

THE FAIR TRADE BOOM: AN ANALYSIS OF BABY BOOMERS' KNOWLEDGE,
ATTITUDES, BEHAVIORS, AND BARRIERS PERTAINING TO FAIR TRADE

by

EBONY L. BENSON

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Approved by:

Major Professor
Kim Y. Hiller Connell, PhD

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Abstract

Purchasing fair trade products is a form of socially responsible consumption. Fair trade is founded on the idea of paying fair wages and providing safe working environments to marginalized producers, typically from developing countries. Baby Boomers, the generational cohort that is the focus of this study, were born between the years 1946 and 1964. The purpose of this thesis is to expand the knowledge base of fair trade consumption related to the Baby Boomer generation. This study makes a positive contribution towards this goal by furthering the understanding of Baby Boomers knowledge about and attitudes towards the fair trade movement, as well as assessing their current level of engagement in purchasing of fair trade products and their perceptions about barriers to purchasing fair trade products to a greater degree. An additional contribution made by this study is the comparison of differences in fair trade knowledge, attitudes, and behaviors of Early versus Late Baby Boomers—a new contribution to the body of knowledge on fair trade. Altogether, 168 Baby Boomers (63 Late Boomers and 105 Early Baby Boomers) participated in the study. Data were collected through an online questionnaire. Questions in the questionnaire focused on: 1) knowledge of the fair trade movement; 2) attitudes about the fair trade movement; 3) fair trade purchasing behaviors; and 4) perceived barriers to fair trade purchasing. Data analysis included a combination of both quantitative (descriptive statistics, independent samples t-tests, and correlation analysis) and qualitative techniques. Guagnano, Stern, and Dietz's (1995) ABC Model framed the study and Rogers (1983) diffusion theory and the prerequisites for adoption of an innovation guided conceptualization of the barriers to fair trade purchasing. Overall, findings of the study indicated that the participants were knowledgeable about the fair trade movement. They also exhibited positive attitudes towards fair trade but were not willing to compromise on certain product

characteristics. The participants were somewhat engaged in a number of fair trade purchasing behaviors and they perceived numerous barriers to purchasing fair trade products. Finally, there were no identifiable differences between the Early and Late Baby Boomers in terms of knowledge, attitudes, or behaviors.

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Dedication

I dedicate this thesis to all of those that are not willing to accept the status quo and want to see a change in the way our society treats the workers and producers that make our world go around.

The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy.

Dr. Martin Luther King Jr.

Chapter 1 - Introduction

Purchasing fair trade products is a form of socially responsible consumption. Fair trade is founded on the idea of paying fair wages and providing safe working environments to marginalized producers, typically from developing countries (Downie, 2007). Fair trade merchandise normally includes food products (such as coffee, tea, and produce) and non-food products (such as apparel, jewelry, handicrafts, and body care) (Fair Trade USA, 2010).

Fair trade began in the United States during the 1940s and the movement has grown over the last 70 years as cognizance of it has increased among consumers. According to a 2006 poll conducted in the United States, 27% of respondents said they were aware of fair trade (Downie, 2007). However, although “consumers’ attitudes towards [fair trade] are positive... actualization of ethical interest into ethical purchasing decisions is more complex” (Niinimaki, 2010, p. 151), and the number of consumers who consistently purchase fair trade products remains relatively small. According to Hulm (2006), out of all things sold in the global market, fair trade accounts for 0.1% of sales.

In order to grow fair trade markets further, it is important to explore potential new market segments and expand on current markets. Having a better understanding of the defining attributes of consumers within those new segments will help fair trade entities. One such potential target market is Baby Boomer consumers. Therefore, the intention of this study is to expand the knowledge base related to fair trade consumption by examining Baby Boomers’ knowledge, attitudes, and behaviors towards fair trade products. Also of interest in this study are the perceived barriers that may be limiting Baby Boomers from consistently purchasing fair trade

products. Furthermore, this study sets out to compare the fair trade knowledge, attitudes, and behaviors of Early and Late Baby Boomers.

The Fair Trade Movement

Tallontire (2000) classifies the fair trade movement into four stages. During the first stage (1940s to early 1970s) a few organizations formed relationships with communities in developing countries. In the second stage, from the middle 1970s through the late 1980s, producers and retailers formed more formalized ties and on a larger scale. Then, during the third stage (late 1980s to the middle 1990s), the organizations began to create their own brands. Finally, since the late 1990s, with some major retailers starting to sell fair trade products, the movement has demonstrated signs of becoming more mainstream.

The fair trade movement started in North America in the 1940s through Christian faith-based groups. At this time, members from the Mennonite Central Committee took a trip to Puerto Rico and began buying handicrafts from local artisans to bring back and sell in North America (Hulm, 2006). This group eventually became one of the largest fair trade retailers in the North America, Ten Thousand Villages. Founded on the premise of “trade not aid,” the organization hoped to enhance the life of artisans in developing countries by giving them the ability to support their families and communities (Low & Davenport, 2007). Over time, Ten Thousand Villages formed connections and expanded to working with artisans in many countries throughout the world (Moore, 2004). At the same time, the movement was also seeing some advancement in parts of Europe (Adams & Raisborough, 2008).

Throughout the 1960s and 1970s, the movement grew with organizations like Oxfam selling crafts made by Chinese refugees (Dickinson, 2010). Until the 1970s, handicrafts comprised the majority of the products bought and sold through fair trade. Then in the 1970s,

coffee entered the fair trade movement and it now accounts for about 25% of all fair trade merchandise (Hulm, 2006). Fair trade products are currently valued at US\$500 million throughout the world, with sales growing at close to 30% per year (Raynolds & Murray, 2004).

Principles of Fair Trade

In 1998, four of the main international fair trade organizations formed an informal association, FINE; and in 2001, they created a universal definition of fair trade:

Fair Trade is a trading partnership, based on dialogue, transparency, and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers—especially in the South. Fair Trade organizations (backed by consumers) are engaged actively in supporting producers, raising awareness, and in campaigning for changes in the rules and practice of conventional international trade. (FINE, 2001, para. 1)

At the core of the fair trade movement is the assertion that globalization and current trade policies and practices have resulted in an unjust global distribution of wealth. Fair trade is an attempt to equalize trade between developed and developing countries by opening markets to producers in underdeveloped nations (Levi & Linton, 2003). Furthermore, by paying fair prices and aiming to establish steady markets, fair trade seeks to stabilize the fluctuating and unpredictable incomes of producers and suppliers typically found in a free trade market (Hulm, 2006).

Moore (2004) suggests there are six goals of fair trade. The first goal is to improve the quality of life for producers by advancing their access to global markets. Second, fair trade aims to provide producers with opportunities for development and protect producers from

exploitation. Third, fair trade intends to educate consumers about the negative consequences of international trade on producers and inform consumers about alternatives. Fair trade's fourth goal is to stand as example of what international trade could be and; in turn, the fifth goal is to lobby and change international trade policies within governments. Finally, fair trade aims to promote human rights by campaigning for social justice, environmental responsibility, and economic stability.

According to Hulm (2006), there are five principles of fair trade that distinguish it from free trade, including: 1) price premiums, 2) certification and labeling, 3) microcredit, 4) technical support, and 5) advocacy in the form of consumer education. Nevertheless, in reality, fair trade seeks to go even further as it looks to diminish the barriers between producers in developing countries and consumers in developed countries by providing producers' fair wages and just working conditions and making the consumer aware of the improvements in the quality of producers' lives. Fair trade networks work to decrease both social and spatial distances between consumers and producers. Fair trade networks are seen as creating better social relationships between producers and consumers than they may find in free trade where relationships are based on "abstract market prices" (Raynolds, 2002, p. 4).

According to Raynolds (2002), "these alternative producer/consumer links involve alternative norms, values, conventions, and constructions of quality" (p. 4). "The fair trade movement has emphasized the preservation of traditional products of the developing world, notably handicrafts" (LeClair, 2002, p. 955). While free trade establishments promote manufactured goods through globalization Fair trade seeks to improve the livelihood of the producers found in developing countries while mainstream business are mainly concerned with keeping costs down and revenues high.

The Entities of Fair Trade

The four major entities propelling fair trade are the: 1) producers, 2) alternative trading organizations, 3) fair trade organizations, and 4) retailers that are not specifically part of the fair trade movement (Moore, 2004).

The producers

The producers of fair trade products are usually from a developing nation, female (for apparel and handicrafts at least), underprivileged even within their own country, and often part of a workers' cooperative (Raynolds, 2002). According to Raynolds (2002), the European Fair Trade Association (EFTA) states, "Fair Trade 'humanizes' the trade process—making the producer-consumer chain as short as possible so that consumers become aware of the culture, identity, and conditions in which producers live" (p. 1). There are currently 800 producer organizations in 45 countries producing fair trade items (Raynolds, 2002).

Fair trade not only benefits the producers of the fair trade products but it also benefits the producers' families and communities. Raynolds (2002) reports that, according to fair trade regulations, producers must organize into groups and determine how to distribute profits throughout their communities. This is a social premium of fair trade merchandise—the additional price paid directly to producers for the purpose of enhancing their communities. This is an essential component of fair trade and required so that the producers will have better understanding and control of the benefits of fair trade to not only enhance their livelihood but also their communities (Raynolds, 2002).

The alternative trading organizations

Alternative trade organizations (ATOs) are establishments that sell fair trade products. Littrell & Dickson (1997a) define ATOs as "nonprofit businesses that market crafts, gifts, and

food from developing countries through mail-order catalogs and retail stores in many regions of the world” (p. 344). Many of these organizations also help artisans in developing countries build upon skills. The artisans/producers are members of these organizations as individual entrepreneurs who produce products for sale in the developed countries. Typically, the ATOs distribute products through stores, websites, and/or mail-order catalogs.

Two successful ATOs are Ten Thousand Villages and Oxfam. Ten Thousand Villages grew from a grassroots beginning to a multimillion-dollar business. Named one of the "World's Most Ethical Companies" by the Ethisphere Institute and Forbes Magazine, for the last three years straight, the company currently has over 100 retail stores within the United States and Canada (Gore, 2011). Based out of Pennsylvania, Ten Thousand Villages mission is “to create opportunities for artisans in developing countries to earn income by bringing their products and stories to our markets through long-term fair trading relationships” (Ten Thousand Villages, 2009, para. 5). Oxfam International, officially established in 1995, found its roots in 1942 with the Oxford Committee for Famine relief. Oxfam works with communities in developing countries to implement long-term programs that contribute toward preserving local cultures as well as helping the producers and artisans improve upon skills needed for the production of fair trade products. They are also part of the fight against unfair trade laws (Oxfam International, 2011). Additional well-known ATOs include SERRV International, Equal Exchange, and Marketplace India.

The fair trade organizations

In addition to the producers and the ATOs, several important umbrella organizations exist and aid in the furthering of the fair trade movement. Two of the most important of these organizations are the Fair Trade International (FLO) and the World Fair Trade Organization

(WFTO). The FLO is the primary organization responsible for setting fair trade standards and certifying producer organizations and ATOs (Moore, 2004). Through the FLO, companies apply for fair trade labeling and must meet the standards set by the FLO in order to have their products, not the company, fair trade certified. The label is similar to a license and FLO has control over the use of the logo (Verdier-Stott, 2009). If companies violate the standards set by FLO, the FLO can take legal action. Furthermore, as pointed out by Reynolds (2000), unlike organic food and sustainable forest certification programs, fair trade certification not only focuses on production conditions but also is concerned with terms of trade.

In the United States, the FLO certified many products under the Fair Trade USA label until, in 2012, Fair Trade USA (the leading third-party certifier of fair trade products in the United State) began an independent certification process (Fair Trade USA, 2010; Neuman, 2011). The non-profit organization decided to make the change for two reasons. First, while under the FLO, Fair Trade USA paid fees of about \$1.5 million a year. Second, Fair Trade USA believes loosening certification standards and letting larger plantations into fair trade agreements will provide more opportunities for big businesses to get involved in purchasing fair trade products and will, thereby, positively affect the lives of a greater number of producers in developing countries (Neuman, 2011). This decision is not without controversy and there are some critics that question Fair Trade USA decision. The skeptics suggest this significantly blurs the line between fair and free trade (Neuman, 2011).

Compared to the FLO, the primary objectives of the WFTO (previously the International Fair Trade Association) are to bring together producers of fair trade products, ATOs, and other buyers. Operating out of about 76 countries, the WFTO extends membership to organizations that demonstrate a 100% commitment to fair trade by adhering to the organization's principles of

fair trade. The principles include, but are not limited to, giving opportunities to the disadvantaged producers, transparency and accountability, capacity building, payment of a fair price, rules against unjust labor practices, and protecting the environment (WFTO, 2011).

The retailers

In addition to the above three fair trade entities, many retailers are not fair trade affiliated but still sell fair trade products within their stores. These retailers include independently owned businesses, grocery stores, and beauty companies. Moore (2004) estimates at least 43,000 retailers throughout Europe and 7,000 retail outlets in Canada and the U.S. sell fair trade products in this manner.

If fair trade consumption is to continue to grow and move in the direction of entering mainstream markets, fair trade entities must identify new and capitalize upon existing target markets. Currently within the United States, Baby Boomers are the largest generational cohort (Coleman, Hladikova & Savelyeva, 2006; U.S. Census Bureau, 2011). Additionally, this generation has significant disposable income—resulting in the identification of Baby Boomers as a lucrative target market (Brown & Osborn, 2006; Coleman et al., 2006; Ferguson & Brohaugh, 2010; Hurley, 2002; Neal, 2002). Although some Baby Boomers may already be purchasing fair trade products, those consumers remain a small percentage of all Boomers. Therefore, by gaining more information about the Baby Boomer, market fair trade entities may be able to encourage greater consumption of fair trade among this generation and more successfully move into mainstream markets.

The Baby Boomer Generation

Baby Boomers, the generational cohort that is the focus of this research study, were born between the years 1946 and 1964. Baby Boomers experienced post-World War II prosperity.

They were able to attain high levels of education and, while building their careers, benefited from the rapid growth of the economy and the stock market during the 1980s and 1990s (Nyren, 2005). According to Meredith and Schewe (2004), these moments significantly influenced this generation's attitudes, values, and purchase behaviors.

Baby Boomers currently make up approximately 26.5% of the total U.S. population (U.S. Census Bureau, 2011). Within the cohort, 48.5% are male and 51.5% are female (U.S. Census Bureau, 2011), with the males having a life expectancy of 78.5 years and the females a life expectancy of 82.5 years (Social Change, 2010).

Approximately 68% of Boomers own their own homes, 25% rent, and 8% have alternative housing arrangements. The states that have the highest percentage of Baby Boomers in their population are Vermont, New Hampshire, Maine, Connecticut, and Montana (Hurley, 2010).

Baby Boomers enjoy a higher level of education compared to any previous generation. About 89% of Boomers completed high school and approximately 29% hold at least a bachelor's degree (Hurley, 2010). Currently, Boomers have an employment rate of 74% and the average Baby Boomer will hold 11 different jobs during his or her lifetime. Furthermore, Baby Boomers hold \$13 trillion in assets, which is 50% of the United States' total asset base (Hurley, 2010). Baby Boomers have an estimated spending power of \$2 trillion a year (Neal, 2010). They also have a median net worth of \$112,048, about 15 times the net worth reported for consumers less than 35 years of age (Coleman et al., 2006).

Baby Boomer Psychographics

Marketers use psychographic information for a better appreciation of what drives consumers when deciding to purchase items.

Psychographics are the lifestyles and values that drive lifestyle choices, including how people think; what motivates them to act; how they perceive themselves; their own environment; the self-image they want to project; what they seek in life and their aspiration; what is likely to interest them; and what channels of effective communication can reach them (Cleaver, Green, & Muller, 2000, p. 276).

Therefore, fair trade entities marketing to Baby Boomers must sufficiently understand their psychographics.

Baby Boomers' attitudes

Baby Boomers grew up in a time of surplus and their parents raised them to be independent. They believed they could make their own destiny and they became a generation that does not trust authority figures and dislikes the values of their parents' generation (Social Change, 2010).

Boomers are used to being the center of attention, but as they get older, marketers have shifted their attention to younger generations. According to Lori Bitter, senior partner at JWT Boom, "Boomers are the first generation to create the consumer culture... Every lifestyle they have passed through, they were catered to. The idea that no one cares about them kind of pisses them off" (as cited in Ferguson & Brohaugh, 2010, p. 77). Known as the "Me" generation, Boomers are dissatisfied with stores and advertising geared towards younger generations. Boomers prefer information intensive ads rather than image based ones favored by younger consumers. Baby Boomers want to know the product that they purchase will grow with them. The more information they gain about a product, the more that information will help them in their decision-making process (Roberts & Manolis, 2000).

Baby Boomers' attitudes towards money are different from that of their parents. The Greatest Generation (born between the years 1901 to 1927) saved money, saw their peak spending at age 47, and expected to retire and live off their pensions by age 62 (Ferguson & Brohaugh, 2010). However, the economic growth of the 1980s and 1990s shaped Boomers attitudes and many of them did not see a need to save (Social Change, 2010). Therefore, Baby Boomers are reaching their peak spending at age 54, have not saved adequately for retirement, and most will likely work well past the age of 62 (Ferguson & Brohaugh, 2010).

As Boomers age they are becoming more group conscious. They are going from “success to significance” (Ferguson & Brohaugh, 2010, p. 80). In a 2007 survey, 76% of Boomers were reported to “feel a sense of responsibility to make the world a better place” (Ferguson & Brohaugh, 2010, p. 80) Many Boomers were a part of the peace movement in the 1970s and are finding ways to reconnect with the green movement.

Baby Boomers' interests

Boomers are passionate about staying younger; and as they become older, Boomers are finding ways to stay youthful. Many marketers are catering to interest in having a youthful appearance by offering products like anti-aging creams and youthful clothing lines geared towards the middle-aged, mature adult (Neal, 2010).

Boomers are also avid television watchers, watching 13 hours more than the 27 hours Millennials (born between the years 1982 and 1991) watch per week (Ferguson & Brohaugh, 2010). Therefore, television advertisements are still a lucrative way of marketing to this generation.

Unlike generations before them, Boomers have grown up with great technological advancements, are more accepting of technological changes, and are Internet enthusiasts—with

77% having Internet access. While most social networking sites are dominated by Millennials, Boomers use of social networking sites increased by 59% in 2009, while Generation Y only increased by 2% (Ferguson & Brohaugh, 2010). Furthermore, although younger generations may spend more time online, the older generations tend to spend more money online for beauty and food items. Ferguson and Brohaugh (2010) report that in 2007 online spending for women between the ages of 42 and 62 averaged \$380 per year, compared with \$285 a year for Millennials and \$364 for Generation Xers.

Baby Boomers' opinions/values

According to profiles obtained from VALS 2¹ research, the majority of American Baby Boomers fit into four psychographic categories: actualizers, experiencers, achievers, and believers (Cleaver et al., 2000). In 2000, 15% of Baby Boomers were actualizers. When younger, these individuals invested in higher education and now hold white-collar positions. They are people who reflect on social matters and pursue new challenges. On the other hand, experiencers are thrill seekers. Making up 18% of the Baby Boomers, they have a youthful outlook with an adventurous streak. These consumers tend to be exercise enthusiasts. They have an automatic dislike for all things traditional and do not believe in authority or conforming to the majority. Achievers, making up 23% of the Baby Boomer population, are work and family oriented. They value the prestige and material goods they gained by having successful careers. These Boomers believe in the American dream and that hard work can bring success and happiness. Finally, at

¹ VALS 2 is a proprietary psychographic consumer segmentation system that classifies people into eight lifestyle groups on the basis of two dimensions: resources and self-orientation. The eight basic lifestyle groups are (1) Actualizers, (2) Fulfillers, (3) Believers, (4) Achievers, (5) Strivers, (6) Experiencers, (7) Makers, and (8) Strugglers. VALS-2 was developed by the US consulting firm Stanford Research Institute (SRI) as an improvement on its original VALS (introduced in 1978), a system that divided people into three basic lifestyle groups (Need driven, Outer directed, and Inner directed) (Business Dictionary, 2011).

25%, the largest lifestyle group of Baby Boomers is the Believers. Believers are very traditional, defined by family, church, and surrounding community support and many hold blue-collar jobs with a modest income and education (Cleaver et al., 2000).

Early Baby Boomers versus Late Baby Boomers

Wolfe and Snyder (2003) suggest a person most identifies with people within six to seven years of their age, making the ideal range for generational cohorts 12 to 14 years. Baby Boomers are a generational cohort spanning 19 years. Therefore, two subgroups frequently divide the cohort: Early (or Leading) Baby Boomers and Late (or Trailing) Baby Boomers. Early Baby Boomers were born between the years of 1946 and 1954, while Late Baby Boomers were born between the years of 1955 and 1964 (Green, 2003; Wellner, 2000).

German Sociologist Karl Mannheim perceived that social and cultural moments that occur during adolescence shape the ideals of a generation (Green, 2003). Early and Late Baby Boomers differ in those life experiences. Early Boomers came to age during the civil rights, environmental, and feminist movements. They can remember vividly the deaths of President Kennedy and Martin Luther King Junior. On the other hand, Late Boomers entered college and young adulthood after the Vietnam War. They experienced less social and political upheaval and were young adults during a more peaceful time.

Early and Late Boomers are also presently at different life stages. Early Baby Boomers have started reaching retirement age and are seriously planning for their next stage in life. Many of their children are grown or college age. These Boomers are looking for new experiences and are seeking personal development. On the other hand, Late Baby Boomers are still working and have children that are in school and still living at home (Green, 2003). As a result, the Late

Boomers are more likely to be attracted to products and services that are family oriented, may help them develop professionally, or could help their children (Green, 2003).

In addition, characterizing Early Boomers are more idealistic viewpoints than their younger counterparts, who are more realistic and pragmatic in their approach to life (Green, 2003; Wellner, 2000). Ken Dychtwald, president of Age Wave, a leading source on Baby Boomers stated, “Boomers are an extremely diverse generation, extraordinarily complex yet individualistic collection of men and women. But under the surface, we’re a generation with many, many common values and experiences” (as cited in Wellner, 2000, p. 56). Although they have many differences, some areas marketers can monopolize on are personal development, health, environmental concerns, and making a difference (Green, 2003).

Justification of Study

In 2010, there were 78 million Baby Boomers living in the United States; and according to Coming of Age Inc., “Baby Boomers are turning 50 at an astonishing rate of one every 7 to 10 seconds. That is more than 12,000 each day and over 4 million a year” (as cited in Coleman et al., 2006, p. 208). Furthermore, according to a 2008 study, between the years of 1995 and 2005, Baby Boomers’ purchases accounted for 78% of GDP growth in the United States (Ferguson & Brohaugh, 2010); and “Boomer households spend an additional \$110,000 more every year on consumer goods and services than their younger counterparts” (Brown & Osborn, 2006, p. 18).

As previously discussed, fair trade is experiencing increased sales. However, if the movement is to become more mainstream it must attract additional consumers. Since research indicates that Baby Boomers are moving from the “Me” generation to a generation that is more socially aware and conscientious in their behaviors, as well as the fact that they are a generation with considerable combined purchasing power, the fair trade movement should capitalize on this

consumer group. This study makes a positive contribution towards this goal by furthering the understanding of Baby Boomers knowledge about and attitudes towards fair trade movement and all product types. As well as assessing this generation's current level of engagement in purchasing of fair trade products and their perceptions of barriers to purchasing fair trade products that are prohibiting them from purchasing fair trade to a greater degree. An additional contribution made by this study is the comparison of differences in fair trade knowledge, attitudes, and behaviors of Early versus Late Baby Boomers—a new contribution to the body of knowledge on fair trade. Combined, this information will be useful in developing progressive marketing and business strategies for the fair trade movement.

Chapter 2 - Review of Literature

This chapter reviews current literature related to fair trade consumers, including the barriers consumers may face in purchasing fair trade products. The first section focuses on the theoretical framework guiding this study. The second section overviews studies on ethical consumption. The third section of the chapter discusses research related specifically to fair trade consumption. Finally, the chapter concludes with a review of literature examining the barriers fair trade consumers face.

Theoretical Framework: The ABC Model

Stern and Oskamp (1987) assert that engagement in socially responsible behavior is the result of both internal and external factors. Internal factors include personal attitudes, beliefs, and knowledge unique to the individual. External factors include economic forces, social institutions, and physical structures, which are on the macro-level and are out of the individual's realm of control. Building upon Stern and Oskamp, through the ABC model, Guagnano, Stern, and Dietz (1995) propose that, "actions or behaviors (B) are associated with attitudes (A)... Actions also have external conditions (C) associated with them" (p. 702). The ABC model states that there are varying degrees of attitudes and external conditions when it comes to a behavior and the importance of the behavior mirrors the degree of importance placed on the internal or external factors. If the behavior is found to be comparable to the need but has strong negative external conditions and is "difficult, expensive or inconvenient for most members of the population [it] will result in the action being relatively rare, whereas those associated with strong positive conditions will be very common" (Guagnano et al., 1995, p. 702).

In the model, the "value" placed by an individual on the attitude and external conditions determines the behavior. All things being equal, a behavior perceived to be inconvenient forms a

negative C. On the other hand, a behavior associated with strong positive conditions will result in a positive C. The same is true for attitudes. If the behavior is strongly favored it suggests positive A and if the behavior is strongly opposed it will result in a negative A (Guagnano et al, 1995).

Guagnano et al. (1995) suggests the importance placed on A and C by an individual can influence behaviors. As illustrated in Figure 2.1, the diagonal line, defined by the formula $A + C = 0$, displays the absence of behavior. Behavior is present when $A + C > 0$ and missing when $A + C < 0$. Although A or C may strongly influence an individual depending on what importance they place on each value the researchers propose that a combination of the A and C strongly affect behavior.

In the context of fair trade purchasing behaviors, according to the ABC Model, if the external conditions working against fair trade consumption are minimal, consumers with favorable attitudes towards fair trade are more likely to engage in fair trade purchasing behaviors that are consistent with those attitudes. However, if the external conditions are such that it becomes difficult to engage in fair trade consumption, attitudes and behaviors are likely to be inconsistent. Therefore, encouraging greater levels of fair trade purchasing within the Baby Boomer market segment requires an examination of their fair trade attitudes as well as the external conditions that this consumer group may perceive as being barriers limiting their engagement in this behavior.

The Ethical Consumer

Ethical consumption is the decision-making process involved with purchasing that takes into account the consumers' ethical concerns (Barnett, Cloake, Clarke, & Malpass, 2005; De Pelsmacker, Driesen, & Rayp, 2005). An ethical consumer is a person who feels some measure of responsibility towards society and uses buying behaviors to communicate those attitudes (De

Pelsmacker et al., 2005). Ethical consumers positively or negatively affect a company. The positive effects can be referred to as positive buying, which is purposively purchasing items that are ethically produced. Negative buying is boycotting products or brands that have negative effects on the environment and/or producer (De Pelsmacker et al., 2005; Szmigin & Carrigan, 2006; Yurchisin, Kwon, & Marcketti, 2009). There tend to be several dimensions encompassed under the umbrella of ethical consumption, including human rights, labor conditions, animal welfare, and the environment (Nicholls, 2002). However, these issues certainly overlap and consumers may be simultaneously involved in multiple forms of ethical consumption.

Bird and Hughes (1997), drawing on Mintel reports published in 1994, divide consumers into three main groups: ethical consumers (23% of the sample); semi-ethical (56% of the sample); and selfish (17% of the sample). Driven by their ethical views, ethical consumers are willing to forfeit other product attributes for the positive feelings associated with buying ethical products, and are willing to give to charity. Semi-ethical consumers are quality and brand driven and react to the positive emotions of ethical purchasing. Finally, selfish consumers are most concerned with quality and price attributes and are suspicious of charities. The study also found that, in recent years, the proportion of consumers in the ethical and semi-ethical categories have increased, with 5% of the study's respondents always or nearly always buying ethical products and 18% trying to buy ethical products as much as possible.

In order to profile the ethically conscious consumer, some research considers how demographics correlate to ethical consumption. For the most part this research shows that significant demographic discriminators of ethical consumption include gender, income, education, and social status. Females are more likely than males to engage in ethical consumption (Carrigan & Attalla, 2001; Roberts, 1996). Additionally, ethical consumers tend to

be middle-aged with high education levels and social statuses (Anderson & Cunningham, 1972; Carrigan & Attalla; Roberts, 1996). Studies by Anderson and Cunningham (1972) and Carrigan and Attalla (2001) also determined ethical conscious consumers to have relatively high incomes, although Roberts (1996) did not find a correlation between income and engagement in ethically conscious behaviors.

Although important, demographic factors are not sufficient for profiling ethical consumers. Therefore, research has also considered the role played by socio-psychological variables (values, attitudes, and beliefs) in characterizing ethical consumers (Anderson & Cunningham, 1972; Shaw & Shui, 2002; Yurchisin et al., 2009). For example, Anderson and Cunningham (1972) determined ethical consumers to be, “more cosmopolitan, less dogmatic, less conservative, less status conscious, less alienated, and less personally competent than his less socially conscious counterpart” (p. 30).

According to Shaw and Shiu (2002) and Yurchisin et al. (2009), some individuals engage in ethical consumption as a reflection of their self-identity while others think of it as an ethical obligation. Self-identity is “the pertinent part of an individual self that relates to a particular behavior” and an ethical obligation is “an individual’s internalized ethical rules” (Shaw & Shiu, 2002, p. 287). In seeking to gain a better understanding of consumers’ ethical drivers (self-identity and ethical obligations) and the relationship between those drivers and decision-making, Shaw and Shiu (2002) administered a questionnaire. The researchers discovered ethical consumers’ sense of ethical obligation and self-identification with the ethical issue are likely influences on ethical purchase intentions, whereas the average consumer chooses products based on price and quality. Consumers who have a high ethical obligation are more likely to be concerned about ethical issues, displaying positive attitudes and are willing to practice ethical

behaviors. The researchers propose attitudes alone are not enough to overcome perceived barriers to purchasing ethically produced items and encouragement of increased ethical consumption can only be successful if self-identity and ethical obligation drive the individual. Furthermore, consumers who make ethical purchase decisions are often first involved with a particular cause and will then purchase a relevant product (Yurchisin et al., 2009).

The motives for ethical consumption include “political, religious, spiritual, environmental, social, or other motives” (Harrison, Newholm, & Shaw, 2004, p. 2). In one study Szmigin, Carrigan, and McEachern (2009) conducted a series of interviews to have a better understanding of the ethical consumer. The study found these consumers have a strong sense of environmental and social concern.

Ethical consumers may look at their purchases as a reflection of themselves. The consumer may be trying to give their life some meaning. Because of the constant state of change and, in some viewers’ eyes, deterioration of our planet and society, some consumers try to find ways to combat the cycle through their consumer behaviors (Adams & Raisborough, 2008; Cherrier, 2005). As consumers seek more information on the products they buy and the companies that sell them, marketers have found new ways to engage the consumers’ want for ethically produced products. Research should continue to gain a thorough understanding of who the ethical consumer is and what drives them to purchase ethical products. An ethically sound option for ethical consumers is the consumption of fair trade products.

The Fair Trade Consumer

Some forms of ethical consumption are primarily concerned with the natural environment, commonly referred to as green or eco-conscious consumption—the act of consuming while consciously trying to reduce the environmental impact of the products bought

(Uusitalo & Oksanen, 2004). Other forms of ethical consumption, including fair trade consumption, are concerned with people (Nicholls, 2002). However, who are the people that buy fair trade products? According to Low and Davenport (2007), “fair trade consumers belong to a long line of ethical consumers concerned in particular with the conditions of life faced by those who make products, or extract the raw materials that go into them” (p. 341). However, as asserted by Kuik (2005), a characterizing and profiling fair trade consumers is complicated and, as a result, it is difficult to predict buying behaviors for this market segment.

Previous research indicates that, similar to ethical consumers as a whole, consumers of fair trade products tend to be well educated and have above average incomes (Adams & Raisborough, 2008, Bird & Hughes, 1997; De Pelsmacker et al., 2005). Additionally the typical consumer of fair trade products is female and middle aged (Bird & Hughes, 1997; Castaldo, Perrini, Misani & Tencati, 2008; De Pelsmacker et al., 2005; Dickson & Littrell, 1997b; Hulm, 2006).

A less researched area of fair trade consumers is their values and attitudes. What research has shown is that fair trade consumers are idealistic (De Pelsmacker et al., 2005) and have a strong sense of world citizenship and empathy towards others in developing countries (Dickson & Littrell, 1996, 1997b). Furthermore, many fair trade consumers indicate a willingness to sacrifice price and quality to buy fair trade products (De Pelsmacker et al., 2005; Dickson & Littrell, 1996).

De Pelsmacker et al. (2005) investigated the extent to which consumers were willing to pay the fair trade price premium when buying coffee and how consumers differed in terms of their willingness to pay. Surveying Belgium consumers, the study used a conjoint analysis to assess the participants’ willingness to pay for different types of coffee at a supermarket. Of all

the coffee attributes, considered (fair-trade label, brand, blending, package, and flavor), brand attributes had the highest relative importance for consumers with fair trade label and flavor coming second. The study also divided the consumers into four cluster groups: fair-trade lovers (11% of the respondents), fair-trade likers (40% of the sample), flavor lovers (24% of the respondents), and brand lovers (25% of the respondents) respectively. Fair trade lovers were individuals who only paid attention to the fair trade attribute of the coffee, while fair trade likers were prone to buy fair trade but considered other attributes, such as price, in their purchasing decision-making process. Furthermore, a majority of the consumers in the study were willing to pay 10% more for fair trade coffee while only 10% of the consumers were willing to pay the extra 27% that fair trade typically costs compared to regular coffee. The consumers who were either flavor or brand lovers were only willing to pay 5% more.

A study by Castaldo et al. (2008) hypothesized “that retailers with a good corporate social responsibility (CSR) reputation will be able to elicit trust from consumers interested in fair trade products, while retailers with a weaker CSR reputation will be disadvantaged” (p. 2). The study surveyed customers of Italian retailers selling fair trade goods and found that consumers trust of fair trade products translate into brand loyalty and a willingness to pay premium prices.

Specifically focused on apparel, Dickson and Littrell (1997b) found two market segments of fair trade apparel consumers: Creative Ethnic and Plain and Simple. The study found apparel functionality and quality as important attributes for both market segments. However, Plain and Simple consumers preferred solid and neutral colored fair trade apparel and put a larger emphasis on high quality items. Creative Ethnic consumers, on the other hand, buy fair trade clothing as a form of self-expression and creativity as well as a link between themselves and the producers.

Finally, Littrell, Ma, and Halepete (2005) conducted a study on generational cohorts of fair trade consumers. The generational cohorts examined were Generation Xers (1965 to 1975), Baby Boomers, and the Swing Generation, who are individuals born between 1930 and 1945. The study explored how the generational cohorts differed in terms of fair trade product attitudes and buying behaviors, retail preferences, shopping orientations, and socio-political attitudes. The study also examined how those factors influenced purchase intentions for fair trade apparel. Significant findings of the study were that Swing and Baby Boomers differed from Generation X in that the older generations were more likely to want the fair trade apparel to be comfortable and of high quality. They were also more apt to buy authentic products that were native to the producer and ethnic attire. On the other hand, Generation Xers desired fair trade products that were fashionable.

In sum, consumers who are more likely to buy fair trade are usually middle aged or older, well educated, are wealthier than average and tend to be women. Previous research generally focuses on fair trade in terms of coffee and apparel. There is currently little literature in relation to different age groups, particularly Baby Boomers. Future research would benefit from looking at other market segments and gaining a better understanding of ways to promote more consumption of fair trade products.

Barriers to Fair Trade Consumption

Studies have found that although consumers' have positive attitudes towards ethical consumption (including fair trade consumption), their behaviors do not consistently reflect their attitudes (Uusitalo & Oksanen, 2004). This is because there are many barriers to ethical, and more specifically, fair trade consumption—both internal and external. For example, Hiller Connell (2010) examined both internal and external barriers within the context of eco-conscious apparel.

The research found that availability and price along with social and cultural norms were external factors preventing consumers from purchasing eco-conscious apparel, while internal barriers were limited knowledge and negative attitudes toward eco-conscious apparel. Another study found that even when consumers are familiar with ethical products and knowledgeable about where to purchase them; many consumers remain loyal to non-ethical brands (Szmigin, Carrigan, and McEachern, 2009). Szmigin et al. (2009) also determined that price, quality, and convenience were significant barriers to ethical consumption

Carrigan and Attalla (2001) also assert that the modern consumer does not always translate their socially conscious knowledge and attitudes into purchase behavior. Many consumers self-report as being socially responsible but many suffer from the attitude-behavior gap. To explore this gap, Carrigan and Attalla (2001) conducted focus groups with both males and females. The participants were ages 18 to 25 and were highly educated. None of the study's participants, although aware of companies' unethical behaviors, had boycotted those brands. In fact, the participants gave justifications as to why unethical business practices are not always negative (i.e., they create employment opportunities in underdeveloped countries) and the participants rarely, or never, even considered a company's ethics when making purchases. The participants also found it difficult to identify companies that were socially responsible. The study concludes that consumers are selective on what ethical issues they support and that most consumers do not wish to be inconvenienced, particularly by price.

Unfortunately, there is limited research on how internal and external factors specifically influence fair trade purchasing behaviors. Low and Davenport (2007) assert some of the most significant barriers to fair trade consumption include a lack of information about the fair trade movement and products, limited product range and availability, a lack of commitment from

consumers, and the feeling among consumers that their choices do not make a difference. However, if fair trade organizations hope to minimize the barriers and increase sales, more research is necessary.

Diffusion Theory

In this study, diffusion theory (Rogers, 1983) provides the framework for determining factors that may impede Baby Boomer's adoption of fair trade purchasing behaviors. The diffusion process is an orderly sequence of events that consist of the introduction of an innovation (in this case fair trade), adoption, increase, peak, then eventual decline or obsolescence (Rogers, 1983).

The diffusion and adoption processes

In order to gain a better understanding of how fair trade fits within the diffusion and adoption process the reader needs to gain a better understanding of the how these processes work. Within diffusion theory (Rogers, 1983) an innovation is something that is new to the individual, so the object does not have to be relatively new, but just newly introduced to the individual consumer (Rogers & Shoemaker, 1971). Fair trade can be seen as an innovation to Baby Boomers that have never been a direct target in the marketing of fair trade.

Once presented with an innovation, an individual goes through a process of determining if he or she will accept or reject the innovation. Rogers (1983) suggests a five-stage process (awareness, interest, evaluation, trial, and adoption or rejection). During the awareness stage, the innovation is first introduced to the potential adopter. After a potential adopter becomes aware of the innovation, the process moves to his or her interest being peaked (or not) and from there he or she will evaluate the innovation. The evaluation stage is where a potential adopter forms either positive or negative associations with the innovation. If the innovation is conducive with the

potential adopter's wants/needs, the innovation may then be tried and from there the individual will choose to adopt or reject the innovation.

For the sake of this study, the innovation is fair trade products. A Baby Boomer is the individual potentially adopting fair trade. According to the theory, Baby Boomers must first become aware of fair trade products. After a potential Baby Boomer adopter becomes aware of the fair trade product, the process moves to his or her interest being peaked (or not) and from there he or she will evaluate the products. If Boomers find fair trade products to be conducive with individual wants/needs, the innovation may then be tried and from there the individual will choose to adopt or reject the product.

Prerequisites for adoption of an innovation

Many variables determine the success of an innovation. These prerequisites include compatibility, trialability, complexity, observability, and relative advantage (see Figure 2.2) (Rogers, 1983). Compatibility is how well the innovation is connected to the person's lifestyle and reflective of their values or norms. Trialability is whether or not the individual can try the innovation before deciding on adoption or rejection. Complexity refers to the difficulty of use or understanding of an innovation. Observability is determined by how visible the product is and if it communicates effectively what the product is or is supposed to do. Finally, relative advantage relates to the advantages the innovation has over predecessors or other competing products.

This study considers the lack of the prerequisites of compatibility, trialability, and observability as potential barriers to the wide spread adoption of fair trade products among the Baby Boomer generation. Additionally, the complexity of understanding fair trade is potentially an additional barrier. As it relates to fair trade, compatibility refers to if the product fits "personal style" or is consistent with the existing norms and values of consumers (Joergens, 2006). As the

literature conveys, many consumers of fair trade products may be supportive of the cause but may not be able to compromise other desired product attributes such as quality and/or aesthetics. In the past, sustainable fashion was considered an anti-fashion movement and gave the wearer a visual way to express their disdain toward the violation of environmental concerns and animal rights (Winge, 2008). Many consumers today, no matter the cause, do not want to compromise personal style for ethically produced merchandise. As well, consumers choose products that are consistent with their lifestyle and the aesthetics or functionality of fair trade products may not fit with that lifestyle (Forney, Park, & Brandon, 2005). Therefore, the prerequisite of compatibility may not be present for some consumers.

In a study conducted by Halepete, Littrell, and Park (2009) on the personalization of fair trade apparel, the research found that some fair trade consumers were not happy with choices of apparel because the designs, patterns, and colors were not compatible with their personal style. One customer stated, “I prefer monochromatic or complementary colors... I would be even more tempted to buy wonderful MarketPlace clothing items if the color palette was more to my taste” (Halepete et al., 2009, p. 144). A large majority of the participants in the study agreed they would be more willing to purchase fair trade products if there was a greater range in product selection—allowing them to purchase products more compatible with their personalities and that fit within their lifestyle.

Another study (Dickson & Littrell, 1996) found that consumers were concerned because of a perception that the fair trade products were not as durable as products available in the mainstream market and thus incompatible with consumers’ quality standards. The researchers found that fair trade retailers could do a better job giving more information on the producer groups as well as meeting customer needs.

Trialability, the second prerequisite to adoption of an innovation, relates to whether or not the individual can experience the innovation before deciding on adoption or rejection. Because many ATOs sell through catalogs or online, consumers cannot try the product prior to purchase. Therefore, there is high risk associated with the purchase that many consumers are not willing to tolerate—leading to the absence of the prerequisite of trialability as also being a potential barrier to fair trade consumption.

The prerequisite of complexity concerns consumer understanding of the product. In relation to fair trade, consumers may have some difficulty understanding the meaning of fair trade and may have to “engage in extended problem solving” (Uusitalo & Oksanen, 2004, p 216). Some consumers may not want to take this additional decision-making step and will purchase products that are more familiar to them. Even when the consumer has a basic understanding of the meaning of fair trade and has access to products that are fair trade certified, fair trade is very complex and it can be difficult for consumers to define unethical behavior, as well as for them to make judgments about the ethics of individual brands and products (Joergens, 2006). Therefore, the complexity of ethical and fair trade consumption can serve as a barrier to adoption.

Observability, the fourth prerequisite to the adoption of an innovation, may be one of the most complex factors within the consumption of fair trade products. As previously discussed, labeling is a major issue in the fair trade movement and many fair trade products, especially textile goods, are not actually fair trade certified and do not carry a fair trade logo. As a result, consumers have to trust the word of companies like Ten Thousand Villages and make inferences about whether the product is or is not ethically produced. Therefore, the lack of consistently observable fair trade labels is potentially a significant barrier to fair trade purchasing.

Within diffusion theory (Roger, 1983), relative advantage is the fifth prerequisite to the adoption of an innovation—an innovation must have relative advantage over competing products before consumers will adopt the innovation. Because fair trade products are socially and environmentally conscious and the purchase of these products improve the quality of life for producers and their communities, this study conceptualizes fair trade products as innately having a strong relative advantage over free trade products.

In addition, consumers are more likely to be committed to ethical issues when it can show direct benefit to them (Joergens, 2006). Similarly, to some extent fair trade products have been marketed as an indulgence. Many of the products are hand crafted, artisan made, and in many cases one of a kind. “In choosing to purchase ethical goods, consumers can be said to be acting hedonistically both in their relation to their own feeling of pleasure from the purchase and in terms of the good they may bring to other” (Szmigin & Carrigan, 2006, p.610). The purchase serves as an enhancer not only to the well-being of the purchaser but that of the producer as well and in turn elicits feelings of pleasure from the consumer—another relative advantage over other products.

Therefore, this study does not perceive relative advantage as a barrier to the adoption of fair trade. Instead, it proposes that, in marketing fair trade products, fair trade entities are underutilizing this prerequisite and marketing efforts should better demonstrate the relative advantage of fair trade over other products.

To summarize, many variables determine if consumers will successfully adopt a fair trade product. This study seeks to examine barriers against fair trade purchasing by examining the role four of the prerequisites (compatibility, trialability, observability, and complexity) play in limiting Baby Boomer’s engagement in fair trade purchasing behaviors. The fifth prerequisite,

relative advantage will be assessed in terms of how current fair trade marketing practices can be improved to reflect its competitive advantage over non-fair trade businesses. By examining each variable there may be new insights gained to what is impeding fair trade consumption, particularly within the Baby Boomer generation.

Purpose and Objectives

Through the literature review, it is evident that there are many potential areas to expand upon within the body of knowledge regarding fair trade consumption. For example, there is only a limited profile of the demographics and psychographics of the typical fair trade consumer and most of the research informing that profile is from the 1990s or earlier. Over the last couple of decades, much has changed in the market and consumers have evolved. Additionally, only one study, Littrell et al. (2005), has specifically examined fair trade from the perspective of Baby Boomers, despite this consumer group being such a large market presence. There is also a limited understanding of the barriers to fair trade consumption.

Therefore, given the above considerations, the overall purpose of this thesis is to explore fair trade consumption among Baby Boomers. This study opened its scope to all fair trade products.

The objectives for the study are:

1. To explore Baby Boomers' knowledge and attitudes about fair trade, as well as their engagement in fair trade purchasing behaviors.
2. To identify the barriers facing Baby Boomers in the purchasing of fair trade products.
3. To investigate differences between Early and Late Baby Boomers' fair trade related knowledge, attitudes, and behaviors.

4. To identify effective methods for fair trade entities to successfully market fair trade products to Baby Boomer consumers.

Research Questions

With the above objectives in mind, this thesis sets out to answer six specific research questions about Baby Boomers and the consumption of fair trade products.

1. Do Baby Boomers know how fair trade businesses are different from non-fair trade businesses?
 - a. Is there a difference in knowledge between Early and Late Boomers?
2. What are Baby Boomers attitudes towards the fair trade movement and fair trade products?
 - a. Is there a difference in attitudes between Early and Late Boomers?
3. How frequently do Baby Boomers purchase fair trade products?
 - a. Is there a difference in frequency between Early and Late Boomers?
4. What fair trade products do Baby Boomers purchase?
 - a. Is there a difference between Early and Late Boomers?
5. What is the relationship between Baby Boomers' knowledge of and attitudes towards fair trade and their engagement in the purchasing of fair trade products?
6. What barriers face Baby Boomer consumers in the purchasing of fair trade products?

Definition of Terms

Alternative Trading Organizations (ATOs): Non-profit establishments that sell fair trade products. Many of these organizations also help artisans in developing countries build upon skills (Littrell and Dickson, 1997).

Baby Boomers: A generational cohort born between the years 1946 and 1964.

Early Baby Boomers: Also referred to as Leading Baby Boomers, these are individuals born between 1946 and 1954.

Late Baby Boomers: Also referred to as Trailing Baby Boomers, these are individuals born between 1955 and 1964 (Green, 2003; Wellner, 2000; Wolfe & Snyder, 2003).

Ethical Consumption: The act of considering the ethical behavior of companies before purchasing products (Barnett et al., 2005; De Pelsmacker et al., 2005).

Fair Trade: The practice of paying living standard wages and providing a safe work environment to producers/artisans in the developing world built on certain principles (Downie, 2007).

Social Premium: The additional price paid directly to producers to be used to enhance quality of life within their communities (Raynolds, 2002).

Figure 2.1 The ABC Model

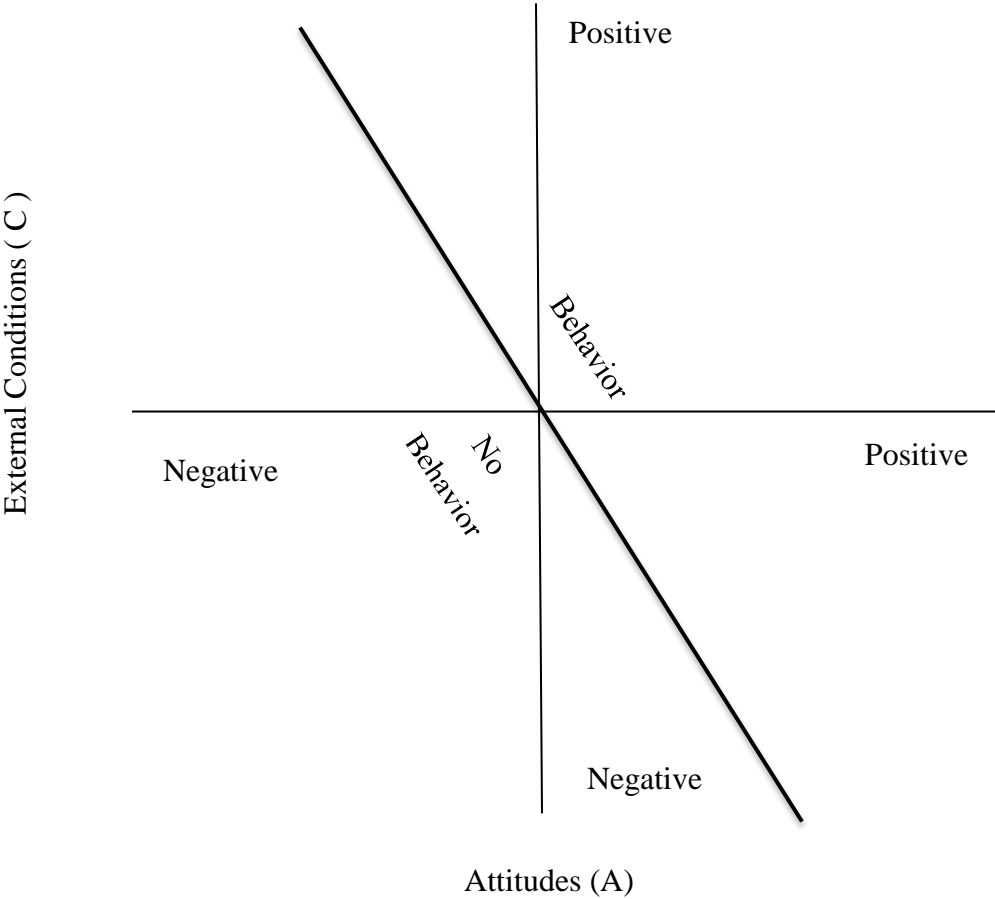
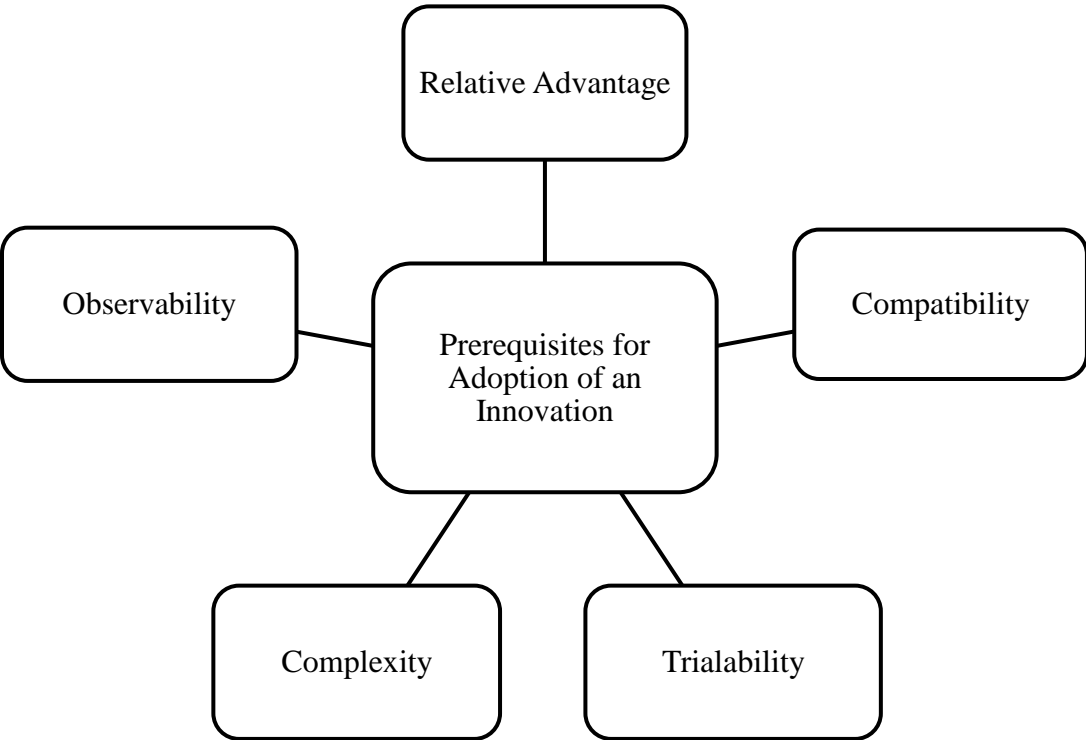


Figure 2.2 Prerequisites for Adoption of an Innovation



Chapter 3 - Research Method

As fair trade continues to expand into mainstream markets, an underutilized market is Baby Boomers. Although fair trade entities have, at least to a certain degree, already targeted the Baby Boomer market, the sheer size of the generation warrants further attention by these entities. Therefore, the population for this study is Baby Boomers living in the United States. This chapter outlines the research method used in the study for data collection and analysis. It gives essential details in all research method areas including the sample and recruitment procedure, the procedures taken to collect data, the survey instrument, and the data analysis strategy.

Survey Instrument

Data was collected through an online questionnaire (see Appendix A) that addressed a wide range of questions related to fair trade. The questionnaire consisted of five sections: 1) general knowledge of the fair trade movement; 2) attitudes about the fair trade movement; 3) engagement in fair trade purchasing behaviors; 4) barriers to fair trade purchasing; and 5) demographic information.

Knowledge of the Fair Trade Movement

As far as is known, there is no established scale for measuring individuals' knowledge about fair trade. Therefore, this study developed a scale to assess consumers' knowledge of the fair trade movement. To develop the scale, the researcher first drafted a set of eleven possible scale items. Fair trade literature informed the development of the initial items. Then, a panel of three experts on issues of social responsibility within the apparel industry reviewed and assessed the validity of the items. Based on this review, a revision of the statements occurred, making the scale items more in alignment with Moore's (2004) goals of fair trade. In the end, the scale included eight knowledge items. The dichotomous response categories for these items were *True*

and *False*. An example of a statement that assessed participant knowledge was, “Fair trade is founded on the idea of paying fair wages.” The scale included four items that were false and four items that were true.

Attitudes about the Fair Trade Movement

To measure consumers’ attitudes about the fair trade movement, this study adapted the scale developed by Dickson (1999) in the context of socially responsible apparel consumption. Previous studies have also utilized this scale, always with coefficient estimates for reliability at .70 or higher (Hiller Connell & Kozar, in press; Kozar & Hiller Connell, 2010; Kozar & Hiller Connell, in press).

The original Dickson (1999) scale measured knowledge of and concern with social issues related to the apparel industry, and the scale included 23 items. For this study, the researcher selected eight items from Dickson’s scale that measured consumer attitudes and modified the wording so each item was within the context of fair trade.

This portion of the questionnaire asked consumers to indicate their level of agreement with statements about fair trade on a 7-point Likert-like scale (1=strongly disagree to 7=strongly agree). Examples of statements included, “I am concerned with issues affecting people in developing countries around the world,” and, “I believe in the principles of fair trade.”

Fair Trade Purchasing Behaviors

There were two scales used to measure fair trade purchasing behavior. The purpose of the first behavior scale was to measure engagement in fair trade purchasing behavior on a broad level. This scale, the Fair Trade Purchasing Behaviors (FTPB) scale included four items adapted from Kozar and Hiller Connell (2010), along with three additional items developed for this study.

The Kozar and Hiller Connell (2010) scale measures consumers' participation in sustainable apparel purchasing behaviors, and it includes four items that assess previous engagement in environmentally conscious behaviors and four items that assess previous engagement in socially responsible behaviors. Similarly to the Dickson (1999) scale, previous studies have also utilized this scale, always with coefficient estimates for reliability at .70 or higher (Hiller Connell & Kozar, in press; Kozar & Hiller Connell, 2010; Kozar & Hiller Connell, in press).

Therefore, to develop the FTPB scale for this study, the researcher selected the four items from Kozar and Hiller Connell measuring socially responsible purchasing behaviors and modified the items to focus on fair trade purchasing behaviors. For example an original item in Kozar and Hiller Connell states, "In the past, I have paid more for clothes and accessories that I knew were made under fair labor standards." In this study, the item was modified as, "I pay more for products that I know are made under fair trade principles."

The FTPB scale asked respondents to indicate how often they had engaged in certain fair trade purchasing behaviors on 6-point Likert-type scales (0=I don't know to 5=All of the time). Examples of statements included, "I buy fair trade products," and, "I actively seek out information about the conditions in which products are manufactured before I purchase them."

The purpose of the second scale, developed specifically for this study, was to determine the frequency with which the respondents purchased certain types of fair trade products. This scale asked, "In the last 6 months, how often have you bought the following fair trade products?" The products included coffee, jewelry, clothing, chocolate, handbags, and home fashions and the response categories included none, one to two times, three to four times, five to six times, and seven or more times.

Barriers to Fair Trade Purchasing

To assess consumers' perceived barriers to fair trade purchasing, the questionnaire asked one question, "Do you find it difficult to purchase fair trade products?" If the respondent answered yes then the respondent was asked to explain some of the challenges encountered when trying to purchase fair trade. An open-ended question was used to diminish limitations in participants' responses.

Sample and Recruitment Procedure

The study used a convenience sample of Baby Boomer faculty and staff from a large Midwestern university. The participants in the study were recruited using two methods. First, the researcher invited people to participate in the study as they were leaving a fair trade marketplace that is held every fall on the campus of the university. The marketplace is located in the courtyard of the university's student union and typically consists of 15 to 20 fair trade vendors that, over a period of two days, sell around \$20,000 worth of fair trade merchandise from all over the world (A. Pomeroy, personal communication, August 31, 2011). Products typically sold through the marketplace include coffee, chocolate, jewelry and other accessories, apparel, and small decorative items such as baskets and pottery. In conjunction with the marketplace, there is also a fair trade fashion show. To recruit participants, the researcher presented individuals at both the marketplace and the fashion show a flier that detailed the study and provided a URL for an online survey. To increase response rates, the researcher also collected email addresses for these individuals in order to send reminders about completing the survey.

In order to increase the study's sample size, the research utilized second method for recruiting participants. The second method for recruiting participants was an email blast sent out to faculty at the same Midwestern university. Email addresses were obtained by visiting the

faculty profile webpages for each of the university's academic departments and copying faculty information into a spreadsheet to be uploaded to the online questionnaire. Prior to data collection, the researcher could not determine the age of the faculty and staff. Therefore, the survey went out to all faculty and staff listed in academic departments—not just Baby Boomers—but for the purpose of this study, analysis included only the responses from the Baby Boomers. The email included the URL for the survey. The survey was open for a period of one month. All non-respondents received participation reminds once a week. There were also incentives for participating in the study in the form of a drawing for three prizes—a fair trade gift basket and two local coffee shop gift cards.

Data Analysis

Analysis of the data from the completed surveys included a combination of both quantitative and qualitative techniques. For the first four research questions (Do Baby Boomers know how fair trade businesses are different from non-fair trade businesses? What are Baby Boomers attitudes towards the fair trade movement and fair trade products? How frequently do Baby Boomers purchase fair trade products? What fair trade products do Baby Boomers purchase?) the researcher calculated descriptive statistics, including frequencies, means, and standard deviations. Additionally, data analysis included independent-samples t-tests to determine if there were any difference between Early and Late Baby Boomers' knowledge, attitudes, and behaviors. To answer the fifth research question (What is the relationship between Baby Boomers' knowledge of and attitudes towards fair trade and their engagement in the purchasing of fair trade products?), the researcher conducted correlation analyses. All quantitative analysis was completed using SPSS software. Finally, to answer the sixth research question (What barriers face Baby Boomer consumers in the purchasing of fair trade products?),

the researcher qualitatively analyzed the open-ended question on the questionnaire. Furthermore, diffusion theory guided the qualitative analysis.

Chapter 4 - Results

This chapter presents the findings of the study as they relate to each of the study's research questions. The first part of the chapter overviews the demographic characteristics of the respondents. The chapter then proceeds to summarize the results for each research questions.

Overview of Sample

Through passing out fliers at the fair trade market place and fashion show and the email blast, 1205 recipients were invited to participate in the study. Overall, 341 individuals completed the survey, which is a 28.2% response rate. However, only 168 of those respondents fit the age criteria for Early and Late Baby Boomers and were included as participants in this study. As seen in Table 4.1, out of those participants, 35.7% (n=60) were male while 63.7% (n=107) were female, with one unknown. Overall, because the study sampled from faculty at a higher education institution, the sample was well educated with approximately half holding doctoral degrees (51.2%, n=86). The majority were also married (78.6%, n=132) and many earned between \$100,000 and \$124,999 per year (40.5%, n=68) with the second highest income range being between \$75,000 and \$99,999 (19.6%, n=33). Also, the majority of the participants were Caucasian (85.7%, n=144). Out of the 168 Baby Boomer respondents, 63 (37.5%) were Late Boomers and 105 (62.5%) were Early Baby Boomers.

Scale Reliability and Summed Variables

Cronbach's standardized alpha evaluated the internal reliability of the attitude and each of the behavior scales included in the survey instrument. The coefficient estimates for measures of fair trade attitudes and purchasing behaviors were acceptable at the .70 level or higher (Krahtwohl, 1998). The alpha for the attitudes about the fair trade movement scale was .79. For the two scales measuring fair trade purchasing behaviors, the alphas were .89 and .72. Therefore,

based on achieving acceptable reliability estimates, summed mean score variables were calculated for participants' attitudes about fair trade and their purchasing behaviors.

The research used Split-Half reliability testing and the Kuder Richardson coefficient of reliability to evaluate the internal reliability of the study's dichotomous-item knowledge scale (Kaplan & Saccuzzo, 2001). For the Split-Half test, each respondent's scores for the scale's eight items were summed. The summed scores were then randomly divided into equivalent halves and the researcher computed a Pearson correlation coefficient between scores on the two halves of the scale, resulting in $r=.33$ —too low of a reliability estimate to justify the calculation of a summed mean variable for the knowledge scale. Kaplan and Saccuzzo (2001) also suggest evaluating the internal reliability of binary measurements through the Kuder-Richardson 20 (KR 20) test. A high KR-20 coefficient ($>.90$) indicates homogeneity (Cortina, 1993). However, this test also resulted in a low coefficient ($r = .31$). Therefore, a summed mean variable for the knowledge scale was not calculated or used in data analysis.

Research Question One: Baby Boomers' Knowledge of Fair Trade

As seen in Table 4.2, the participants in this study were knowledgeable about fair trade and understood how fair trade differs from mainstream merchandise, with mean scores for each knowledge item being above 1.5 on a scale of 1 (low knowledge) to 2 (high knowledge). For example, a majority of the respondents (95.8%) knew that fair trade products are not always organic. Other statements that most of the participants answered correctly included, "Farmers in the developing world do not benefit from fair trade," and "Fair trade is concerned with providing safe working environments to producers." The statement most frequently answered incorrectly was, "Fair trade is about paying developed world wages in the developing world," with 35.7% of the respondents not knowing that this statement is false. This finding seems to indicate that the

respondents are confused about the difference between fair wages and developed world wage standards and believe developed wage standards are the equivalent to a living wage in other countries.

Comparison of Knowledge between Early and Late Baby Boomers

The internal reliability of the knowledge scale was not sufficiently high to permit calculating a summed mean score for knowledge about fair trade. Therefore, to make some comparisons between the Early and Late Boomers in terms of their knowledge of fair trade, independent samples *t*-tests were run on each item included in the knowledge scale. As seen in Table 4.3, there were no statistically significant differences between the two groups of Baby Boomers, on any of the knowledge items. Therefore, a finding of the study is that Early and Late Boomers do not differ in terms of their knowledge about the fair trade movement. This is not an overly surprising finding as the two comparison groups have similar educational backgrounds.

Research Question Two: Baby Boomers' Attitudes towards Fair Trade

Regarding attitudes towards fair trade, as summarized in Table 4.4, participants displayed high levels of agreement with fair trade ideals. For example, 94.8% of the respondents agreed they were concerned with labor issues affecting people in developing countries around the world. In addition, 86.3% of the respondents believed in the goals of fair trade, while 73.9% purchased fair trade products because they wanted to be socially responsible. Moreover, slightly more of the respondents (76.8%) expressed a willingness to pay more for fair trade products. On the other hand, respondents were not quite sure how knowledgeable they were about fair trade, with 29.2% only somewhat agreeing that they were knowledgeable and 22.6% being undecided. It is interesting that many of the respondents lacked confidence that they were knowledgeable about fair trade because a majority of the participants scored high in the knowledge portion of the

survey. Furthermore, when asked if they would settle for a lower quality garment in order to buy something from a fair trade business many of the participants (66.1%) either somewhat disagreed, disagreed, or strongly disagreed. This finding is compatible with previous research, which states consumers of fair trade products are not willing to compromise certain product attributes in order to purchase fair trade products (De Pelsmacker et al., 2005; Szmigin et al., 2009).

Comparison of Attitudes between Early and Late Boomers

To examine possible differences in attitudes between Early and Late Boomers, using summed mean scores, an independent samples *t*-test, outlined in Table 4.5, was conducted to compare the attitude scores of Early and Late Baby Boomers. There were no significant differences in scores for attitudes between the Early Boomers ($M=4.53$, $SD=.825$) and Late Boomers [$M=4.43$, $SD=.953$; $t(166)=-.766$, $p=.45$]. Therefore, similar to knowledge about the fair trade movement, a finding of this study is that the Early and Late Boomers were not statistically different in terms of their attitudes about the fair trade movement.

Research Questions Three and Four: Baby Boomers' Fair Trade Purchasing Behaviors

As research has shown, consumers can have positive attitudes towards ethical consumption but this does not necessarily translate into behaviors (Carrigan & Attalla, 2001; De Pelsmacker et al., 2005). Of interest in this present study is Baby Boomers' level of engagement with fair trade purchasing. As detailed in Table 4.6, respondents' answers to the FTPB scale revealed that a majority (68.5%) of them engage in fair trade purchasing behaviors either some of the time (52.4%), most of the time (13.1%), or all of the time (3%). Additionally, almost three-quarters of the respondents agreed that they buy products from companies that they know

are concerned about human rights some of the time (50.6%), most of the time (16.9%), and all of the time (6%), while only 27.4% stated that they were influenced by a company's record of the treatment of workers when producing clothing and accessories, at least some of the time. The respondents also did not commonly seek out information about the conditions in which a product was made prior to purchase, with 69.7% of the respondents answering "never" or "rarely" to this question.

In addition, Table 4.7 presents how frequently the respondents purchased certain fair trade products within the last six months. The products include coffee, jewelry, clothing, chocolate, handbags, and home fashions. The most purchased fair trade item by the respondents was clothing, with 60.8% of the respondents stating that they had purchased fair trade apparel at least once in the last six months. In addition, the second highest item purchased at least once in the last six months was coffee (60.7%) and the third most frequently purchased item was jewelry (55.3%). The least purchased product was handbags with only 20.5% of the respondents stating they had purchased this category of fair trade merchandise within the last six months. Clothing had the highest percentage of respondents purchasing within the last six months. However, coffee had the most respondents (25%) stating they had, within the last six months, purchased this item seven or more times.

Therefore, the findings suggest that the Baby Boomers in this study do engage in fair trade purchasing behaviors. However, they appear to be primarily purchasing products, like coffee, that are readily available to them and are close in price to mainstream merchandise. Folgers gourmet coffee is about \$7 and Equal Exchange fair trade coffee is only about \$2 more and can be found in most grocery stores. On the other hand, the Boomers are not highly involved in fair trade behaviors that require more involvement or sacrifice of resources.

Comparison of Purchasing Behaviors between Early and Late Boomers

To examine possible differences in general fair trade purchasing behaviors between Early and Late Boomers, using summed mean scores, the researcher conducted an independent samples *t*-test, previously detailed in Table 4.5, to compare the FTPB scale scores of Early and Late Baby Boomers. The *t*-test revealed no statistically significant differences in terms of the degree to which the Early Boomers ($M=2.71, SD=.849$) and Late Boomers [$M=2.60, SD=.953; t(166)=-.813, p=.42$] engage in fair trade purchasing behaviors.

Research Question Five: Relationships between Knowledge, Attitudes, and Behaviors

An additional objective of this study was to examine relationships between Baby Boomers' fair trade knowledge, attitudes, and purchasing behaviors. Pearson product-moment correlation coefficient investigated the relationships between these variables. To ensure no violation of the assumptions of normality, linearity, and homoscedasticity, the research performed preliminary analyses of the data, including examination of scatterplots and histograms. This preliminary analysis revealed no violations.

Due to Cronbach's alpha for the knowledge scale being too low to create a summed mean knowledge variable, correlations between knowledge and attitudes and knowledge and behaviors were ran on individual knowledge items against the summed mean attitude variable and the summed mean FTPB variable.

Data analysis revealed statistically significant relationships between three items in the fair trade knowledge scale and overall attitude towards fair trade (see Table 4.8). There was a slight positive relationship between respondents' knowledge that fair trade is concerned with providing safe working environments to producers and overall attitudes towards fair trade ($r=$

.18, $p < .05$). In addition, attitudes were positively related to knowledge that farmers in the developing world do not benefit from fair trade ($r = .26$, $p < .01$) and knowledge that fair trade emphasizes a direct relationship with producers and consumers ($r = .16$, $p < .05$). There were no statistically significant correlations between any of the eight knowledge items and fair trade purchasing behaviors. In other words, the level of knowledge a respondent had regarding the fair trade movement did not have any relationship to his or her likelihood of engaging in fair trade consumer behaviors.

In examining the correlations between attitudes and purchasing behaviors (also Table 4.8), the study found a strong, positive relationship between attitudes about the fair trade movement and the Baby Boomers' engagement in fair trade purchasing behaviors ($r = .64$, $p < .01$). Therefore, the stronger their attitudes are about the fair trade movement, the more likely the Baby Boomers in this study are to engage in fair trade purchasing behaviors.

Table 4.9 outlines correlations between the Boomers' attitude about fair trade and the frequency with which they purchase specific fair trade products. Data analysis shows statistically significant and positive relationships between respondents' attitudes about fair trade and the frequency with which they purchase coffee ($r = .30$, $p < .01$), jewelry ($r = .23$, $p < .01$), clothing ($r = .17$, $p < .05$), chocolate ($r = .21$, $p < .01$), and home fashions ($r = .19$, $p < .05$). There lacked a significant relationship between the respondents' fair trade attitudes and the frequency with which they purchased handbags, which could be explained by handbags being the least purchased item by the respondents. Furthermore, all of the relationships that were significant were only weakly positive—indicating that although a Baby Boomer's attitudes about fair trade appear related to how frequently he or she will purchase fair trade products, the relationship is not very strong.

In examining the correlations of the purchasing frequencies between different fair trade products, the data indicates a strong positive relationship between how much a respondent purchases coffee and jewelry ($r=.43, p<.01$), coffee and clothing ($.40, p<.01$). A surprising finding was that frequency of purchasing fair trade chocolate, another perishable item typically sold at the same location as fair trade coffee, was not statistically related to the frequency of coffee purchases. Additional relationships include a positive relationship between jewelry and clothing ($r=.41, p<.01$), which could be explained that these similar items may be sold by the same retailers. The same can be said for the positive correlations between clothing and handbags ($r=.47, p<.01$), home fashions ($r=.55, p<.01$), and chocolate ($r=.49, p<.01$).

To summarize, although the Baby Boomers in this study were knowledgeable about and supportive of fair trade, they mainly engaged in fair trade purchasing behavior only some of the time. Positive attitudes seem related to purchasing behaviors, but not very strongly. Therefore, fair trade entities need to find ways to engage Baby Boomers in more fair trade purchasing behaviors. In addition, they should determine what products are purchased more frequently in order to know what products should be marketed toward Baby Boomers.

Research Question Six: Barriers to Fair Trade Purchasing Behaviors

The findings from the previous research questions demonstrate that Baby Boomers, although knowledgeable about and supportive of the principles of fair trade, are not consistently engaging in fair trade purchasing behaviors. As outlined in Chapter 2, consumers face many barriers when engaging in ethical consumption and purchasing fair trade products. These barriers can be internal or external. In this study, when asked, “Do you find it difficult to purchase fair trade products?” the majority of respondents (58.9%) agreed that it was difficult.

In this study, diffusion theory (Rogers, 1983) provides the framework for determining factors that may impede Baby Boomer's adoption of fair trade purchasing behaviors. According to this theory, there are a number of prerequisites that must be present if an innovation is to be successful, including compatibility, trialability, complexity, observability, and relative advantage (Rogers, 1983). Within this study, in analyzing responses to why the Baby Boomers found it difficult to purchase fair trade, it became evident that fair trade products lack the prerequisites of compatibility, trialability, and observability. The data also indicate that Baby Boomers sense a level of complexity to fair trade consumption. However, no participants identified relative advantage as a barrier. Furthermore, findings from the study also indicate that the prerequisite of demonstrating the relative advantage of fair trade products over other products needs improvement through marketing initiatives—discussed in the final chapter of this thesis.

Compatibility of Fair Trade Products

Within diffusion theory, compatibility is whether or not the innovation, in this case fair trade, is compatible with the adopter's lifestyle and/or values (Rogers, 1983). The following statement made by a retired male Late Boomer participating in this study illustrates how incompatibility between fair trade products, personal lifestyle, and values prevents some consumers from purchasing fair trade products:

I simply don't buy most types of things labeled fair trade, e.g. I don't drink coffee, I haven't bought jewelry in years, I don't buy fru-fru stuff. I don't shop in places, e.g. boutiques, that feature fair trade stuff and there aren't that many places like that in this area. I would prefer to buy locally made things, as opposed to imports, because our local people have a hard time finding jobs. The U.S., as Obama has said, is no longer the leader in the world and so I feel that we have little responsibility to subsidize labor in other

countries. So, is it difficult to buy fair trade products? Yes, because fair trade products tend to be stuff that I don't want, even if I did want to they tend not to be available and, psychologically, I have little to no motivation to buy them (Male, Late Boomer).

The respondent seems to have no use for the products usually promoted as fair trade. In addition, his values lead him to focus on purchasing locally made items, which can be incompatible with fair trade products as a majority of fair trade products are made in other countries. Another respondent had a similar comment, “Other than food, most fair trade products are things I don't really buy (e.g. fashion accessories), or are items I buy, but they are in a style I don't use or wear (e.g. clothing)” (Male, Late Boomer).

In addition to incompatibility with lifestyle and personal taste, for some, fair trade products are incompatible with personal finances. “Actually, the problem is income for me because my husband has lost hours at work in the past couple of months so our spending has been cut way back” (Female, Early Boomer). As this statement demonstrates, there are consumers who may want to buy fair trade products but are unable to because of their limited budget.

Therefore, the lack of compatibility of fair trade merchandise with the lives of the Baby Boomers is preventing them from engaging in fair trade purchasing behaviors on a more consistent basis. The final chapter of this thesis provides suggestions for overcoming this barrier.

Trialability of Fair Trade Products

Trialability refers to the ability of a consumer to try an item before deciding to adopt or reject the innovation (Rogers, 1983). Some of the respondents in this study stated a deterrent to purchasing fair trade was that fair trade items are mostly only available online or through catalogs. For example, some respondents mentioned they want to try items before purchasing

them. This assertion aligns with diffusion theory's prerequisite of trialability. To illustrate, one respondent said:

I find that in this part of the country, there are few retailers offering fair trade items. I prefer to shop locally, and many of the fair trade items I see are in catalogs. I do buy sometimes online, but prefer to see the item myself before purchasing (Female, Early Boomer).

Another woman expressed how she does not shop for clothing or accessories online. "I rarely shop for clothing or jewelry online and there's little variety of such items in my town" (Female, Late Boomers). The respondent is not able to find items in town and is not likely to purchase online. Because, in the Midwest, there are limited brick and mortar fair trade retailers and many consumers are uncomfortable with purchasing online or through catalogs they may be opting not to buy fair trade items.

Some Baby Boomers are uncomfortable purchasing items, especially clothing and accessories, through catalog and the Internet. Therefore, to increase sales, fair trade entities have to come up with ways to engage these consumers. Baby Boomers may be open to buying fair trade but are uneasy about purchasing through channels other than stores.

Complexity of Fair Trade Products

The complexity of fair trade is an additional variable acting as a barrier to fair trade consumption. Within diffusion theory, complexity has to do with consumer understanding of the product (Rogers, 1983). In relation to fair trade, consumers may not understand the goals of fair trade and may have to practice "extended problem solving" (Uusitalo & Oksanen, 2004, p 216). Many consumers are not going to take the extra step, as illustrated in the statement below:

[It is] too difficult to track down what is fair trade and what is not. I am aware of the 'Greater Good' online sources for fair trade and will look for things there. Finding things labeled fair trade is difficult in most retail outlets. Trying to research each company I might end up buying from is overwhelming (Female, Late Boomer).

An item in the survey asked respondents if they, “actively seek out information about the conditions in which products are manufactured before purchasing them” and a majority of the participants either never (29.8%) or rarely (39.9%) engaged in this behavior. Respondents’ comments regarding the complexity of fair trade consumption were reflective of that sentiment:

In every day purchasing situations, it can be difficult to know the fair trade issues surrounding everyday items. Candidly, I rarely take the time to really research it ahead of time, although I'm aware of a few companies that profit on sweatshops. I try to make it to the fair trade market on campus each year, but if I can't make it to the market on that date, I feel like I've missed my opportunity for another year. Education and opportunity are essential to creating fair trade consumers (Female, Early Boomer).

In addition, consumers of fair trade may be confused about the goals of fair trade and what companies are truly practicing fair trade. As one respondent said, “New definitions of fair trade now mean non-fair-trade companies can pass themselves off as fair trade” (Male, Early Boomer). Additionally, others may not trust the labeling, especially because of its inconsistency. “They are not widely available and sometimes it is difficult to know if the label is true, i.e. the people who sell winter clothes from Bolivia at the union every Fall” (Male, Late Boomers). Consumers are in need of more information and from trusted sources.

Although Baby Boomers have basic knowledge of the principles of fair trade they are still confused when the process becomes more complex. The findings from this study suggest Baby

Boomers are not willing to purchase fair trade unless the process is straightforward and easy. Therefore, fair trade retailers need to communicate in a simplified manner to engage Baby Boomers in fair trade consumption.

Observability of Fair Trade Products

Another significant variable serving as a barrier to fair trade consumption is observability—which refers to how visible and accessible the innovation is and how effectively its message is communicated (Rogers, 1983). Out of the 96 participant responses on the survey regarding the barriers to fair trade, 63 pertained to observability. Consumers simply are unsure how to find fair trade businesses or how to identify fair trade products. “I would buy more fair trade products if I knew more about where to find the products or from companies who support fair trade practices but do not know where to get information from” (Female, Late Boomer).

Also related to observability is the fact that many fair trade products, especially textile goods, are not fair trade certified and do not carry a fair trade logo. The lack of a consistent fair trade labeling program is a significant barrier to fair trade purchasing. As one respondent asked, “Where do you find them? How do you know whether a product is or isn’t [fair trade]” (Female, Early Boomer). Other respondents noted that the marketing of certain items is better than others. For example, one participant said, “I find that food products are marketed better, in general, than non-food products. Without the Fair Trade [Marketplace], I have to search harder for textiles” (Female, Late Boomer).

Other participants also made comments suggesting the limited observability of fair trade items and inconsistent use of fair trade labels prevented them from engaging in fair trade purchasing behaviors on a more consistent basis. As a male Early Boomer suggested, “I am unable to distinguish a fair trade item from an identical item which is not a fair trade item. I

required some identification of its fair trade status for assistance” (Male, Early Boomer). Not only are items not labeled clearly one respondent found “sales personnel rarely have any information” (Male, Early Boomer). This indicates that some consumers believe that even if a company is not founded on fair trade principles, sales representatives within companies selling fair trade products need to be educated on the fair trade products sitting on their shelves.

In summary, from the comments of the respondents, it is very evident that consumers find it difficult to purchase fair trade and are simultaneously facing multiple barriers, as clearly stated by one respondent:

I don't know where to find [fair trade] easily. I would want to know background of the product/industry. [I] don't want to go to lots of stores...need to [do] all my shopping at once if possible. [I] don't purchase many of the items produced under fair trade (Female, Early Boomer).

Out of the prerequisites for adopting an innovation, among the respondents of this study the lack of observability seems to be the largest barrier. According to the respondents, they are unable to access fair trade items and if they did because of the labeling issues are not able to identify fair trade products. Other respondents did not necessarily agree with fair trade, while others found it difficult to find accurate information on fair trade practices. Some did not want to purchase fair trade items online or through catalog because they wanted to see the item before purchasing. One respondent stated, “Information is the key to converting more consumers into fair trade enthusiasts” (Female, Late Boomer). Fair trade retailers have an opportunity to assess these perceived barriers and come up with solutions to encourage more fair trade consumption within the Baby Boomer cohort. The final chapter of the thesis discusses suggestions for overcoming these barriers.

Table 4.1 Demographic Summary

Demographics	Mean	Std. dev.	Frequencies	
			N	%
Sex	1.65	0.491		
Male (1)			60	35.7
Female (2)			107	63.7
Other			1	0.6
Age	5.63	0.486		
47-54 (5)			63	37.5
55-65 (6)			105	62.5
Education	6.23	1.2		
Less than High School (1)			0	0
High school Graduate or GED (2)			2	1.2
Some college (3)			9	5.4
Associate degree (4)			4	2.4
Bachelor's degree (5)			15	8.9
Master's degree (6)			47	28
Doctoral degree (7)			86	51.2
Professional degree (8)			5	3
Marital Status	1.73	1.6		
Married or Civil Union (1)			132	78.6
Domestic Partnership (2)			8	4.8
Widowed (3)			3	1.8
Divorced (4)			8	4.8
Separated (5)			2	7.7
Never married (6)			13	1.7
Prefer not to Say (7)			2	1.2
Employment	1.07	0.269		
Employed full time (1)			153	91.1
Employed part time (2)			13	7.7
Employed full time & student (1)			2	1.2

Table 4.1 continued

Demographics	Mean	Std. dev.	Frequencies	
			N	%
Income	5.13	1.409		
Under \$25,000 (1)			1	0.6
\$25,000 - \$39,999 (2)			10	6
\$40,000 - \$49,999 (3)			15	8.9
\$50,000 - \$74,999 (4)			21	12.5
\$75,000 - \$99,999 (5)			33	19.6
\$100,000 - \$124,999 (6)			68	40.5
\$125,000 - \$149,999 (7)			20	11.9
Over \$150,000 (8)			0	0
Race	1.8	2.054		
Non-Hispanic White (1)			144	85.7
American Indian/Alaska Native (2)			0	0
Asian or Asian American (3)			0	0
Black or African American (4)			2	1.2
Hawaiian/Other Pacific Islander (5)			6	3.6
Hispanic or Latino (6)			3	1.8
Other (7)			1	0.6
I Prefer not to Answer (8)			12	7.1

Table 4.2 Participants' Knowledge about the Fair Trade Movement

Item	Mean	Std. dev.		Frequencies	
				N	%
Producers of fair trade products are typically from developed countries. (False)	1.74	0.44	Incorrect (1)	44	26.2
			Correct (2)	126	73.8
Fair trade is founded on the idea of paying fair wages. (True)	1.86	0.36	Incorrect (1)	26	15.5
			Correct (2)	142	84.5
Fair trade is about paying developed world wages in the developing world. (False)	1.64	0.48	Incorrect (1)	60	35.7
			Correct (2)	108	64.3
Fair trade is concerned with providing safe working environments to producers. (True)	1.88	0.33	Incorrect (1)	21	12.5
			Correct (2)	147	87.5
One reason fair trade products cost more is because a portion of profits are used to benefit the producers' communities. (True)	1.7	0.46	Incorrect (1)	49	29.2
			Correct (2)	119	70.8
Farmers in the developing world do not benefit from fair trade. (False)	1.9	0.3	Incorrect (1)	17	10.1
			Correct (2)	151	89.9
Fair trade emphasizes a direct relationship with producers and consumers. (True)	1.86	0.35	Incorrect (1)	24	14.3
			Correct (2)	144	85.7
Fair trade products are always organic. (False)	1.99	0.2	Incorrect (1)	7	4.2
			Correct (2)	161	95.8

Table 4.3 Comparison of Early and Late Boomers Knowledge of the Fair Trade Movement

Item	Early Boomer mean	Std. dev.	Late Boomer mean	Std. dev.	Mean diff.	<i>t</i>	<i>p</i>
Producers of fair trade products are typically from developed countries. (False)	1.7905	.40892	1.6508	.48055	-.13968	-1.926	.057
Fair trade is founded on the idea of paying fair wages. (True)	1.8381	.37013	1.8561	.35274	.01905	.329	.743
Fair trade is about paying developed world wages in the developing world. (False)	1.6190	.48795	1.6825	.46923	.06349	.828	.409
Fair trade is concerned with providing safe working environments to producers. (True)	1.8762	.33094	1.8720	.33563	-.00317	-.060	.952
One reason fair trade products cost more is because a portion of profits are used to benefit the producers' communities. (True)	1.6857	.46646	1.7460	.43878	.06032	.829	.408
Farmers in the developing world do not benefit from fair trade. (False)	1.9143	.28128	1.8730	.33563	-.04127	-.855	.394
Fair trade emphasizes a direct relationship with producers and consumers. (True)	1.8286	.37869	1.9048	.29590	.07619	1.366	.174
Fair trade products are always organic. (False)	1.9619	.19234	1.9524	.21467	-.00952	-.297	.767

Table 4.4 Participants' Attitudes about the Fair Trade Movement

Items	Mean	Std. dev.	Frequencies (%)						
			Strongly disagree (1)	Disagree (2)	Disagree somewhat (3)	Undecided (4)	Agree somewhat (5)	Agree (6)	Strongly agree (7)
I am concerned with labor issues affecting people in developing countries around the world.	5.92	0.944	0	1.2	0.6	3.6	22.6	44	28
I believe in the goals of fair trade.	5.78	1.13	0	1.2	2.4	10.1	20.2	35.7	30.4
I purchase fair trade products because I want to be more socially responsible.	5.16	1.45	3.6	3	4.2	15.5	27.4	29.8	16.7
I am willing to pay more for items that I know are produced under fair trade standards.	5.23	1.45	2.4	3.6	7.1	10.1	28	29.8	19
I believe I am knowledgeable about fair trade.	3.96	1.51	7.1	12.5	15.5	22.6	29.2	10.1	3
I would not buy from a fair trade business if I did not really like the product.*	2.83	1.41	14.9	33.3	26.2	12.5	7.7	3	2.4
I would not pay for fair trade products if priced similarly to mainstream retail items.*	4.08	1.55	3.6	13.1	24.4	15.5	22	16.7	4.8
I would settle for a lower quality garment in order to buy something from a fair trade business.	2.98	1.35	16.1	22	28	19.6	11.3	2.4	0.6

*Reverse coded

Table 4.5 Comparison of Early and Late Boomers Fair Trade Attitudes and Purchasing Behaviors

Item	Early Boomer mean	Std. dev.	Late Boomer mean	Std dev.	Mean diff.	<i>t</i>	<i>p</i>
Fair trade attitudes	4.5333	.82466	4.4266	.95346	-.10675	-.766	.445
Fair trade purchasing behaviors	2.7116	.84863	2.5964	.95299	-.11519	-.813	.417

Table 4.6 Participants' Engagement in Fair Trade Purchasing Behaviors

Item	Mean	Std. Dev	Frequencies (%)					
			I don't know (0)	Never (1)	Rarely(2)	Some of the Time (3)	Most of the time (4)	All of the time (5)
I buy fair trade products.	2.65	1.15	10.7	0.6	20.2	52.4	13.1	3
I take into consideration a company's policies when making purchasing decisions.	2.63	1.17	7.1	5.4	29.2	38.7	14.9	4.8
I buy products from companies that I know are concerned about human rights.	2.88	1.14	7.1	2.4	16.1	50.6	16.9	6
I boycott companies because of reports that their goods were produced in a sweatshop or because their workers were treated unfairly.	2.86	1.18	4.2	6.5	23.8	39.3	17.3	8.9
I pay more for products that I know are made under fair trade principles.	2.88	1.13	5.4	5.4	17.9	44	22.6	4.8
I actively seek out information about the conditions in which products are manufactured before I purchase them.	2.03	1.05	3	29.8	39.9	19	5.4	3
A company's record on the treatment of workers in the production of their clothing or accessories influences my purchase decision.	2.76	1.4	3.6	8.3	26.2	39.9	14.9	7.1

Table 4.7 Frequency of Item Specific Fair Trade Purchasing Behaviors

Item	Mean	Std. dev.	Frequencies (%)				
			None*(1)	1-2 times*(2)	3-4 times*(3)	5-6 times*(4)	7 + times*(5)
Coffee	2.63	1.64	39.3	16.7	10.7	8.3	25
Jewelry	2.27	1.48	44.6	22	10.1	7.7	15.5
Clothing	2.1	1.18	38.1	33.9	14.4	5.4	7.1
Chocolate	1.64	0.917	57.1	28	10.7	1.8	2.4
Handbags	1.31	0.719	79.8	11.9	6	1.8	0.6
Home Fashions	1.64	0.938	60.7	21.4	12.5	4.2	1.2

*Within the last 6 months

Table 4.8 Correlation Matrix of Knowledge, Attitudes, and Fair Trade Purchasing Behavior

Variables	1	2	3	4	5	6	7	8	9	10
1. Producers of fair trade products are typically from developed countries.	-									
2. Fair trade is founded on the idea of paying fair wages.	-.030	-								
3. Fair trade is about paying developed world wages in the developing world.	.036	.182*	-							
4. Fair trade is concerned with providing safe working environments to producers.	-.020	.336**	-.094	-						
5. One reason fair trade products cost more is because a portion of profits are used to benefit the producers' communities.	.035	.232**	.068	.153*	-					
6. Farmers in the developing world do not benefit from fair trade.	.159*	.020	.244**	.052	-.042	-				
7. Fair trade emphasizes a direct relationship with producers and consumers.	-.050	.249**	-.091	.154*	.225**	.145	-			
8. Fair trade products are always organic.	.011	-.089	.093	.079	-.134	.128	.000	-		
9. Fair trade attitudes	-.008	.148	.050	.183*	.018	.264**	.160*	.075	-	
10. Fair trade purchasing behavior	.011	.140	.027	.068	-.054	.059	-.010	.088	.644**	-

* $p < .05$ ** $p < .01$

Table 4.9 Correlation Matrix of Attitudes and Product Specific Purchasing Frequency

Variables	1	2	3	4	5	6	7
1. Fair trade attitudes	-						
2. Coffee	.296**	-					
3. Jewelry	.234**	.426**	-				
4. Clothing	.172*	.395**	.407**	-			
5. Chocolate	.208**	.134	.143	.491**	-		
6. Handbags	.139	.104	.065	.473**	.526**	-	
7. Home Fashions	.186*	.251**	.253**	.546**	.433**	.464**	-

* $p < .05$ ** $p < .01$

Chapter 5 - Summary, Implications, and Recommendations for Future Research

This concluding chapter of the thesis serves several purposes. First, it provides a summary of the study's objectives, research design, and research participants. Second, it discusses the findings and conclusions for each of the study's four research objectives. The final purpose of the chapter is to discuss the study's implications and suggestions for future research.

Summary of Research Design and Sample

By focusing on the population of Early and Late Baby Boomer consumers this study aimed to increase understanding of their knowledge about and attitudes towards fair trade. It also sought to assess Baby Boomers levels of engagement in fair trade purchasing and their perceptions regarding barriers for the consumption of fair trade products. This study opened its scope to all fair trade products.

The following four research objectives guided this study:

1. To explore Baby Boomers' knowledge and attitudes about fair trade, as well as their engagement in fair trade purchasing behaviors.
2. To identify the barriers facing Baby Boomers in the purchasing of fair trade products.
3. To investigate differences between Early and Late Baby Boomers' fair trade related knowledge, attitudes, and behaviors.
4. To identify effective methods for fair trade entities to successfully market fair trade products to Baby Boomer consumers.

The participants in the study were recruited using two methods. First, the researcher invited people to participate in the study as they were leaving a fair trade marketplace held every

fall on the campus of a Midwestern university. To recruit these participants, the researcher presented individuals at the marketplace and at the fashion show a flier that detailed the study and provided a URL for the survey. To increase response rates, the researcher also collected email addresses for these individuals in order to send reminders about completing the survey.

The second method for recruiting participants was an email blast sent out to the entire faculty at the same Midwestern university. The email included the URL for the online survey. The survey was open for one month and the researcher sent participation reminders to all non-respondents once a week. There were also incentives for participating in the study in the form of three prizes—a fair trade gift basket and two local coffee shop gift cards.

Altogether, 168 Baby Boomers (60 male, 107 female, and one unknown) participated in the study. Out of the 168 Baby Boomer, 63 were Late Boomers and 105 were Early Boomers. All had a least a high school diploma, with a majority also having earned post-secondary degrees. The respondents represented varying income levels, although the majority was over \$100,000 a year.

Data collected through the online questionnaire formed the basis of the findings of this study. Questions in the questionnaire focused on: 1) knowledge of the fair trade movement; 2) attitudes about the fair trade movement; 3) fair trade purchasing behaviors; and 4) barriers to fair trade purchasing.

Data analysis included a combination of both quantitative and qualitative techniques. Quantitative techniques included the calculation of descriptive statistics, independent-samples t-tests, and Pearson correlations. All quantitative analysis was completed using SPSS software. Finally, to analyze the barriers to purchasing fair trade products, the researcher qualitatively

analyzed the open ended, barriers question on the questionnaire. Diffusion theory served as the guiding framework for the qualitative analysis.

Discussion of Research Findings

This section of the chapter reviews the findings for the study's four research objectives related to Baby Boomers' knowledge, attitudes, purchasing behaviors, and perceived barriers pertaining to fair trade. First, there is a discussion of the Baby Boomers' knowledge and attitudes about fair trade, as well as their engagement in fair trade purchasing behaviors that may be related to their consumption of fair trade products (Research Objective #1). This also includes a discussion of the differences between Early and Late Boomers (Research Objective #3) and the marketing implications (Research Objective #4). Second is a discussion of the barriers facing Baby Boomers in the purchasing of fair trade products (Research Objective #2) and the resulting marketing implications (Research Objective #4).

Fair Trade Related Knowledge, Attitudes, and Purchasing Behaviors and Marketing Implications

In examining Baby Boomers' knowledge and attitudes about fair trade, as well as determining if there were any differences between Early and Late Baby Boomers, this study increased understanding of the potential fair trade target market of Baby Boomer consumers, as well as clarified possible differences between the leading and trailing Boomers.

Overall, the participants were knowledgeable about the fair trade movement. In addition, how fair trade companies and products differ from mainstream businesses and merchandise. They also exhibited positive attitudes towards fair trade but were not willing to compromise on certain product characteristics such as quality. This implies the participants are willing to purchase fair trade products if the quality is of equal value to non-fair trade products. The

participants were somewhat engaged in a number of fair trade purchasing behaviors such as actively purchasing fair trade and displaying concern about companies' social responsibility. However, the respondents did not commonly seek out information about the conditions in which a product was made prior to purchase—suggesting that this group of consumers is not ready to practice extended research and needs information related to fair trade products to be readily available.

Knowledge of the fair trade movement

This study found that the participants are knowledgeable about the basic goals of fair trade. The participants have awareness of a range of characteristics of fair trade including where the producers live, fair trade labor standards, and differences between the terms organic and fair trade. However, some participants struggled with understanding that paying fair wages did not necessarily mean paying the producers developed-country wages. Therefore, although consumers may need a better understanding of the concept of a living wage, the majority of the study's respondents had a basic awareness of the principles of the fair trade movement. This suggests that fair trade entities may not need to expend additional effort detailing the goals and principles of fair trade and, instead, can focus on other methods for encouraging increased sales of fair trade products.

Attitudes about the fair trade movement

The individuals participating in this research study also valued the goals of fair trade. Overall, the respondents were concerned about labor and trade issues in developing countries. They felt a certain level of personal responsibility towards addressing these issues and believed they should contribute, through daily decisions and socially responsible behaviors, toward resolving these issues.

In addition to the positive attitudes of the respondents towards fair trade, this study also determined the participants were not willing to sacrifice certain product attributes just to purchase fair trade items. For example, product quality was essential to the respondents and influential in their purchasing behaviors. If fair trade items can be of equal or greater quality compared to mainstream merchandise, consumers may be more likely to purchase fair trade. Price was another important product attribute to the participants. Although fair trade may be at a disadvantage regarding the product attribute of price, if fair trade entities can provide justification for the higher cost of fair trade products they may convince consumers to purchase fair trade anyways.

Fair trade purchasing behaviors

In addition to learning that the Baby Boomers in this study are knowledgeable about and have positive attitudes towards the fair trade movement, this study identified several facts about the respondents' fair trade purchasing behaviors. First, the participants did engage in purchasing fair trade products, with a good portion of the participants purchasing fair trade products at least some of the time. The fair trade products acquired by the participants, in the order of most reported frequencies included clothing, coffee, jewelry, chocolate, home fashions, and handbags. Coffee was the product the respondents most reported having purchased seven or more times within the last six months.

Additionally, this study found a positive relationship between fair trade attitudes and fair trade purchasing behaviors. According to this finding, stronger attitudes about the fair trade movement correlated to greater engagement in fair trade purchasing behaviors. For example, the participants were more likely to buy products from companies that are concerned about human rights and boycott companies known for unfairly treating employees when they were supportive

of the principles of the fair trade movement. However, despite the strong support for the principles of the fair trade movement, the respondents never or rarely actively sought out information about the conditions in which products are manufactured before they purchased them. The participants were also not willing to engage in extended research to help inform them while making ethical purchasing decisions. This is consistent with findings from other studies that have shown that although consumers' have positive attitudes towards ethical consumption (including fair trade consumption), their behaviors do not consistently reflect their attitudes (Uusitalo & Oksanen, 2004).

Differences between Early and Late Baby Boomers' Personal Variables

Although research has revealed there are reasons to think Early and Late Baby Boomers differ in their knowledge, attitudes, and behaviors (Green, 2003; Wellner, 2000; Wolfe & Snyder, 2003), this study found no significant differences between the knowledge, attitudes and behaviors of Early and Late Baby Boomers regarding fair trade. However, the demographics of the Baby Boomers within this study were very homogeneous and this may have been the reason the study found minimal differences between the two groups of Boomers. Therefore, before fair trade entities assume that Baby Boomers, for the purpose of fair trade consumption, can be thought of as one cohort and marketing strategies developed with this in mind, further research with a more generalizable sample of Baby Boomers is necessary.

Marketing fair trade products to Baby Boomers

Within diffusion theory (Rogers, 1983) the fifth prerequisite to the adoption of an innovation is relative advantage—the advantages an innovation has over predecessors or other competing products. Relative advantage is important when developing of marketing strategies for any innovation—including fair trade. As already stated, an assumption of this study is that

the relative advantage of fair trade products is strong. However, fair trade entities need to be more effective in marketing the advantages of the fair trade movement and products. Therefore, this study asserts that in developing effective methods to market fair trade products to Baby Boomer consumers, fair trade entities should focus on the relative advantage of fair trade.

A survey conducted by the Nielsen Company (2008) found that rather than donate to charities, consumers prefer buying ethically produced merchandise. Purchasing fair trade products “is a convenient way to buy the products they want, while at the same time experiencing the feel-good factor that they have given something back to the producer and their local environment” (Nielsen, 2008, para. 39). Furthermore, as they age, Baby Boomers are becoming more group conscious. They desire to make their existence more significant and feel responsible for making the world a better place (Ferguson & Brohaugh, 2010; Green 2003).

Therefore, in marketing their merchandise, fair trade entities should emphasize how buying fair trade directly improves the quality of life for producers and their communities (Varul, 2008). More marketing strategies that highlight the producers’ experiences may increase Baby Boomers’ fair trade purchases. For example, through listservs, blogs, and other social networking media, fair trade entities could share stories from the producers in the developing countries that showcase the producers’ daily lives and demonstrate the benefits of being a part of alternative trade organizations. The effect of this type of consumer education is that Baby Boomers would become more aware of the core values of a company, the producers they support in developing countries and the relative advantage of the company over others.

In addition, consumers are more likely to practice ethical behaviors when it shows a direct benefit to them (Joergens, 2006). Therefore, if fair trade hopes to reach more Baby Boomers it will have to expand its marketing plan to promote the benefits for not only the

producers but also the relative advantage of fair trade for the consumer as well. Nicholls (2002) suggests that organizations highlight actual qualities of products. Therefore, fair trade entities should stress product attributes and how fair trade merchandise meets Baby Boomer needs. As previously mentioned, Boomers favor information intensive advertisements over image based ones; and the more information they gain about a product, the more that information will help them in their decision-making process (Roberts & Manolis, 2000). Therefore, fair trade entities would benefit from presenting more information about fair trade product attributes for Baby Boomers and how fair trade products can meet Baby Boomers' every day needs.

Research demonstrates that, as they age, Baby Boomers are becoming more interested in health and beauty products (Roberts & Manolis, 2000). Many fair trade personal care and food products are made from natural ingredients. Because of perceptions that natural products improve the well-being of the consumer, fair trade entities should also emphasize to Baby Boomers this relative advantage of fair trade merchandise.

Likewise, because many fair trade products are handcrafted, artisan made, and often one of a kind, fair trade entities can market their merchandise as luxury products. This should be an effective marketing strategy for Baby Boomers since research indicates that 38% of Baby Boomers want to live a lifestyle of luxury (Gardyn, 2002). According to Gardyn (2002), Baby Boomers fall into two categories of "luxury is functional" or "luxury as reward." Luxury is function consumers purchase luxury items for their practical use and quality while luxury as reward consumers often use luxury goods as status symbols . Therefore, fair trade entities should brand the items as luxury in order to attract Baby Boomers who are already purchasing other luxury items.

Fair trade marketers should also communicate the relative advantage fair trade has in contributing towards Baby Boomers' personal development. For example, fair trade entities could offer Baby Boomers volunteer opportunities to travel to and work in the communities making the fair trade merchandise. If they had appropriate skills, the Boomers could assist with the development of product, marketing, or business strategies. This would provide the Boomers with a sense of personal development and purpose but it also may serve to increase the consumption of fair trade products because Baby Boomers would be more committed to the organization and would share their experiences with other potential consumers.

This study has also demonstrated that Baby Boomers have positive attitudes towards fair trade principles but are not willing to do extended research related to fair trade. The more visible fair trade entities can make themselves the better chances they will have to attract Baby Boomers to their products. Boomers watch up to 30 hours of television a week (Ferguson & Brohaugh, 2010). Therefore, television advertisements are still a profitable way of marketing to Baby Boomers. Fair trade companies could make themselves more visible by investing in television advertisements, especially in areas that they see large market potential.

Barriers facing Baby Boomers in the Consumption of Fair Trade Products and Marketing Implications

The results of this study suggest that Baby Boomers face a number of challenges regarding the purchasing of fair trade products. The barriers of fair trade found important in this study include the lack of compatibility with personal lifestyles, the lack of trialability of fair trade merchandise, the complexity of purchasing fair trade products, and limited observability of fair trade products. The following section discusses each of these barriers and the associated marketing implications.

Compatibility with personal lifestyles

Within diffusion theory, compatibility refers to whether or not an innovation is consistent with the needs and existing norms and values of consumers (Rogers, 1983). In the context of this study, compatibility refers to whether or not fair trade products are compatible with the values and lifestyle of a consumer; and this study found compatibility of fair trade products to be a personal barrier to consumption. For example, some participants expressed fair trade products as not meeting their needs. Other participants stated they did not shop regularly and when they did, they did not usually buy the types of products typically available as fair trade.

In addition, participants are looking for convenience while making purchasing decisions. Their lifestyles are such that they want to be able to meet their shopping needs in one convenient location—which is typically not possible when acquiring fair trade products. Because of limited selections of fair trade items available in large retailers and an unwillingness to add extra time to their shopping, some participants do not consistently purchase fair trade.

Although consumers may have strong positive attitudes towards fair trade and ethically produced products, many consumers are not willing to sacrifice their personal preferences—be it the item they purchase, the places they shop, how much they are willing to spend, or a commitment to purchase locally. Therefore, to combat the barrier of lack of compatibility, fair trade organizations should collaborate with larger retailers to have more fair trade products on their shelves and make it easier for Baby Boomers to purchase fair trade. Also, fair trade entities have to consider producing more mainstream items if they want to attract new fair trade consumers. Currently, most fair trade items are ethnically styled; and there are few fair trade companies that cater to more mainstream fashion trends. Halepete et al. (2009) found that some fair trade consumers were not happy with choices of apparel because the designs, patterns, and

colors were not compatible with their personal style. A large majority of the participants in the study agreed they would be more willing to purchase fair trade products if there was a greater range in product selection. Therefore, some Baby Boomers increase their consumption of fair trade if the selection expanded to meet a greater range of consumer needs and personal tastes.

Additionally a large deterrent for purchasing fair trade is the higher prices of the products. Some participants mentioned price as being incompatible with their personal circumstances and a large barrier when purchasing fair trade. Although basic economic principles state that as the consumption of fair trade products increases, prices will decrease; from a marketing perspective, a more practical solution may be to market the benefits of purchasing fair trade and helping consumers have a better understanding of why it may cost more. Also for those that do have more disposable income, showcasing how fair trades meet their needs and benefit others (the relative advantage) may help them be able to justify purchasing fair trade, even if it does cost more.

Lack of trialability

Within diffusion theory, trialability is whether or not the potential adopter can try the innovation before deciding to adopt or reject the innovation (Rogers, 1983). In this study, only a few participants mentioned trialability as a barrier. The few who did discuss this barrier placed it within the context of the perceived risk associated with purchasing fair trade clothing and accessories online. The risks related to the limited ability to use their tactile and visual senses while shopping online and the participants wanting to feel or see the item before purchasing.

Fair trade companies need to find creative ways to promote trialability to create stronger sales within the Baby Boomer market. To aid in making Baby Boomers more comfortable with purchasing fair trade products online or through a catalog, fair trade entities should consider their

return policies. Consumers may be more willing to purchase an item online if it is easily returnable. The hope would be the consumer would not want to return their purchase but just knowing that the item could be returned would potentially alleviate some of the perceived risk. Fair trade companies could also make returning an item easy and affordable. Many mainstream e-retailers include return packaging and shipping labels with the product and some even prepay the return shipping costs. Fair trade entities should consider adopting similar practices. Another way, fair trade retailers could utilize trialability may be including a gift with purchase. An incentive to purchase could be to receive another item with their purchase. This could also be good way to test market new fair trade products.

Online fair trade retailers could also redesign their websites to reduce the perceptions of risk associated with online shopping and entice the consumer to purchase. Research has shown that although consumers perceive some risks when purchasing online there are ways to combat these perceptions. When purchasing apparel, sensory attributes such as fabric, fit, color, and quality are important criterion. A way to offset negative consumer perceptions is to create an attractive and easy to navigate visual of the product. For example, three important features of an appealing online visual presentation are presenting products in use, displaying products with similar items, and displaying products from multiple angles (Park, Lennon, & Stoel, 2005). Therefore, fair trade entities should highlight products attributes and create appealing online visuals for apprehensive Baby Boomers.

Martin, Sherrard, and Wentzel (2005) researched the role of sensation seeking and need for cognition on website evaluations. Sensation seeking consumers are “people who engage in certain behaviors with the purpose of increasing their level of sensory stimulation” (p. 110), while the need for cognition is an individual’s tendency to think critically. The researchers found

low sensation seekers prefer simple visual designs, while high need-for-cognition subjects preferred websites with high verbal and low visual complexity. Similarly, fair trade marketers should keep in mind the fact that the Baby Boomer generation tends to be verbalizers over visualizers, which means unlike the visual advertising that works for younger generations; Boomers have a higher need for cognition (Roberts and Manolis, 2000). Therefore, fair trade retailers should provide more information on product origins and attributes on their websites.

Complexity of purchasing fair trade

Complexity deals with the consumer understanding of the product. As it relates to fair trade, consumers may have some difficulty understanding the meaning of fair trade and may have to do additional research. Although the scores on the knowledge about fair trade scale revealed the Baby Boomers in this study are knowledgeable about fair trade, they did not perceive themselves to be knowledgeable of fair trade. In addition, the study demonstrated that they are not willing to research socially responsible practices related to fair trade.

Participants in this study argued it is difficult to understand the issues surrounding fair trade. It may be hard to identify fair trade companies because consumers may not be aware of the company's goal. Furthermore, participants mentioned frustration over their perceptions of the constantly changing nature of fair trade policies. The participants understand the basic principles of fair trade but they find it difficult to identify fair trade products. They are also concerned with new fair trade standards, making them question if the products marketed as fair trade are actually socially responsible.

In order to overcome the barrier of complexity, fair trade companies may benefit from teaming up with a popular brand that is showing environmental and ethical initiatives in their business practices. This partnership could be two-fold with more learning about fair trade and

what it means to shop ethically and, at the same time, reforming consumer thoughts on the popular brand. Starbucks Coffee is an example of a company that, in the 1990s, had public image problems related to corporate social responsibility. The company eventually formed a partnership with TransFair USA and is now the leading fair trade coffee purchaser, selling fair trade certified coffee in their stores and online (“PR Industry's Analysis of OCA's Starbucks Campaign,” 2001). Selling fair trade coffee at Starbucks significantly reduces the complexity of purchasing fair trade for consumers because it is a business that many consumers already commonly visit and trust.

“Consumers may find it difficult to consider several ethical aspects simultaneously” and consumers tend to want to focus on one cause at a time (Uusitalo & Oksanen, 2006, p. 215). Therefore, fair trade companies may increase sales by strategically concentrating on one issue—and really communicating the message of that issue to consumers. For example, Uusitalo and Oksanen (2004) found that many consumers readily understand that The Body Shop produces ethically produced personal care items that are not tested on animals. Similarly, within the fair trade movement, Awava is a fair trade company that focuses on helping women in Uganda by providing economic empowerment. Awava’s message is clear, which could make it easier for Baby Boomers to know where the product is coming from and who benefits from their purchases (Awava, 2012). Other fair trade entities could benefit from simplifying their message and better branding their cause.

Limited observability of fair trade

In discussing their perceptions regarding barriers to fair trade, the participants most spoke about observability. Determining observability is how visible the product is, if it communicates effectively, and if it is accessible (Rogers, 1983). Participants found it difficult to identify fair

trade items because of the products not always labeled properly. Many issues stem from fair trade labeling. One, labeling is not standardized among the different groups. Two, many consumers cannot make decisions based on the limited point-of-sale information. Three, some companies claim to be fair trade without affiliation to the established fair trade organizations—creating more ambiguity to the term fair trade.

Another concern regarding labeling is the increase of big businesses using fair trade labeling and/or the terminology. Just as the most recent trend of being more “eco-friendly” and using organic products, consumers have a perception that some companies are using fair trade as a marketing ploy. Therefore, because larger corporations’ involvement within fair trade may be necessary for expansion of fair trade marketing, fair trade organizations need to be more collaborative with larger retailers to make sure they are using the fair trade name properly.

The media can play a large role in how individuals consume, “publicity about unethical conduct is noticed more often than publicity concerning ethical conduct... consumers tend to impose a sanction on an unethical firm by refusing to buy its products, but will not reward an ethical company by buying its products” (Uusitalo & Oksanen, 2004, p. 216). Fair trade companies could use unflattering publicity to their advantage by highlighting the benefits of fair trade products. The alternatives are not being communicated to the public as readily as high profile companies’ unethical practices.

Observability may be one of the most complex factors for fair trade products, especially apparel—the majority of which does not carry a fair trade label. Without this labeling, the consumer must make inferences about whether the product is or is not ethically produced. In this study, participants mentioned one of the most helpful features of fair trade food and coffee is that the fair trade certified logo is displayed prominently on the product. Labeling plays a major role

in the success of fair trade products. Prospective fair trade customers would be more willing to purchase fair trade if they could differentiate between fair trade items from non-fair trade. A solution to help fair trade to be more visible would be a “label containing ethical information in a condensed format issued by a truthful source” (Joergens, 2006, p. 368). One suggestion for improving the labeling of fair trade products would be to label fair trade merchandise with quick response (QR) codes that consumers could scan with their phones and receive up-to-date and detailed product information from trustworthy third-party websites.

Ultimately, fair trade organizations would benefit from some consistency in fair trade labeling especially on non-perishable items. Fair trade entities need to make sure their purpose is clearly stated and displayed and need to look into expanding into other markets. Participants in this study exhibited a need for more retailers for fair trade products. ATOs may want to take this information and consider opening new stores in geographical locations with high concentrations of Baby Boomers.

Limitations of the Study and Recommendations for Future Research

Although this study resulted in a number of important findings, there are also a couple of limitations. First, the sample was university faculty with high levels of education and the demographics of the sample are not representative of all Baby Boomers within the United States. The study’s sample may have had more encounters with the fair trade movement than the average Baby Boomer. Therefore, a suggestion for increasing the generalizability of the study would be to obtain a more representative sample. In addition, data collection could expand to other geographical areas. This information could examine if attitudes, knowledge, behaviors, and barriers are affected by geographic location within the Baby Boomer population, or consumers in general.

A second limitation to the study was that the internal reliability of the knowledge scale was not sufficiently high to justify calculating a summed mean score for knowledge about fair trade. Currently there is no definitive scale for measuring knowledge about the fair trade movement. Therefore, in order to continue to expand upon this research and learn more about the personal variables influencing fair trade consumption, research should focus on developing a valid and reliable knowledge scale.

There are other areas for further research. The survey could also be modified to acquire more information from the respondents. Information could be added about specific fair trade organizations and retailers. Also, in the second behavior scale an “other” option could be added to see what other products are frequently purchased.

In addition, related to diffusion theory this study only focused on the necessary prerequisites for the adoption of an innovation and did not examine other elements of the theory related to the diffusion and adoption process--leaving other avenues open for exploration. For example, Fliegel and Kivlin (1966) expanded diffusion theory by developing additional characteristics of an innovation including financial cost, social cost, return to the investment, risk associated with the product, and efficiency of the product. Further research could be done to explore the role these characteristics play in fair trade consumption. Another logical way to expand the research would be to look to find effective ways for overcoming the barriers. This study has mentioned a few ways; fair trade organizations could form partnerships with other well-known brands to change negative perceptions of those brands practices and to showcase fair trade. Another way is to have fair trade retailers focus on one of their missions and implement a cohesive marketing plan.

Fair trade may not fit into mainstream society. Fair trade entities may have to come to terms with that fact and find new and creative ways to engage their existing market. However, according to Amilcar Perez, Vice President of Marketing with the Nielsen Company:

A global social conscience is one of the biggest trends to have emerged in the last decade. Globalization, the media and rapid penetration of the Internet have turned key international social and political issues into personal issues. From human rights to poverty and war, and most significantly, the environment- global consumers are collectively speaking out and demanding that corporations make a positive contribution to society (cited in Nielsen, 2008, para 4).

With consumers seeking more options and companies producing more ethical products, society may see a shift in the coming years.

Conclusion

As suggested by this study and previous studies on this subject, “consumer’s attitudes towards ethical consumption have become more positive, but this attitude shift has not been reflected in behavior” (Uusitalo & Oksanen, 2006, p. 215). Although many are aware of the importance of social responsibility, few are willing to incorporate it fully into their lifestyles. If the fair trade movement wants to expand into mainstream avenues, they will have to consider the average consumer more closely than in the past.

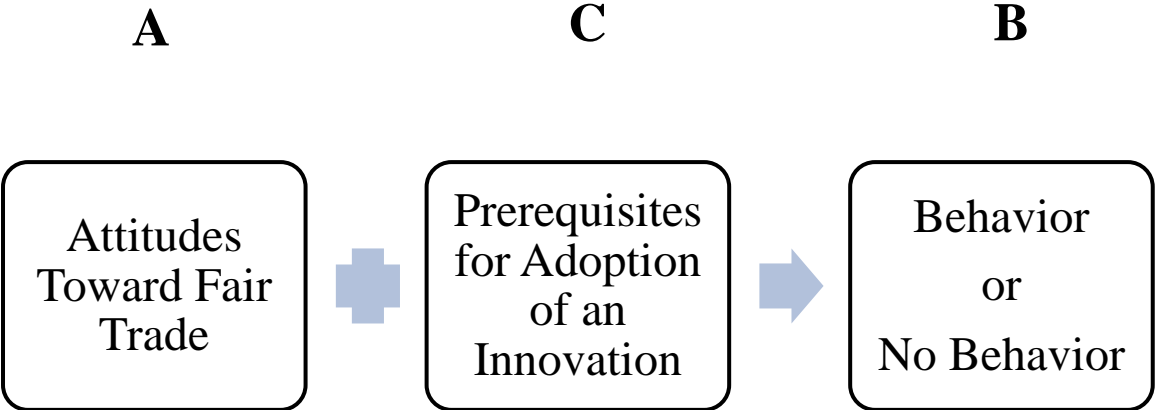
The purpose of this research was to expand the knowledge base of fair trade consumption by examining Baby Boomers. While research suggests ethical consumption is on the rise and more mature consumers are buying fair trade products, there are still many barriers inhibiting fair trade consumption. As proposed by the ABC model, “actions or behaviors (B) are associated with attitudes (A)... Actions also have external conditions (C) associated with them” (Guagnano

et al., 1995, p. 702). According to the ABC Model, if the external conditions working against fair trade consumption are minimal, consumers with favorable attitudes towards fair trade are more likely to engage in fair trade purchasing behaviors that are consistent with those attitudes. However, if the external conditions are such that it becomes difficult to engage in fair trade consumption, attitudes and behaviors are likely to be inconsistent.

As illustrated in Figure 5.1, attitudes when combined with external conditions can lead to action/behavior or no action/behavior. In the case of this study, the attitudes represented are towards fair trade and the external conditions are the prerequisites of an innovation. The model says that there are varying degrees of A and C when it comes to a behavior. In addition, the importance of the behavior mirrors that significance in which case if the action becomes too cumbersome the individual is less likely to engage in the behavior. Each consumer is different in what barriers may impede their willingness to participate in a certain behavior but through this study, the prerequisites of an innovation are considered barriers to the consumption of fair trade.

In this study, the Baby Boomers' internal conditions (knowledge and attitudes) are generally conducive for purchasing fair trade. However, a finding of the study is that external conditions associated with fair trade make it difficult to engage in fair trade consumption. This study also found the compatibility, trialability, complexity, and observability of fair trade products to be external barriers to fair trade consumption. Additionally the study found other external conditions (such as price, quality, and convenience) that hinder Baby Boomers from consistently engaging in fair trade purchasing behaviors. Therefore, the conclusion of this study is that at least some Baby Boomers are knowledgeable about and have positive attitudes towards fair trade. However, external barriers do exist, and only in minimizing these barriers, can the positive attitudes influence and increase fair trade purchasing behavior.

Figure 5.1 ABC Model and Prerequisites for Adoption of an Innovation



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Appendix A: Survey Instrument

Part I: Knowledge of the Fair Trade Movement and Products

Response Categories: True (1), False (2)

Please indicate whether each of the following statements are correct or incorrect.

- Producers of fair trade products are typically from developed countries (False)
- Fair trade is founded on the idea of paying fair wages (True)
- Fair trade is about paying developed world wages in the developing world (False)
- Fair trade is concerned with providing safe working environments to producers (True)
- One reason fair trade products cost more is because a portion of profits are used to benefit the producers' communities (True)
- Farmers in the developing world do not benefit from fair trade (False)
- Fair trade emphasizes a direct relationship with producers and consumers (True)
- Fair trade products are always organic (False)

Part II: Attitudes about the Fair Trade Movement and Products

Response Categories: Strongly disagree (1), Disagree (2), Disagree somewhat (3), Undecided (4), Agree somewhat (5), Agree (6), Strongly agree (7)

Please indicate your level of agreement with each of the following statements.

- I am concerned with labor issues affecting people in developing countries around the world.
- I believe in the goals of fair trade.
- I purchase fair trade products because I want to be more socially responsible.
- I am willing to pay more for items that I know are produced under fair trade standards.
- I believe I am knowledgeable about fair trade.
- I would buy from a fair trade business only if I really liked the product.*
- I would only pay for fair trade products if priced similarly to mainstream retail items.*
- I would settle for a lower quality garment in order to buy something from a fair trade business.

*Items to reverse code.

Part III.a: Fair Trade Purchasing Behaviors

Response Categories: I don't know (0), Never (1), Rarely (2), Some of the time (3), Most of the time (4), All of the time (5)

Please indicate how often you engage in each of the following behaviors.

- I buy fair trade products. *

- I take into consideration a company's policies when making purchasing decisions.*
- I buy products from companies that I know are concerned about human rights.*
- I boycott companies because of reports that their goods were produced in a sweatshop or because their workers were treated unfairly.
- I pay more for products that I know are made under fair trade principles.
- I actively seek out information about the conditions in which products are manufactured before I purchase them.
- A company's record on the treatment of workers in the production of their clothing or accessories influences my purchase decision.

* New items developed for this study

Part III.b: Fair Trade Purchasing Behaviors

Response Categories: None (0), One to Two Times (1), Three to Four Times (2), Five to Six Times (3), Seven or More Times (4)

In the last 6 months, how often have you bought the following fair trade products?

- Coffee
- Jewelry
- Clothing
- Chocolate
- Handbags
- Home Fashions

Part Four: Barriers to Fair Trade Purchasing

Response Category: This will be an open-ended question.

Do you find it difficult to purchase fair trade products?

If yes, please explain some of the challenges you encounter when trying to purchase fair trade.

Part Five: Demographics

What is your sex?

- Male
- Female

What is your age range?

- Less than 18 year old
- 18-30 years old

- 31-40 years old
- 41-46 years old
- 47-54 years old
- 55-65 years old
- Over 65 years old

What is the highest level of education you have completed? If currently enrolled, highest degree received or grade completed.

- Less than High School
- High school Graduate or GED
- Some college
- Associate degree (for example: AA, AS)
- Bachelor's degree (for example: BA, AB, BS)
- Master's degree (for example: MA, MS, MEng, MEd, MSW, MBA)
- Doctoral degree
- Professional degree (for example: MD, DDS, DVM, LLB, JD)

What is your current marital status?

- Married
- Widowed
- Divorced
- Separated
- Never married

How would you describe your current employment status?

- Employed full time
- Employed part time
- Unemployed / Looking for work
- Unemployed/ Not looking for work
- Student
- Homemaker
- Retired

Which statement best describes your current employment?

- Employee of a for-profit company or business
- Employee of a non-profit
- Government Employee
- Self-employed in own business, professional practice, or farm

What was your household income for the 2011 tax year?

- Under \$25,000

- \$25,000 - \$39,999
- \$40,000 - \$49,999
- \$50,000 - \$74,999
- \$75,000 - \$99,999
- \$100,000 - \$124,999
- \$125,000 - \$149,999
- Over \$150,000

To which racial or ethnic group(s) do you most identify (Mark more than one if applicable)?

- American Indian or Alaska Native
- Asian or Asian American
- Black or African American
- Hawaiian or Other Pacific Islander
- Hispanic or Latino
- Non-Hispanic White
- Other

Appendix B: Scholarly Manuscript

Fulfillment of this requirement of the thesis has been met by providing a scholarly manuscript based on the findings of the study to the student's major professor, Dr. Kim Hiller Connell. This manuscript will be submitted for review to the *International Journal of Consumer Studies*.