Consumers’ Knowledge about and Willingness to Use Ethanol
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As oil prices rise and the oil supply becomes depleted, consumers are turning to alternative fuels. With that in mind, more emphasis has been placed on developing vehicles that can run on a mixture of gas and ethanol and/or pure ethanol. The objective of this study was to provide preliminary insights into what consumers know about ethanol and their willingness to use it as a fuel.

Investigators developed a survey instrument to collect the data necessary to accomplish the research objective. The survey contained eighteen questions, some of which were multipart. The questions addressed such issues as environmental concerns, knowledge of various characteristics of ethanol, and willingness to use ethanol as fuel under different circumstances. Demographic data (age, ethnicity, gender, income, and education level) were also solicited. One hundred surveys were collected in Southern California. Because the sample was non-random, results should be considered preliminary insights and should not be used to generalize to larger populations.

Data were analyzed using the SPSS software package. Sixty-eight of the respondents indicated that they were aware of ethanol prior to the survey, while 31 indicated that they were not aware of it. Respondents indicated how important five issues were to them. These issues were, in declining order of importance, gas mileage, a cleaner environment, vehicle power, conserving resources, and dependence on foreign oil. Eighty-six respondents indicated that they would like to know more about ethanol. Independent sample t-tests were performed to detect differences between the responses of groups formed on the basis of demographic characteristics.

Statistically significant differences among the responses of different groups were as follows. The respondents who were older than 25 indicated that they were more knowledgeable about ethanol than younger respondents did. The older respondents also indicated that they were more willing to travel to purchase ethanol. The group of respondents with an education level of “some college or less” indicated that they were more concerned about gas mileage than was the group with at least a bachelor’s degree. The responses of ethnic groups were different in terms of how they ranked their own knowledge of ethanol. Caucasians rated their knowledge the highest, followed by Asians and African-Americans, respectively.

This study provided baseline information about consumer preferences regarding ethanol. The results may be used by organizations that are interested in this issue to design a larger, similar study or to guide focus-group research.

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A Cost-Leader Strategy Approach in Melon Production and Marketing in Latin America
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The export market for melons from Central America to the U.S. has provided Latin American growers an excellent production and marketing opportunity since the early 1980s. “Off-season” shipments are no longer a novelty, nor do they provide the opportunity for sale of a unique product. These products are common in the U.S. market year-round and have become another commodity in which price is the basic factor of competition. We document the case of a producer who entered the industry at its very early stages. The grower prospered because he recognized opportunity in the early phase of the product life-cycle. The product transitioned from new to a mature market, resulting in changes in behavior by competing firms, a slowdown in growth of the markets, and reduced profits. As the industry transformed, the firm remained one of the dominant regional shippers by using a cost-leader strategy. By adopting advanced production technology and generating large sales volume, the company reinvented and continued to take advantage of demand for the product even as it entered market maturity. The creation of profit centers, use of employee incentives at all levels, and out-sourced transportation and brokerage services were management practices that supported the cost-leader strategy. The market and the firm are discussed in this case.

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