

# U.S. Consumer & Resident Perceptions and Demand for Animal Welfare & Handling

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## Overview

- Overview of Perceptions
- Information Volume & Accuracy
- Support for Ballot Initiatives
- Labeling & Purchasing Preferences
- USDA Surveillance
- Legislation vs. Market Adjustments
- Summary Points

## Animal Welfare Research: 3 Surveys Conducted

(Drs. Glynn Tonsor and Christopher Wolf)

- Nov. 2007; 1,000 surveys in MI
  - 205 completes available for analysis
- June 2008; 1,001 surveys across U.S.
  - Focused on pork; gestation crate use
- Oct./Nov. 2008; 2,000 surveys across U.S.
  - Focused on gestation crates, laying hen cages, dairy pasture access
  
- Several projects/grant proposals underway

*Please rank the following species in order of concern you have regarding current animal welfare/handling practices (1 being most concerned):*

- |                | Mean rankings |
|----------------|---------------|
| ■ Beef cattle  | 2.47          |
| ■ Dairy cattle | 3.01          |
| ■ Swine/hogs   | 3.28          |
| ■ Broilers     | 2.99          |
| ■ Laying hens  | 3.25          |
- Beef cattle have highest mean concern
    - Hallmark (Chino, CA) perceptions may underlie this...
  - Interesting difference from ballot initiatives...

Source: Survey of 2,000 U.S. residents

*How much do you agree that the following practices seriously reduce the welfare of farm animals?*

- Castration, Tail Docking, Cages/Crates, Indoor Confinement
- Swine, Dairy Cattle, Beef Cattle, Laying Hens
  - Responses are grouped by production practice rather than species.
  - Suggests 'no industry is immune' and that concerns are global across species

Source: Survey of 2,000 U.S. residents

*What percentage of time do you think animals in each industry are:  
individually confined in crates, stalls, or cages;  
provided access to grass pasture;  
transported ... certified handling...;  
administered antibiotics?*

- Swine, Poultry, and Dairy industries
  - Responses are grouped by production practice rather than species.

Source: Survey of 2,000 U.S. residents

## Perceived price impacts of g.c. ban:

	Entire Pop.	
	Raw %	"Know" %s
Fall by 11% or more	4%	7%
Fall by 6-10%	3%	5%
Fall by 1-5%	2%	3%
Change by less than 1%	5%	8%
Increase by 1-5%	7%	12%
Increase by 6-10%	12%	20%
Increase by 11% or more	26%	44%
Don't Know	42%	

	FOR a G.C. Ban		AGAINST a Ban	
	Raw %	"Know" %s	Raw %	"Know" %s
Fall by 11% or more	3%	5%	5%	8%
Fall by 6-10%	3%	5%	2%	3%
Fall by 1-5%	3%	5%	0%	0%
Change by less than 1%	6%	11%	2%	3%
Increase by 1-5%	9%	16%	2%	3%
Increase by 6-10%	14%	25%	7%	12%
Increase by 11% or more	19%	33%	42%	70%
Don't Know	44%		40%	

Source: Survey of 1,001 U.S. residents

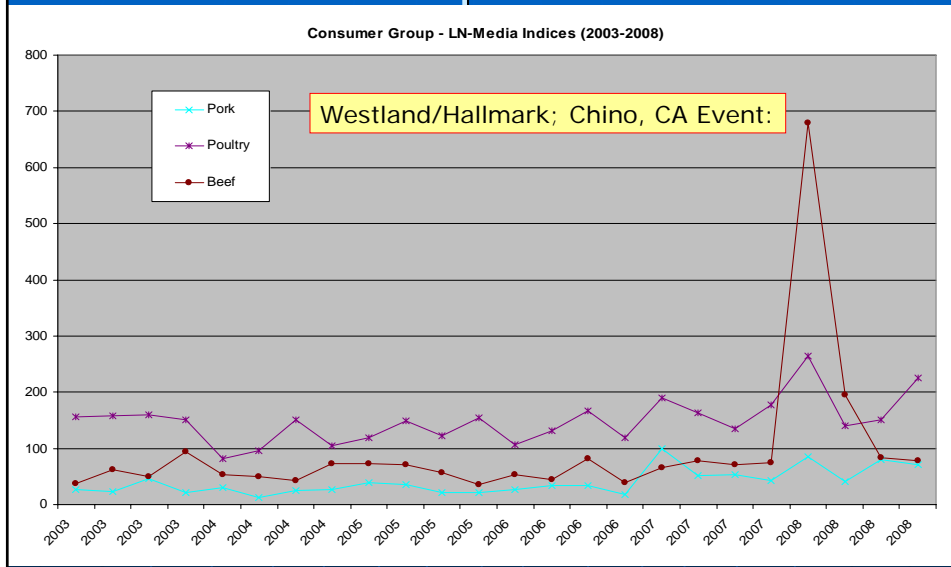
## Perceived Animal Welfare Information Accuracy (1=Very Inaccurate, ..., 7=Very Accurate)

The Humane Society of the U.S. (HSUS)	4.93
University Scientists/Researchers	4.47
People for the Ethical Treatment of Animals (PETA)	4.22
National Milk Producers Federation (NMPF)	4.20
U.S. Poultry & Egg Association	4.18
National Cattlemen's Beef Association (NCBA)	4.11
United Egg Producers (UEP)	4.10
National Pork Producers Council (NPPC)	4.07
State Governmental Agencies	4.00
Federal Governmental Agencies	4.00

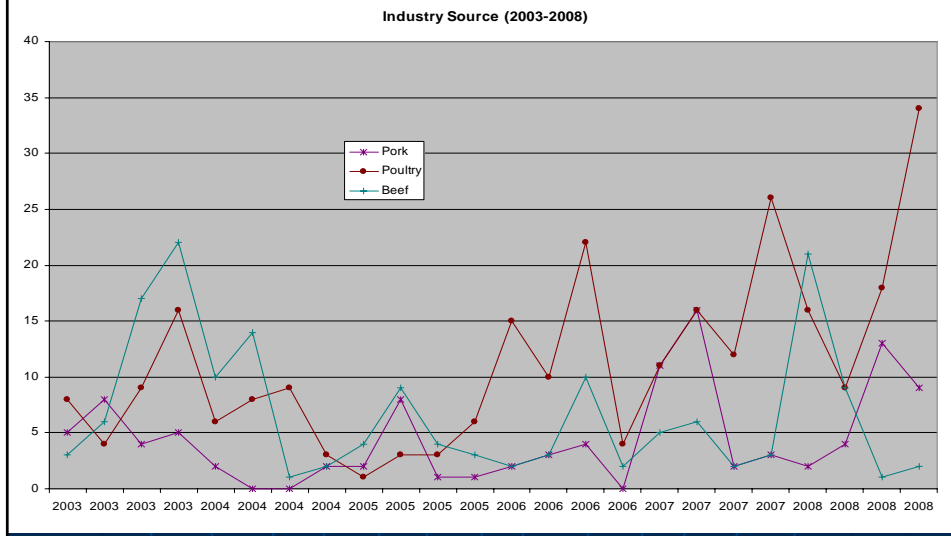
## Perceived Ability to Influence and Assure Animal Welfare (1=Very Low Ability, ..., 7=Very High Ability)

Famer/Grower	5.33
Government Inspectors/Regulators	5.16
The Humane Society of the U.S. (HSUS)	5.00
Meat or Milk Processor	4.68
Animal Industry Representative Groups	4.58
People for the Ethical Treatment of Animals (PETA)	4.44
Consumer – Food Purchaser	4.38
Retail Grocer	3.71
Food Service Restaurant	3.59

## Lexis-Nexis Media Indices: Consumer Group Sourced Articles



## Lexis-Nexis Media Indices: Industry Sourced Articles



### CA's Proposition 2 Question:

*Law would require farmers nationally to confine calves raised for veal, egg-laying hens, and pregnant pigs only in ways that allow these animals to lie down, stand up, fully extend their limbs, and turn around freely.*

- CA actual vote: 63% FOR
- Survey national question:
  - National support: 70% FOR
  - CA residents: 70% FOR
  - MI residents: 69% FOR
  - IA residents: 57% FOR
  - Weakest support in SD: 33% FOR

Source: Survey of 2,000 U.S. residents

*“... three states have passed either ballot initiatives (AZ and FL) or state legislature (OR) that will ban the use of gestation crates by swine operations in their respective states at different points in the future. ... Would you vote **FOR** or **AGAINST** the ban?”*

- 69% nationally (omitting FL, AZ, OR, CO) would vote FOR the ban
  - FL: 55% FOR to 45% AGAINST (Nov. 02')
  - AZ: 62% FOR to 38% AGAINST (Nov. 06')

Source: Survey of 1,001 U.S. residents

## Labeling Impacts on G.C. Ballot Support (69% FOR initially)

- 18% of ban supporters would change vote if:
  - 'all pork products in the US included more complete labeling information accurately depicting if gestation crates were used...'
    - Net count would be 56.5% FOR the ban
- 23% of ban supporters would change vote if:
  - 'all pork products raised using gestation crates were labeled as such and certified to have passed additional food safety inspections...'
    - Net count would be 53.6% FOR the ban

Source: Survey of 1,001 U.S. residents

## Are bans on gestation crates a 'slippery slope' issue?

- 69% of those FOR a g.c. ban would also support a lactation crate (*crates housing an animal for approximately 3 weeks during the birthing and nursing stages of production*) ban
  - Equates to a total of 48% FOR, 52% AGAINST a lactation crate ban

Source: Survey of 1,001 U.S. residents

## Determinants of voting response in crate ban questions:

- Determinants of voting response:
  - Observable demographics are NOT drivers
  - State of residence and pork industry prevalence are NOT drivers
  - Perceptions are highly influential
    - Those associating g.c use with more food safety risk, lower pork quality, larger farm size, or corporate ownership are more likely to support the ban.

Source: Survey of 1,001 U.S. residents



## Ballot Voting Implications

- Targeting residents is difficult (latent perceptions drive voting)
- Residents were insensitive to # years for producers to comply (6-8 is common).
  - 1<sup>st</sup> or most heard voice may set adjustment timetable
  - Substantial costs of not being active or sending mixed signals
  - Industry may have opportunity to pursue longer implementation timetable

## *Would you be in favor of mandatory labeling of:*

- *all pork that was produced by farms using gestation crates/stalls?*
  - 62% YES
    - CA: 66%; IA: 44%; MI: 59%
- *all eggs that were produced by farms using laying hen cages?*
  - 62% YES
    - CA: 65%; IA: 44%; MI: 65%
- COMPARE WITH COOL DISCUSSIONS
- LABELING IS ALTERNATIVE TO PRODUCTION BANS
  - But it does have trade (NAFTA, WTO,...) implications (as does COOL)

Source: Survey of 2,000 U.S. residents

## Demand for Mandatory G.C. Labeling

- WTP = 19.24% (15.57%, 22.81%)
- Higher for:
  - Females, farm visitors, more pets,
  - those believing:
    - consumer groups provide accurate AW information
- Lower for:
  - Older, more kids, higher pork consumption,
  - those believing:
    - industry provides accurate AW information
- Pork Consuming Sub-Sample:
  - WTP = 15.23%
  - 20.84% lower than entire population estimate

## Consumer Pork Preferences

### Simulated Purchasing Analysis

- Pork chop attributes:
  - Production Practice:
    - Typical, Labeled Gestation Crate-Free, Gestation Crate Ban
- Test if WTP G.C. Ban > WTP Labeled G.Crate-Free
  - Necessary to economically justify ban
  - Test if public good benefits (beyond personal consumption/valuation benefits) outweigh private option loss

## MI Consumer Pork Preferences

- 4 Segments – Highly heterogeneous
- Consumers associate farm size with gestation crate use
- Wide support for “gestation crate-free” pork
- HOWEVER:
  - 20% have preferences ‘justifying a gestation crate ban’
  - 80% “could be appeased” by voluntary production of g.c.-free pork
    - So consumers may be valuing producer autonomy

Source: Survey of 205 MI residents

## National Consumer Pork Preferences

- Consumers infer food safety and pork quality from gestation crate use.
  - Common perception is that g.c use reduces food safety and pork quality.
- Supporting evidence:
  - Valuations of gestation crate-free pork are lower when food safety & quality claims are present on pork chop labels.

Source: Survey of 1,001 U.S. residents

## USDA Surveillance: Core Question

*Suppose the next time you go to vote, there is a related referendum on the ballot. If the referendum passes, mandatory USDA (United States Department of Agriculture) surveillance of animal handling at livestock auction markets and processing facilities in the U.S. will increase by X%. Please answer as if you were actually voting on a real referendum. Would you vote **FOR** or **AGAINST** the referendum?*

## USDA Surveillance Question Follow-Up:

*A follow-up question was asked of those **FOR** the initial question: Suppose you were told that the referendum, if it passes, would result in a **Y%** increase in **YOUR** federal income taxes. Would you then change your vote to "**AGAINST?**"*

## Results: Entire Population

- 76.9% supported initial referendum question
- Negative Covariates:
  - Tax increase, Income, F1\_Info: Industry
- Positive Covariates:
  - Female, Consume, F3\_Info: Consumer Groups, F1\_Ability: Food Prep, F3\_Ability: Consumer Group

## Implications/Conclusions

- Residents perceiving:
  - Livestock industry groups (consumer groups) to provide accurate AW info. are less (more) WTP for surveillance
  - Consumer group or food preparation entities have influence on AW are more WTP for surveillance
- Important distinction between voting behavior & consumer demand
  - Everyone gets to vote, regardless of tax situations or meat consumption habits
  - Residents may believe higher surveillance should come from reallocation of public funds.
  - Gov't surveillance requires tax increase or reallocations; voluntary or industry surveillance likely funded by food price increases

## Summary Points

- Consumer desires regularly drive change
  - “Accurate knowledge” is NOT necessary to be influential (perception drives decisions)
- Consumers associate “good AW practices” with smaller farms, higher food safety
- Voting behavior & regulation impacts all
- Little is known about true desires
  - Is group indoor housing sufficient or outdoor pasture necessary???

## Needed Information

- Perceptions of alternatives
  - Is group housing sufficient?
  - How do 6-8 sow pens & 70-80 sow pens compare?
- Production cost differentials
- Modeling of consumer, producer, societal impacts
  - Farm size, facility age, region of production, etc. drive diverse producer impacts
  - Preferences, perceptions, meat consumption habits drive consumer impacts
    - Consideration of alternative legislative possibilities is needed:
      - Regional vs. national implementation
      - Trade scenarios (influence of “cheap imports” may grow)
      - Longer term, possible reversal of ballot initiatives

# QUESTIONS

- Tonsor's website (includes presentation):
  - <http://www.msu.edu/user/gtonsor/>