

Creating Taste of Place for Vermont: An Analysis of Consumers' Willingness to Pay

The de-localization of the food system during the 19th and 20th century severely damaged the connection between the consumer and the place of food production. Through the processing and preservation technology introduced during the 19th and 20th centuries, food which was once produced and consumed in the same region now travels an average of 1,500 miles (Pirog, Richard, & Benjamin, 2003) from production to consumption. There has been focus recently in the United States to create a system that mimics the French place-based food system *Appellation d'Origine Controlle (AOC)*. A place-based system, like the AOC, protects foods and drinks with exclusive links to specific territories (Trubek & Bowen, 2008) . Establishing a system for identifying place-based foods could be a powerful tool for agricultural regions to differentiate themselves in the marketplace. Vermont has been interested in implementing such a system to differentiate its' agricultural products in the marketplace. For this system to be successful in Vermont, a clear understanding of what the attributes consumers' value is critical to the systems success. In this paper, we examine the value consumers' place on particular attributes associated with a product, utilizing a willingness to pay methodology. Willingness to pay is grounded in economic utility theory; examining the maximum amount an individual is willing to pay, exchange, or sacrifice for a particular good. We examine the willingness to pay for (a) organic (b) ethical production (c) made in Vermont and (d) pastoral ideals with different consumer demographic characteristics. We found consumers are willing to pay percentage premiums of 34, 47, 43.5, 42.6 and 54.8 for organic, ethical production methods, made in Vermont, and pastoral ideals respectively. We further discuss the willingness to pay in relation to various consumer attributes.