Keene State College
2012 National US Fair Trade Consumer Study

Fair Trade is a $6 billion-a-year, voluntary trade model that enables consumers to choose to support disadvantaged producers in a fair and just way ensuring adequate pay, environmental protection, social and economic justice, and cultural preservation.

Keene State College Second Annual Fair Faire, November 2011

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<table>
<thead>
<tr>
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<th>Sebastian Ramirez</th>
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<tbody>
<tr>
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<td>John Ireland</td>
<td>Daniel Rapuano</td>
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<td>Brandon Davis O'Donnell</td>
<td>Nicholas Jadaszewski</td>
<td>Amy Santella</td>
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<td>Cara Bishop</td>
<td>Katherine Deluga</td>
<td>Christopher Jeffrey</td>
<td>Elizabeth Sniffen</td>
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<td>Nicole Blanchard</td>
<td>Kyle Dicesare</td>
<td>Brady Keene</td>
<td>Travis Therrien</td>
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<td>Abbey Laitman</td>
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<td>Elizabeth Fecto</td>
<td>Britteny Laskey</td>
<td>Taylor Troy</td>
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<td>Zachary Felber</td>
<td>Brian Mitchell</td>
<td>Jessica Tulley</td>
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<td>Jefell Campos</td>
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THE PROJECT

This project was a shared effort that started with a spring 2011 grant proposal. It involved many diverse parties, working together, over the course of more than a year. At Keene State College (KSC) Dr. Tamara Stenn’s IQL 101 Quantitative Literacy class and Dr. Margaret Walsh’s SOC 301 Sociological Research Methods class developed and tested the study instrument in the Fall 2011. Billy Linstead Goldsmith and Courtney Lang of NGO, FairTradeUSA worked with Fair Trade Town leaders to conduct studies in California, Indiana, New Jersey, Texas and New Hampshire, on college campuses and off. The fall of 2012, KSC 101 Quantitative Literacy students also conducted studies on the KSC campus and in the town of Keene, New Hampshire. The final study was completed, analyzed, and authored by KSC students from the Fall 2012 Quantitative Literacy class.

From January through October 2012, US consumers were surveyed on their Fair Trade awareness, consumption, and habits in a simple random study using a convenience sample of 649 people. The instrument used was a 16-question, confidential, survey which was administered face-to-face to individuals approached in public places such as a storefront (15%), street corner (36%), or college campus (49%).

The study has a margin of error of 3.9%. There was a sampling bias where almost half of all respondents were students (54%), income less than $22,000 (56%), or lived in a small city (45%). We also had an age bias where 67% of all respondents were under the age of 29. Although Fair Trade consumers were not specifically targeted, all surveys were conducted in areas that had active Fair Trade groups. Much of the data is presented in percentages to improve accuracy in comparison across demographics. The intent of this survey is to start a conversation, identify areas of interest for further study, and give insight into the minds and motivations of a small sampling of the vast array of US consumers.

The following is a breakdown of the number of surveys conducted in each location. For varying reasons, 51 surveys were not included into the study.

<table>
<thead>
<tr>
<th>TOWN</th>
<th># SURVEYS</th>
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<tr>
<td>Berkeley, CA</td>
<td>41</td>
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<tr>
<td>Bloomington, IN</td>
<td>43</td>
</tr>
<tr>
<td>Galloway, NJ</td>
<td>53</td>
</tr>
<tr>
<td>Houston, TX</td>
<td>175</td>
</tr>
<tr>
<td>Keene, NH</td>
<td>151</td>
</tr>
<tr>
<td>KSC, NH</td>
<td>237</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>700</strong></td>
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INTRODUCTION

Though the largest consumer country in the world, the US has a very low per-capita consumption of certified Fair Trade products. If all of the millions of dollars of Fair Trade product consumed in the US in 2007, were divided by the total number of US consumers, it would come out to each person spending just $3.15 for the entire year - about the cost of a single cup of Fair Trade coffee (Fig. 1). Consumers in Switzerland spent about $27.31 each Fair Trade products that year. It is unknown why this is the case. Is it that US consumers are leery of Fair Trade’s claims for fairness? That they are unaware of the human rights violations and environmental damages that occur in conventional trade? Or as this study found, that they feel Fair Trade is “not my concern?”

This study begins to shed light on who the US consumer is and what their views and role in Fair Trade purchasing is. It takes into account other studies conducted in Europe which identified differences in consumer approaches towards Fair Trade based on age, perceived product availability, and place of residence (Low & Davenport, 2007, Srivastava, 2009). To date, there has not been a comprehensive study of Fair Trade and consumers in the US. This study, though not a comprehensive measurement of all consumers, starts a conversation.

There is a strong occupation, age, and place bias as 54% of respondents were students, 67% were under the age of 29, and 66% lived in a small city, town, or rural area. The purpose of the study is to create a greater understanding of Fair Trade consumerism in the US by indentifying challenges, emerging trends, and motivation. A demographic approach was taken as consumers were looked at by age, gender, occupation, income, and place of residence. The following are the highlights of the many insights that they survey provided about the minds and motivation of the US consumer.

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Fig. 1 (Krier, 2007, P. 19)
FINDINGS

There was a rich and interesting collection of data created by this study. The following is a breakdown and explanation of some of the more compelling findings from the study as authored by student teams who spent the semester collecting and analyzing the data. To receive an excel copy of the original data please contact Dr. Stenn at tstenn@keene.edu. More information is available from the data than what is presented here.

DEMOGRAPHICS

Age

Of 637 people surveyed, 67% were younger than the age of 30. Of the younger than 30 population, 44% made their own household buying decisions while 88% of the respondents over the age of 30 made their own buying decisions. This can be explained by the fact that many people under the age of 29 may still live with their parents or are financially dependent on their parents and their parents, rather than them, are making the household buying decisions.

According to a the National US Fair Trade Consumer Study, most of the fair trade is purchased by people in their 50’s (Fig. 2). In fact people in their 50’s are almost three times more likely to buy fair trade than people in their teens. Of the people 50-59 years of age surveyed, 26% said they always seek out fair trade when they go shopping, while only 10% of people aged 19 and under said they sought out fair trade.

![Frequency that respondents purchase Fair Trade.](image-url)

Fig. 2
Based on the US Fair Trade Consumer Survey in all age groups, the most frequently purchased Fair Trade product is coffee, except for the 50 to 59 year olds, as they purchased chocolate just as much as coffee. The second most popular Fair Trade product for people under the age of 40 to purchase is chocolate, though people over 40 seem to enjoy bananas and handicrafts more. The third most purchased Fair trade Product vary differently from age group to age group, with people 19 and under buying packaged food, 20 to 29 year olds buying bananas, 30 to 39 year olds buying packaged food and household items (tied), 40 to 49 year olds buying handicrafts, 50 to 59 year olds buying packaged foods, 60 to 69 year olds buying bananas and 70+ year olds buying flowers. The least bought products by all the age groups totaled together were flowers and tea.

The study also provided insight into who was familiar with the concept of fair trade (Fig. 3). As in Fig. 2, the 50 to 59 year olds came out on top showing the most knowledge of Fair Trade. Of the younger than 30 population, 44% made the household buying decisions. Thirty-three percent of the survey sample were older than 30. Of them, 88% made their own buying decisions. The lower knowledge of Fair Trade for people under the age of 19 and above the age of 70 could be due to many people in these age categories not making as many buying decisions as the people in the categories in between.

![Percent of Respondents who are familiar with Fair Trade by age](chart.png)
Fig 4 gives an overall comparison by age of respondents’ familiarity, commitment and engagement with Fair Trade.

(Fig. 4)
**Gender**

There was even gender participation in the study with 51% being female and 49% being male. The results showed that most people knew what Fair Trade was, though women were a bit better versed in it than men. More than twice as many people, both men and women, knew about Fair Trade than actually sought to purchase it (Fig. 5).

The frequency that Fair trade was purchased also changed depending on the gender. Men were less likely to be regular Fair Trade consumers than women (Fig. 6). Men were also almost twice as likely to have never knowingly purchased Fair Trade than women.
Some barriers to Fair Trade purchasing included a lack of awareness, availability and price (Fig. 7). Interestingly women were better versed in what Fair Trade was but felt more intimidated about price than men who were 33% less knowledgeable about Fair Trade and felt availability posed a greater barrier. When consumers were asked if they consciously look for a Fair Trade logo when purchasing products, 15% of both males and females stated that they never did. Less than 5% of all consumers surveyed said they always look for a Fair Trade logo. While “unclear labeling,” was not a major hindrance for most consumers, it seems that they are relying on something more than just a logo to indicate that a product is Fair Trade.
Most people surveyed were students with limited income, as shown in Fig. 8 with women making slightly more than men. This is interesting to note since it is largely believed that men earn more than women. These income findings are an abnormality from the reality of the general public in the US.

Though survey participants claimed to have some degree of individual buying power, with women making 25% more buying decisions than men, they still showed a degree of
dependency on others for their purchases (Fig. 9). Becoming aware of the Fair Trade products on college campuses, for example, can ultimately lead to students purchasing these items when they are independent and can make their own buying decisions. When students graduate, live on their own, and are responsible for household buying, they will be conscious of Fair Trade options and may be more likely to purchase them in the future.

**Income**

There is a disconnect between the people who know what Fair Trade is, have the means to support it, and actually do. Thirty-four percent of respondents who made over $100,000 last year had an understanding of the concept of Fair Trade. And while 18% always searched for Fair Trade logos on products when shopping, less than one-fifth were consistently purchasing Fair Trade goods. In addition, 17% of those surveyed who made over $100,000 a year thought that Fair Trade products were not available at all though 73% believed that Fair Trade products were available to varying degrees. This implies that out of everyone who made $100,000 and did not participate in Fair Trade purchasing, almost three quarters of them knew that Fair Trade products were available, but did not always buy them.

Fig. 10 shows the income breakdown by age for the study. Most people under the age of 39 made less than $22,000 year.
**Occupation**

More than half of the people surveyed, 351 respondents, were students. Forty-one percent of them made their own household buying decisions. The most popular way students learned about new products was through television, with 54% indicating that television was how they heard about new products. Fifty-one percent of the students were familiar with what Fair Trade was. However, even though they were familiar with the term Fair Trade and had a basic understanding of its meaning, 70% of the students could not identify a Fair Trade logo. This could mean that the students did not know enough about Fair Trade to identify the products or that they were identifying them through a different method than logo recognition. Upon further examination, only 14% of the students surveyed cited that a “lack of knowledge” kept them from purchasing Fair Trade. It appears that students knew what Fair Trade was and which products were Fair Trade, regardless of logos however, they were sometimes reluctant to engage in it. It is important to note that 13% of the students went out of their way to look for a Fair Trade logo, though 83% of them did not go out of their way to regularly purchase Fair Trade. Thirty-four percent of the students surveyed answered that their reason for not purchasing Fair Trade products was because of their “lack of concern.”

The total percentage of students surveyed who attempted to purchase Fair Trade daily was 6% (Fig. 11). The number of students who reported to occasionally purchase Fair Trade increased six fold from the number of students attempting to make Fair Trade a daily part of their lives. An equally high percentage of students, 35%, claimed to never have purchased Fair Trade products.
It is interesting to note that a large percentage of the student respondents were from KSC where Fair Trade tea and coffee were served daily in the Dining Commons as part of the Sodexo food service plan. It seems there may be little awareness of this since most students felt that Fair Trade was only somewhat available to them (Fig. 12).
Besides students, other occupation categories reported a higher awareness of Fair Trade (Fig. 13) with salaried professionals having the highest awareness at 75%. This is much higher than awareness findings from other studies which puts US Fair Trade awareness at a general low of 34% (Adams, 2012).

**Percentage of respondents who know what Fair Trade is.**

![Bar chart showing percentage of respondents who know what Fair Trade is.](image)

**Where Live**

Though it would be logical to conclude that a large city would have more Fair Trade products available than a smaller one, more consumers from mid size cities felt there was a degree of Fair Trade product available than any other city size (Fig. 14).

**Consumer perception of availability of Fair Trade products.**

![Bar chart showing consumer perception of availability of Fair Trade products.](image)
Most people in small cities (37%) said that they never go out of their way to buy Fair Trade products. The same was not true about large and midsize cities. Most larger city dwellers that they occasionally go out of their way to buy Fair Trade products (Fig. 15). This could indicate that people in small cities know less about Fair Trade products and therefore can not go out of their way to buy them.

Small cities are the different ones again with most people saying that they do not make household buying decisions and large and midsize cities saying that they did (Fig. 16). This could be because of the large number of surveys done in Keene, Hew Hampshire, a small city, with a large student population. Earlier analysis showed that students and respondents under the age of 29 did not make many household buying decisions – many of the people in the study were Keene State College students in Keene, New Hampshire.
It is clear that consumers in small cities see the most Fair Trade on the Internet (86%) (Fig. 17). We think that this is due to the high number of students at Keene State College that were surveyed. College students are more likely to use the Internet than other consumers. Large cities would be more likely to see adds on the streets they are to see them online. This would explain the slightly higher number of people that have not heard about fair Trade though the Internet. Midsize cities are in the middle with a few consumers on each side.
The fair trade consumer seems like a passive one. Most respondents, regardless of where they live, simply do not go out of their way to purchase Fair Trade products (Fig. 18).

There are different barriers to Fair Trade, some which are place based. Fig. 19 shows that more than a quarter of consumers do not know about Fair Trade and do not think that it is available to them. It is interesting to note the consumers living in cities, where it would be expected there would be more Fair trade available do not feel it is so. It is also interesting to note the millions of Fair trade products available online that people seem to not consider in their perception of availability.
**MEDIA**

Respondents under the age of 29 are using the internet three times more than any other media category to find out about new products. The television is also a large source of new product information with 55% of all respondents getting their information from the television (Fig. 20).

![How respondents learn about new products](image)

**Fig. 20**

Of the people using the internet to learn about new products, Facebook is the most popular with 63% respondents who get new product information from the internet receiving it via Facebook (Fig. 21).

![Online places where respondents learn about new products.](image)

**Fig. 21**
CONCLUSION

Fair Trade is a complex and growing phenomena in the US. There are inconsistencies in how it is realized, understood, and engaged. These could be explained by many factors. For example, perhaps low income college students know much about Fair Trade from their coursework and campus clubs, but do not engage in it because they are not making their own buying decisions. Or perhaps Fair Trade is purely a socio-economic phenomena, as the most active supporters tend to be middle aged, better off, consumers.

The large presence of the internet (29%) and facebook (63%) as avenues of new information is an interesting area for future exploration. Education is important in order for consumers to embrace Fair Trade. Consumers will not support Fair Trade if they do not understand what it is. Forty-nine percent of respondents listed education as the main barrier to Fair Trade and 42% of respondents did not recognize any Fair Trade logos. Taking into account the large amount of engagement with the internet and facebook, perhaps more educational focused social media campaigns can help boost consumer engagement in Fair Trade.

There is no denial that Fair Trade is more actively embraced in Europe than in the US. It is interesting to note the large percentage of non-Fair Trade supporters in the US who feel that Fair Trade is not their concern (49%). In some way, Europeans must feel a more direct responsibility towards the well being of others as indicated by their greater individual support of Fair Trade consumption. Perhaps US consumers’ feelings of a lack of responsibility is reflective of US values of liberty, personal freedom, and the embracement of individuality, making them feel less involved with the wellbeing of others.

This study lends much to be explored and learned, posing more questions than it answers. Perhaps it is the start of a longer, more in depth look into the US Fair Trade consumer and their actions, motivations, beliefs and needs. We welcome continued study and input on the themes presented here.
REFERENCES


Keene State College IQL. (2012). National U.S. Fair Trade consumerism study, Keene State College, NH. FairTradeUSA. US.


Low, W., & Davenport, E. (September - October 2007). To boldly go...exploring ethical spaces to re-politicise ethical consumption and fair trade. *Journal of Consumer Behaviour*, No. 6, pp. 336-348.

APPENDIX A

Original Survey Instrument:

Person Administering Survey (Name) ________________________ Town/state: ________________________

Date ____________________ Time __:____ AM PM Place: ________________________

Details on place (circle one): college/university, public school, main (commercial) street, shopping center, store

Fair Trade? (circle one) Yes No Some

To participate:
• Hello, I am (name) _____________________. I am helping to collect data for a national consumer study on Fair Trade developed by students at Keene State College, NH and FairTradeUSA Fair Trade Towns. May I ask you to take six minutes to complete the following survey with me? You do not have to know about Fair Trade in order to participate.
• Data gathered will be analyzed in order to better understand consumerism and trade. The survey is confidential unless you wish to be named and contacted for follow up. We will not sell you name to any lists and all information gathered will be used for this study only.

1. Gender M F

2. Occupation: Student, Hourly Worker, Salaried Professional, Self employed, Part Time, Retired,

   Unemployed, Other __________

3. Age (circle one): 19 and under, 20-29, 30-39, 40-49, 50-59, 60-69, 70+

4. Where do you live, now (circle one):

   City (circle one): small, midsize, large

   Suburban - proximity to nearest city (circle one): fringe, distant, remote.

   Town - proximity to nearest city (circle one): fringe, distant, remote,

   Rural

5. Income (circle one): less than $22,000, $23,000 - $50,000, $51,000 - $75,000,
$76,000 - $100,000, $100,000+

- Income type (select one): personal income, combined family income
- Do you receive additional support from (circle one): none, parents/family, government, trust fund/investments, pension/retirement funds, other__________

6. Do you make the household buying decisions? Yes  No

7. How are you most likely to hear about a new product (choose 1-2)? TV program, TV commercial, Radio, Magazine/newspaper, Internet*, Word-of-Mouth, Billboard, other__________________________

*If Internet: How? Blog, twitter, facebook, e-newsletter, google ad, link, other_____

Fair Trade is a form of commerce that ensures that producers are paid a fair price for the work they do, production is done in an environmentally friendly way, and local cultures are respected. Fair Trade products are often perceived to be more expensive than other products but often they are not. They are higher quality though, and pricing does reflect that.

8. Is this concept familiar to you? Yes  No

(If Yes) How did you first learn about Fair Trade? Word-of-mouth, store display, product label, event/festival, presentation/workshop, media/news, class/course, other_____ 

9. Do you recognize any of these Fair Trade logos? (circle ones recognized)

10. Would you look for these logos when purchasing a Fair Trade product? Always, Sometimes, Never

11. Do you go out of your way seek Fair Trade products when making buying decisions? Yes  No

(If Yes) Why? Quality, helping others, it’s the “right thing” to do, other:__________
(If No) Why? Availability, quality, cost, not my concern, other:______________

12. What is the availability of Fair Trade products for you? Very, somewhat, hardly, none

13. How often do you purchase Fair Trade products? Daily, weekly, monthly, occasionally, never (If “never” skip to Question 14)

14. What have you purchased in the last 6 months that is Fair Trade? Coffee, chocolate, bananas, packaged food, flowers, handicrafts, clothing, household items, other ______________

Where do you purchase Fair Trade products? Grocery store, co-op/health food store, fast food/chain, local coffee shop, local store, internet, other:______________

15. What barriers prevent you from purchasing more Fair Trade products?

Availability, accessibility, price, unclear labeling, lack of knowledge, other:__________

16. What suggestions do you have to make Fair Trade more visible?

Contact info (optional): ___________________________

Thank you for your time!

For more info. on Fair Trade please scan: