**Personalized information and willingness to pay for non-financial risk prevention: an experiment**

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**Abstract**

Personalized information on the probability of experiencing adverse events may modify the willingness to pay (WTP) for two kinds of prevention actions, namely self-protection and self-insurance. In this paper, we investigate: 1) whether WTP for prevention increases or decreases with the baseline probability of experiencing a non-financial damage; and 2) whether WTP for prevention changes at a constant, decreasing or increasing rate with this baseline probability. We conducted a laboratory experiment wherein the adverse event took the form of transcutaneous electrical shocks. We find no effect of the baseline probability on the WTP for self-protection. However, we establish an increasing relationship between the WTP for self-insurance and the baseline probability. We also find evidence that WTP for self-insurance increases at a decreasing rate when only the more effective reduction in the number of electrical shocks are considered.

**Keywords:** prevention; health behavior; personalized information; willingness to pay; experiment

**JEL classification:** C91; D81; I13; I12

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