



Negative consequences of nutrition information disclosure on consumption behavior in quick-casual restaurants



Satheesh Seenivasan*, Dominic Thomas¹

Department of Marketing, Monash University, Caulfield East, Victoria 3145, Australia

ARTICLE INFO

Article history:

Received 30 June 2015

Received in revised form 5 February 2016

Accepted 19 February 2016

Available online 2 March 2016

JEL classification:

I120

PsycINFO classification:

3920

Keywords:

Consumer psychology

Public health

Government policy

Nutrition labels

Obesity

ABSTRACT

Do consumers make nutrition informed and healthier choices in all restaurants where nutrition information is disclosed on the menus? In this study, we investigate whether consumers had better product nutrition knowledge, assigned more importance to healthiness when choosing meals, and chose healthier meals in the stores of a quick-casual restaurant chain that displayed nutrition information on their menus, relative to a control group of stores of the same chain that did not display nutrition information. We find robust evidence for the learning effect: consumers estimated the energy content of meals more accurately in restaurants which displayed nutrition information on menus. However, contrary to prior research findings in the context of fast-food restaurants, we find that consumers overestimated the energy content of meals, and chose healthier meals in quick-casual restaurants which did not display nutrition information on menus. Our findings shed a new light on the previous findings by showing that the effect of menu labeling on the healthiness of meals chosen by consumers depends on their prior nutrition beliefs.

Crown Copyright © 2016 Published by Elsevier B.V. All rights reserved.

1. Introduction

Foods purchased away-from-home, such as in fast-food restaurants and cafeteria, make up an increasingly large share of the daily diet of consumers across the world. According to the US Department of Agriculture, foods purchased away-from-home accounted for 43.1% of the total household food expenditures in 2012, and 32% of the total calories consumed during 2005–2008 (USDA, 2014). In Australia, foods purchased away-from-home accounted for 27% of the weekly household expenditure on food and beverages in 2010 (AIHW, 2012).

Studies show that foods purchased away-from-home tend to be high in unhealthy nutrients such as calories, fat, saturated fat, sugar and salt (Burns, Jackson, Gibbons, & Stoney, 2002). For example, an average fast food meal in Australia provides almost half of an adult's daily energy needs (Cancer Council NSW, 2013). Several studies show that frequent eating of away-from-home foods is associated with increases in body weight, BMI and insulin resistance (Burns et al., 2002; Pereira et al., 2005). Rosenheck (2008) argues that sufficient evidence exists for public health recommendations to limit consumption of foods purchased away-from-home.

* Corresponding author. Tel.: +61 3 99034184.

E-mail addresses: Satheesh.seenivasan@monash.edu (S. Seenivasan), Dominic.Thomas@monash.edu (D. Thomas).

¹ Tel.: +61 3 99032059.

As the prevalence of obesity as well as consumer spending in foods away-from-home continue to grow unabated in countries such as the US, UK and Australia, nutrition labeling on restaurant menus has been proposed as an informational remedial measure to help consumers regulate and limit their consumption of unhealthy foods by making better-informed decisions and healthier choices (Howlett, Burton, Bates, & Huggins, 2009; Moorman, 1990). Several states in Australia have passed legislations mandating the disclosure of nutrition information on restaurant menus (NSW Food Authority, 2014). In November 2014, the US FDA mandated that all restaurant chains with 20 or more restaurants in the US display calorie information on their menus as part of the Affordable Care Act (FDA, 2014). However, there is little evidence to show that providing such information will promote healthier food choices (Downs, Loewenstein, & Wisdom, 2009).

Studying the outcome of menu labeling on consumption behavior in restaurants is evidently an important and timely consumer welfare and public policy issue (Howlett et al., 2009). Despite multiple studies on this topic, there is a lack of consensus on the outcome of labeling on consumption behavior in restaurants. While some studies report a modest decline in the energy content (caloric value) of food purchased per transaction after menu labeling (Bassett et al., 2008; Bollinger, Leslie, & Sorensen, 2011; Dumanovsky et al., 2011; Krieger et al., 2013), others report no change in purchase behavior (Downs et al., 2009; Elbel, Kersh, Brescoll, & Dixon, 2009; Finkelstein, Strombotne, Chan, & Krieger, 2011). Secondly, existing studies in this stream have predominantly focused on mainstream fast-food or quick-service restaurants (such as McDonald's, KFC, and Subway), and there is limited understanding of the implications of labeling for other formats of chain restaurants such as quick-casual restaurants and full-service restaurants. Although prior studies have proposed different mechanisms such as learning effect (Bollinger et al., 2011; Moorman, 1990), salience effect (Bollinger et al., 2011; Haws & Winterich, 2013), and stress effect associated with perceiving conflicting food information (Scott, Nowlis, Mandel, & Morales, 2008), to explain the effects of menu labeling in restaurants; very few studies have empirically tested the roles of such mechanisms in naturalistic field settings. For instance, Bollinger et al. (2011) empirically test the roles of learning and salience in explaining the effects of labeling in Starbucks coffee chain in the short run (one month after labeling). Further, most of the existing studies assess the outcome of labeling in the short term, i.e., less than a year after label posting (Bollinger et al., 2011; Dumanovsky et al., 2011; Elbel et al., 2009; Finkelstein et al., 2011). Given these limitations in the scopes of existing studies, additional empirical research is necessary to ascertain the outcome of restaurant menu labeling, particularly in naturalistic settings and under-investigated consumption contexts. Such research assumes even more significance now as the US is implementing nationwide menu labeling and as other countries such as the UK are considering menu labeling legislation (FDA, 2014; FSA, 2014). Therein lies the motivation for this study.

In this study, we investigate the long-term effects of menu nutrition labeling in a health-focused, premium-priced burger Quick-Casual Restaurant (QCR) chain in Australia. QCRs (examples include Chipotle and Panera Bread in the US) fill a niche between fast food and full-service restaurants (Ryu & Han, 2010). They typically have premium prices and differentiate from fast-food restaurants by offering features such as healthy foods, fresh ingredients, ethnic and vegetarian foods (Moskin, 2014). We propose that the effect of menu labeling in QCRs could be different from that of fast-food restaurants as consumers' prior beliefs about product healthiness could differ across these two formats. Research has shown that consumers' beliefs about the healthiness of foods interact with the objective nutrition information in menu labels and influence their choice behavior (Howlett et al., 2009). In general, consumers tend to underestimate the amount of negative nutrients such as calories, sodium and fat in the foods in mainstream fast-food restaurants (Burton, Howlett, & Tangari, 2009; Chandon & Wansink, 2007b). However, consumers' prior beliefs about the amount of nutrients and thus, the healthiness of foods in QCRs could be different from that of fast-food restaurants because of the substantial differences in their positioning and offerings. Any such differences in consumers' prior beliefs could have different influences on their consumption behavior in the presence and absence of nutrition information (Dolan et al., 2012). Therefore, the effect of menu labeling in QCRs warrants systematic empirical investigation.

We take advantage of a natural field experiment created by differences in labeling laws across different states in Australia, and investigate whether consumers have better nutrition knowledge, assign more importance to healthiness when choosing meals, and choose healthier meals in the restaurants of a QCR chain that displayed nutrition information on their menus, relative to control restaurants of the same chain that did not display nutrition information on their menus. Besides the effect of menu labeling on consumers' eventual food choices, we also investigate the underlying mechanisms through which menu labels influence their choices. We begin by discussing the relevant theoretical background in the subsequent section, followed by a detailed discussion of our data and empirical results.

2. Theoretical background

The nutrition content of foods is a credence attribute, and consumers cannot accurately assess the amounts of nutrients (such as fats, fiber and sodium) contained in a food even after consuming it (Burton et al., 2009). When nutrition information is not readily available, consumers rely on their prior consumption experiences, food-related knowledge and impressions of food healthiness to form beliefs about the nutrition content of foods. These beliefs are likely to influence their evaluations and choices of foods (Chernev & Gal, 2010; Howlett et al., 2009; Oakes, 2005). Although most restaurant chains do have nutrition information available on their websites or provide them upon request, the search cost associated with finding information from such sources is likely to exceed the perceived benefit for most consumers (Bassett et al., 2008). Therefore,

Download English Version:

<https://daneshyari.com/en/article/884873>

Download Persian Version:

<https://daneshyari.com/article/884873>

[Daneshyari.com](https://daneshyari.com)