



# Overview

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- ❑ Review of research
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- ❑ Data
- ❑ Results
- ❑ Conclusions









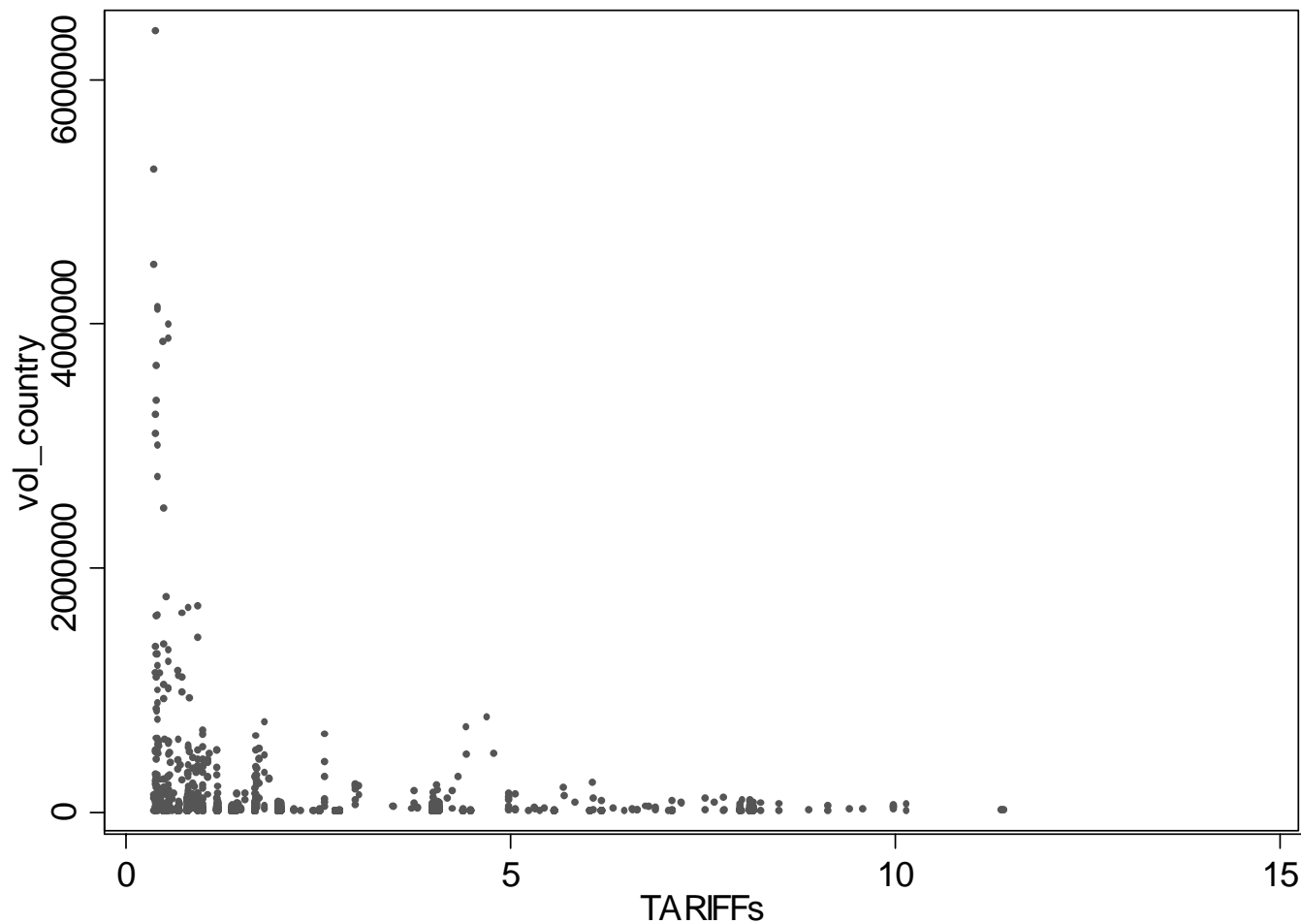






# Data

## Scatter of the data



# Results

- Quality variable (lnavg\_m\_std) significant and expected sign
- Variables on price, income, wgt, significant and expected sign

**Table 5.1: Regression results: Model 3.6**

**$R^2 = 48\%$**

Involco	Coef.	Std. Err.	t	P> t	[95% Conf.	Interval]
dflat	- 0.54	0.11	- 4.97	-	- 0.75	- 0.32
dlet	- 1.82	0.15	- 12.12	-	- 2.11	- 1.52
dqual	7.69	0.22	34.24	-	7.25	8.14
lnprice	- 3.79	0.17	- 22.72	-	- 4.11	- 3.46
lnwgt	2.56	0.12	21.66	-	2.33	2.79
lninc	4.01	0.54	7.45	-	2.96	5.07
lnavg_m_std	- 3.57	0.25	- 14.20	-	- 4.07	- 3.08
_cons	- 52.27	6.33	- 8.26	-	- 64.68	- 39.85

Source: LE

# Conclusions

- ❑ **Econometric approach to valuing quality of service successful**
- ❑ **Consumers' willing to pay small amounts to increase QoS by about 20%**
  - Models estimated showed significant impacts and expected signs
  - Results corroborate previous research and more qualitative-style standard market research
- ❑ **Future research could focus on combining production and consumer evidence**
  - Is +QoS from regulatory or commercial viewpoint?