#### Analyzing Beach Recreationists' Preferences for the Reduction of Jellyfish Outbreaks: Economic Results from a Stated Choice Experiment in Catalonia, Spain

Paulo A. L.D. Nunes, Maria L. Loureiro, Laia Piñol, Sergio Sastre and Louinord Voltaire

SGA Meeting, Dubai, 27/10/2014

#### Area of Study (1)

#### Map of Spain and Catalonia Area of Study: Catalonia





#### Area of Study (2)





Top 10 Islands Top 10 Beaches Top 10 Beach Cities Top 10 U.S. Family Beaches Top 10 Beach Dri





Share

1. Barcelona, Spain

#### **Objective**



- To asses the impact of jellyfish outbreaks in recreationists preferences in Catalonia (Spain).
  - Catalonia is a world leading tourism destination: 580
     Kms of coastline, 263,7 million beach recreational visits in 2011.
- 1. We assess the impact of risk of jellyfish outbreaks on beach recreationists, understanding preferences of beach attributes (including services and water quality).
- 2. We compute the willingness to pay to avoid jellyfish outbreaks by the implicit value of the additional time that visitors are willing to travel to the beach in order to reduce the probability of encountering jellyfish.

#### **Structure of Presentation**

- Data collection procedure
- Methology
- Empirial Estimates
- Overal significance of the results



#### **Data collection procedure**

- Selection of beaches has been done according to different morphological and locational characteristics of beaches.
- Face to face interviews were conducted in summer 2012 at selected beaches.
  - 362 completed questionnaires were collected at selected beaches.

#### **Questionnaire design**

- The design of the interview was tested by several focus groups and pilot experiences.
- Enumerators took the shortline as a reference line and walked ten meters straight ahead between each respondent, randomly inquired.
- Interviewers were carried out only to beachgoers.
- Beachgoers were approached while sunbathing or walking along shoreline.

#### **Survey Structure**

- Six sections:
  - Initial questions about beach use and travel habits to the beach
  - Second section about expenses on traveling to the beach
  - Third section (not used for this paper) about contigent behavior type of questions
  - Forth section socio-economic impact of jellyfish outbreaks: stings and treatment costs
  - Fifth section about choice exercise between beach type A and B
  - Sixth section concluded with socio-demographic questions

# Choice Experiment: Example of a choice card

	BEACH/PLAYA A	BEACH/PLAYA B	OTRA ACTIVIDAD OTHER ACTIVITY
Riesgo de medusas Jellyfish risk			
Calidad del agua Water quality			
Servicios Services	Ressible	Adaptados Accessible	
Tiempo adicional Additional Time	MIN         20%           10         12           20         24           30         36           40         48           50         60           60         72           70         84           80         96           90         108           100         120	MIN         30%           10         13           20         26           30         39           40         52           50         65           60         78           70         91           80         104           90         117           100         130	

#### **Choice Experiment: Attributes levels**

Attributes	Levels		
Jellyfish risk	Low risk (=<2days/week)	High risk (more than 5 days/week)	
Water quality	Average	Above average	
Services	Parking and toilettes	Parking, toilettes and children play area	Parking, toilettes, children play area and security
Additional Time	A	В	С

#### **Sample Description**

S.F.(1)

			Stu.
Variable •	Description	Mean	Dev.
Man	1, if the respondent was a man; 0 otherwise	0.218	0.413
Less half a	1, if the respondent has planned to stay at this beach less than half a day; 0		
day	otherwise	0.726	0.446
Half a day	1, if the respondent has planned to stay at this beach half a day; 0 otherwise	0.210	0.408
Whole day	otherwise	0.064	0 244
Resident	1 if the remondent has his/her first residence in this place: 0 otherwise	0.004	0.406
Kesident	1, if the respondent has his her first residence in this place, o otherwise	10.457	0.490
Length stay	Length stay	15.906	24.629
Foot or bike	1, if the respondent has come to the beach on foot or bicycle; 0 otherwise	0.474	0.499
Car or	<ol> <li>if the respondent has come to the beach by car or by motorbike; 0</li> </ol>		
motorbike	otherwise	0.390	0.488
Public			
transport	1, if the respondent has come to the beach by public transport; 0 otherwise	0.136	0.343
Yes stung	1, if the respondent has been stung by a jellyfish; 0 otherwise	0.217	0.412
Know	1, if the respondent knows someone who has been stung by a jellyfish; 0		
somebody	otherwise	0.172	0.377
	<ol> <li>if the respondent has not been stung by a jellyfish or does not know</li> </ol>		
No stung	anyone who has been stung; 0 otherwise	0.611	0.488
Age	Age of respondent	42.709	13.500
International	1, if the respondent is international; 0 otherwise	0.236	0.424
Area	-		
residence	1, if the respondent does not live in Spain; 0 otherwise	0.178	0.383
Educational			
level	1, if the respondent has above high school; 0 otherwise	0.496	0.500
Job	1, if the respondent has a job; 0 otherwise	0.722	0.448
Low income Medium	1, if the respondent has lower income; 0 otherwise	0.367	0.482

#### **Choice experiment results (1)**

 $U_{ij} = \beta_1 additional \ time_{ij} + \beta_2 water \ quality_{ij} + \beta_3 services_{ij} + \beta_4 \ jelly fish \ risk_{ij} + \varepsilon_{ij}$ 

• Conditional Logit (Clogit)

CLOGIT				
Variable	Coefficient	Std. Err.	P z >Z*	
Risk	-0.349	0.049	0.000	
Water	0.730	0.036	0.000	
Environment	0.409	0.038	0.000	
Nominal time	0.079	0.016	0.000	
Nominal time <sup>2</sup>	-0.001	0.000	0.000	

## Willingness to pay (WTP) (1)

#### Table: WTP for Conditional Logit model

		WTP			
Variable	Coefficient	Std. Err.	<b>P</b>  z >Z*	95% Co Int	onfidence erval
Jellyfish risk	-3.810	0.890	0.000	-5.553	-2.066
Water quality	7.975	1.773	0.000	4.500	11.450
Services	4.472	1.104	0.000	2.309	6.635

# Willingness to pay (WTP) (2)

• The attribute of *time* is divided into quartiles

Quantile	Time	
First quantile	5 minutes	
Second quantile	10 minutes	
Third quantile	30 minutes	
Fourth quantile	180 minutes	

# Willingness to pay (WTP) (3)

• Willingness to pay with Clogit results

	WTP for Clogit per quantiles of traveling time			
	FirstSecondThirdQuantilequantilequantile		Fourth quantile	
Risk	3.74 min	3.25 min	2.13 min	0.59 min
Water	7.84 min	6.81 min	4.46 min	1.24 min
Environment	4.39 min	3.82 min	2.50 min	0.69 min

#### **Relative Willingness to pay (WTP)**



# **Relative Willingness to pay (WTP)**

	5 minutes 1	0 minutes	30 minutes
<u>risk</u>	74,8%	32,5%	7,1%
<u>water</u>	156,8%	68,1%	14,9%
infra	87,8%	38,2%	8,3%

#### **Monetary Figures**

- **Time has value**: monetarization technique employing earned income per hour.
- In total, we find that Catalan tourists are willing to pay about 274,6-316,1 million Euro/year.
- This implies that visitors are willing to pay 16%-19% of the Catalonian tourism receipts just to avoid jellyfish outbreaks.

#### Conclusions

- Jellyfish outbreaks cause important nuisense to tourists.
- Tourists are willing to make sacrifies on time in order to visit beaches with less probability of outbreaks.
- Results show that cost-benefit analysis of jellyfish control operations pass a cost-benefit analysis as long as anual costs are below the estimated WTP to avoid outbreaks.
- Important nice for information devises such as smart phone applications (medjelly iphone application).

#### Thank you!

#### Comments and questions are appreciated!



maria.loureiro@usc.es