**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

**Funding sources:**

This work was supported by the University of Artois and the Research Council of the Catholic University of Lille. These institutions had no role in study design; in the collection, analysis and interpretation of data; in the writing of the report; and in the decision to submit the article for publication.

**Acknowledgements:**

We thank Jean-Philippe Garnier for his help regarding the design and implementation of the experiment, Mathieu Lefebvre for giving us access to the LEES, where the experiment was carried out, Kene Boun My for his support during the experiment, Marc Jubeau for his advice regarding the apparatus, Kevin Self and Sarah Tung for their assistance.

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