Supplemental File A

The two-limit Tobit model does not provide predictions outside the possible range (smaller shares than 0 or larger shares than 1). Also, by defining the observed explained variable in the Tobit model in terms of an underlying latent variable ), and normality assumption for the error terms (, the probability distribution takes the form of a standard normal probability density function. ***X*** represents the explanatory variables in the analysis (e.g. product and household characteristics) and **β** is a vector of coefficients to be estimated. The underlying latent variable *y\** is not observed, but can be expressed in terms of the observed variable y, i.e. *share\_eligble.* The observed explained variable equals the latent variable when the latent variable is between zero and one, while it equals zero for values smaller or equal to zero and one for values of one and above. This ensures that the probabilities for all outcomes lie between zero and one and all volume shares are positive. The two-sided Tobit model enables estimation of the probability of a household purchasing no or only eligible products. The probability for the endpoints is(1):

(a1)

(a2)

Moreover, the model enables us to estimate the expected volume share of eligible products and, thereby, investigate whether the display of the Choices label on the packaging affects the volume share of eligible products purchased (*share\_eligible*). Equation a3 presents the expected volume share of eligible products:

(a3)

+

Of interest in this study is the APE on the unconditional expected value of the volume share of products eligible for the choices label (*share\_eligible*) of a change in variable *xj* (e.g. the market share of Choices-labeled products/number of products displaying the label). Moreover, we are interested in the probability of households purchasing, i.e. the probability that *share\_eligible* > 0 for a change in variable *xj*.

The average partial effects on the unconditional expected value of the volume share of eligible products for a change in variable *xj* (e.g. the market share of products displaying the label) for changes in discrete and continuous variables respectively.

(a4)

The probability of purchasing any eligible products at a given point in time (i.e. the probability that *share\_eligible* > 0 for a change in variable *xj* (e.g. the market share of products displaying the label) for discrete and continuous variables respectively.

(a5)

**Reference**

1. Wooldridge JM (2010) *Econometric Analysis of Cross Section and Panel Data*, 2nd ed. Cambridge, MA: MIT Press.