



INSTITUT
PAUL
BOCUSE

École de Management
Hôtellerie
Restauration
& Arts Culinaires

CENTRE
DE
RECHERCHE

Professional Seminars of the Institut Paul Bocuse Research Centre

Experimental Economics for Product Evaluation

September 27th, 2013

Lyon, France



*Located in Ecully, next to Lyon, the Institut Paul Bocuse offers both undergraduate and graduate programs aimed at training future professionals in the fields of culinary arts, hospitality and foodservice management. The Research Centre opened its doors in 2008, with the purpose of training young researchers and exploring the many scientific challenges pertaining to the areas of expertise of the Institut. At the interface between university and industry, the research projects are conducted from a pluridisciplinary perspective, focusing on the study of choices, usages, and perceptions in order to investigate the link between man and food in the contexts of culinary arts, hospitality and foodservice. The **Professional Seminars** of the Research Centre are another opportunity to connect the industrial and academic worlds **by providing professionals with practical, up-to-date knowledge of the most innovative scientific approach and methods.***

CENTRE DE RECHERCHE DE L'INSTITUT PAUL BOCUSE

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Context Consumer insights are increasingly integrated into the product development and innovation processes in the industry. In this context, there is a growing need for reliable, practical and feasible methods to evaluate consumer opinion and to predict consumer behaviours. One of the key variables of interest for consumer-based product evaluation is willingness-to-pay, *id est* the value that consumer place in new products or additional characteristics. A new approach has been developed in order to measure this variable, based on the methodological concepts of experimental economics. Though such methods are now frequently used to address valuation questions in applied economics research, they are still rarely implemented in the industry, despite their direct applicability and their valuable strategic outcome for product development and innovation.

Aim The main purpose of the seminar is to provide professionals with an opportunity to acquire knowledge and practice of the most up-to-date and innovative methods in experimental economics for the measure of willingness-to-pay for products.

Contents The day combines plenary talks presenting synthesis of scientific papers, case studies exercises and practical demonstrations. Participants will also have the opportunity to reflect on the application of these methods for their own product development. Through an intensive program combining keynote talks and interactive practice sessions, this seminar will address the following topics:

- The key economic concepts associated to product evaluation (value, preferences, willingness-to-pay) and their application to product development and innovation.
- The usual tools for the measure of willingness-to-pay, their advantages and limits.
- The fundamentals of experimental economics and how it can be used for willingness-to-pay measure
- Product valuation using experimental economics: the most commonly used mechanisms and how to implement an experiment.

Speakers

Pr. Bernard Ruffieux is a Professor of Economics at the Grenoble Institute of Technology, a leading engineering School in France. He teaches in the Industrial Engineering and Management Department: Organizational Economics, Behavioral and Experimental Economics, Economics of Strategy and Organization, Economics of Product Conception. He created the Grenoble Applied Economics Lab (GAEL) a research unit of the French National Institute for Agricultural Research (INRA) specialized in experimental economics. He developed field experiment methods to observe collective and individual behavior both for theoretical and applied purposes. On collective behavior, he studied market design, financial bubbles, incentive mechanisms and mass coordination. On individual behavior, he's now focused on developing 'framed field experiment' tools for observing consumer behavior with applications to both corporate management and public policy. Applications are in a large range of issues from corporate competitive advantage based on product differentiation, versioning or pricing, to nutrition policy based on taxes or labeling. In parallel to its applied research, he keeps on contributing to the development of behavioral economics theory. He currently works for the French National Research Agency (ANR), for Ministries of Health and Environment, for National Institute for Cancer; as for private corporations. He is a member of the Scientific Board of the Institut Paul Bocuse. He'll be the 2014 President of the French Association of Experimental Economics.

Laure Saulais, PhD is a researcher in behavioural economics at the Institut Paul Bocuse research centre and an associate researcher at Grenoble Applied Economics Lab. Her research focuses on the interactions between the informational or physical context and individual choice behaviours in away-from-home eating situations. She has a life science engineering degree from AgroParistech, a MSc in environmental economics from Paris X University and a PhD in experimental and behavioural economics from Grenoble II University. She also teaches experimental economics in several MSc courses.

Program

9:00	<i>Welcome and coffee</i>
9: 15	Introduction of participants
9:30	Introduction to product valuation the link between preferences, willingness-to-pay, and economic value
10:30	An overview of methods to measure willingness-to-pay: description, advantages and limits Case studies and Exercises
11:30	<i>Break</i>
11:45	Experimental economics: general introduction. The use of experimental auctions to measure willingness-to-pay.
12:45	<i>End of the morning session</i>
13:00	<i>Lunch at F&B restaurant, Institut Paul Bocuse</i>
14:00	Incentive-compatible value elicitation mechanisms: Focus on BDM and Vickrey Auctions. Alternative methods. Practice and Exercises
15:00	Best practices and recommendations for conducting economic experiments to study consumer valuation of a product Practice and Exercises
16:00	<i>Break</i>
16:15	Taking into account the context in product evaluation experiments: the challenges of external validity – main challenges and practical solutions Case studies and exercises
17h15	<i>Questions and Discussion</i>
18h	Farewell drink - End of the seminar
18h15	Optional visit of the Institut Paul Bocuse

Attendance

This seminar is targeted mainly at R&D or marketing professionals interested in innovative methods for the measure of willingness-to-pay for product evaluation. While the context of the seminar at the Institut Paul Bocuse may call in priority for professionals from the food, beverage or foodservice industry, the seminar is open, more widely, to professionals and academics from both the private and public sectors.

Organization

- Date:** Sept 27th, 2013
- Official language:** English
- Location:** Institut Paul Bocuse Research Center Ecully (Lyon), France
- Fees:** 650 €
[covering registration, coffee breaks, reprints of the presented material, lunch]
- Deadline for registration:** September 11th 2013
[the number of participants is limited]
- Contact and queries:** recherche@institutpaulbocuse.com

Accommodation - List of possible hotels:

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| - Campanile Ecully | www.campanile.fr/ecully |
| - Cool and Bed, 32 quai Arloing 69009 Lyon | www.coolandbed.com |
| - Resid' Hôtel Lyon Lamartine | www.residhotel.com/lyon-lamartine.html |
| - Holiday Inn Lyon Vaise | www.holidayinn.com/hotels/fr/fr/lyon/lysvv/hoteldetail |
| - Ibis Lyon Perrache | www.ibishotel.com/fr/hotel-2751-ibis-lyon-centre-perrache/index.shtml |
| - Mercure Beaux Arts | www.accorhotels.com/fr/hotel-2949-mercure-lyon-beaux-arts/index.shtml |
| - Hôtel Le Royal | www.mgallery.com/Lyon |
- (Hotel school of the Institut Paul Bocuse - ask us for partnership fare)*

OTHER SEMINAR

- Date:** 5th September, 2013
- Topic:** Satiety and Eating behavior
- Key speaker:** Dr. France BELLISLE

Did you know?

The Institut Paul Bocuse Research Center aims at better understanding the pleasure of eating in various sectors. Its experimental restaurant and its original *in situ* approach on meal experiences is part of EnoLL, the European network of Living Labs. The Center offers a multidisciplinary approach to study three main topics 1) Perception and cognitive sciences, 2) Choices and behavioral economics, 3) Usages and ethnography. Researchers from the team will contribute to the day by sharing methods and results and design specific exercises conducted on site.