

Willingness to Pay for Certified Safe Vegetables in Davao City, Philippines

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Keywords

certified safe vegetables,
food safety, willingness to pay

Abstract

Safe vegetable production is being practiced in the Philippines to address food safety concerns on vegetables. In this study, we assessed the viability of producing and marketing certified safe vegetables in Davao City by estimating consumers' willingness to pay (WTP) for certified safe vegetables and analyzing the factors affecting it. The determinants of the consumer decision whether to purchase certified safe vegetables and WTP for certified safe vegetables were analyzed using logistic and Tobit regression, respectively. We found that most consumers in Davao City are willing to purchase (ranging from 82% to 91%) certified safe vegetables. The factors that significantly affect the likelihood of a consumer to purchase certified safe vegetables at the wet market are civil status, educational attainment, and frequency of purchase and the factors that significantly affect the likelihood of a consumer to purchase certified safe vegetables at the supermarket are gender and vegetable expense. On the average, Davao City consumers are willing to pay an additional PhP6.00/kg and PhP5.50/kg on top of the regular retail price for certified safe vegetables sold at the wet market and supermarket, respectively. These findings imply that there is a market for certified safe vegetables in Davao City as indicated by the consumers' willingness to purchase and willingness to pay. However, it should be noted that these consumers are willing to pay only a small premium above regular retail prices. Vegetable farmers and marketers can capitalize on this opportunity, but the cost of producing and marketing certified safe vegetables must not exceed its potential benefits.