

Consumer Use of Information: Implications for Food Policy. By Lorna Aldrich. Food and Rural Economics Division, Economic Research Service, U.S. Department of Agriculture. Agricultural Handbook No. 715

Abstract

Government programs that are designed to improve health by changing diets focus on information: education, public information campaigns, and regulation of advertising and labeling. Research from several social science disciplines offers insights for public dissemination and regulation of nutrition information. A review of selected literature in economics, nutrition education, and marketing highlights several research themes. These are the need to motivate consumers to use nutrition information, the value consumers place on time, the possibility that information can change the effects of income on food choices, and the value of enhanced life and health from improved nutrition.

Keywords: nutrition education, economics of information, unfolding, benefit/cost, labeling, NLEA, FTC, USDA, FSIS, FDA, advertising, food, consumer

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Summary

Government programs designed to improve health by changing diets focus on information: education, public information campaigns, and regulation of advertising and labeling. Research from many social science disciplines offers insights for public dissemination and regulation of nutrition information. This report synthesizes research from economics, nutrition education, and marketing on the use of information. Several themes emerged from this selected review of literature: the importance of motivational knowledge, the value of time to consumers, the changing effects of economic variables on food choices over time, and the high value of enhanced health and life expectancy.

During the decades in which nutrition educators have been stressing the relationship between diet and disease, average per capita income in the United States has increased, making food more affordable for the average consumer. Furthermore, as people's incomes rise, they place greater value on time and demand more convenient foods, needs met by prepared foods and restaurants. Overall, it appears that the forces of rising incomes and convenience are outweighing nutrition and health information. These trends may not be inevitable. Economic studies reveal that even as consumers' incomes increase, they may choose to eat more healthful foods as they become more aware of nutrition.

The economic approach to consumer information on nutrition depends on two assumptions: that the consumer believes acquiring information will lead to benefits and that the consumer can use the information to reap the benefits. Nutrition education strives to inform people about nutrition and, ultimately, aims to change eating behaviors so that people reap the benefits of healthful eating and reduced risks of disease. The conclusions of the nutrition education literature review emphasize specific features that must be present if nutrition education is to prompt change: motivation, clear and relevant messages, advocated actions consumers can understand and do, and continued reminders.

Producers provide significant amounts of nutrition information in advertising and labeling. Since the mid-1990's, regulation has increased and channeled this information, but consumers still need motivation to obtain it, process it, and change their behavior. The convenience of nutrition information on packages could make nutrition education and information programs more effective if they can provide motivational knowledge as well. The potential benefits to consumers from the regulatory developments in the 1990's will ultimately depend on the ability of education, advertising, and package claims to motivate people to use labels and to improve their diets and health.

Nutrition information programs aim to enhance life and health through improved nutrition. Government support of nutrition education and regulation of advertising and labeling support this goal. Because these are government programs, policymakers seek benefit-cost calculations for these programs. The high value that consumers place on health and life means that information programs with demonstrated efficacy in improving health will offer benefits that consumers will likely feel exceed reasonable costs.