CONSUMER VALUES AND FAIR-TRADE BELIEFS, ATTITUDES AND BUYING BEHAVIOUR

Patrick De Pelsmacker*
Wim Janssens**
Caroline Mielants***

ABSTRACT:

In a survey of 615 Belgians, the knowledge, beliefs, attitudes and buying behaviour of consumers with respect to fair-trade issues was studied and related to their value system. Four value-related categories of consumers were identified: value-conscious consumers, ascetic idealists, hedonic self-seekers, and value sceptics.

The ascetic idealists, and to a lesser extent the value-conscious consumers, have a more positive attitude to fair trade in general, fair-trade shops, and fair-trade products. These individuals buy fair-trade products more often and spend more money on fair-trade products; they are more likely to favour the implementation of measures to promote the fair-trade principle. Hedonic self-seekers have the least positive attitude and behaviour with respect to fair trade.

All value groups have a negative perception of the quality and quantity of fair-trade information, and of the price level of fair-trade products. The managerial implications of these findings are discussed.

Key Words:
Fair trade; Belgium; attitudes; buying behaviour; consumer values.

* Department of Marketing – University of Antwerp. Faculty of Applied Economics, Prinsstraat 13, B-2000 Antwerpen (Belgium). E-mail: patrick.depelsmacker@ua.ac.be
** Department of Marketing – University of Antwerp. Faculty of Applied Economics, Prinsstraat 13, B-2000 Antwerpen (Belgium). E-mail: wim.janssens@ua.ac.be
*** Department of Marketing – University of Antwerp. Faculty of Applied Economics, Prinsstraat 13, B-2000 Antwerpen (Belgium).

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1. INTRODUCTION:

Fair trade is an alternative approach to trading partnerships that aims to achieve the sustainable development of disadvantaged producers in the Third World (Krier, 2001). As well as advocating the payment of fair wages in a local context and the provision of safe and clean workplaces, optimum fair-trade practices encompass the development of sustainable businesses, the empowerment of artisans, the fostering of well-being, the establishment of political and social justice, and the development of equitable trade (Littrell and Dickson, 1999; MORI, 2000). In a narrow sense, fair trade means the buying of products from producers in developing countries on terms that are more favourable than free-market terms, and the marketing of those products in developed countries at an “ethical price premium” (Bird and Hughes, 1997). This premium, borne by the consumer, allows producers to receive a fairer price for their products and results from the implementation of fair-trade control mechanisms in the trade channel.

Ethical consumption behaviour allows consumers to express their feelings of responsibility towards society and their appreciation of ethical companies and products. According to a study by Hines and Ames (2000), 51% of the population feel that they are able to make a difference in a company’s behaviour, and 68% claim to have purchased a product or service because of a company’s ethical reputation. Many European consumers also claim that they are willing to pay substantially more for ethical products (CRC-Consommation, 1998; MORI, 2000; Loureiro, McCluskey and Mittelhammer, 2002). In the context of fair-trade buying behaviour, a Belgian study showed that consumers are prepared to pay on average 10% more for fair-trade labelled products (De Pelsmacker, Driessen and Rayp, 2005); and Maietta (2003) found that Italian consumers are prepared to pay on average 9% more for fair-trade products. Shaw and Clarke (1999) concluded that, in the UK, fair trade is the most important ethical issue of concern to consumers. However, most ethical brands and ethical-label products have market shares of less than 1% (MacGillivray, 2000). Therefore, a more thorough understanding of the beliefs, perceptions, attitudes and buying behaviour with respect to fair-trade products is an imperative for fair-trade organisations.

Several studies have tried to identify socially responsible or ethical consumers in terms of their demographic characteristics. For instance, Dickson (2001) found that age, income and employment status do not predict socially conscious consumers who attach importance to No Sweat, a well-known ethical logo, on apparel. Although the same study found that No Sweat buyers are more often female, most studies have concluded that ethical buying behaviour is not influenced by gender (e.g. Tsalikis and Ortiz-Buonafina, 1990; Sikuła and Costa, 1994; MORI, 2000). Roberts (1995) found that people who do not buy from businesses that discriminate against minority groups or women are mainly women with a median age of 47 and people who have slightly lower incomes on average, but concluded that demographics are not significant in identifying the socially responsible consumer. Other studies have concluded that the ethical consumer is a person with a relatively high income, education and social status (Roberts, 1996; Carrigan and Attalla, 2001; Maignan and Ferrell, 2001; De Pelsmacker, Driessen and Rayp, 2005).

So, demographics alone are clearly insufficient to define the ethical consumer. However, the values of individuals appear to have a significant effect on their ethical consumption behaviour. Values are enduring beliefs that a given behaviour or outcome is...