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Consumers' Preferences and Willingness to Pay for Tomato Attributes: Evidence from Pakistan

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Abstract: Vegetables are the most important component of a healthy diet; among them, tomatoes are the most purchased and consumed vegetable. Fresh and processed tomatoes are widely consumed in Pakistan and are regarded as premium products. Consumers have unique preferences regarding food choices when buying products in the market. This research paper investigates how consumers assess tomatoes and their willingness to pay for various tomato attributes while making food choices. Information on consumers' behavior regarding food choices was collected from 1200 respondents through face-to-face interviews using a choice experiment design and an econometric evaluation of the random utility model. The data was gathered from three diverse climatic zones: Northern, Central, and Southern. The study examined consumers' WTP for tomato attributes such as production method, packaging, and variety type. The empirical results confirmed that respondents preferred organic tomatoes and were willing to pay a 65% price premium compared to the conventional method. Additionally, consumers were also willing to pay a 56% price premium for hybrid variety compared to local variety. Results of the research indicated that consumers were willing to pay a premium of 23% for labeled packaging. The findings of this research study provide useful information to stakeholders in the tomato supply chain to better align their products with consumers' preferences, ultimately enhancing market growth and consumers' satisfaction.

Keywords: choice experiment, consumers' behavior, tomato attributes, willingness to pay

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