Studying purchasing Behavior of Tunisian Olive Oil Consumers

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This paper is, to our best knowledge, a first investigation of Tunisian olive oil consumer behaviour by the use of the conjoint analysis technique. A face to face questionnaire was designed and administered in Tunis City, to conduct the conjoint experiment with regard to the following attributes: olive oil type, taste, colour, packaging, region of origin, and price. Three econometric models were used in the analysis: Conditional Logit (CL), Ordered Logit (OL), and Rank Ordered Logit (ROL). Based on the models estimates, willingness to pay (WTP) for product attributes were evaluated. The main results indicate that OL model followed by ROL model show better estimates in comparison to the traditional CL model. Regarding the olive oil type, consumers have higher preferences for extra-virgin olive oil, followed by virgin and then olive pomace oil. Tunisian consumers have higher probabilities to buy a green coloured olive oil with strong flavoured taste. Consumers, however, were found to prefer buying bulk rather than bottled olive oil. The region of origin attribute did not show significant effect in consumers’ purchasing decision. WTP estimates indicate that consumers are willing to pay more than 2.5 dinars/litre (1.5 euro/litre) to switch from olive pomace oil to extra-virgin olive oil, and about 2 dinars/litre (1.13 euro/litre) to switch from olive pomace oil to virgin oil.

Keywords: Olive oil, Tunisia, Consumer behaviour, Conjoint analysis, WTP.

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