#### THE IMPACT OF THE PRESENCE OF LABEL,

### CONSUMERS' SOCIAL RESPONSIBILITY, AND MESSAGE FRAMING

#### ON A CONSUMER'S ATTITUDE AND BEHAVIOR

#### IN FAIR TRADE ADBERTISING

by

#### **SEUL LEE**

(Under the Direction of Spencer F. Tinkham)

#### **ABSTRACT**

This study explored the effectiveness of a Fair Trade certified label; the varied influence of differences in personal social responsibility; and the distinct impact in terms of message framing, gain-framed versus loss-framed, in an online experiment with 193 undergraduate college students. The findings of this study indicated that 1) an advertisement with a Fair Trade certified label showed a more positive attitude toward the ad and brand; 2) people who were more socially concerned manifested the more positive attitude and purchase intention; and 3) gain-framed message had a more positive impact than loss-framed messages. Results of this study suggest that a Fair Trade advertising should go beyond a certified labeling with gain-framed messages targeting a highly socially concerned audience.

INDEX WORDS: Fair Trade, Coffee, Labeling, Consumers' social responsibility, Ethical consumer, Message framing

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# **DEDICATION**

For

My Parents

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#### CHAPTER 1

#### **INTRODUCTION**

#### Background

Fair Trade-labeled products have been a growing market worldwide with annual growth rates of 22-56 % since 2000 (Fair Trade Labelling Organizations, 2007). According to the International Federation for Alternative Trade (IFAT), consumers bought more than 2.3 billion Euros worth of Fair Trade certified products in 2007, which shows a 47% increase over the previous year. By product categories, 19% of growth was estimated in the cocoa sector, coffee has also grown by 19%, tea by 40%, and bananas by 72%. In line with the sales growth, the number of Fair Trade producer organizations has also increased significantly from 224 in 2001 to 632 in 2007, which encompasses over 1.5 million farmers and related workers in more than 60 countries in Africa, Asia and Latin America. The Fair Trade Federation (2002) demonstrated that the US and Canada have also exhibited fast growth within the coffee market, from a 0.2% market share in 2000 to 2.2% in 2005 (TransFair, 2006).

Besides the noticeable growth in sales volume and in the number of associated organizations, the Fair Trade idea has become an important agenda in a consumer's daily life. Quoting McKinsey, one of the world-renowned consulting companies, "Consumers are voting with their wallets (p. 9)." Buying Fair Trade goods is considered as one of the two main examples of ethical purchases, along with buying environmentally friendly products (Shaw & Shiu, 2002; Shaw & Newholm, 2002; and Shaw, Grehan, Shiu, Hassan & Thimson, 2005). As Shaw and Clarke (1999)

concluded in their qualitative study on ethical consumption, Fair Trade is the greatest ethical issue to UK consumers. Thus, the importance of investigation on Fair Trade is unquestionable.

#### Statement of Problem

The growth of the Fair Trade market and consumers' interest provides the impetus for research concerning Fair Trade issues as well. In spite of the remarkable growth, especially in European countries where Fair Trade has a stronghold, a major portion of the Fair Trade research has focused narrowly on consumer behavior, in particular explaining the attitude-behavior gap (i.e., Carrigan & Atalla, 2001; Chatzidakis, Hibbert, & Smith, 2006; Pelsmacker, Driesen, & Rayp, 2005; Nicholls, & Lee, 2006; Castaldo, Perrini, Misani, & Tencati, 2009) and exploring the determinants in Fair Trade purchase (i.e., Vantomme, Geuens, DeHouwer, & DePelsmacker, 2006; Lin & Lin, 2006). However, as Wright and Heaton (2006) emphasized, a constant communication effort is required in education and persuasion to raise consumers' awareness and understanding of Fair Trade. Even though there have been paid forms of advertising, such as TransFair's commercial and Oxfam's "Make Trade Fair" campaign, Fair Trade research has not paid sufficient attention on how to improve its communication efficiency. For a better promotion of Fair Trade, Fair Trade organizations have made various efforts, including introducing a certified logo, targeting audiences, and diversifying messages. Considering that the most common way of Fair Trade communication is the introduction of its certified label, the efficiency of a Fair Trade label should be examined. Despite the importance of labeling, compared to the studies that test the effectiveness of eco-labels (e. g., Goswami, 2008; Tang, Fryxell, & Chow, 2004), genetically modified foods labels (Teisl, Radas, & Roe,

2008), and food origin labels (Carpenter & Larceneux, 2008), there have been few attempts to investigate the effectiveness of a Fair Trade certified label.

In ethical purchase decisions, consumers differ in their values that they carry. The consumer-driven social responsibilities are considered as an important determinant in an ethical purchase. However, there have been few studies designed to understand, especially in a Fair Trade context, how consumers' sensitivities to Fair Trade purchase vary depending on the individual differences in the values that a consumer carries. Thus, Fair Trade needs to explore to what extent the consumer segments respond differently in terms of their personal values. Generally, people respond differently to differently framed messages, and their likelihood of choosing an option is dependent on the way information is presented, that is message framing. Even when the message has equivalent information, the impact on people's thoughts and behavior can be maximized by the manner in which it is communicated. To illustrate, gainframed messages contain the advantages of compliance, whereas loss-framed messages involve the disadvantages of non-compliance. In contrast to the ample effort to compare the relative persuasiveness of the different message framing effect in the health communication area, message framing effects in Fair Trade purchasing remain under-researched.

#### Purpose of Study

The objective of this study is to examine the effectiveness of the presence of the Fair Trade certified label, to understand the individual differences in consumers' social responsibilities (CnSR), and to investigate the diverse message framings. Thus, three questions guide this study:

1) "Is it effective to promote Fair Trade products with its certified label to consumers?" 2) "Is there any significant difference in ethical purchasing among consumers with different levels of

CnSR?" and 3) "Which communication approach between gain-framed and loss-framed messages will have more impact on consumers' decisions to buy Fair Trade goods?"

The results of this research will allow Fair Trade organizations to concentrate on improving their communication activities, such as incorporating with versus without certified labels and with gain-framed versus loss-framed appealing messages. Moreover, if there is a significant difference between the groups of CnSR, this result can provide valuable advice to determine which group needs more attention.

#### **CHAPTER 2**

#### LITERATURE REVIEW

# What is Fair Trade?

Notwithstanding the noticeable growth of the Fair Trade market, partially due to the intrinsic complexity, there is no defined explanation of Fair Trade. As Moore (2004) emphasized the importance, the definition and associated concepts of Fair Trade need to be investigated in detail. The definition of Fair Trade by FINE, the umbrella organization that stands for the abbreviation of initial characters of the four largest Fair Trade organizations (Fairtrade Labeling organization [FLO], International Federation for Alternative Trade [IFAT], Networks of European World Shops [NEWS!], and the European Fair Trade Association [EFTA]), is most widely used in both academic and field parties (Moore, 2004). In an attempt to attain a wide agreement, FINE has developed the definition below:

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, awareness raising and in campaigning for changes in the rules and practice of conventional international trade. (FINE, 2001)

Based on the definition, according to Redfern and Snedker's (2002) clarification, Fair Trade seeks:

- 1. to improve the livelihoods and well-being of producers by improving market access, strengthening producer organizations, paying a better price and providing continuity in the trading relationship,
- 2. to promote development opportunities for disadvantaged producers, especially women and indigenous people, and to protect children from exploitation in the production process,
- 3. to raise awareness among consumers of the negative effects on producers of international trade so that they exercise their purchasing power positively,
- 4. to set an example of partnership in trade through dialogue, transparency and respect,
- 5. to campaign for changes in the rules and practice of conventional international trade,
- 6. to protect human rights by promoting social justice, sound environmental practices and economic security. (p. 11)

Besides the basic agreement about the definition and the aims of Fair Trade, it appears that Fair Trade is a highly multidimensional concept (Nicholls & Opal, 2005). Becchetti and Huybrechts (2008) investigated the dimensions of the Fair Trade concept by grouping the elements into four categories: *Trade, Fairness, Education*, and *Regulation*. First of all, Fair Trade is, by definition, 'trade not aid,' which realizes a sustainable solution for the local producer communities in the long run (Wright & Heaton, 2006). Secondly, Fair Trade ensures stable fair prices covering production costs and financial benefits to improve working and living conditions for producers. Fair price also means the market price which is fairly determined between the supply and the demand of ethical consumers (Becchetti and Adriani, 2002). Thirdly, because the price premium above the world market level is invested in campaigning aimed at consumers to promote ethical consumption, education is also an important element of Fair Trade. Lastly, Fair Trade requires a

specific norm to sustain the non-commercial practice. Fair Trade Organizations are in charge of setting up the regulation framework, mainly referred to as the labeling process.

# History of Fair Trade and Identifying the Eras

Fair Trade can trace its long, historic roots back to the late nineteenth century. In the 1950s, post-Second World War, church-based marketing was employed to support small and marginalized producers in the South. In 1988, the Netherlands launched Max Havelaar, a Fair Trade label representing a partnership between the Mexican coffee producers and the Dutch development organization, which initiated the certified labeling system of Fair Trade. Consecutively, many other European countries replicated the labeling process, such as Belgium (1991), Switzerland (1992), Germany (1993), France (1993), and the UK/ Australia (1994) (Giovannucci, 2003, p.39). Fair Trade labeling developed Alternative Trading Organizations (ATOs). FLO was established in 1997, IFAT in 1989, NEWS! in 1994, EFTA in 1990, and finally the umbrella organization, FINE, in 1998. Outside of Europe, in the US, the Fair Trade Federation (FTF) was founded in 1989, and TrandFair USA in 1998. The introduction of the Fair Trade coffee brand opened up more opportunities. With Cafédirect taking the lead in 1991 in the UK, other Fair Trade companies like Day and Equal Exchange have appeared.

Based on the historical developments, there have been several attempts to identify the eras of Fair Trade. Nicholls and Opal (2005) suggested three waves from a network standpoint. The first refers to a process-focused wave, which aimed to raise issue-awareness. There was not much marketing effort, and it was principally at the point of purchase. The second wave was product-focused. ATOs endeavored to reposition the Fair Trade products as quality and lifestyle options. Lastly, the third wave marketed the products by developing genuine Fair Trade brands. Davies

(2007) also identified the four distinct eras of Fair Trade over time (see Table 1). The four eras include three extant eras – the Solidarity, Niche-market and Mass-market era – and one presumed future era – the Institutionalization era (p. 460-468). The first *Solidarity* era is identified as being before 1990. Fair Trade implied a limited meaning as a not-for-profit campaigning effort that heavily relied on faith-based and secular international relief agencies. The advent of Fair Trade labeling organizations made it possible for the movement to become more business-oriented, the *Niche-market* era. In this era, from 1990 to 2002, communication activities widened to include groups of ethical consumers. The current *Mass-market* era is distinguished by the participations of many Fair Trade branders, which will be discussed below in the section on the participants of Fair Trade. These participations resulted in mainstreaming of the Fair Trade goods with increased everyday recognition and availability. The hypothetical fourth era, the *Institutionalization* era, enables consumers to take the philosophy of Fair Trade for granted, and consequently Fair Trade will be a pre-requisite to trading.

# Participants of Fair Trade

Nicholls and Opal (2005) classified some of the groups engaged in Fair Trade such as ATOs and charities. However, their classification was too ambitious to specify the participants in the complex Fair Trade construction. Fair Trade participants are categorized in various ways by each researcher. In this study, the participants are divided in terms of their missions and the industry structure.

Davies (2007) identified five participant groups of organizations involved in the marketing of Fair Trade products: Fair Trade authorities, Fair Trade ATOs, Fair Trade companies, Fair Trade adopters, and Fair Trade branders (p. 458-460). Fair Trade authorities include the certifying

entities like FINE and audit-related organizations. Fair Trade ATOs, such as Oxfam, World Development Movement and Twin Trading, are not-for-profit organizations and work with producer communities in order to create awareness of Third World poverty. Fair Trade companies principally agree with the Fair Trade idea, and they seek further profit through the transactions of Fair Trade products. Cafédirect, Day, and Equal Exchange are the most representative companies of this group. For these companies, the values of Fair Trade are a top priority. A Fair Trade adopter is a company that has adopted the ideological Fair Trade principles but not as one of the original purposes of the company. These companies are mostly organic food companies such as Wholefoods and Green and Blacks. Fair Trade branders, including Sainsbury's and Nestlé, are companies that deal with Fair Trade by means of a brand extension on top of their non-Fair-Trade-marked products. On the one hand, their participation has been criticized for their purely for-profit motives. On the other hand, they were welcomed for their positive efforts to increase consumers' awareness about Fair Trade thanks to their market reach (Weber, 2007). Figure 1 (Davies, 2007, p. 460) describes these groups at a glance. In contrast, another approach is to understand the participants from an industry structure perspective. Moore (2004) classified the participants into four main groups: producer organizations, buying organizations, umbrella bodies, and conventional organizations (p. 75-76). The producer organizations, mainly located in developing countries, provide the products. The buying organizations, mainly located in developed countries, are in charge of importing, wholesaling, and retailing products purchased from the producer organizations. The umbrella bodies constitute the six main organizations, which tie producers and buyers and certify both of them: FINE (FLO, IFAT, NEWS!, and EFTA), Fair Trade Federation and Shared Interest. Lastly, the conventional organizations, mainly supermarkets transacting Fair Trade goods, are beginning

to play an important role, especially in the retailing of products. However, there is an increasing tendency of direct partnerships between the producers and the conventional organizations to sell their own Fair Trade brands excluding the ATOs as middleman.

#### Fair Trade Labeling

From historical and organizational perspectives, as discussed above, the labeling system is a decisive factor to discuss Fair Trade. The introduction of a certified label contributed greatly to make Fair Trade products more mainstream (Low & Davenport, 2006), thereby shifting the eras of Fair Trade. In turn, the crucial role of the Fair Trade organizations is issuing a certified label of Fair Trade process. The label is also essential for Fair Trade adopters and branders as well, since both of them cannot take part in Fair Trade without a Fair Trade certified label. Many researchers broadly discuss the roles played by the Fair Trade label.

Basically, labeling has been termed a 'signaling' activity (Kirmani and Rao, 2000). In this sense, a Fair Trade label acts as a signifier. Without the label, Fair Trade goods are not easily distinguishable (Castaldo, Perrini, Misani, &Tencati, 2009) from the competitors that have almost the same product attributes aside from the Fair Trade label. By posting the label on a product, the third-party organizations guarantee that they audit the observance of Fair Trade standards. As Nicholls (2002) notes, a Fair Trade label has been the only common and consistent feature among all the different categories of Fair Trade products. Thus, a Fair Trade certified label can purvey the necessary knowledge to its audience, the concerned consumers. The label itself provides the information that the labeled products observe the requirements. Specifically, the requirements of labeling encompass both the importer and the producer sides. In brief, there are four requirements importers must meet in order to use the fair trade label. Coffee importers

and producers will be used as an example. First, they must buy their coffee directly from certified small coffee farmers. Second, they must offer these farmers long-term contracts that extend at least beyond one annual harvest. Third, they must pay a price premium of \$1.26 per pound and an additional \$.15 per pound premium for dual certified organic/fair trade coffee. Finally, they must offer the farmer organizations pre-financing covering at least 60% of the annual contract (FLO, 2005).

Similarly, there are three requirements for participating coffee producers. First, they must be small family farmers. Second, they must be organized into independent, democratic associations. And, third, they must pursue recently elaborated ecological goals (FLO, 2005).

The Fair Trade certified label informs consumers of the whole story with only a small visual logo. On top of that, a label, especially one with a visual logo like the Fair Trade certified label, facilitates and speeds up in-store recognition (Peter, 1989) and cuts search costs (Khli, Suri, & Thakor, 2002), which is critical at point of purchase, especially for Fair Trade seekers. In the context of cognitive psychology, pictorial representations like logos are retrieved from memory and memorized far faster than non-pictorial ones like words (Edell and Staelin, 1983; Kaplan et al., 1968; Lieberman and Culpepper, 1965; Lutz and Lutz, 1978; Paivio, 1969; Paivio et al., 1968; Sampson, 1970; Scott, 1967).

Furthermore, in a broad sense, a Fair Trade label works as a "social label." A social label falls under a type of value-based label, which means a label that implies explicit value-laden messages relating to a product's process and quality (Barham, 2002). As Zadek et al. (1998) defined, social labels refer to "the words and symbols on products which seek to influence the economic decisions of one set of stakeholders by providing an assurance about the social and ethical impact of a business process on another group of stakeholders" (p. 1). In the case of Fair

Trade, the Fair Trade certified label, as a social label, encourages consumers to purchase Fair Trade goods based on ethical considerations, consequently making a difference on decent working conditions and fair pricing (Steinrücken & Jaenichen, 2007), as a proxy for an ethical consumption.

Despite the importance of labeling, compared to the studies (see Table 2) that test the effectiveness of eco-label (e. g., Goswami, 2008; Tang, Fryxell, & Chow, 2004), genetically modified foods label (Teisl, Radas, & Roe, 2008), and food origin labels (Carpenter & Larceneux, 2008), there have been few attempts to investigate the effectiveness of a Fair Trade label. Furthermore, the studies related to Fair Trade commodities mainly deal with the willingness to pay (Basu & Hicks, 2008; Elliott & Freeman, 2003; Kimeldorf et al, 2004). However, the relative importance of a Fair Trade label in the decision making of consumers' purchases has not yet been studied (De Pelsmacker, Driesen, & Rayp, 2005). Thus, the question is not simply how much consumers are willing to pay for the Fair Trade label but whether the presence of a Fair Trade label is effectively communicating.

#### **Ethical Consumers**

For years, a number of researchers have agreed that a highly principled group of 'aware' and 'ethical' consumers is on the rise (e.g., Strong, 1996; Shaw & Clarke, 1999; Nicholls & Opal, 2005). Such consumers behave consistently with their ethical beliefs by making purchase decisions based on the product features that have environmentally or socially positive aspects. Thus, these consumers are playing a critical role as a main driving force behind the growing importance of Corporate Social Responsibility (CSR) programs (Harrison, 2003). Consumers express their sense of responsibility and their appreciation of socially conscious corporations

through ethical consumption behavior. As Cooper-Martin and Holbrook (1993) defined, ethical consumer behavior can be broadly defined as the "decision making, purchases and other consumption experiences that are affected by the consumer's ethical concerns" (p. 113). In accordance with this growing attention, researchers have used diverse terminologies with regard to ethical consumers. Let us turn to each definition of these varied terms.

Earlier research on ethical consumers was born out of the environmental movement and green consumerism of the 1970s. The terms of 'green consumers' (e.g., Hendarwan, 2002; Elkington & Hailes, 1989) or 'environmentally/ ecologically concerned consumers' (e.g., Anderson and Cunningham, 1972; Antil, 1984) are good representatives of the concept, implying that a green consumer avoids purchases which "endanger the health of the consumer or others; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use or cruelty to animals [or] adversely affect other countries" (Elkington & Hailes, 1988, p. 113).

'Ethical consumers,' 'socially conscious/ responsible consumers,' or 'consumer's social responsibility (CnSR)' are distinguished from 'green consumers' in that the former terms encompass a broader range of ethical issues than the latter, implying that ethical consumers can be seen as an evolution of green consumers (Chatzidakis, Hibbert, & Smith, 2006). In addition to being green or environmentally-friendly, ethical issues cover "matters of conscience such as animal welfare and fair trade, social aspects such as labor standards, as well as more self-interested health concerns behind the growth of organic food sales" (Cowe & Williams, 2000, p. 4). Tallontire (2001) stated that ethical consumerism involves three main topics: the environment; animal right/welfare; and human right such as Fair Trade. The definitions of

related terms by several researchers tried to include ideas such as the socially conscious consumer as "a consumer who takes into account the public consequences of his or her private consumption or who attempts to use his or her purchasing power to bring about social change" (Webster, 1975, p. 188) and the CnSR as "the conscious and deliberate choice to make certain consumption choices based on personal and moral beliefs" (Auger, Devinney, & Louvuere, 2006).

Many survey results have also represented the increasing attention on ethical consumerism. Drawing on Mintel (1994), Bird and Hughes (1997) categorized consumers into three main groups: ethical (23%), semi-ethical (56%), and selfish (17%). MORI survey indicated that a third of the public sees themselves as 'strongly ethical' (2000) and that 83% of consumers intended to act ethically (2002). Ethical consumerism is not necessarily confined only to Europe. The Cone Corporate Citizenship Study (2002) found that 89% of Americans agree that "it is more important than ever for companies to be socially responsible." All in all, as Crane and Matten (2004) concluded that the essential concept of ethical consumption is "the conscious and deliberate decision to make certain consumption choices due to personal moral beliefs and values" (p. 341), it is the conscious consumer that plays a key role in ethical consumption like Fair Trade purchases.

Among abundant attempts to study consumers' behavior, the Theory of Reasoned Action (TRA) (Ajzen & Fishbein, 1980) is the most popular model for the prediction of consumers' behavioral intention. According to the TRA, briefly speaking, a person's behavior(*B*) is perceived as a direct function of intention (*I*), which in turn is a function of attitude (*A*) and subjective norm (*SN*). Later, Ajzen (1985) extended the TRA to add another variable, perceived behavioral control

(PBC), resulting in the introduction of the Theory of Planned Behavior (TPB). The addition of PBC significantly enhanced the predictive ability of the TPB (e.g., Beck & Ajzen, 1991). However, the TPB itself was open to inviting further model measures, as Ajzen (1991) stated that "The TPB is, in principle, open to the inclusion of additional predictors if it can be shown that they capture a significant proportion of the variance in intention or behavior after the theory's current variables have been taken into account" (p. 199). In a Fair Trade goods purchase situation, while price, quality, convenience, and brand familiarity are the priority for ordinary consumers, social concerns, such as the Third World poverty or labor exploitation, are for the ethical consumers. Moreover, whereas the traditional purchase decisions are mainly made by self-interested concerns, ethical buying decisions focus more societal outcomes. Thus, an ethical purchase behavior should be understood from a different perspective than a usual purchase behavior, implying that the TPB needs to be modified. The most frequently proposed variables are "ethical obligation (EO)" (e.g., Kurland, 1995; Raats, Minton, & Rose, 1997; Sparks, Shepherd & Frewer, 1995; Shaw & Clarke, 1999; Shaw, Shiu, & Clarke, 2000; Shaw & Newholm, 2002, Shaw & Shiu, 2002; 2003) and "self-identity (SI)" (e.g., Granberg & Holmerg, 1990; Sparks & Buthrie, 1998; Sparks & Shepherd, 1992; Shaw & Clarke, 1999; Shaw & Newholm, 2002, Shaw & Shiu, 2002; 2003). Shaw and her colleagues (Shaw & Clarke, 1999; Shaw, Shiu, & Clarke, 2000; Shaw & Newholm, 2002, Shaw & Shiu, 2002; 2003) revealed that the addition of two constructs is pertinent to the TPB model. In other words, ethically concerned consumers maintain their behavioral intention, which turns into a purchase behavior, not only affected by (1) attitudes toward the purchase (A), (2) perceptions of complying with others' desire (SN), and (3) perceptions of control over the behavior (PBC) but also by (4) perceptions of social moral obligation (EO), and (5) self-identification with ethical issues (SI).

## <u>Heterogeneous Consumers</u>

The TRA/TPB model, on the whole, explains how consumers' sensitivity to ethical purchase varies dependent on the individual differences in the values that a consumer carries. For those who have purchased Fair Trade goods, EO and SI play a significant role in explaining the purchase intention, but are not significant for those who have never purchased Fair Trade grocery products (Ozcaglar-Toulouse, Shiu, & Shaw, 2006). That is, not everyone is equally likely to purchase Fair Trade goods (De Pelsmacker, Driesen, & Rayp, 2005). In this sense, Shaw, Grehan, Shiu, Hassan, & Thomson (2005) revealed findings that highlighted values of ethical consumers differed from those of general consumers. Given that ethical consumption behavior largely stems from one's characteristics and preferences, as mentioned above, different ethical dimensions may result in different buying behavior. Previous studies concluded that there were different reactions among different consumer segments to the organic or Fair Trade information (De Pelsmacker et al., 2005; Poelman et al., 2008). However, rather than assume that ethical consumptions primarily belong to the wealthy, highly educated, and western people, Auger et al. (2006) discovered that socio-demographic variables, such as age, gender, income, and education, manifested few relationships with consumers' willingness to pay for more socially concerned products. The individual differences originate not from these external variables but from the individual differences in attitudes or values.

There have been attempts to segment consumers into homogeneous groups in terms of their purchase intentions. Webb and Mohr (1998) named four different consumer groups according to each group's response difference to a company's socially concerned campaigns; Skeptics, Balancers, Attribution-oriented, and Socially concerned. Consumers in the first group, Skeptics, were reluctant to trust the campaigns since they do not regard the company's intention as pure

benevolence. *Balancers* utilized the traditional criteria for purchase decision-making, such as price, quality, and convenience. The *Attribution-oriented* group considered the motives behind the firm's efforts. Unlike the Balancer group, the consumers in the Attribution-oriented group valued the firm only when the motives are other-centered, unselfish, and consistent. The last group, *Socially concerned*, supports the firm's cause-related activities driven by their positive attitude and strong desire to help others. Similarly, De Pelsmacker et al. (2005) measured the actual willingness to pay for fair-trade coffee in Belgium. The consumers were categorized into four clusters by the relative importance of the main attributes of their purchases; *Fair Trade lovers*, *Fair Trade likers*, *the Flavor lovers*, *and the Brand lovers*. Overall, both classifications of consumer groups insist that consumers vary in their level of ethical concerns, or CnSR. All things considered, individual differences in CnSR may be an important factor that produces different impacts on consumers. Thus, this study will explore to what extent the consumer segments respond differently in terms of their personal values.

## Message Framing Effect

Generally speaking, a persuasive message can emphasize either the benefits of compliance (i.e., gain-framed) or the risks of non-compliance (i.e., loss-framed). In a marketing context, a marketer can frame the message to current or potential consumers from the gain perspective (that they would benefit from using the product) or from the loss perspective (that they would suffer from not using it). By definition, *framing* means "how consumer benefits and consequences are described" (Smith, 1996) and it can be done in either positive or negative ways. Given that the content is factually equivalent, the relative persuasiveness of gain- versus loss-framed messages has been termed *the message framing effect*. That is to say, people respond differently to each

framed message, and their likelihood of choosing the option is dependent on the information presented in terms of gains (i.e., framed positively) or losses (i.e., framed negatively). The message framing effect has been applied to empirical studies of consumers' decision processing. Most of this research ranges from consumer preferences for ground beef (Levin, 1987; Levin & Geath, 1988) to health-related areas such as breast cancer (Meyerowitz & Chaiken, 1987, Banks et al., 1995), heart disease (Maheswaran & Meyers-Levy, 1990), and skin cancer (Rothman et al., 1993).

A number of studies reported that negative information had more impact than positive information (e.g., Anderson, 1965; Birnbaum, 1972; Fiske, 1980; Slovic & Lichtenstein, 1968; McCroskey & Wright, 1971; Powell & Miller, 1967). Basically, the *negative bias* effect has been considered as a feasible explanation. Since negative information was more salient than positive information, it generated greater physiological arousal (Suls & Mullen, 1981) and drew more attention (Broadbent, 1971; Eysenck, 1976). The findings that a loss-framed appeal was stronger than a gain-framed appeal (e.g., Banks et al., 1995; Ganzach & Karsahi, 1995; Homer & Yoon, 1992; Meyerowitz & Chaiken, 1987) were consistent with this explanation. However, other studies have shown an advantage for gain-framed messages, contradicting the negative bias explanation.

A possible theoretical alternative was derived from prospect theory (Kahneman & Tversky, 1979, 1982, 1984; Tversky & Kahneman, 1981). Prospect theory suggested that people's preferences for a risky option are sensitive to the way the option is framed. Specifically, people are likely to avoid risks (risk-averse) when considering the potential gains; but prefer risks (risk-seeking) when considering the potential losses. The prospect theory, furthermore, proposed the prevention-detection framework, which specifies people's different responses depending on

whether the target behavior is a prevention one or a detection one. The distinction between prevention and detection behaviors relies on their perceived risk (Banks et al., 1995). In health communication areas, prevention behaviors, including such activities as wearing a seatbelt, applying sunscreen, using a condom, and reducing weight, are perceived as having a low risk of an unpleasant outcome and are performed to minimize risk (risk-averse), because they may prevent the onset of health problems. On the other hand, detection behaviors, such as breast selfexamination, mammography, Pap tests, and colorectal exams, are more likely to be risky (riskseeking), because they may uncover the presence of health problems. Taken together, this framework predicts that gain-framed appeals would be more effective when developing initiatives to promote prevention behaviors, a low-risk choice, and loss-framed appeals would be more persuasive when developing initiatives to promote detection behaviors, a riskier choice. A series of empirical studies has consistently supported the framework. For example, Meyerowitz and Chaiken (1987) concluded that, assuming that performing breast self-examination (BSE) is a risk-seeking detection behavior, loss-framed messages manifested more positive attitudes, intentions, and behaviors toward BSE than gain-framed messages. Similarly, Ganzach and Karsahi (1995) reported that loss-framed messages had a stronger impact than gain-framed messages with regard to credit card usage in the financial domain.

Besides the target behavior, a person's involvement plays a mediating role in the message framing effect on behavior (Maheswaran & Meyers-Levy, 1990; Meyers-Levy & Maheswaran, 2004). Because it results in differential attention to the message, involvement serves to amplify or reduce the effect of gain- and loss-framed messages on prevention and detection behaviors, respectively. The underlying theoretical base was the Elaboration Likelihood Model (ELM) (Petty, Cacioppo & Schumann, 1983). The ELM posited that when issue involvement was low,

people utilized a peripheral cue, implying that a positive cue may be more persuasive than a negative one; in contrast, when issue involvement was high, a negative cue may be more persuasive. In accordance with the ELM, Maheswaran and Meyers-Levy (1990; 2004) found that when issue involvement was high, with central and thorough processing, a loss-framed appeal was more effective than a gain-framed appeal; when issue involvement was low, with a peripheral and superficial processing, a loss-framed message was less persuasive than a gain-framed message.

The literature reviewed above indicates that even when the message has equivalent information, the impact on people's thoughts and behavior can be maximized by the manner in which it is communicated, especially in the health communication domain. However, message framing has implications for other domains as well. The message framing may be an important factor to a consumer's attitudinal and behavioral difference in the context of ethical consumption. Thus, the message framing effect should be examined in ethical buying, in particular in the case of Fair Trade purchase.

#### **Hypotheses and Research Questions**

Based on the above literature review, several factors are proposed to be examined to understand customers in a Fair Trade purchase. First, the current study examines the effectiveness of the certified label of Fair Trade. Admittedly, labeling considerably contributes to success in entering and furthermore expanding the mainstream market, because of its economical efficiency; posting the certified label can sufficiently communicate its observance of the Fair Trade standards to consumers. Considering the above, Hypothesis 1 is proposed as follows:

H1: The mean scores of attitude toward the ad, attitude toward the brand, and purchase intention in a certified label group will be higher than those in no label group.

Secondly, individual differences in CnSR may lead to different impacts on attitude and purchase intention on Fair Trade. Since consumers vary in their level of CnSR (Webb & Mohr, 1998), the individual differences in CnSR may be a factor that produces different impacts on consumers as well. Webb, Mohr, and Harris (2008) provided evidence that the level of CnSR, as measured by the Socially Responsible Purchase and Disposal (SRPD) scale, which will be discussed, has a positive relationship with CSR. Based on the above research, I generate the following hypothesis:

H2: The mean scores of attitude toward the ad, attitude toward the brand, and purchase intention in a high CnSR group will be higher than those in a low CnSR group.

Moreover, related to the individual difference, there is further room to investigate the individual differences in CnSR. Given highly socially concerned consumers are more likely to be aware of ethical concerns, such as noticing a Fair Trade label, the ethical consumers in a high CnSR group may be more likely to recognize the certified label than those in a low CnSR group. Thus, Research Question 1 suggests:

RQ1: Will the presence of a certified label generate any positive interactive impact to consumers in a high CnSR group compared to those in a low CnSR group?

Lastly, this study attempts to explore whether there is a significant difference in how a Fair Trade message is framed. Given that different message framings may generate different responses, gain- and loss-framed advertising messages of Fair Trade may result in different impacts on attitudes and purchase intention. Based on the prevention-detection framework, this investigation may give a direction whether a Fair Trade purchase is a prevention behavior or a detection behavior. Thus, Hypothesis 3 is suggested as following:

H3: The mean scores of attitude toward the ad, attitude toward the brand, and purchase intention with gain-framed Fair Trade advertising messages will be higher than those with loss-framed ones.

Furthermore, as the ELM posits, issue involvement may play an integral role in attitude and purchase intention on Fair Trade. Assuming that the high SRPD scores can be regarded as a high involvement in Fair Trade purchase, there might be an interaction between the individual differences in involvement, which are represented as different SRPD scores, and the message framing effect. Thus, the following research question is derived:

RQ2: Will the message framing generate any positive interactive impact to consumers in a high CnSR group compared to those in a low CnSR group?

Table 1 The Eras of Fair Trade (Davies, 2006)

Eras	Strategy	Communication and Marketing
Solidarity	Raise awareness	Church-based campaigning (not-for-profit)
(1970s - 1990)	Appeal to charity	
Niche-market	Appeal to groups of	Business-oriented labeling-commodities
(1990 - 2002)	ethical consumers	certified by Fair Trade labeling organizations
Mass-market	Appeal to a broader	Labeling + Own branded products largely
(2002 – present) range of consumers		accompanied by conventional traders
Institutionalization	Fair Trade as a pre-	Ranged over diverse products
(future)	requisite to trading	

Table 2 Summary of Empirical Research on Effectiveness of Labels

Authors	Related labels	Results
Basu &	Fair Trade	In both the US and Germany, an inverted-U-shaped
Hicks (2008)	label	relationship between the willingness to pay for Fair Trade
		coffee and the income guarantee that participating farmers
		receive.
Carpenter &	Protected	In France, the overall impact of labels with the PGI label is
Larceneux	Geographic	effective only when enough communication efforts are
(2008)	Indication	undertaken to tell consumers what the label means.
	(PGI) label	
Goswami	Eco-label of	In India, the willingness to pay differs from the individual
(2008)	clothing	environmental consciousness. The higher the consciousness,
		the more willingness to pay.
Hustvedt,	Animal	In the US, a segment of consumers (19% of the sample) are
Peterson, &	welfare	motivated to purchase apparel products labeled for animal
Chen (2008)		welfare.
McEachern	Value-based	In the Scotland, 71% of respondents show a purchase
& Warnaby	labels of meat	preference for a value-base labeled meat.
(2008)		
Tang,	Environmental	In Hong Kong, both visual and verbal communication cues
Fryxell, &	seal of	about the environmental message have influenced consumer
Chow (2004)	approval –	purchases, without interaction.
	Blue angel	
Teisl, Radas,	Genetically	In the USA, there are three segments of consumers with
& Roe	modified (GM)	different attitudes to GM food.
(2008)	foods labels	

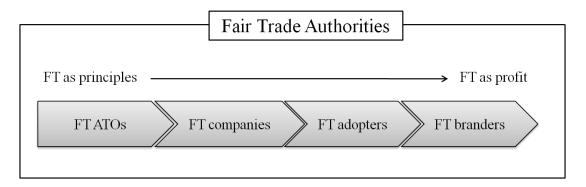


Figure 1 Continuum of Fair Trade Participants by Mission (Davies, 2007)

#### **CHAPTER 3**

#### **METHODOLOGY**

#### Research Design

This study included three factors, each having two levels; 2 (presence of label: corporate logo versus certified label) X 2 (consumer social responsibility level: low versus high) X 2 (message framing: gain- versus loss-framed message). An online experimental design was used to test the hypotheses and was self-administered. The experiment was delivered by the online survey website, Survey Monkey. Fair Trade coffee advertising was chosen as the research context in that coffee is the most common item of Fair Trade and the most rapidly growing in consumption (Raynolds, 2004). In order to minimize any brand familiarity effects, a neutral fictitious brand name – Ditto Coffee – was used in the advertisement.

## **Manipulations**

Among the three factors, message framing and presence of label were manipulated with 2 levels respectively, therefore, a total of four types of print advertisement stimuli were provided. One of four advertisements was offered to each group of subjects. Presence of label was controlled by the visual graphic images (see Appendix B). Two advertisements, one framed in gain terms and one in loss terms, showed the certified label of Fair Trade, while the other two, one framed in gain terms and one in loss terms, contained a fictitious label of the brand, Ditto Coffee. Based on several prior studies related to message framing effect (see Table 3), gain- versus loss-framed messages of this study were formulated, as shown in Table 4. Gain- and loss-framed

advertisements contained equivalent facts across parallel framing appeals; the two were different only in how information was presented. The gain-framed message emphasized the benefits of purchasing Fair Trade coffee, focusing on how purchases make a difference for farmers and their communities. The loss-framed message highlighted the costs of not purchasing Fair Trade coffee, describing how farmers and communities lose the same opportunities.

# **Procedures**

Students at the University of Georgia in Athens during the 2009 Spring semester were sent the invitation e-mail (see Appendix A). All were students enrolled at the University of Georgia who were offered extra credit as an incentive by their professors for their participation. Professors in the Grady College of Journalism and Mass Communications and the College of Family and Consumer Sciences announced the research opportunity to their classes, both in class and electronically. Students who responded went to the link for the experiment, which was hosted on Survey Monkey. Because this study employed a factorial design, respondents were randomly assigned to one of four advertisements via a random link function utilizing html language.

# **Participants**

A total of 215 participants took part in the online survey. Twenty-two incomplete responses were excluded, leaving 193 to be analyzed. The gender split among the responses was female-oriented, with more female (74.1%) than male respondents (25.9%). However, the gender-ratio was nearly equal in each group, ranging from 65.3% to 79.2%. Since the majority of the respondents (91.2%) were undergraduate students, 99.9% were classified by the age group of 17 to 30 – 55.4% in 17 to 21 and 43.5% in 22 to 30. In accordance with a previous study (Didier & Lucie,

2008), less than 40% (37.3%) had purchased Fair Trade coffee before. Overall, all respondents were statistically equally distributed to each of the four groups in terms of school year, gender, and previous purchase experience. Table 5 shows the composition of the sample by gender, school year, age, and previous purchase experience.

### Measures

### CnSR

As discussed in the literature review, it was assumed that personal traits would affect the extent of ethical consumption. There have been several attempts to develop a valid scale measuring socially responsible consumer behavior (SRCB). Table 6 exhibited some examples of the scales. One SRCB measure was developed by Antil and his colleague (Antil & Bennett, 1979; Antil 1984) with 40 Likert scale items. The SRCB demonstrated a valid convergent and discriminate validity. However, this scale only covered the environmental domain; it excluded the societal domain. Later, Roberts (1991, 1993, 1995, 1996) captured societal concerns, such as not buying a product from a company which is notorious for discrimination, to cover a full range of social issues. However, as Roberts (1995) mentioned, the "apparent dynamic nature of SRCB" allowed for future modifications of the measurement over time. Webb, Mohr, and Harris (2001, 2005, 2007) developed the most up-to-date scale, the Socially Responsible Purchase and Disposal scale (SRPD). This scale asks respondents to indicate, on a 5-point response scale anchored by never true/always true, how often they engage in a variety of behaviors. Based on the works by Webb et al. (2001, 205, 2007), the current study utilized the full 26 items of SRPD. The item scores were summed to form an index of SRPD (Cronbach's  $\alpha$ =0.932), and no item was deleted for an analysis. To explore group differences between a highly concerned consumer group and the other group with low concern, the sample was split into two groups of a high SRPD score and a low SRPD, based on the median on the sum of SRPD score (89.00 on a 130-point scale).

Consequently, 96 were enrolled in a low SRPD score group, while 97 were in a high SRPD one.

Dependent variables: Attitude toward the ad, attitude toward the brand, and purchase intention To explicate "impact," the measurement of attitudes and purchase intent of consumers, which many previous researchers have employed (e.g. Nan, 2006), was adopted. For more detailed results, attitudes were distinguished into two types: attitude toward the ad and attitude toward the brand. Attitude toward the ad was measured by four 1–7 scales anchored by the following adjectives: *unpleasant/pleasant, dislikable/likable, boring/interesting*, and *bad/good*. The four scores were averaged to form an index of Aad (Cronbach's α=0.875). Attitude toward the brand was also measured in a same way with the following adjectives: *bad/good, unfavorable/favorable*, and *unsatisfactory/satisfactory*. The three scores were averaged to form an index of Ab (Cronbach's α=0.937). Purchase intent (PI) was also measured in a same way with *unlikely/likely, improbable/probable, and impossible/possible*. To optimize Cronbach's α=0.952 after deleting *impossible/possible* were averaged to form an index of PI (Cronbach's α=0.952 after deleting *impossible/possible*). Information is summarized in Table 7.

Table 3 Examples of Gain- and Loss-framed Statements in Past Studies

Authors	Gain-framed	Loss-framed
Meyerowitz	By doing BSE now, you can learn what your normal, healthy	By not doing BSE now, you will not learn what your normal,
and Chaiken	breasts feel like, so that you will be better prepared to notice	healthy breasts feel like, so that you will be ill prepared to
(1987, p. 504)	any small, abnormal changes that might occur as you get older.	notice any small, abnormal changes that might occur as you get
	Research shows that women who do BSE have an increased	older. Research shows that women who do not do BSE have a
	chance of finding a tumor in the early, more treatable stage of	decreased chance of finding a tumor in the early, more
	the disease.	treatable stage of the disease.
	You can gain several potential health benefits by spending only	You can lose several potential health benefits by failing to
	5 minutes each month doing BSE. Take advantage of this	spend only 5 minutes each month doing BSE. Do not fail to
	opportunity.	take advantage of this opportunity.
Ganzach and	I understand. It is worthwhile for you to know that there are	I understand. It is worthwhile for you to know that there are
Karsahi (1995,	many advantages in using cash instead of ZionCard. One is	many disadvantages in using cash instead of ZionCard. One is
p. 12)	that in using ZionCard there is no danger that money will be	that in using cash there is a danger that money will be lost or
	lost or stolen; that is if someone used your card, we are	stolen; but if someone used your card, we are responsible, and
	responsible, and the money will be returned to you. This means	the money will be returned to you. This means that paying by
	that paying by ZionCard is not only more convenient, but also	cash is not only less convenient, but also much less secure.
	much more secure.	I suppose you know that when you pay with ZionCard you are
	I suppose you know that when you pay with ZionCard you are	not charged any fee. In addition, when you pay cash you lose
	not charged any fee. In addition, when you pay by ZionCard	credit of up to one month.
	you gain credit of up to one month.	
Apanovitch et	There are many benefits, or good things, you may experience if	There are many benefits, or good things, you may not
al. (2003, p.	you get tested for HIV. If you decide to get HIV tested, you	experience if you do not get tested for HIV. If you decide not
62)	may feel the peace of mind that comes with knowing about	to get HIV tested, you will not feel the peace of mind that
	your health.	comes with knowing about your health.
	There are many problems, or bad things, you may not	There are many problems, or bad things, you may experience if
	experience if you get tested for HIV. If you decide to get HIV	you do not get tested for HIV. If you decide not to get HIV
	tested, you may feel less anxious because you would not	tested, you may feel more anxious because you may wonder if
	wonder if you are ill.	you are ill.
Mann et al.	Flossing your teeth daily removes particles of food in the	If you do not floss your teeth daily, particles of food remain in
(2004, p. 332)	mouth, avoiding bacteria, which promotes great breath.	the mouth, collecting bacteria, which causes bad breath.

Table 4 Comparisons of Gain- versus Loss-framed Message in This Study

Gain-framed	Loss-framed
Empowerment in your Coffee Cup: wise	Poverty in your Coffee Cup: unwise
consumers, delighted farmers	consumers, penniless farmers
When you buy Fair-Trade goods, the coffee	When you buy non-Fair-Trade goods, the
farmers are fairly compensated for their work	coffee farmers are unfairly compensated for
so that they can send their children to school,	their work so that they must pull their children
afford basic medicines, and have enough food.	out of school, can no longer afford basic
	medicines, and cut back on food.
By buying Fair-Trade goods, you give an	By buying non-Fair-Trade goods, you take
opportunity to the Fair-Trade organization to	away an opportunity from the Fair-Trade
invest its profits in the community such as	organization to invest its profits in the
buying equipment to wash beans or buying	community such as buying equipment to wash
another transportation truck, establishing	beans or buying another transportation truck,
schools in the communities and purchasing	establishing schools in the communities and
chairs, in addition to educating the coffee	purchasing chairs, in addition to educating the
farmers to use environmentally-friendly	coffee farmers to use environmentally-friendly
techniques.	techniques.
A Fair-Trade organic certified farmer can	A farmer in a non-Fair-Trade cooperative may
receive 10 times more income for his coffee	receive only one-tenth of the income for his
than a farmer in a non-Fair-Trade cooperative.	coffee than what a Fair-Trade organic certified
	coffee farmers receives.
Make a resolution to buy only Fair-Trade	Make a resolution not to buy non-Fair-Trade
coffee. With Fair-Trade, you can make a	coffee. With non-Fair-Trade, you cannot make
difference of hope, dignity and a sustainable	a difference in the level of poverty,
solution.	exploitation and environmental devastation.

Table 5 Description of the Sample

Characteristics	Percentage (%)	Frequency (N)
Gender		
Male	25.9	50
Female	74.1	143
School Year		
Freshman	0	0
Sophomore	4.7	9
Junior	31.6	61
Senior	54.9	106
Graduate	7.3	14
Others	1.6	3
Age		
16 and below	0	0
17 to 21	55.4	107
22 to 30	43.5	84
31 to 45	1.0	2
45 and above	0	0
Prior Purchase Experience		_
Yes	37.3	72
No	62.7	121

# Table 6 Comparisons of Scale Items

# SRCB by Antil & Bennett (1979, p. 63-66); Antil (1984, p. 35)

- 1. People should be more concerned about reducing or limiting the noise in our society.
- 2. Every person should stop increasing their consumption of products so that our resources will last longer.
- 3. The benefits of modern consumer products are more important than the pollution which results from their production and use.
- 4. Pollution is presently one of the most critical problems facing this nation.
- 5.I don't think we're doing enough to encourage manufacturers to use recyclable packages.
- 6.I think we are just not doing enough to save scarce natural resources from being used up.
- 7. Natural resources must be preserved even if people must do without some products.
- 8.All consumers should be interested in the environmental consequences of the products they purchase.
- 9. Pollution is not personally affecting my life.
- 10. Consumers should be made to pay higher prices for products which pollute the environment.
- 11.It genuinely infuriates me to think that the government doesn't do more to help control pollution of the environment.
- 12. Nonreturnable bottles and cans for soft drinks and beer should be banned by law.
- 13.I would be willing to sign a petition or demonstrate for an environmental cause.
- 14.I have often thought that if we could just get by with a little less there would be more left for future generations.
- 15. The Federal government should subsidize research on technology for recycling waste products.
- 16.I'd be willing to ride a bicycle or take a bus to work in order to reduce air pollution.
- 17.I would probably never join a group or club which is concerned solely with ecological issues.
- 18.I feel people worry too much about pesticides on food products.
- 19. The whole pollution issue has never upset me too much since I feel it's somewhat overrated.
- 20.I would donate a day's pay to a foundation to help improve the environment.
- 21.I would be willing to have my laundry less white or bright in order to be sure that I was using a nonpolluting laundry product.
- 22. Manufacturers should be forced to use recycled materials in their manufacturing and processing operations.
- 23.I think that a person should urge his/her friends not to use products that pollute or harm the environment.
- 24. Commercial advertising should be forced to mention the ecological disadvantages of products.
- 25. Much more fuss is being made about air and water pollution than is really justified.
- 26. The government should provide each citizen with a list of agencies and organizations to which citizens could report grievances concerning pollution.
- 27.I would be willing to pay a 5% increase in my taxes to support greater governmental control of pollution.
- 28. Trying to control ware pollution is more trouble than it is worth.
- 29. I become incensed when I think about the harm being done to plant and animal life by pollution.
- 30. People should urge their friends to limit their use of products made from scarce resources.
- 31.I would be willing to pay one dollar more each month for electricity if it meant cleaner air.

- 32.It would be wise for the government to devote much more money toward supporting a strong conservation program.
- 33.I would be willing to accept an increase in my family's total expenses of \$120 next year to promote the wise use of natural resources.
- 34. Products which during their manufacturing or use pollute the environment should be heavily taxed by the government.
- 35. People should be willing to accept smog in exchange for the convenience of automobiles.
- 36. When I think of the ways industries are polluting, I get frustrated and angry.
- 37. Our public schools should require all students to take a course dealing with environmental and conservation problems.
- 38.I would be willing to stop buying products from companies guilty of polluting the environment even thought it might be inconvenient.
- 39.I'd be willing to make personal sacrifices for the sake of slowing down pollution even though the immediate results may not seem significant.
- 40.I rarely ever worry about the effects of smog on myself and family.

# ECCB and SRCB by Robert (1995, p. 105)

Ecologically conscious consumer behavior (ECCB)

- 1.I have purchased products because they cause less pollution.
- 2. When I purchase products, I always make a conscious effort to buy that is low in pollution.
- 3.I make every effort to buy paper products made from recycled paper.
- 4. When I have a choice between two equal products, I always purchase the one which is less harmful to the environment.
- 5.I try only to buy products that can be recycled.
- 6.I use a recycling center or in some way recycle some of my household trash.
- 7. When there is a choice, I always choose that product which contributes to the lease amount of pollution.
- 8. Whenever possible, I buy products packaged in reusable containers.
- 9. If I understand the potential damage to the environment that some products can cause, I do not purchase these products.
- 10.I use a low-phosphate detergent (or soap) for my laundry.
- 11.I have convinced members of my family or friends not to buy some products which are harmful to the environment.
- 12.I do not buy household products that harm the environment.
- 13.I do not buy products in aerosol containers.
- 14.I buy paper towels made from recycled paper.
- 15. To reduce our reliance on foreign oil, I drive my car a little as possible.
- 16.I buy toilet paper made from recycled paper.
- 17.I normally make a conscious effort to limit my use of products that are made or use scarce resources.

Socially responsible consumer behavior (SRCB)

- 1.I do not buy products which use advertising that depicts minority groups in a negative way.
- 2.I do not buy products from companies who discriminate against minorities.
- 3.I do not buy products from companies who have investments in South Africa.
- 4. In the past, I have not purchased a product because its advertising depicted women in a negative

way.

- 5.I will not buy a product that uses deceptive advertising.
- 6.I do not buy products from companies involved in a labor dispute.
- 7.I do not buy table grapes because of the conditions under which the workers who pick them must live and work.
- 8.I try to purchase products from companies who make donations to charity.

# Revised ECCB and SRCB by Robert (1996, p. 223)

- 1.I normally make a conscious effort to limit my use of products that are made of or use scarce resources.
- 2.I will not buy products that have excessive packaging.
- 3. When there is a choice, I always choose the product that contributes to the least amount of pollution.
- 4.If I understand the potential damage to the environment that some products can cause, I do not purchase these products.
- 5.I have switched products for ecological reasons.
- 6.I use a recycling center or in some way recycle some of my household trash.
- 7.I make every effort to buy paper products made from recycled paper.
- 8.I use a low-phosphate detergent (or soap) for my laundry.
- 9.I have convinced members of my family or friends not to buy some products that are harmful to the environment.
- 10.I have purchased products because they cause less pollution.
- 11.I do not buy products in aerosol containers.
- 12. Whenever possible, I buy products packaged in reusable containers.
- 13. When I purchase products, I always make a conscious effort to buy those products that are low in pollutants.
- 14. When I have a choice between two equal products, I always purchase the one less harmful to other people and the environment.
- 15.I will not buy a product if the company that sells it is ecologically irresponsible.
- 16.I buy toilet paper made from recycled paper.
- 17.I buy kleenex made from recycled paper.
- 18.I buy paper towels made from recycled paper.
- 19.I try only to buy products that can be recycled.
- 20. To reduce our reliance on foreign oil, I drive my car as little as possible.
- 21.I do not buy household products that harm the environment.
- 22.I usually purchase the lowest priced product, regardless of its impact on society.

# SRPD by Webb, Mohr, and Harris (2001; 2005, p.146-147; 2007, p. 94)

- 1.I try to buy from companies that help the needy.
- 2.I try to buy from companies that hire people with disabilities.
- 3.I avoid buying products or services from companies that discriminate against minorities.
- 4. When given a chance to switch to a retailer that supports local schools, I take it.
- 5.I try to buy from companies that make donations to medical research.
- 6.I make an effort to buy from companies that sponsor food drives.
- 7. When given a chance to switch to a brand that gives back to the community, I take it.
- 8.I avoid buying products made using child labor.

- 9. When given a chance, I switch to brands where a portion of the price is donated to charity.
- 10.I avoid buying products or services from companies that discriminate against women.
- 11. When I am shopping, I try to buy from companies that are working to improve conditions for employees in their factories.
- 12.I try to buy from companies that support victims of natural disasters.
- 13.I make an effort to buy products and services from companies that pay all of their employees a living wage.
- 14.I recycle cardboard.
- 15.I recycle plastic containers.
- 16.I recycle magazines.
- 17.I recycle aluminum cans.
- 18.I recycle steel/tin cans.
- 19.I recycle paper.
- 20.I avoid buying from companies that harm endangered plants or animals.
- 21. Whenever possible, I walk, ride a bike, car pool, or use public transportation to help reduce air pollution.
- 22.I avoid using products that pollute the air.
- 23.I avoid buying products that pollute the water.
- 24.I make an effort to avoid products or services that cause environmental damage.
- 25.I avoid buying products that are made from endangered animals.
- 26.I limit my use of energy such as electricity or natural gas to reduce my impact on the environment.

Table 7 Dependent Variables

Measures	No. of items	Alpha	Measuring items
Attitude toward	4	.88	Overall, what do you think of this advertisement
the ad			of Ditto Coffee?
			unpleasant/ pleasant, dislikable/ likable, boring/
			interesting, and bad/ good
Attitude toward	3	.94	Overall, what do you think of Ditto Coffee?
the brand			bad/good, unfavorable/ favorable, and
			unsatisfactory/ satisfactory
Purchase	2	.95	How likely is it that you will buy a Ditto Coffee?
intention			unlikely/ likely, and improbable/ probable

# **CHAPTER 4**

# **RESULT**

# Manipulation Checks and Variable Computations

To ensure that subjects were aware of the presence of the label, subjects were presented with three graphic images and asked to recognize what they have seen in the stimulus advertisement after completing the whole questionnaire. Two groups were exposed to Ditto Café's logo (a) with different message framings, while two groups saw a Fair Trade certified label (b). The brand logo of Ditto Café (a) and the Fair Trade certified label (b), which were presented in the stimuli, were exhibited as an option, respectively. To further examine an actual recognition of respondents, a different Fair Trade certified label (c), which is common in Europe but was not presented in the stimuli, and an option of "I can't remember." (d) was also presented (see Appendix C).

Since the Ditto café's brand logo (a) included the brand name itself, the correct recognition ratio in brand logo exposure groups (86.2%) was significantly higher than that of Fair Trade label exposure groups (60.6%). If wrong recognition implied that the subject was not manipulated in line with the objectives of this study, the fifty-two cases of incorrect recognition would need to be excluded. However, this reduction would be problematic since two groups become unbalanced. Thus, an alternative computation was conducted, namely "attention." For those who have been exposed to the Fair Trade label (b), not the brand logo (a), there was no incorrect recognition between the presented Fair Trade label (b) and the other label of Europe (c). Even though some of those who were exposed to the certified label (b) did recognize the label as a

brand logo (a), choosing an answer either (a) or (b), not (c), means that they paid attention to the advertisement to some extent. "Attention" computation also adjusted the number of any guessing subjects in Ditto café's brand logo groups. In this way, the balance of each cell size was restored and there was no need to lose the statistical power. Table 8 shows specific Recognition and Attention responses within each cell.

### Control Variables

Two variables were used as covariates in the analyses to clarify the effects related to dependent variables. As reported earlier, the gender distribution in this study was highly skewed to female samples; females accounted for 74.1%. Statistically, multivariate analysis of variance (MANOVA) indicated that gender influenced the attitudes and purchase intention (Wilks's  $\lambda$ = .931, F(3, 158) = 3.926, p = .010,  $\eta^2 = .069$ ). Specifically, female exhibited a more positive attitude toward the ad (female= 5.17, male = 4.61, F(1, 160) = 7.64, p = .006,  $\eta^2 = .046$ ), attitude toward the brand (female= 5.50, male = 4.80, F(1, 160) = 8.22, p = .005,  $\eta^2 = .049$ ), and purchase intention (female= 4.68, male = 3.84, F(1, 160) = 8.58, p = .004,  $\eta^2 = .051$ ), illustrating that females consistently reacted more positively than males (see Figure 2). To control the asymmetry and nullify the skewedness statistically, gender was included as a covariate. In addition, since this study dealt with an existent product category, Fair Trade coffee, and the dependent variables included behavioral measures, prior purchase experience also served as a covariate to neutralize the potential effect on the dependent variables, particularly purchase intention response. MANOVA revealed that prior purchase experience did not have a significant impact at a multivariate level (Wilks's  $\lambda = .963$ , F(3, 158) = 2.004, p = .116,  $\eta^2 = .037$ ). However, prior purchase experience did affect purchase intention significantly (have purchased = 4.77, never

purchased = 4.25, F(1, 160) = 6.004, p = .015,  $\eta^2 = .036$ ), as shown in Figure 3. Therefore, gender and prior purchase experience were included in all analyses to counterbalance the treatment effects.

# Multivariate Analyses

Multivariate analysis of covariance (MANCOVA) was used to test the effects of the presence of the label, message framing, and individual differences in CnSR on the dependent attitudinal and behavioral variables. The multivariate analyses tested whether the overall attitudinal and behavioral effects differed in each independent variable. This MANCOVA indicated that significant main effects of gender (Wilks's  $\lambda$  = .908, F(3, 152) = 5.126, p = .002,  $\eta$ <sup>2</sup> = .092), message framing (Wilks's  $\lambda$  = .830, F(3, 152) = 10.367, p < .001,  $\eta$ <sup>2</sup> = .170), and CnSR level (Wilks's  $\lambda$  = .940, F(3, 152) = 3.212, p = .25,  $\eta$ <sup>2</sup> = .060).

Hypothesis 1 proposed that a Fair Trade certified label would have a greater impact on attitude toward the ad, attitude toward the brand, and purchase intention than a Ditto Café's brand logo alone. The significance of a presence of label was not found at a multivariate level. However, the MANCOVA revealed that a Fair Trade certified label showed a more positive attitude toward the ad (FT label = 5.16, brand logo = 4.87, F(1, 154) = 4.49, p = .04,  $\eta^2$  = .028) and attitude toward the brand (FT label = 5.47, brand logo = 5.16, F(1, 154) = 4.61, p = .03,  $\eta^2$  = .032), but it did not lead to a stronger purchase intention (FT label = 4.57, brand logo = 4.33, F(1, 154) = 2.02, NS,  $\eta^2$  = .013), as shown in Figure 4, providing mixed evidence to support H1.

Hypothesis 2 predicted that people who have high SRPD scores will have a more positive attitude toward the ad, attitude toward the brand, and purchase intent than those who have low SRPD scores. As the multivariate significance suggested, differences in CnSR level with

different SRPD scores predicted differences in attitudes and purchase intention. The mean of attitude toward the advertising in high SRPD group was significantly higher than the mean in low SRPD group (high SRPD group = 5.24, low SRPD group = 4.82, F(1, 154) =6.46, p = .012,  $\eta^2$  = .040). Similarly, the mean of purchase intention also showed a similar pattern (high SRPD group = 4.85, low SRPD group = 4.09, F(1, 154) = 7.01, p = .009,  $\eta^2$  = .044). On the contrary, individual differences in CnSR with different SRPD scores marginally affect the attitude toward the brand (high SRPD group = 5.53, low SRPD group = 5.12, F(1, 154) = 3.63, p = .059, NS,  $\eta^2$  = .023), as shown in Figure 5. Overall, hypothesis 2 was supported.

Further, Research Question 1 suggested an interaction between SRPD and the presence of a certified label wherein the positive impact of the certified label would be greater for consumers with high SRPD scores than for those with low SRPD scores. The result indicated that the CnSR level X label interaction was not significant for any dependent variable – attitude toward the ad (F(1, 154) = 1.12, NS), attitude toward the brand (F(1, 154) = .09, NS), and purchase intention (F(1, 154) = .25, NS). Thus, RQ1 was not supported.

Next, hypotheses 3 predicted differential impact in terms of message framing based on prevention-detection framework. That is, gain-framed Fair Trade advertising messages would generate a greater impact on attitude and purchase intent than loss-framed ones. Consistent with H3, significant positive effects due to gain-framed messages were found in attitude toward the ad (gain-framed = 5.43, loss-framed = 4.63, F(1, 154) = 29.75, p < .001), attitude toward the brand (gain-framed = 5.65, loss-framed = 5.00, F(1, 154) = 14.42, p < .001), and purchase intention (gain-framed = 4.72, loss-framed = 4.19, F(1, 154) = 9.15, p = .003), as shown in Figure 6. Therefore, H3 was supported.

Extending the message framing effect, RQ2 proposed that the gain-framed message would have a stronger impact in high SRPD-scored consumers, and the loss-framed message would have a stronger impact in low SRPD-scored consumers, suggesting an interaction between CnSR and message framing. The analysis did not show a significant interaction at a multivariate level (Wilks's  $\lambda$  = .997, F(3, 152) = .175, p = .913, NS,  $\eta^2$  = .003). Furthermore, no interaction was found in attitude toward the ad (F(1, 154) = .074, NS), attitude toward the brand (F(1, 154) = .467, NS), nor purchase intention (F(1, 154) = .017, NS). Hence, RQ2 was not supported. All these results are summarized in Table 9 and 10.

Table 8 Variable Computations and Cell Sizes

	Conditions		Total	Recognition	Attention
Label	Message Framing	SRPD	(n=193)	(n=141)	(n=163)
FT label	Gain-framed	Low	(25)	(b) (18)	(a), (b) (23)
FT label	Gain-framed	High	(24)	(b) (10)	(a), (b) (17)
FT label	Loss-framed	Low	(22)	(b) (14)	(a), (b) (20)
FT label	Loss-framed	High	(28)	(b) (18)	(a), (b) (23)
Brand logo	Gain-framed	Low	(27)	(a) (25)	(a) (25)
Brand logo	Gain-framed	High	(19)	(a) (15)	(a) (20)
Brand logo	Loss-framed	Low	(22)	(a) (18)	(a) (18)
Brand logo	Loss-framed	High	(26)	(a) (23)	(a) (23)

Table 9 Mean and Standard Deviation of Aad, Ab, and PI in Each Group

	Descriptive statistics								
		Fair Trade o	ertified label		Ditto café's brand logo				
	Gain-framed Loss-framed				Gain-	framed	Loss-framed		
	Low SRPD	High SRPD	Low SRPD	High SRPD	Low SRPD	High SRPD	Low SRPD	High SRPD	
	(n=23)	(n=17)	(n=20)	(n=23)	(n=25)	(n=20)	(n=18)	(n=23)	
Aad	5.33 (1.25)	5.65 (.88)	4.63 (.92)	5.09 (1.02)	5.12 (1.24)	5.82 (.87)	3.94 (1.18)	4.72 (1.08)	
Ab	5.62 (1.44)	6.12 (.71)	4.80 (1.21)	5.41 (.98)	5.37 (1.38)	5.60 (1.25)	4.48 (1.49)	5.17 (1.28)	
PI	4.26 (1.62)	5.25 (1.62)	3.93 (1.31)	4.91 (1.58)	4.52 (1.53)	5.16 (1.59)	3.46 (1.46)	4.28 (1.73)	

Notes: Numeric values in each cell are means in each condition (standard deviation in parentheses).

Aad means an attitude toward the advertising, Ab means an attitude toward the brand, and PI means purchase intention.

Table 10 MANCOVA Results of Label, CnSR, and Message Framing on Aad, Ab, and PI

		Aad			Ab			PI		
	df	MS	F	p*	MS	F	p*	MS	F	p*
Covariate:										
Gender	1	10.48	9.47	.00*	16.91	11.50	.00*	20.98	9.16	.00*
Prior Experience	1	2.10	1.90	.17	1.10	.75	.39	9.09	3.97	.05*
Between-subjects effects:										
Label	1	4.98	4.50	.04*	7.45	5.07	.03*	4.60	2.01	.16
CnSR	1	7.15	6.46	.01*	5.34	3.63	.06**	16.04	7.01	.01*
Message Framing	1	32.92	29.75	.00*	21.20	14.42	.00*	20.95	9.15	.00*
Label X CnSR	1	1.24	1.12	.29	.13	.09	.77	.58	.25	.62
Label X Message Framing	1	1.50	1.36	.25	.46	.31	.58	1.78	.78	.38
Message Framing X CnSR	1	.08	.07	.79	.69	.47	.50	.04	.02	.90
Label X Message Framing X CnSR	1	.04	.04	.85	.12	.08	.78	.06	.03	.87
Error	154	1.11			1.47			2.29		

Notes: MANCOVA = Multivariate analysis of covariance.

<sup>\*</sup> means statistically significant results (p < .05) in boldface.

<sup>\*\*</sup> means statistically marginally significant results in bold face.

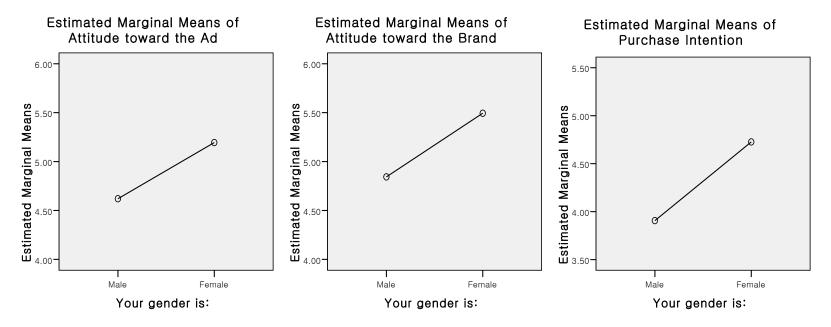


Figure 2 Effect of Gender on Aad, Ab, and PI

# Estimated Marginal Means of Purchase Intention 5.50 5.00 5.00 No Yes Have you ever actually purchased any Fair Trade product?

Figure 3 Effect of Prior Purchase Experience on PI

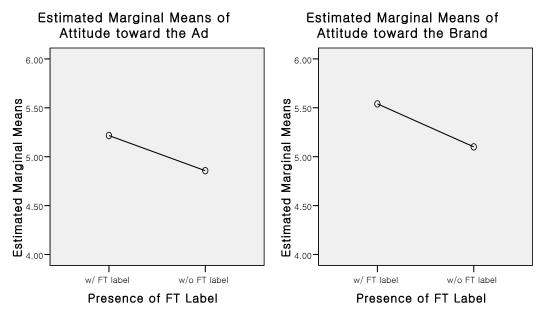


Figure 4 Effect of the Presence of Label on Aad and Ab

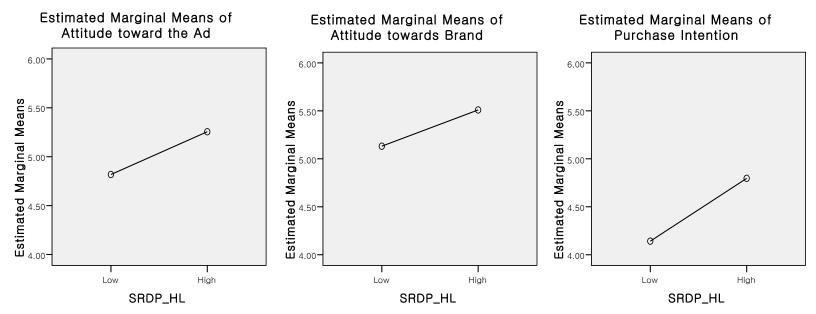


Figure 5 Effect of the CnSR on Aad, Ab and PI

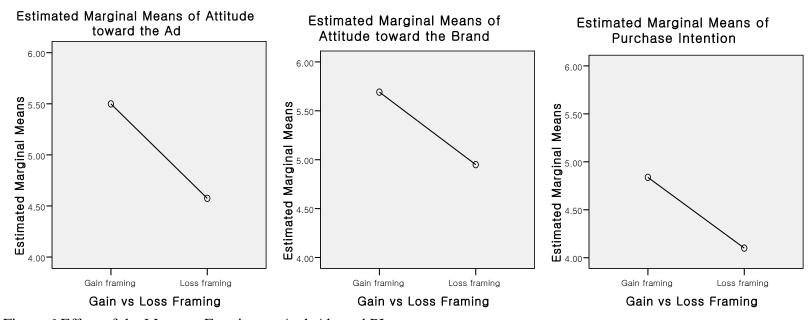


Figure 6 Effect of the Message Framing on Aad, Ab, and PI

# **CHAPTER 5**

# **GENERAL DISCUSSION**

# Summary of Findings and Implications

This study was designed to investigate the effectiveness of a Fair Trade certified label; the varied influence of differences in personal social responsibility; and the distinct impact in terms of message framing, gain-framed versus loss-framed. The multivariate findings support that the presence of the label generates a greater multivariate impact on attitudes and purchase intention, that people with a higher CnSR level manifest a stronger impact than those with a lower CnSR level, and that a gain-framed message has a more positive impact than a loss-framed message. The findings provide insights into ethical purchasing behavior and have important theoretical and managerial implications. First of all, the presence of a certified label influences attitude toward the ad and attitude toward the brand respectively. The results can be understood in two ways. First, the lack of Fair Trade knowledge might contribute to impairing the impact of a certified label, especially on purchase intention. In this study, more than 40% of subjects did not know what Fair Trade is. Consistent with that lack of knowledge, 52 subjects out of 193 did not recognize a label correctly, whether it was a certified label or a brand logo. In other words, people are insensitive to labels and not accustomed to checking the presence of a Fair Trade certified label. As Wright and Heaton (2006) emphasized, a constant communication effort is required in education and persuasion to raise consumers' awareness and understanding of Fair Trade. Second, there have been attempts by researchers and activists to stress the importance of Fair Trade branding, rather than a certified label (Moore, 2004; Renard, 2003; Nicholls & Lee,

2006; De Pelsmacker, Driesen, & Rayp, 2005). Basically, the priority objective of certified labeling is extending the Fair Trade movement to a broader audience. In addition to the current discussion of the practical effectiveness of the Fair Trade label, the use of labeling by existing mainstream brands is open to criticism because of "the dilution of Fair Trade ideology by the market in which the organizations find themselves either remaining pure but probably marginal, or aligning with the mainstream and losing their soul" (Moore, 2004; Renard, 2003, p. 92). Nicholls and Lee (2006) also urged the creation of a genuine Fair Trade brand to build strong loyalty, which makes consumers become customers, clients, and further advocates. Café Direct serves as the best example of a successful genuine Fair Trade brand. Café Direct has focused its communication on positive lifestyle messaging, not on Fair Trade ideology; as a result, it is the most successful brand in the Fair Trade market (Nicholls & Opal, 2005; Renard, 2002; Wright, 2004). Considering that in the case of coffee purchasing decisions brand was perceived as the most important factor to consumers, more important than flavor and a Fair Trade label (De Pelsmacker, Driesen, & Rayp, 2005), the results of this study implies that Fair Trade communication should go beyond Fair Trade certified labeling especially for promoting purchase intention.

The results also reflect that CnSR levels influence consumers. Explicitly in this study, people who are highly socially concerned are more likely to have a positive attitude toward Fair Trade advertising. This positive attitude toward the ad extends to their attitude marginally toward the brand. Moreover, the purchase intention exhibits a significantly higher result in a high-scored SRPD group than a low-scored group. From a management perspective, taking into account the limited advertising budget for ordinary non-governmental organizations (NGOs) such as Fair Trade labeling organizations, a refined media selection targeting a highly responsible audience,

like readers of the magazine "Ethical Consumer" in the UK, would be an effective media strategy.

Further, consistent with the previous studies that show that gain-framed messages are more effective for promoting prevention behaviors (i.e., Meyerowitz & Chaiken, 1987; Ganzach & Karsahi; 1995), this study confirms that gain-framed messages build stronger attitude toward the ad, attitude toward the brand, and purchase intention than loss-framed messages. Unlike health communication issues, such as breast cancer, skin cancer, or AIDS, this result suggests that a Fair Trade purchase is a prevention behavior that is performed to minimize risk. In practice, an advertiser should be careful to maintain a gain-framed message, not a loss-framed message to appeal to consumers' sympathy. Ultimately, this result corresponds with the fundamental idea of Fair Trade; "Trade not aid." Previous qualitative research by Wright & Heaton (2006) that utilized a focus group interview offers important insight of the fact that "primarily people want to enjoy a chocolate and not be forced into thinking about the Third World farmer who produced it" (p. 424). Thus, this study suggests that Fair Trade should highlight the benefit from the purchase through positive framing to replace the "dull" image with a "happy and energetic" image.

# Limitations and Future Research Directions

This current study provides an initial exploration on the influences on Fair Trade purchases. As with any research, the limitations of the study are worth noting. First of all, this study did not involve any pretest for the proper manipulation. Since this study employed a fictitious brand name and advertisements, a pretest might help to reduce any possible bias of attitudes or intention caused by the brand name or advertisements itself.

Secondly, even though I suggested interactions between the presence of a label, a consumer's CnSR level, and the message framings, this study did not support any interactive relationships at a statistically significant level. Since the interaction issues between distinct factors are exploratory, future research could delve into the interactions with more refined measures and dimensions that might be evident to clarify the interactive impact.

In addition, another limitation of this research is inherent in the selection of a limited item. This study examined only a coffee purchase situation; generalizing beyond this to other types of purchases is not possible. Although coffee is the most common item in the Fair Trade market, it does not mean that coffee is the most representative and exemplary of Fair Trade purchases. For future research, selecting diverse Fair Trade items such as tea, chocolate, and banana will be a necessity to avoid this limitation.

Moreover, people generally consider product attributes, such as price, quality, convenience, and brand familiarity, in their purchase decisions (De Pelsmacker, Driesen, & Rayp, 2005). Since this study controlled for the product attributes, the results in real purchase situations might differ from this imaginary situation.

The sample of this study might also influence the mixed results. Student samples are always subject to criticism. However, undergraduate students seemed appropriate for this research since many prior studies claimed that demographics do not influence ethical buying behaviors and attitudes (i.e., Dickson, 2001; Roberts, 1995; De Pelsmacker & Janssens, 2007). The female-skewed samples might be another issue, despite controlling for gender as a covariate; the most appropriate result would originate from a balanced distribution. Moreover, some insignificance of the statistical value may arise from the relatively small sample size. Overall, an adequate

number of samples and balanced sample distribution are needed to improve the results of this study.

Last but not least, the intrinsic limitation of the self-administered online survey method might be a factor. This study relied on the assumption that people are always aware of their attitudes and that people are able and willing to express themselves when requested. In addition, because this study deals with an ethical issue and uses the self-reported method, it suffers from a social desirability response bias. In particular, self-reported ethical attitudes and buying behaviors might bias the responses to be more positive than they actually are (King & Bruner, 2000; La Troobe, Helen, & Acott, 2000).

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## **APPENDICES**

### APPENDIX A. INVITATION TO PARTICIPATE IN THE STUDY

### Dear Professor:

Please share the announcement below with your students to invite them to participate in the research study "The Impact of Presence of Label, Consumers' Social Responsibility, and Message Framing on Consumer Attitude and Behavior in Fair Trade Coffee Advertising" conducted by Seul Lee, a graduate student in Advertising and Public Relations. If you choose to offer extra credit to students who participate, please let me know so that I can add a question to the study to collect information about the course number. Also, if you choose to offer extra credit to students who participate, don't forget that you must also offer nonparticipants other opportunities to earn equal extra credit.

Notice to Students in Grady College:

Seul Lee, a graduate student in Advertising and Public Relations is interested in whether and how consumers react differently when they purchase Fair Trade goods. I invite you to participate in my online survey. It will take no more than 20 minutes of your time and your participation will make a huge difference to us. {In addition, add professor's name has agreed to offer xx extra credit points for your participation.} To participate in the study, go to <a href="http://seullee.myweb.uga.edu/">http://seullee.myweb.uga.edu/</a>.

### APPENDIX B. STIMULI ADVERTISEMENTS

1. Gain-framed Message with a Certified Label

# in Your Coffee Cup



Wise Consumers,
Delighted Farmers

Ditto Coffee

CERTIFIED

Why are 25 million coffee farmers impoverished while we spend more for our coffee? There are around 100 million people dependent on coffee for their livelihoods. Today coffee farmers receive one percent or less of the price of a cup of coffee sold in a coffee bar.

The hen you buy Fair-Trade goods, the coffee farmers are fairly compensated for their work so that they can send their children to school, afford basic medicines, and have enough food. By buying Fair-Trade goods, you give an opportunity to the Fair-Trade organization to invest its profits in the community such as buying equipment to wash beans or buying another transportation truck, establishing schools in the communities and purchasing chairs, in addition to educating the coffee farmers to use environmentally-friendly techniques. A Fair-Trade organic certified farmer can receive 10 times more income for his coffee than a farmer in a non-Fair-Trade cooperative.

Make a resolution to buy only Fair-Trade coffee. With Fair-Trade, you can make a difference of hope, dignity and a sustainable solution.

# 2. Gain-framed Message with No Certified Label

# in Your Coffee Cup



Wise Consumers,
Delighted Farmers

Ditto Coffee

Why are 25 million coffee farmers impoverished while we spend more for our coffee? There are around 100 million people dependent on coffee for their livelihoods. Today coffee farmers receive one percent or less of the price of a cup of coffee sold in a coffee bar.

When you buy Fair-Trade goods, the coffee farmers are fairly compensated for their work so that they can send their children to school, afford basic medicines, and have enough food. By buying Fair-Trade goods, you give an opportunity to the Fair-Trade organization to invest its profits in the community such as buying equipment to wash beans or buying another transportation truck, establishing schools in the communities and purchasing chairs, in addition to educating the coffee farmers to use environmentally-friendly techniques. A Fair-Trade organic certified farmer can receive 10 times more income for his coffee than a farmer in a non-Fair-Trade cooperative.

Make a resolution to buy only Fair-Trade coffee. With Fair-Trade, you can make a difference of hope, dignity and a sustainable solution.

# 3. Loss-framed Message with a Certified Label

# Poverty in Your Coffee Cup



Unwise Consumers,
Penniless Farmers

Ditto Coffee

Why are 25 million coffee farmers impoverished while we spend more for our coffee? There are around 100 million people dependent on coffee for their livelihoods. Today coffee farmers receive one percent or less of the price of a cup of coffee sold in a coffee bar.

The farmers are unfairly compensated for their work so that they must pull their children out of school, can no longer afford basic medicines, and cut back on food. By buying non-Fair-Trade goods, you take away an opportunity from the Fair-Trade organization to invest its profits in the community such as buying equipment to wash beans or buying another transportation truck, establishing schools in the communities and purchasing chairs, in addition to educating the coffee farmers to use environmentally-friendly techniques. A farmer in a non-Fair-Trade cooperative may receive only one-tenth of the income for his coffee than what a Fair-Trade organic certified coffee farmers receives.

Make a resolution not to buy non-Fair-Trade coffee. With non-Fair-Trade, you cannot make a difference in the level of poverty, exploitation and environmental devastation.

# 4. Loss-framed Message with No Certified Label

# Poverty in Your Coffee Cup



Unwise Consumers,
Penniless Farmers

Ditto Coffee

Why are 25 million coffee farmers impoverished while we spend more for our coffee? There are around 100 million people dependent on coffee for their livelihoods. Today coffee farmers receive one percent or less of the price of a cup of coffee sold in a coffee bar.

The farmers are unfairly compensated for their work so that they must pull their children out of school, can no longer afford basic medicines, and cut back on food. By buying non-Fair-Trade goods, you take away an opportunity from the Fair-Trade organization to invest its profits in the community such as buying equipment to wash beans or buying another transportation truck, establishing schools in the communities and purchasing chairs, in addition to educating the coffee farmers to use environmentally-friendly techniques. A farmer in a non-Fair-Trade cooperative may receive only one-tenth of the income for his coffee than what a Fair-Trade organic certified coffee farmers receives.

Make a resolution not to buy non-Fair-Trade coffee. With non-Fair-Trade, you cannot make a difference in the level of poverty, exploitation and environmental devastation.

## APPENDIX C. ONLINE EXPERIMENT QUESTIONNAIRE

- 1.Please answer each question using a "1" to "5" scale where 1 means NEVER TRUE and 5 means ALWAYS TRUE.
  - 1.1.I try to buy from companies that help the needy.
  - 1.2.I try to buy from companies that hire people with disabilities.
  - 1.3.I avoid buying products or services from companies that discriminate against minorities.
  - 1.4. When given a chance to switch to a retailer that supports local schools, I take it.
  - 1.5.I try to buy from companies that make donations to medical research.
  - 1.6.I make an effort to buy from companies that sponsor food drives.
  - 1.7. When given a chance to switch to a brand that gives back to the community, I take it.
  - 1.8.I avoid buying products made using child labor.
  - 1.9. When given a chance, I switch to brands where a portion of the price is donated to charity.
  - 1.10.I avoid buying products or services from companies that discriminate against women.
  - 1.11. When I am shopping, I try to buy from companies that are working to improve conditions for employees in their factories.
  - 1.12.I try to buy from companies that support victims of natural disasters.
  - 1.13.I make an effort to buy products and services from companies that pay all of their employees a living wage.
  - 1.14.I recycle cardboard.
  - 1.15.I recycle plastic containers.
  - 1.16.I recycle magazines.
  - 1.17.I recycle aluminum cans.
  - 1.18.I recycle steel/tin cans.
  - 1.19.I recycle paper.
  - 1.20.I avoid buying from companies that harm endangered plants or animals.
  - 1.21. Whenever possible, I walk, ride a bike, car pool, or use public transportation to help reduce air pollution.
  - 1.22.I avoid using products that pollute the air.
  - 1.23.I avoid buying products that pollute the water.
  - 1.24.I make an effort to avoid products or services that cause environmental damage.
  - 1.25.I avoid buying products that are made from endangered animals.
  - 1.26.I limit my use of energy such as electricity or natural gas to reduce my impact on the environment.

- 2.Do you know what Fair Trade is?
  - $-Yes \Rightarrow Go to the Next Question$
  - $-No \Rightarrow Go \text{ to Introduction}$

## = What is Fair Trade? =

Fair Trade is a form of alternative approach to trading partnerships that seeks to improve the position of disempowered producers in the Third World by ensuring that they are paid fair prices for their goods and that financial benefits are used to promote sustainable development in their communities.(Source: http://www.fairtrade.net)

# Stimuli exposed

- 3. Overall, what do you think of this advertisement of *Ditto Coffee*?
  - 3.1. Unpleasant 1234567 Pleasant
  - 3.2.Dislikable 1234567Likable
  - 3.3.Boring 1234567Interesting
  - 3.4.Bad 1234567Good
- 4. Overall, what do you think of *Ditto Coffee*?
  - 4.1.Bad1234567Good
  - 4.2. Unfavorable 1234567Favorable
  - 4.3.Un satisfactory 1234567 Satisfactory
- 5. How likely is it that you will buy a *Ditto Coffee*?
  - 5.1. Unlikely 1234567 Likely
  - 5.2.Improbable 1234567Probable
  - 5.3.Impossible 1234567Possible
- 6.Can you recognize what you have seen on the advertisement? Please choose one answer.







d.
I do not remember.