

Jin and Leslie (2003)

The Effects of Information on Product Quality: Evidence from Restaurant Hygiene Grade card

This paper's main argument is about Does the increase in information of restaurants will lead to improved product quality? Which the author will focus on the period which hygiene grade card was implemented in 1996-1998 with three key elements: outcome of every restaurant health inspection in Los Angeles, Revenue from sale tax data and people admitted to hospital. The disclosure of hygiene information of the restaurants should lead to an increase in average inspection score and reduce the number of people admitted to hospital which the author is trying to prove. However, there are possible factors causing the variation of data include change in policy at specific point in time, behavior of inspector and behavior of customers.

Conclusion, from overall finding and evidence provided, the research have proved that grade cards cause an increase in inspection score, a decrease in incidence of foodborne illness hospitalizations and cause consumers to become more sensitive to restaurant hygiene.