Script for Seed WTP Experiments – Burkina Faso 2017

Step 1: Introduction/consent

The enumerator will introduce himself, read the consent script on the first page of the questionnaire to the farmers, and record their verbal consents to participate in the survey and experiments.

Step 2: Complete Seed Survey

Enumerator will thank the farmer for agreeing to be interviewed and then complete the seed questionnaire with the farmer.

Step 3: Overall description of Experiment

At the end of the seed survey, enumerator will remind the farmer's memory on the willingness to pay experiment.

ENUMERATOR:

Ok, thank you again for being willing to participate. To begin with, let me give you an overall description about what we will be doing. We are interested in getting an idea about how much you would be willing to pay for three different types of seeds—certified seeds (CS), quality declared seeds (QDS) and own-saved or recycled seeds. To make your decisions more realistic, we are going to give you 1500 FCFA that you can use to purchase a one kg bag of one the seeds that we will show to you.

The experiment will have two parts.

In the **FIRST PART**, I will present you with three small bags of seeds of the SAME VARIETY but DIFFERENT TYPES/QUALITY. Specifically, a bag of seed will contain seeds of one of the following seed quality—Certified seed, QDS or own-saved seeds. Certified seeds are seeds that have been produced from foundation seeds, using agronomic practices and inputs to produce disease free, clean and good quality seed, and have undergone inspection, quality tests and certification process through an official government agency. Quality declared seeds (QDS) are seeds that have been produced by specialized seed producing farmers under similar guidelines to ensure quality standards, but are not certified by the government agency. Own-saved seeds or recycled seeds are grains produced by cowpea farmers like you who saved them from previous harvest to replant this season or grain you can purchase from the market.

Each bag will be labelled with the actual name of the type of seed contained in the bag.

I will give you some time to examine the seed in each bag, after which I will ask you to record on a bidding sheet the MAXIMUM AMOUNT you are willing to pay for 1 kg each of the three types of seeds that I will show you. Seed cost or the price of each type of seed is in increments of 50 FCFA. We will then draw a random price using a method that I will explain later, and if the price you bid is greater than or equal to this random price, you will win the seed at that random price. Please note that it is in your best interest to bid the maximum amount that you are willing to pay for each of these seeds because this will increase your chance of winning the seed bid and for purchasing a bag of 1 kg seed at the end of this session.

In the **SECOND PART**, I will show you pictures of fields planted with these three types of seeds, still of THE SAME VARIETY. These fields represent fields of farmers like you who planted these three types of cowpea seeds next to each other using the same inputs and management practices. This time, each field will be labelled either L, M, or G. For each label (L, M or G), I will show you two pictures, one picture to show the performance of the seed during the flowering stage, and the other picture to show the performance of the seed type during the harvest stage. I will give you some time to observe the pictures associated with each of these seed types, after which I will ask you to indicate the MAXIMUM AMOUNT you are willing to pay for each type of seed labelled L, M and G, using the 1500FCFA that will be allocated to you. As in the first part, the price of seed is in increment of 50 FCFA. We will then draw a random price using a method that I will explain later, and if the price you bid is greater than

or equal to this random price, you will win the seed at that random price. So remember that it is in your best interest to bid your highest possible amount, as you would be increasing your chances of winning the bid and purchasing one type of seed at the end of the experiment.

Nevertheless, before we do that, I would like to do a practice of how this works in which I will give you 300 FCFA in order to bid on purchasing a bar of soap like this one.

Hold up bar of soap

Let us do the practice bidding experiment first, and then we will explain more about the seed auction, ok?

Do you have any questions? Should we begin?

Step 4: Practice Bidding Experiment with Soap

The enumerator will begin explaining the practice experiment.

ENUMERATOR:

Ok, so for this practice I will give you 300 FCFA to bid on one bar of soap.

I will also give you the questionnaire that we have just completed.

On the last two sheets of the questionnaire are the Seed bidding recording sheets.

On this bidding recording sheet you will write down the maximum amount you would be willing to pay for this bar of soap (in increments of 50 FCFA).

Once you have done this, I will collect the bidding sheet and move on to determine if you win and buy a bar of soap.

To determine if you win I would simply choose a random price between 0 and 300FCFA – I will explain how in a moment.

*If the price you bid is **greater than or equal to** this random price, then you win, **BUT** you pay the random price – not what you bid. This means that if you win, you pay a lower price for the soap than you bid (unless the random price is the same as your bid).*

*On the other hand, if the price you bid is **less than** this random price, then you do not purchase the soap and you can keep the money.*

*If you win, we will give you a bar of soap **and** the remaining amount of your 300FCFA; that is, 300FCFA minus the random price.*

For example, if you bid 150 FCFA and the random price is 100FCFA, then you would pay 100FCFA for the soap and get it, along with the remaining 200 FCFA.

If you do not end up buying the soap, you do not spend any of your 300FCFA buying soap and we will give you 300FCFA.

Are there any questions?

We will determine the random price as follows:

Enumerator: Write on the bidding recording sheet three spaces as in:

_____ _____ _____

The last digit will always be a zero.

The first digit can be a 0, 1, 2 or 3. We will roll this 4-sided dice to determine which it is…if the dice comes up 1, 2 or 3, the first digit will be whatever is rolled. If the dice comes up a 3, our random price will automatically be 300 FCFA because that is the maximum amount of money that you have. If the dice comes up 4, the first digit will be a 0.

The second digit can only be a 0 or 5. We will toss a coin. If the coin comes up a head, the second digit will be 5, if it comes up a tail; the second digit will be 0.

Overall, we will end up with one of the following random prices/numbers: 000 FCFA, 050 FCFA, 100 FCFA, 150 FCFA, 200 FCFA, 250 FCFA, and 300 FCFA.

Are there any questions so far?

Before I hand out the practice round bidding sheets, let me explain the best strategy in this type of auction. The BEST thing to do is to bid the MAXIMUM amount you are willing to pay. This is because it is very likely you will actually pay LESS if you win.

However, bidding <u>less</u> than what you would be willing to pay might mean that you miss buying the soap at a price lower than you would be willing to pay.

Similarly, bidding <u>more</u> than what you would be willing to pay might mean that you end up having to pay more for the soap than you really want to. For example, if you are willing to pay a maximum of 100 FCFA, but you bid 200 FCFA and the random price ends up being 150 FCFA, then you would pay 150 FCFA – more than you were willing to!

Overall, your best strategy is to bid the MAXIMUM amount you are willing to pay.

Ok, let us go ahead and play this practice bidding game.

Enumerator ask farmer to write that the maximum amount he or she is willing to pay for the bar of soap

Ok, now let us go ahead and determine the random price.

[Determine random price as outlined above while writing it down on the bidding sheet. We can allow a farmer to flip coin/role dice as long as it is tossed sufficiently to make it random.]

Ok, so this is the price (*say the random price*) – if you bid more than or equal to this price, you buy a bar of soap at this price (*say the random price*). If your bid was less than this price (*say the random price*), you will not buy a bar of soap, but will receive the 300 FCFA.

Ok, so we will pay you and give you the soap (if you bought one) after we do the seed auction.

Step 5: Seed Bidding

The enumerator will begin explaining the seed auction.

ENUMERATOR:

Ok, so hopefully you have a better idea about how this seed experiment will operate. It will be very similar to the practice bid you just did, except for a few things:

First, you will be bidding to purchase a one kg bag of the seed that will be shown to you. As explained in Step 3, in the first part of the experiment, you will be asked to record the maximum amount you are willing to pay for three types of seeds of the same variety: certified seeds, quality declared seeds or own-saved / recycled seeds. You will be given the bidding recording sheet to record your maximum willingness to pay for each of these seed types.

Next, I will present you with pictures of three types of seeds of the same variety labelled L, M and G. One of these seed type is certified, one is QDS and one is own-saved/recycled. But I do not know which one is which. For each type of seed, L, M, and G, you will be shown 2 pictures, one at the flowering stage and the other at the harvest stage. Specifically, you will be making 3 additional bids – one for each type of seed with pictures (labeled L, G and M). Even though you are bidding for each type, ONLY ONE type will actually have a random price determined and will be bought/sold. You will not know which type is available, so you should bid as if each one might be the one chosen.

Second, instead of 300 FCFA, I will be giving you 1500 FCFA to use to bid for seed. Just as before, any amount you do not use to purchase seed will be given to you after we are done.

Third, the random price can be between 0 and 1500 FCFA and will be determined as follows:

Enumerator: Write on the bidding sheet four spaces as in:

_____ _____ _____ _____

As before, the last digit will always be a zero.

The first digit can be a 0 or a 1. You will toss a coin to determine this. If the head comes up, the first digit will be recorded as 1. If a tail comes up, the first digit will be recorded as 0.

If you had a 0 (tail) in the first digit, for the second digit, you will roll a 9-sided dice. The possible numbers can be a 0, 1, 2, 3, 4, 5, 6, 7, 8 or 9. We will roll this 9-sided dice….if it comes up 0, 1, 2, 3, 4, 5, 6, 7, 8 or 9 it will be that number.

If you had a 1 (head) in the first digit, for the second digit, you will roll a 6-sided dice to determine if that second digit is 0, 1, 2, 3, 4, or 5. If in the dice rolling number 1, 2, 3, 4, or 5 comes up; the second digit will be recorded as that number. If a 6 comes up, it will be recorded as 0.

For the third-digit, we can only have two possible options since the bids are made in increments of 50 FCFA. You will toss a coin again. If a head comes up, we will record as a 5. However, if a tail shows up, we will record as a 0.

Overall, we will end up with a number between 0 FCFA and 1500FCFA in 50 FCFA increments. As before, each number is equally likely.

Are there any questions?

Ok, before we hand out the bidding sheets back to you, let me just remind you that your best strategy is to bid the MAXIMUM amount you are willing to pay for each seed quality. Remember, since we are only going to determine a random price for ONE of the seed type – certified, QDS, recycled, L, M or G, you do NOT need to try and spread your 1500FCFA across the six different seed types – in fact, you can bid 1500 FCFA for each seed type and not have to worry about spending more than 1500 FCFA.

Any final questions?

[Hand out seed recording bidding sheet]

Then show the seed samples and let farmers examine them.

Ok, go ahead and write down your bids for these three seed types—CS, QDS and own-saved or recycled seeds that I just showed you the samples. Remember that this is for a 1 kg bag of the seed type. Please keep bids to 50 FCFA increments.

Now, carefully examine the pictures of fields planted with seed type L, M and G. Remember that we do not know the identity of these seed types, but one of these fields was planted with a certified seed, one with QDS and one with recycled seed of the same variety. These are fields of farmers who planted these seeds next to each other in the same field, under the same practices and inputs.

On your bidding recording sheet, record the maximum amount you are willing to pay for seed type L, M, and G. Remember, you are bidding for the type of seed planted on these fields not the grain that will be harvested.

[Collect bidding sheet, making sure that bids and numbers are entered and legible and that all bids are in 50 FCFA increments.(i.e., 1,025 FCFA is not a valid bid)

Ok, so now, I will randomly draw from this bag, one of the 6 seed types for which you have indicated your maximum willingness to pay (CS, QDS, own-saved seeds, L, M, and G). NOTE: enumerator will carry small packs of each seed type, labelled at the bottom (certified, QDS, recycled, L. M or G)

You will have an opportunity to purchase this seed if your bid for this seed is greater than the random price for this seed type.

Ok, so now that we have randomly selected the seed quality available for purchase today, let us go ahead and determine the random price.

[Determine random price as outlined above while writing it down on the farmer is bidding sheet. We can allow a farmer to flip coin/roll dice as long as it is tossed sufficiently to make it random.]

Ok, so this is the price – if you bid was more than or equal to this price, you won and will buy a 1 kg bag of this quality seed at this price. If your bid was less than this price, you will not buy seed, but will receive the 1500 FCFA.

Thank you!