**Is Mass Media an Effective Channel for Conveying Nutritional Information? Welfare Implications of the WHO Classification of Processed Meats as Carcinogenic on Consumers in Israel**

Adam Dvir Betty Schwartz Iddo Kan Israel Finkelshtain

**Abstract**

Disseminating health-information in the mass-media seems like a cost-effective approach to inform the public about the risks involved in consuming hazardous food. But does it work? We answer this question by exploiting the announcement by the World Health Organization (WHO) in October 2015 that processed meat products have been classified as carcinogenic to humans. Our findings are based on two datasets, a representative consumer panel data and aggregated product-level market data of meat purchases in Israel. We apply two different methods of natural-experiments: Regression Discontinuity in Time and Difference-in-Differences, both yield similar results. It turns out that the WHO warning caused a negative, sizable, statistically significant and persistent change in the equilibrium quantities of processed meats, which have dropped by 164 grams per household per month (-18%). To produce an equivalent demand reaction, prices of processed meat would have had to increase by 24%. The effect lasts for at least two years, long after media coverage has faded. The response is affected by income, ethnicity, and education. Low-income households and immigrants from the former USSR did not significantly respond to the announcement. We evaluate two values: (1) the price increase that would have induced processed-meat consumption reduction equivalent to that of the WHO announcement at 3.3-4.05 $/kg, and (2) the marginal expected cancer cost (through illness and mortality) is evaluated at 1.6-3.45 $/kg. As the two ranges overlap, we conclude that the announcement successfully internalized the costs associated with cancer risks into consumers' considerations with respect to consumption of processed meat.