

# Internet Versus Telephone in Contingent Valuation: Application to the Kyoto Protocol

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**ABSTRACT:** Estimating the values individuals place on passively consumed goods, such as the existence of unique natural resources, can only be done by posing hypothetical questions intended to elicit statements about their willingness to pay (or be paid) for changes in these goods. These questions are administered through contingent valuation (CV) surveys. Recent years have witnessed both an expansion of the use of CV surveys, and the development of ever more sophisticated methods for conducting them. Nevertheless, a number of fundamental methodological issues remain. One barrier to faster progress in resolving them is the high cost of administering CV surveys through person-to-person, mail, or telephone interviews, which hinders the use of alternative CV instruments within a single study to determine which instruments are more reliable. This study reports on an NSF-funded research project that takes advantage of the relatively low cost of administering CV surveys through the Internet to address several methodological issues. The specific context is an examination of household willingness to pay for ratification of the Kyoto Protocol on global climate change, using a national advisory referendum format. Additionally, this study investigates the extent to which the Internet can be a replacement technology for the telephone in survey research.

The experimental design includes a variety of split-sample informational treatments. Initial empirical results report on the extent to which the Internet sample (13,034 completed questionnaires) replicates a national random sample of American households conducted through random digit dialing (1,392 completed questionnaires). Comparisons are made both in terms of willingness-to-pay estimates, under different treatment conditions, and responses to a variety of background questions. For example, within the Internet sample, comparisons are made between respondents who received surveys identical to the telephone respondents, and those who were given access to a massively larger quantity of information on the science of global climate change and the Kyoto Protocol.

Although the research deals specifically with contingent valuation, and therefore is of most direct interest to environmental valuation researchers, it should be of general interest to policy analysts and researchers who gather information through surveys.

For additional reading see:

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Compatible?" *Journal of Political Economy* 105(June): 609-621.

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