



The Behavioural Gap for Organic Food in Britain: Data from a Canterbury Case Study

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Biography

Adelina Gschwandtner obtained her PhD in 2002, at the University of Vienna. She subsequently worked at the University of Vienna until 2011, before moving to the Vienna University of Economics and Business. She joined the University of Kent in September 2012. Adelina's research interests lie in the field of empirical Industrial Organization. Her two main research areas are Profit Persistence and Sunk Costs. She has analysed the pattern and the determinants of profit persistence in the US and the UK over the last 50 years. More recently she has worked on the determinants of profit persistence in the European food sector, and plans to analyse the relationship between food and health. Her papers in this area have been published in *Economic Inquiry*, *Applied Economics*, *International Journal of Economics and Business* and *The Manchester School*.

Abstract

The present paper attempts to bring further evidence on the behavioural gap for organic food in Britain. The stated preferences are analysed with the contingent valuation method while the revealed preferences are estimated with the hedonic pricing method. We find a small but significant gap in the premium for organic food between stated and revealed preferences. This gap may suggest a need for price premium intervention. The estimated price elasticity for organic products is on average above one (in absolute value) suggesting that subsidizing the consumption of organic products could be very effective and have a strong impact.

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