixed Logit model: The state of practice.
- 664 Transportation 30, 133-176.
- Hensher, D.A., Greene, W.H., 2011. Valuation of Travel Time Savings in WTP and
- 666 Preference Space in the Presence of Taste and Scale Heterogeneity. Journal of Transport
- Economics and Policy (JTEP) 45, 505-525.
- 668 Hensher, D.A., Rose, J.M., Greene, W.H., 2005. Applied choice analysis: a primer.
- 669 Cambridge University Press.
- Hensher, D.A., Truong, T.P., 1984. valuation of travel time savings from direct experimental
- approach. Journal of Transport Economics and Policy 19, 237-261

- Kassie, G.T., Abdulai, A., Wollny, C., 2009. Valuing Traits of Indigenous Cows in Central
 Ethiopia. J. Agr. Econ. 60, 386-401.
- 674 Kuhfeld, W.F., 2010. Marketing research methods in SAS. Experimental Design, Choice,
- 675 Conjoint, and Graphical Techniques. Cary, NC, SAS-Institute TS-722. Available at
- 676 <u>http://support.sas.com/techsup/technote/mr2010.pdf</u>.
- Lancaster, K.J., 1966. A new approach to consumer theory. J. Polit. Economy 74, 132-157.
- Lindahl, J.F., Young, J., Wyatt, A., Young, M., Alders, R., Bagnol, B., Kibaya, A., Grace, D.,
- 679 2018. Do vaccination interventions have effects? A study on how poultry vaccination
- 680 interventions change smallholder farmer knowledge, attitudes, and practice in villages in
- 681 Kenya and Tanzania. Tropical Animal Health and Production, 1-8.
- 682 Loureiro, M.L., Umberger, W.J., 2007. A choice experiment model for beef: What US
- 683 consumer responses tell us about relative preferences for food safety, country-of-origin
- labeling and traceability. Food Pol. 32, 496-514.
- Louviere, J., Street, D., Carson, R., Ainslie, A., Deshazo, J.R., Cameron, T., Hensher, D.,
- Kohn, R., Marley, T., 2002. Dissecting the Random Component of Utility. Marketing Letters13, 177-193.
- Louviere, J.J., Eagle, T., 2006. Confound it! That pesky little scale constant messes up our
- convenient assumptions. Sawtooth Software Conference. Sawtooth Software Inc, pp. 211–
 228.
- 691 Louviere, J.J., Woodworth, G., 1983. Design and analysis of simulated consumer choice or
- allocation experiments: an approach based on aggregate data. J. Marketing Res., 350-367.
- Luce, R.D., 1959. Individual Choice Behavior a Theoretical Analysis. John Wiley and sons.
- 694 McFadden, D., 1974. Conditional logit analysis of qualitative choice behavior. In: P.
- EXAMPLE 25 Zarembka (Ed.), Frontiers in Econometrics. Academic Press, New York, pp. 105–142.

- 696 McFadden, D., Train, K., 2000. Mixed MNL models for discrete response. J. Appl.
- 697 Econometrics 15, 447-470.
- 698 Ouma, E., Abdulai, A., Drucker, A., 2007. Measuring Heterogeneous Preferences for Cattle
- Traits among Cattle-Keeping Households in East Africa. Amer. J. Agr. Econ. 89, 1005-1019.
- Psifidi, A., Banos, G., Matika, O., Desta, T.T., Bettridge, J., Hume, D.A., Dessie, T.,
- 701 Christley, R., Wigley, P., Hanotte, O., Kaiser, P., 2016. Genome-wide association studies of
- immune, disease and production traits in indigenous chicken ecotypes. Genetics SelectionEvolution 48, 74.
- Ragkos, A., Abas, Z., 2015. Using the choice experiment method in the design of breeding
 goals in dairy sheep. Animal 9, 208-217.
- Roessler, R., Drucker, A.G., Scarpa, R., Markemann, A., Lemke, U., Thuy, L.T., Valle
- 707 Zárate, A., 2008. Using choice experiments to assess smallholder farmers' preferences for pig
- ⁷⁰⁸ breeding traits in different production systems in North–West Vietnam. Ecolog. Econ. 66,
- 709 184-192.
- 710 Roosen, J., Fadlaoui, A., Bertaglia, M., 2005. Economic evaluation for conservation of farm
- animal genetic resources. Journal of Animal Breeding and Genetics 122, 217-228.
- Rose, J.M., Bliemer, M.C., 2004. The design of stated choice experiments: The state of
- 713 practice and future challenges. Institute of Transport Studies Working Paper.
- Scarpa, R., Drucker, A.G., Anderson, S., Ferraes-Ehuan, N., Gómez, V., Risopatrón, C.R.,
- Rubio-Leonel, O., 2003. Valuing genetic resources in peasant economies: the case of
- ⁷¹⁶ 'hairless' creole pigs in Yucatan. Ecolog. Econ. 45, 427-443.
- 717 Scarpa, R., Thiene, M., Train, K., 2008. Utility in willingness to pay space: a tool to address
- confounding random scale effects in destination choice to the Alps. Amer. J. Agr. Econ. 90,994-1010.

- Tada, O., Muchenje, V., Madzimure, J., Dzama, K., 2013. Determination of economic
- weights for breeding traits in indigenous Nguni cattle under in-situ conservation. LivestockScience 155, 8-16.
- 723 Teklewold, H., Dadi, L., Yami, A., Dana, N., 2006. Determinants of adoption of poultry
- technology: a double-hurdle approach. Livestock Research for Rural Development 18
- 725 Terfa, Z.G., Garikipati, S., Kassie, G., Bettridge, J.M., Christley, R.M., 2018. Eliciting
- 726 preferences for attributes of Newcastle disease vaccination programmes for village poultry in
- 727 Ethiopia. Preventive Veterinary Medicine 158, 146-151.
- Tonsor, G.T., Schroeder, T.C., Fox, J.A., Biere, A., 2005. European preferences for beef
- steak attributes. J. Agr. Resource Econ., 367-380.
- Train, K., 2003. Discrete Choice Methods with Simulation. Cambridge University Press,Cambridge.
- 732 Train, K., Weeks, M., 2005. Discrete choice models in preference space and willingness-to-
- 733 pay space. Applications of simulation methods in environmental and resource economics.
- 734 Springer, pp. 1-16.
- Wilson, R., 2010. Poultry production and performance in the Federal Democratic Republic of
 Ethiopia. World's Poultry Science Journal 66, 441.
- 737 Woldu, T., Markemann, A., Reiber, C., Kassie, G.T., Valle Zárate, A., 2016. Combining
- revealed and stated preferences to define goat breeding objectives in Ethiopia. Livestock
- 739 Science 191, 179-186.
- Wong, J.T., de Bruyn, J., Bagnol, B., Grieve, H., Li, M., Pym, R., Alders, R.G., 2017. Small-
- scale poultry and food security in resource-poor settings: A review. Global Food Security 15,43-52.
- 743 Zander, K.K., Drucker, A.G., 2008. Conserving what's important: Using choice model
- scenarios to value local cattle breeds in East Africa. Ecolog. Econ. 68, 34-45.

- 745 Zander, K.K., Signorello, G., De Salvo, M., Gandini, G., Drucker, A.G., 2013. Assessing the
- total economic value of threatened livestock breeds in Italy: Implications for conservation
- 747 policy. Ecolog. Econ. 93, 219-229.

749 Tables

750

Reference level Attributes **Attribute levels** Plumage color Predominantly white Predominantly black Predominantly red Predominantly red Eggs per clutch 12 16 Used as continuous 20 Body size Small Medium Medium Big Mothering ability Poor: Hatch 4 and raise chicks from 12 eggs Moderate: Hatch and raise 8 Moderate chicks from 12 eggs Good: Hatch and raise12 chicks from 12 eggs. Diseases resistance Good: Rarely gets sick Poor: Often gets sick and may die Poor Meat and egg taste Poor Poor Good **ETB 40** Used as continuous Price **ETB 55 ETB 70**

751 Table 1 Attributes and attribute levels included in the DCE

752

Variables	Code /unit	Descriptive
Age	Years	Mean=41.62 (SD=14.87)
Family size	Number of persons in the	Mean=6.43(SD= 2.24)
	family	
Children below 5 years	Number of children	Mean= 1.1 (SD= 0.9)
Children below 17	Number of children	Mean= 3.6 (SD= 2.0)
Ethiopian Orthodox	1 if religion is orthodox	55.3%
	0 otherwise	
Protestant	1 if religion is protestant	37.8%
	0 otherwise	
Other religion followers	(-1) reference level	6.8%
Education	1= illiterate	31.3%
	2= read and write	12.0%
	3 =elementary	37.8%
	4 =secondary	16.0%
	5 =above secondary	2.9%
Sex	Male	80.4%
	Female	19.6%

Table 2 Respondents' descriptive statistics and code used in random parameter logit model

	RPL		G - MNL	
	Mean	SE	Mean	SE
Random parameters (RPs)				
Predominantly black plumage color	-0. 206	0. 149	-0.253*	0.129
Predominantly white plumage color	0. 339*	0. 201	0.472**	0.194
Eggs per clutch	0. 113**	0.053	0. 173***	0.045
Small body size	-0. 706***	0. 238	-0.740***	0. 175
Large body size	0. 335***	0. 153	0. 388***	0. 128
Good meat and egg taste	0. 331*	0. 181	0.370**	0. 173
Disease resistance	0. 455**	0. 232	0. 425**	0. 214
Poor mothering ability	-2. 133***	0. 698	-2.219***	0. 384
Good mothering ability	1.274***	0.352	1.425***	0. 240
Price	-0. 031**	0.013	-0.020***	0.006
Non-random parameters				
Constant	-4. 506***	1.675	-2.850***	0. 625
Heterogeneity in mean parameters				
Predominantly white *Orthodox	-0. 514**	0.206	-0.588***	0. 193
Meat and egg taste * Education	0. 102	0.068	0.106*	0.062
Disease resistance * Age	0.008	0.003	0.009*	0.005
Standard deviation of RPs				
Predominantly black plumage color	0.050	0. 419	0. 157	0.390
Predominantly white plumage color	1.075**	0. 488	1.336***	0.400
Eggs per clutch	0.065	0.076	0.038	0.060
Small body size	0.464	0.702	0.361	0.454
Large body size	1. 720***	0. 622	1.787***	0. 387
Good meat and egg taste	0. 018	0. 293	0.039	0. 259
Disease resistance	0. 318	0. 546	0. 191	0. 356
Poor mothering ability	1.711**	0.740	1.323***	0. 409
Good mothering ability	1.009	0. 744	0. 729	0. 448
Price	0.008	011	0.009	0.008
Tau (τ)			0.5	(fixed)
Gamma (γ)			0.375	0. 289
Sigma(<i>i</i>)			0.999*	0.532

758 Table 3 RPL and G-MNL model results from simulated likelihood estimation

Table 3: continued

Number of respondents	450	450
Number of observations	2,700	2,700
Number of Halton draws(D)	200	200
Log likelihood function	-1675.398	-1675.603
$x^2(df=24)$	2581.709	2581.299
McFadden Pseudo R-square	0.4352	0.4351
AIC/N	1.259	1.260

	G-MNL: WTP-	space
	Mean	SE
Parameters		
Predominantly black plumage color	-2.459**	1.202
Predominantly white plumage color	2.255*	1.186
Eggs per clutch	6.004***	1.414
Small body size	-18.714***	4. 545
Large body size	9.530***	2.424
Good meat and egg taste	15.338***	0. 181
Disease resistance	22.044***	4.901
Poor mothering ability	- 50.489***	11.174
Good mothering ability	38.831***	8.686
Price	1	(fixed)
Constant	- 1.815***	0. 178
Heterogeneity in mean parameters		
Predominantly white *Orthodox	- 2.784***	1.073
Meat and egg taste * Education	0. 225	0.368
Disease resistance * Age	.099***	0.03
Tau (τ)	1	(fixed)
Gamma (γ)	0	(fixed)
Sigma(<i>i</i>)	3.258	14.275
Standard deviation of parameters		
Predominantly black plumage color	0.007	1.521
Predominantly white plumage color	0.017	1.268
Eggs per clutch	0. 421	0. 493
Small body size	0.042	2.507
Large body size	0.069	1.474
Good meat and egg taste	0.069	1.739
Disease resistance	0.056	1. 626
Poor mothering ability	0.042	3.015
Good mothering ability	0. 058	1.910
Price	0	(fixed)

761	Table 4 Willingness to pay estimation result using WTP-space

Table 4: continued

Number of respondents	450
Number of observations	2,700
Number of Halton draws(R)	200
Log likelihood function	-1732.473
McFadden Pseudo R-square	0.416
AIC/N	1.334