The problems of translating fair trade principles into consumer purchase behaviour

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Suggests a number of features which characterize the manifestation of fair trade consumerism. Posits, however, that there are several problems which have hindered the translation of fair trade principles into consumer purchase behaviour. Discusses the issue that ecological marketing incorporates the people aspect of sustainability and the fact that the human component of production, manufacture and use have to be addressed alongside the well documented environmental factors of ozone depletion, global warming, deforestation, acid rain and so forth before sustainable development can be achieved.

Addresses the fundamental problem of translating fair trade principles on to consumer purchase behaviour and the barrier of consumer recognition of the human element of the ecological marketing agenda.

Introduction

The concept of fair trade with Third World countries is based on the underlying principle of ensuring fair prices and a regular income for growers and producers. Concern and awareness of fair trade issues is not new, it is a long-standing consumer issue which in the 1990s is gathering strength, as reference to the success of the Body Shop, Traidcraft and Oxfam Trading illustrates. The themes behind the increased diffusion of fair trade values include advancing awareness of Third World issues on a global scale; increasing availability of information about fair trade principles; wider media coverage; the increase in the number of fairly traded products; and a shift in values towards concern for Third World sustainable development (Strong, 1996).

Fair trade consumerism

Fair trade consumerism is a marketing concept in the initial stages of development in the UK, but, like the more traditional aspects of green consumerism, it is a source of competitive advantage for socially and ethically aware organizations. The features contributing to the growth of fair trade form an integrated self-perpetuating model, as illustrated in Figure 1 (Strong, 1996). It can be seen that the manifestation of fair trade consumerism is characterized by a number of features:

- the evolving caring consumer of the 1990s;
- pressure group support for fairer trading practices with the Third World;
- increasing media interest in fair trade issues;
- increasing corporate responsibility;
- increasing supplier power in the marketplace.

All of these factors have contributed to the wider availability of fair trade products and the high quality and performance of alternative fairly traded products. It is claimed by many researchers that consumers are becoming more caring and more interested in understanding commercial motives, and that consumer interest reaches beyond ecological and environmental issues which directly affect them (Charter, 1992; Fletcher, 1990; Peattie, 1995; Strong, 1996). Awareness and concern for health, human and animal welfare, environmental damage and genetic engineering have been widespread among consumers for some time. However, concern about trading relationships with the Third World is placed increasingly on consumer agendas, forming a fair trade factor in consumer purchase decision making (Barratt Brown, 1993).

The role of consumer behaviour in achieving sustainable development

Sustainable development is advanced as an alternative to societal and environmental concern (Bidlake, 1994). More interesting than defining sustainability is determining the conditions of achieving it (Turner and Pearce, 1995).

Sustainable development has become the phrase widely used to define economic development which emphasizes the importance of environmental quality and the conservation of nature's assets (World Commission on Environment & Development, 1987). Charter (1992) described sustainable development as:

"...development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

It contains within it two concepts: the concept of need, in particular the essential needs of the world's poor to which overriding priority should be given; and the idea of limitations imposed by the state of technology and social organization on the environment's ability to meet present and future needs.

This definition of sustainable development incorporates the people aspect of sustainability and leads us to the realization that to sustain the environment the human component of production, manufacture and use must be addressed alongside the well documented environmental concerns such as ozone depletion, global warming, deforestation, acid rain and so forth.

Consumerism is the main contributing factor to the development of global concerns...
about sustainability. The role of consumerism in achieving long-term sustainability lies in the fundamental decision-making power of the individual consumer. Products marketed as environmentally friendly are widely available and extensively consumed by the world’s population; fairly traded products offer consumers the added benefit of contributing to the sustainability of the human element of environmental concern. According to Beck (1989) the global risks facing modern society, and therefore the progress of sustainability are those produced by:

- Highly developed countries as a result of production, consumption and disposal.
- The need for immediate financial gain to overcome poverty, such as deforestation. Poor producers create problems which undermine not only their own living conditions, but those of the rest of the world and of future generations.

The role of fair trade principles within sustainability addresses the interface of these two aspects of risk society. Those produced by wealthy consumers’ demand for cheap and varied products; and those produced as a direct result of poverty; that is Third World poverty and the consequential desire of producers to increase their individual and per capital incomes through trading with Western society, which has opened the route to exploitation by Western manufacturers and retailers eager to source raw materials and human resources as cheaply as possible, with no concern for sustainable development.

Fair trade is a means of achieving sustainability incorporating both dimensions of Beck’s global risk society. However, there are many problems to be overcome by fair trade marketers before the concept will truly be accepted by manufacturers, retailers and consumers alike. This paper addresses the problems of translating fair trade principles into consumer purchase behaviour.

Figure 1
The features contributing to the growth of fair trade

- Pressure group support for fairer trading practices with the Third World
- Media interest in fair trade issues
- Evolving caring consumer of the 1990s
- Increasing corporate responsibility
- Supplier power
- Wider availability of fair trade products
- High quality and performance of alternatives

The principles of fair trade
Fair trade is a method of trading which seeks to establish an equal basis of exchange between the First and Third Worlds. Barratt Brown (1993) describes the practice as one which, in addition to seeking a fairer relationship, aims to establish a more interactive relationship between groups of producers and consumers in the two worlds, forming a greater understanding among consumers of the need of producers for trade support to gain independent financial development.

Fair trade has evolved from the attempts of a number of Western-based charities to move beyond traditional economic paradigms of seeking the cheapest labour and raw materials possible in order to maximize profits. Organizations such as Oxfam and TWIN Trading have developed fair trade policies by making direct contact with producer groups in the Third World, establishing their needs in terms of tools and equipment, and assisting them to find an equitable and profitable market for their products (Barratt Brown and Tiffen, 1992). The principles of fair trade are based on the underlying belief of ensuring fair prices and a steady income for growers and producers. Organizations implement fair trade polices to promote a more equitable trading relationship, encouraging co-operative rather than competitive trading principles (Cox, 1993), thus ensuring Third World producers receive their fair share of profits and the community benefits from trading.

Consumer behaviour and fair trade
Over the last decade fair trade has evolved rapidly, as consumers have become more aware of the issues surrounding equitable trading relationships (Vaughan, 1993) and the influence of Western consumers in the expectations and aspirations of Third World
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...there are elements of the population (pressure groups for example) who argue that people, especially those in rich countries, should worry about the cost to the environment of the manufacture of some goods and the use of others..."
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The fundamental problem of translating fair trade principles into consumer purchase behaviour is the barrier of consumer recognition of the human element of the ecological marketing agenda. This problem can be categorized into three specific problem areas, as illustrated in Figure 2.

Communication of the human element of sustainability
The ecological and human elements of sustainability are inseparable in principle. Recently, the emphasis on green consumption/marketing has tended to stress the importance of the environmental dimensions of sustainability and underplay the human side. A fair trade perspective reverses this by emphasizing the human element (while maintaining concern for the environmental agenda) and highlights the need to redress the balance towards the fair trade strand of sustainability in order to move the invisible barrier of recognition. An explanation for this barrier may be as follows: a consumer will buy “dolphin friendly” tuna or avoid using chlorofluorocarbons (CFCs) because it is a highly visible, media-covered problem where “we’ve all got to do our bit” or “at least I’m doing something”. Given the question of whether or not to buy an Indian carpet labelled as avoiding child labour may produce a different response from the same consumer, that it is “the Indian Government’s responsibility to protect children” or “if you deprive them of employment it will make things worse for them”. The market, and consumer response, is seen by many governments as the answer to many environmental problems, but a barrier to fair trade is that the same cannot really be said of many social problems. Issues of whose responsibility the problems and their solutions are do not match up between the social and ecological halves of the sustainability agenda, and therefore form the core to the problem of fair trade’s implementation now and in the future.

Table 1
The “adjusted” Sorell-Hendry framework of ethical consumerism

| Consumerism concern for Wages and working conditions Suffering to animals Pollution affiliation Charitable contributions Concern centres around one central issue | Sorell and Hendry's framework of ethical consumerism Wages and working conditions Suffering to people, cultures, communities, indigenous populations and animals Pollution affiliation, degradation of natural resources, sustainable use of raw materials Equitable in financial distributions among workers, producers and buyers. Principles of trade not aid | Corresponding framework of fair trade consumerism Wages and working conditions Suffering to people, cultures, communities, indigenous populations and animals Pollution affiliation, degradation of natural resources, sustainable use of raw materials Equitable in financial distributions among workers, producers and buyers. Principles of trade not aid Concern is holistic |

are concerned with the holistic ethical attributes of purchase choices and as such employ extensive search activities in their decision making. emergence of a consumer with a more comprehensive approach to shopping.
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or purse produced by a workforce in a Third World location under conditions of extreme exploitation. The consumer who buys Body Shop products because of their fair trade value may dine on fruit picked by people forcibly removed from their land by a company which then employs them for starvation wages. Fair trade consumption can have an appeal for people who organize their lives around one particular cause with a moral content, but it also raises the issue about whether fair trade consumption can be expected to move someone whose commitment to, for example, the global plight of plantation workers, is much weaker than his/her commitment to a comfortable life for his/herself. As an anonymous reviewer of a previous paper pointed out the implication that fair trade consumerism is not (perhaps cannot be) integrated and consistent across a range of social issues might indicate that it is a lifestyle attribute, or an episodic phenomena provoked by, for example, a news story or a campaign.

Getting fair trade products on to the supermarket shelves
In order to substantially increase the value attached to the natural, cultural and built environment in the long-term by placing an emphasis on providing for the needs of the least advantaged in society and the fair treatment of future generations, a shift in the balance of consumerism is required. Getting environmentally-friendly products on to supermarket shelves and into the shopping trolleys of the UK public was a challenge for environmentalists. Now the challenge is getting people-friendly products on to the shopping lists of the consuming public. Fair trade is not widely recognized by the supermarket organizations. However, it is a niche market with Co-operative retailers, Safeway and Sainsbury currently stocking some fair trade products and researching other fair trade brands.

Managerial implications
Once people get a taste of participation with a tangible success they are “up and away” (Beck, 1996). The fundamental managerial implication is how do marketers introduce the taste of participation? How do they move the human element on to mainstream manufacturer, retailer and customer agendas? It is suggested that these questions form the core of future research into the role of fair trade on the ecological consumer agenda, and the means by which the problems of translating fair trade into consumer purchase behaviour be overcome, with specific attention paid to the following:

• The underlying barrier to be overcome is that ecological problems are obviously trans-boundary, often global and shared enough between countries to alter consumption and trade patterns. Social problems still seem to belong to individual societies, even though the big questions of poverty, the deprivation of indigenous populations and trading equality are massive global issues.

• The influence of the consumer as a stakeholder in the fair trade issue may be driven by ecological consumerism. However, marketers could exploit the apparent relativism of these same consumers who are more influenced than influential in their patterns of ecological consumption.

• Translating fair trade principles into consumer behaviour involves devising a social and consumer system which ensures the objectives of fair trade are understood and believed on a global scale, with consumers
understanding their role in the attainment of an ecologically sound consumer society.

References and further reading


