

Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Humanities



Bachelor Thesis

**Social construction of coffee and its consequences for
selling coffee as a beverage**

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

BACHELOR THESIS ASSIGNMENT

Anna Hrubešová

Economics and Management

Thesis title

Social construction of coffee and its consequences for selling coffee as a beverage

Objectives of thesis

The goal of the thesis is to demonstrate that even such everyday routine practice as drinking coffee is social construction. It means the work will investigate how members of a group of the students develop (construct) their concept of coffee (if a cup of coffee has for them just an economic dimension or if they think also about other /e.g. ethical, social status/ dimension).

Methodology

The thesis will start with literature review. It will outline the concept of “social construction” and will outline coffee in its economic, social and cultural context as it is addressed in the literature. An empirical section of the thesis will use a survey to find out what are the reasons behind the choice the coffee to drink. The students will answer standardized questions interrogating the reasons of their choice. Finally, the paper will discuss the consequence of findings for selling coffee as a beverage.

The proposed extent of the thesis

30 – 40 pages

Keywords

Coffee, social construction, choice experiment

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- Manzo, J. 2010. Coffee, Connoisseurship, and an Ethnomethodologically-Informed Sociology of Taste. *Human Studies* 33: 141-155
- Ponte S. 2002. The 'Latte Revolution'? Regulation, Markets and Consumption in the Global Coffee Chain. *World Development* 30 (7): 1099-1122.
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- Tully, S. M., Winer, R. S. 2014. The Role of the Beneficiary in Willingness to Pay for Socially Responsible Products: A Meta-analysis. *Journal of Retailing* 90 (2) Special Issue: 255-274
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Declaration

I declare that I have worked on my bachelor thesis titled "Social construction of coffee and its consequences for selling coffee as a beverage" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 15th March 2017

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**Sociální konstrukce kávy a její důsledky na prodej kávy
jako nápoje**

**Social construction of coffee and its consequences for
selling coffee as a beverage**

Sociální konstrukce kávy a její důsledky na prodej kávy jako nápoje

Abstrakt

Cílem této bakalářské práce je poukázat na fakt, že i taková každodenní zvyklost jakou je pití kávy, je sociální konstrukce. V první části práce je definován termín sociální konstrukce a Oldenburgova teorie třetího místa. Dále je popsán vývoj konzumace kávy. Ten se dělí na tři důležitá období (zvané vlny). Začíná první vlnou, charakteristickou prodejem malých plechovek s instantní kávou, které lidé kupovali, aby dodali tělu potřebnou dávku kofeinu. Nyní se nacházíme ve třetí vlně, kdy je káva vnímána spíše jako řemeslný výrobek než zboží. Kromě toho tato část práce ukazuje také na význam kávy (druhá nejobchodovanější komodita) ve světové ekonomice. V analytické části bude proveden průzkum, za účelem zjištění, jak studenti chápou pití kávy, zda šálek kávy má pro ně spíše ekonomický, etický nebo sociální rozměr. Dále se bude zjišťovat, jaké faktory jsou pro účastníky průzkumu rozhodující při koupi kávy. Závěrem budou výsledky posouzeny a definovány souvislosti a vliv jednotlivých faktorů na prodej kávy jako nápoje.

Klíčová slova: káva, sociální konstrukce, experiment volby, třetí vlna, teorie třetího místa, mezinárodní trh s kávou, certifikace

Social construction of coffee and its consequences for selling coffee as a beverage

Abstract

The purpose of this bachelor thesis is to demonstrate that even such daily routine as drinking coffee is a socially constructed. In the first part of the thesis, the social aspect of coffee will be outlined by defining the social construction and the theory of third place by R. Oldenburg. Furthermore, the evolution of consumption of coffee will be classified by three milestones (so-called waves). Starting with first wave characterized by small tins of instant coffee, whose main purpose was to deliver body required amount of caffeine. Now, we are part of the third wave and the coffee is perceived rather as an artisanal product than a commodity. Besides, this paper indicates the importance of coffee (the second most-traded commodity) to the world's economy. An analytical part will use a survey to determine how students develop their concept of coffee, whether a cup of coffee has for them an economic, ethical or social status dimension. Also, which factors are according to participants the most decisive when buying coffee. Finally, the results will be discussed and will be interpreted the consequence of findings for selling coffee as a beverage.

Keywords: coffee, social construction, choice experiment, third wave, theory of third place, global coffee market, certifications

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1 Introduction

Everyone looks at coffee from different perspective. For specific groups of individuals, coffee is only a source of caffeine, a so called pick-me-up. Others may consider a cup of coffee as synonymous with a friendly or business meeting. Some people perceive coffee as a hobby and cares about its origin. There is also a group of people who believe that the best coffee is Starbucks' grand caramel latté. The goal of this work is not to judge whose perspective is the best; everyone has different preferences and opinions.

Various researchers have proved that coffee does boost one's working performance dramatically thanks to its caffeine content, whose effects are known to increase the production of adrenaline and to block sleep-inducing chemicals in the brains, which leads to reducing sleepiness. Coffee also increases blood circulation, helping to deliver oxygen to the brain, thus increasing concentration (Juhasz, 2015). In fact, 2.25 billion cups of coffee are consumed every day throughout the world (Dicum & Luttinger, 1999)- that is enough to confirm the fundamentally important role coffee plays in our daily lives (Ponte, Stefano 2002).

At first, coffee was used for medical and spiritual purposes, but it soon developed into everyday use (Augustín, 2016). Lots of coffee lovers associate having a coffee with some kind of specific ceremony or routine. In today's fast moving world, it is great to stop for few minutes and enjoy this moment. Drinking coffee as part of our daily routine has a symbolic value. Therefore, according to Giddens (1999), the ritual related with drinking coffee may be more important than the actual consumption of the beverage. It is shown in the way that each of us prefers different flavours, different preparation methods, some people drink strong coffee in the morning, others after lunch with milk and sugar. There are countless variations. No wonder they say one hundred people, one hundred tastes!

The decision to write about this subject is due to my involvement as a 'barista' in a café for about three years. During my time there, I saw many differences in how customers perceived coffee. People were more and more interested in what they consumed; they enquired about where the coffee came from, what the exact day of roasting was, and which alternative methods of brewing coffee we could offer. Especially the younger generation is obsessed with taking pictures of the rosettes which are drawn by the baristas on the top of

their cup of coffee and share it on the internet. This is all part of the so-called the ‘third wave’ (this term will be explained later in the text of the thesis) and I am pleased that we are experiencing a slow transition from instant coffee to quality coffee with "a pedigree". In this research, I would like to find out which social factors influence consumers when choosing and purchasing coffee and which considerations consumers have when thinking about purchasing it.

2 Objectives and Methodology

2.1 Objectives

The goal of the thesis is to demonstrate that even such everyday routine practice as drinking coffee is social construction. It means the work will investigate how members of a group of the students develop (construct) their concept of coffee. Whether a cup of coffee has for them just an economic dimension or if they think also about ethical (choosing Fairtrade, organic and other certifications) or social status dimension.

2.2 Methodology

The thesis will start with literature review. It will outline the concept of “social construction” and will outline coffee in its social, historical, economic and cultural context as it is addressed in the literature. An empirical section of the thesis will use a survey to find out what are the reasons behind the choice the coffee to drink. The students will answer standardized questions interrogating the reasons of their choice. Finally, the paper will discuss the consequence of findings for selling coffee as a beverage.

Quantitative data, that were during the survey inserted into the tables, were processed by statistical program IBM SPSS Statistics. By using the program, data were transformed into tables, which are attached in the appendix of the thesis. The first part of survey contains questions related to demographic information such as gender, nationality, and disposable financial income for food and drink consumption. The second part is focused on questions concerning consumer`s choice when buying coffee. To find out, how students construct the concept of coffee, they are asked to choose a beverage without the knowledge of the price. Afterwards, the price is shown to them and they have the possibility to change the decision. The same procedure is repeated when certification is being selected. The last part consists a table including 6 factors, which students put in order by the importance when selecting coffee.

3 Literature Review

3.1 Social Aspect of Coffee

First public coffee houses were established by the 16th century and they were particularly popular in the Middle East. It was the place where people could meet, discuss the news, listen to music, watch performers and play chess over a cup of coffee. They became such an important centre for the exchange of information and opinions that the coffee houses were often referred to as "Schools of the Wise" (National Coffee Association, 2013).

According to Cohen et al. (2001), people make light hearted conversation to establish and maintain the connection within a community, as well as for mere information transfer. So, by providing a space where individuals can regularly, but unplanned, meet and interact with each others, coffee houses play a significant role in creating social networks, and therefore supporting community values. Coffee houses, as meeting places, also facilitate the spread of information. This happens informally, as a result of gossiping and socializing. As the information go through a social network, individuals are creating social construction of the reality within the community. Therefore, their behaviours and norms are reflection of this continuing interaction and collective cognition (Stafford, 2003).

3.1.1 Social Construction

For the majority of society, reality is something which is given, fixed and there is no way how to refute this fact. In sociology, other humanities and social sciences reality is considered by some authors (they will be referred in this section) as socially conditioned phenomenon which is created by individuals and societies.

The term social construction is based on the theory of social constructionism, whose main principles were defined by Peter L. Berger and Thomas Luckmann in the book *The Social Construction of Reality* written in 1966. The concept of social construction is based on the assumption that there is no clear view of reality but reality consists of different, often opposing views and opinions (P. Berger, T. Luckmann, 1967).

The key terms of this assumption are *reality* and *knowledge*. According to Berger and Luckmann: “*Reality is a quality appertaining to phenomena that we recognize as having a being independent of our own volition (we cannot “wish them away”)* and to define knowledge as the certainty that phenomena are real and that they possess specific characteristics.” (P. Berger, T. Luckmann, p.13, 1967). Each reality and knowledge can significantly vary among different individuals and societies depending on what is considered by them as knowledge. The reality is produced in processes of social cognition, thus in process of interacting with other people. Knowledge is reciprocally supplied and exchanged through verbal and non verbal language (Skorunka, 2009). According to Berger and Luckmann (1967) reality is an intersection of objective and subjective interpretation. It means that every person perceives reality subjectively however is influenced by certain objective characteristics.

The fact that one of the most important experiences with other realities for an individual is an encounter with another individual. Such a situation is closely linked with the ideas that interaction and creation of realities occur within certain space and time. It is obvious that for the people is the most intense perception of reality their own perception. It is here, now and it is natural. The reality of other individuals or other cultures is usually perceived by people as something remote which is difficult to access (P. Berger, T. Luckmann, 1967). This method of different views of reality is common in society since there is a perception of different realities. Everyday interaction takes place between these realities. Dissimilar realities are clashing and they are constantly influenced by their mutual existence.

3.1.2 **Third place**

The theory of third place was defined in the book: *The Great Good Place* written by American Sociologist Ray Oldenburg. The basic idea behind the third place theory is the assumption that people need so called informal public places, where they can meet and chat with each other without any intentions. As discussed by Oldenburg, third places are low profile, neutral, inclusive, accessible, accommodating, filled with regulars, conversational, and playful. These places are called the third places and they are giving the society an informal public life, during which they can relax and forget their worries related to home and work (Oldenburg, 1989).

Oldenburg divides space in which people spend time into three categories. Home is the first and the most important place of all. The second is the work and the *third* is a general place for a wide range of public places such as bookstores, pubs, bakeries, flower shops or cafés (Oldenburg, 2001). These places regularly host informal and happily anticipated gatherings of individuals. Prerequisite for success of third place earlier was accessible location somewhere close to home or work. (Oldenburg, 1989).

In the Czech society, the typical third place would be probably a pub, theatre or cinema. Religious oriented countries may consider church as a third place as well (Kopta, 2006). Gottdiener (2000) refers to shopping mall as the most notable postmodern pseudo-public space. He argues that whereas traditional public “third wave” places exist to support every sort of social behaviour; malls exist only to promote consumption.

3.1.3 Facebook as a new third place?

The attributes of third place was defined before information and communication technologies like the Internet, mobile phones, and social networking services such as Facebook and Twitter - became widespread and integrated into the part of everyday life. Nowadays, when we want to catch up the latest news, find out what others think of a new Hollywood movie or to learn whether our shares went up or down, we simply go and read it on the internet. Three centuries ago, people went to the coffee houses, bought a cup of coffee and learnt or talked about anything that they were interested in. As Soukup (2006) refers, many of Oldenburg’s properties describe characteristics of some contemporary and popular social network (Facebook, Twitter). For instance, anyone with an account can express his or her opinion about any topic of interest by posting it on his or her wall, on Facebook people’s profile is accessible to anyone and there are more similar characteristics.

3.1.4 Starbucks

The flagship of the America's third place is Starbucks company, which was established with the intent to become a place of social life and the concept of third place can be found even in their annual reports¹ (Kopta, 2006).

It was founded in Seattle in 1971. Their goal is to be the leading retailer and brand of coffee and tea in each of their target markets by selling the finest quality of products, and by providing each customer with a unique *Starbucks Experience*. The *Starbucks Experience* is based on great customer service and clean, well-maintained stores that reflect the personalities of the communities in which they operate, thereby building a high degree of customer loyalty (Starbucks Corporation, 2014). Ruzich (2008) describes Starbucks as a whole package which is sold to customers including comfort, experience and calming atmosphere - it is an oasis, little getaway during your busy day. In 1987, the original owners sold the Starbucks to Howard Schultz, who was a former employee of this coffeehouse.

From a certain perspective, Howard Schultz did what Steve Jobs and other great innovators have done, they've created something that we didn't really know we needed until we had it. But Starbucks is different since it brings us a space rather than products (Alice G. Walton, 2012).

¹ „Starbucks is being embraced by customers as a welcome third place between home and work in major, secondary and even tertiary cities.” (annual report 2010) “

3.2 From Folgers to Latté art

Just like the history is categorized by significant historical events, the how and why is coffee consumed can be segmented by significant historical disruptions or changes as well. These significant time periods are called “waves.” These waves are points in the history of consuming coffee where society drastically changed the way how the coffee is produced and consumed. The following section will outline the evolution of consumption of coffee.

3.2.1 First wave

The first era of coffee is closely connected with the American James A. Folger. He was the first *visible* man in coffee sector. His company was revolutionary, he started to produce coffee that was pre-roasted, ground and sealed in small tins. He knew very well how to work with the power of mass marketing. The catchy song: “*The best part of waking up is Folgers in your cup*” (Shaw, 2016) is the type of slogan, which remains in memory once it is heard. What was previously available only for the upper class was now part of every middle-class household. During that time, coffee was more *consumed* than it was *enjoyed* (Manzo, 2015).

3.2.2 Second wave

The transition into the second wave, starting the 1960s, was mainly due to reaction to low quality coffee being consumed in the first wave. People have started to be more interested what they actually consume. Mark Prince in his article refers to the influence of wine industry. If wine was sold the way coffee used to be, the consumers would find in a shop few bottles with labels that say, French wine, Italian wine, Chilean wine and nothing else, no vineyard or no year of harvest. This style of presentation lacked transparency and information. Coffee terms like cappuccino and coffee Arabica became common among society. Coffee houses started to be a big business, among all the most significant and greatest leader is considered Starbucks company (J. Manzo, 2015).

3.2.3 Third wave

In recent years, the attention is concentrated back to the small, traditional coffee houses. The term *third wave* was first used and defined by Trish Skele in 2002. Nick Cho (2005), founder of Murky Coffee refers to "*Third Wave as letting the coffee speak for itself. During the first two waves, we appreciated coffee for what it gives us: caffeine, a hot beverage to sip and enjoy a conversation over, a drink to modify with sweetener, dairy (or non-dairy) creamers, syrups, whipped cream, etc. The Third Wave is about enjoying coffee for what it is.*" Consumers are interested in the story behind their daily cup of coffee. They want to know where the beans are originated from and how they got to their local coffee shop. Beans are sourced from farms instead of countries, light roasting is about bringing out the fruitiness rather than incinerating the unique characteristics of each bean, and the flavour is clean and pure. Third wave consists of an independent coffee houses and roasters that are themselves part of a supply chain comprising: fair or direct trade growers, roasters, coffee shops and well-trained baristas (Manzo, 2015). These people understand the importance of strong relationships with farmers that supply them coffee. They know very well that quality of their final product begins with collecting coffee cherries somewhere thousands of kilometres away. It is starting to be common to visit these places get to know farmers and supervise the whole process.

The third wave came up with one more term- the Barista. It is a person who works and knows everything about coffee and all technologies connected with it. He or she must be a passionate enthusiastic, know the hole story behind each cup and last but not least she or he has to have a good communication skill so that he or she can share the knowledge about particular coffee with customers (Veselá, 2010). They are part of the community in which they can annually participate several competitions. The fundamental and most complex is "Barista of the year" where participants are competing in various categories and have to show that they are the best not only in grinding, brewing, presenting coffee but also in being organized and creative (Veselá, 2010). It could be said that the barista is in a sense an artist. Well-trained barista should be able to "draw pictures" on the top of espresso drinks. This technique is called latté art and it proves that coffee is no longer just a means for the delivery of caffeine, but it is also an esthetical experience. In many cases, people likes to take a picture and share it with their friends

3.3 Coffea

Coffee is a fruit which requires a warm climate without sudden temperature fluctuation. It does not tolerate frost and needs lot of seasonal rains (Ponte, 2012). The name comes from Latin name of the plant genus *Coffea*. The coffee cherry is usually a red or yellow fruit which contains two beans that are surrounded by a soft layer of mucilage and a thin skin known as the parchment. The process of ripening takes relatively long time- 9-14 months.

Figure 1: Coffea Arabica



Source: **PINTEREST. 2016.** [cit. 2017-01-05].

Available at: <https://cz.pinterest.com/pin/410812797234684731/>

3.3.1 Discovery of Coffee

The first information about the origin of the coffee is often associated with a number of legends and myths. One of these narrates the story of a shepherd Chald from Upper Egypt (or in Ethiopia or Abyssinia, the exact location is not known), who probably around 850 noticed that his herd of goats were more energetic and active. This had happened every time goats were grazing near aromatic shrubs, whose fruits Chald tasted and found out that after ingested, he feels more alert, alive and energetic overall. Later, his discovery was said to the abbot of a nearby monastery, he considered the beneficial effects of coffee cherry as a work of the devil and threw it into the fireplace. After a while, the fire began to spread pleasant scent, which caught the attention of the abbot. He dug up the grains from the fire and came with an idea it can be mixed with boiled water and drink it as a weak tea. The resulting beverage with stimulant effects were allowing God's followers tirelessly recite prayers, and thus protect the monastery and monks against all evil and the devil. (Augustín, 2003).

The coffee as we know (roast the beans - ground them - make an infusion) came into being sometime around 15th century. For a long time, it was a great, heavily guarded secret of Arab world, which kept a monopoly over its cultivation and expansion (Jaffe, 2007). The first European's shipment of supplies of coffee is said to have arrived in Venice from Turkey in 1615. Thanks to frequent colonial expedition, coffee has gradually spread all over the world. Starting with the Dutch, who managed to transport a coffee to Sri Lanka in 1658 and later in 1699 to Indonesian Archipelago the East Indies. For many years the prices of coffee in the world market were influenced by production in these Dutch colonies. (Pendergrast, 2010). French wanted to introduce coffee cultivation into their colonies as well. After several failures, they finally succeeded. In 1714 about five feet tall plant was sent to Louis XIV at the chateau of Marly by the burgomaster of Amsterdam. The day following, it was transferred to the Jardin des Plantes at Paris. This tree was destined to be the *ancestor* of most of the coffees of the French colonies, as well as of those of South America, Central America, and Mexico. (Ukers, 2015)

3.3.2 The process from picking cherries to espresso

After ripening, next step is the harvest. Collecting is crucial and forms the largest part of the final price for green coffee. Selected coffee is harvested by hand. Harvesting each fruit is more time-consuming but at the end the quality is worth it. Harvesting by machine is possible only on the coffee plantations at lower altitudes, where the land is flat. This method is very inconsiderate to coffee trees and fruits. After the picking, coffee cherries are further processed.

There are three basic methods of processing coffee: dry processed (or Hard Arabica), fully-washed (or Mild Arabica) and semi-washed. Dry processed are among the simplest and the least financial demanding. Coffee cherries are harvested, spread out on the canvas and it takes roughly one month to dry them off. In the fully-washed process, cherries are pulped by a machine and the outer layer of skin is removed. Once this outer layer has been removed, the bean with its mucilage is then fermented in the water tank, it may take up to 36 hours. After fermentation, the bean is washed from its mucilage. Of all the mentioned coffee processing methods, this method often produces the world's finest and highest quality coffee. However, it requires a lot of skill and financial resources in order to perform correctly (Veselá, 2010). The last method is semi-washed and as the name says, it is a combination of two previous methods. Firstly, coffee cherries are washed by water in tanks, where the outer layer of skin is removed. After, they are dried in the sun. Great advantage of this method is that it doesn't consume large amounts of water, which significantly reduces processing costs. The last phase is the removal of peel in special peeling machines, then the grains must go through a process of sorting. The process is usually manual, beans are divided according to size and quality and the objective is to remove all defective beans. At this point, the coffee is packed in jute bags, each jute weight 60 kilograms (Veselá, 2010). The last step is the transportation- either directly to roasters or coffee stock exchange, where is purchased by other roasters. In 2015, according to ICO (International Coffee Organization), in total 114 millions of jute bags of green coffee were exported.

After roasting, the coffee is ready for grinding and brewing. Classic and authentic espresso is only one. Espresso can be identified by beautiful foam on the surface, called *créma*- a few millimetres high, with hazelnut-chocolate colour. According to the colour of the foam, we know how the coffee was prepared and what everything happened during the extraction. Authentic espresso can smell after chocolate, caramel, nuts, fruits or flowers (Veselá, 2010). The taste varies, depending on the variety or blend and the subjective perception of taste. Espresso has its own body (also called *mounthfeel*), which can be defined as the tactile feeling of a coffee on the tongue. A coffees body is influenced by several factors. Beans, roast levels and brew styles can all give a cup of coffee more or less body, and may range from thin and watery to full and creamy (Augustín, 2016).

3.4 Global Coffee Market

Even though coffee is not a crop necessary for survival, its economic importance is among the world`s leading commodities. To be precise, coffee is the second most traded commodity after the crude oil. Coffee is grown in around 50 countries situated in the equator zone and provides living for about 20 million growers (Fairtrade Foundation, 2002). The number of people involved in growing coffee might increase according to Sabrina Troppa, who wrote that the International Coffee Organization (ICO) predicts by 2020 the demand for coffee will increase by nearly 25 per cent as more of the world turns to coffee. In 2015 the consumer intake of coffee was 141,6 million bags, whereas by 2020 it is predicted to rise to 175,8 million.

3.4.1 International Coffee Organization

Growing importance of coffee as a world commodity resulted in setting up numerous organizations with an aim to institutionalize global trade. The biggest one is called International Coffee Organization (ICO). It was established in 1962 in London under the patronage of the United Nations. Its members represent 95 per cent of world coffee production and over 83 per cent of global consumption. The impetus for founding this

organization was the creation of the International Coffee Agreement (ICA) in 1962. (ICO, 2012)

ICO's mission is divided into several segments. First, to strengthen the global coffee sector and promote its sustainable market development. Second, to improve the position of all participants in coffee market and to remove poverty in least-developed countries (according to ICO, these countries produce 70 per cent of all coffee production) by receiving funds. It also helps to the transparency of the market by providing objective and comprehensive information about all sectors of coffee industry by analysing data, using statistics and market studies (ICO, 2012)

3.4.2 International Coffee Agreement

This Agreement was signed in 1962 by representatives of the most producing and consuming countries. The idea was to establish the system of quotas for prices and amount of production, which helped to stabilize the position of coffee on the market. The rules established by the Agreement were not such strict as it might be assumed. The reason is that there were some exceptions. When value of coffee was estimated higher than the fixed price, production quotas were loosened, when value was below the set price, quotas were tightened. In a case of an extreme rise of prices, quotas were abandoned until prices decreased. Although the system had its imperfections, this agreement contributed to the balance between exporters and consumers, it built stable cooperation between member states and strengthened the economies of exporting countries (Daviron, Ponte, 2005).

Later in 1973, these quotas stopped working after growing pressure from producing countries. This resulted in an increase of coffee prices. In 1975 prices grew even more due to frosts in Brazil that damaged crops and demand have been much higher than supply (Akiama, Varangis, 1989). In response to this imbalance new conditions and system was set up. It was newly introduced the rule that if prices are too high, member countries can trade regardless of fixed export quotas and in case of falling prices quotas are restored. It worked only until 1986 when it was forced to be cancelled due to intense dry season in Brazil. Later on, another three new versions of agreement were signed. The current 2007 ICA entered into

force on 2 February 2011 when it was approved by two-thirds of the exporting and importing signatory governments (ICO, 2012).

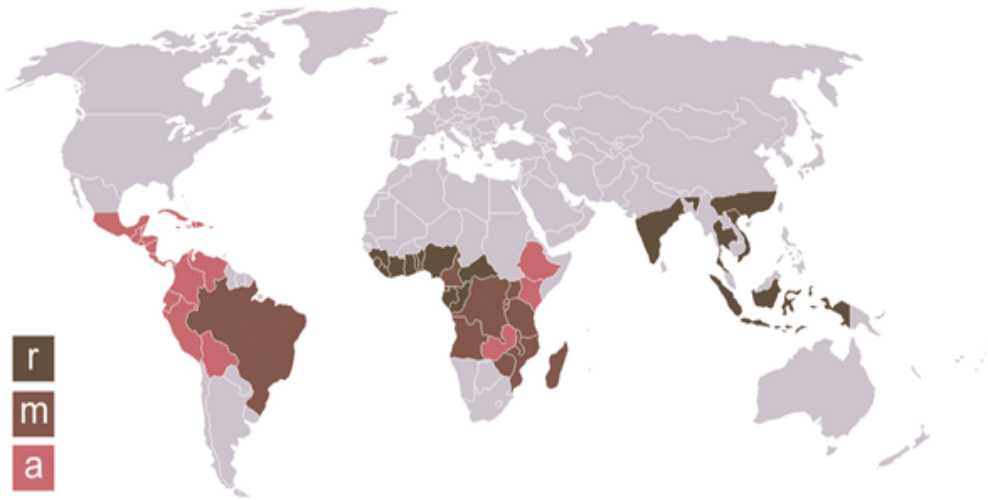
3.4.3 World Production

In the world there is a wide range of different types of coffee trees. Among the most famous, the most cultivated and traded are Arabica (*Coffea arabica*) and Robusta (*Coffea canephora*). The fundamental difference between these two is the matter of quality and price. Only the highest quality coffee comes from Arabica (75 per cent of world production) (Veselá, 2010). Robusta coffee has a quality much lower, is significantly more bitter and does not have that strong and pleasant taste. Another difference, causing lower price of Robusta, is lower demands on growing- its production requires less labour due to higher resistance and also less chemical preparations against pests. It also contains more caffeine than Arabica, it may be up to twice as much. The harvesting time of Robusta coffee tree is 2-3 years, unlike Arabica it takes 5-6 years and grows at higher attitudes. (Veselá, 2010) Arabica of high quality from Northern Latin America is valued twice higher than Robusta of low quality. Arabica is grown mainly in East Africa, Central and South America. Robusta mainly in South Asia and West Africa (Luttinger, Dicum, 2006).

Specialty coffee is considered as the finest quality coffee among Arabica species. It grows under ideal conditions, in climates perfectly suited to coffee plant growing. It features unique and characteristic tastes that usually reflect the qualities of the soil and region that produces it. Specialty coffee is also often defined not as commercial coffee. Producers are committed to offer quality, taste variety, and freshness that is not seen and common in commercial coffee manufacture (La Bohème Cafe, 2015).

The following map indicates territories and the presence of specific plants of coffee. The letter "r" represents a region growing species *Coffea Robusta*, the letter "a" denotes the occurrence of *Coffea Arabica* and the letter "m" indicates areas where we can find both types- Arabica and Robusta.

Figure 2 World map of producers Arabica and Robusta



Source: **QUIST, RACHEL. 2012.** *Geography of Coffee, 2012*, [cit. 2017 01-15].
<http://gislounge.com/wp-content/uploads/2012/09/coffee-production-map.png>

Coffee is grown in more than 50 countries around the world located in a zone between the Tropic of Cancer and Capricorn. Brazil is one of the most important growing country in the world. Just the fact of being located in 3 climatic zone (equatorial, subtropical and temperate) makes extraordinary favourable conditions for growing coffee plant.

There are two ways, how to buy green coffee. The first is directly from its origin (direct trade) or on spot at the market in the US and Europe. The main buyers of raw coffee beans are the multinational corporation giants such as: Nestlé, Kraft, Procter & Gamble and Sara Lee.

Table 1 Total Production of Top 5 Producing Countries

YEAR	2000	2005	2010	2015
RANK	<i>(In thousands 60 kg bags)</i>	<i>(In thousands 60 kg bags)</i>	<i>(In thousands 60 kg bags)</i>	<i>(In thousands 60 kg bags)</i>
1.	Brazil 31 310	Brazil 32 935	Brazil 53 428	Brazil 50 376
2.	Vietnam 14 841	Vietnam 13 842	Vietnam 20 000	Vietnam 28 737
3.	Colombia 10 400	Colombia 12 564	Indonesia 9 129	Colombia 14 009
4.	Indonesia 6 987	Indonesia 9 159	Colombia 8 523	Indonesia 12 317
5.	India 5020	Ethiopia 4 779	Ethiopia 7 500	Ethiopia 6 714

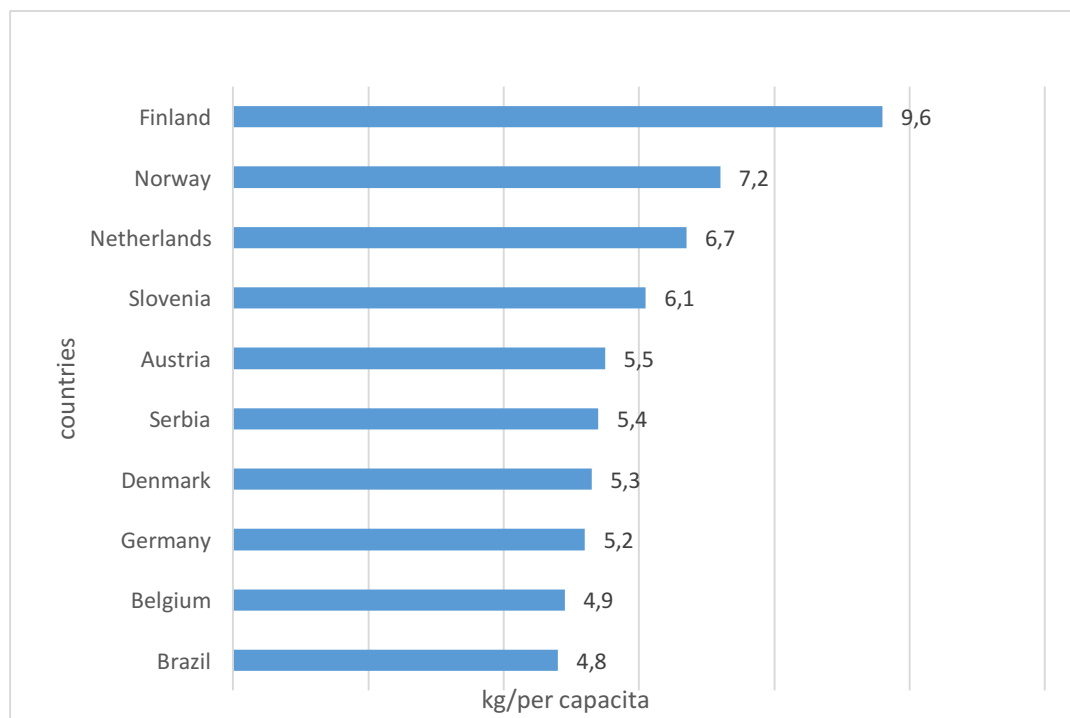
Source: **INTERNATIONAL COFFEE ORGANIZATION. 2015.** [cit. 2017 01-15].
Available at: http://www.ico.org/new_historical.asp?section=Statistics

The table above shows top 5 producers of coffee. Data were selected from 2000 to 2015 in the interval of 5 years in order to see visible changes in increasing production. Number one producing country remains the same, in 2015 the production of Brazil represented one third of total world production (ICO, 2016). Followed by Vietnam, known as Robusta exporter, with 19 per cent. Between years 2006 and 2010, the third biggest producer Colombia has struggled with regional climate change, which caused the Colombian production to decline since 2006 from 12 million of 60 kg bags to 9 million bags in 2010 (Iscaro, 2014). In recent years the growing trend can be seen in production of Indonesia due to higher demand. Majority of its production constitutes the lower quality Robusta type. Indonesia is also well known for having a number of specialty coffees such as *kopi luwak* (known as world's the most expensive coffee). The fifth place belongs to Ethiopia, where originally coffee comes from, one exception can be seen in 2010, when it was substituted by India.

3.4.4 World consumption

The Finns are among the biggest coffee drinkers in the world, and have been for decades. Finnish coffee is often made from light-roasted beans and tastes a bit acidic. It is difficult to explain why Finland and Norway are among the largest consumers. Part of the reason could be that they are located on the north, so people drink coffee in order to get warm and "awake" (since the nightfall is sooner in winter). For comparison, European pioneers of coffee Italy comes in at only 3,4 kilograms per year and the United States consumes 3,1 kilograms annually.

Figure 3 Top 10 Coffee Consuming Countries in kg per capita in 2013



Source: **EUROMONITOR. 2014.** [cit. 2017-03-08]. Available at: <https://www.caffeineinformer.com/caffeine-what-the-world-drinks>

These per capita figure refers to the dry weight of coffee rather than brewed volume. Since the amount of coffee used for brewed volume varies from market to market (depending on preferred strengths etc.) looking at dry volume figures across countries provides better understanding.

3.4.5 Climatic threat

Scientists agree that climate change poses a significant threat to coffee. The recent report *A Brewing Storm: The climate change risks to coffee* by Climate Institute claims that by 2050 climate change will halve the area suitable for coffee production by pushing production upslope, away from the equator and get into conflict with other land uses, such as nature conservation and forestry (Climate Institute, 2016). These changes are already putting pressure on production and cost of the coffee in significant parts of producing countries. Heightened temperatures and frequent rainfall have increased the incidence of disease and pests affecting yields and quality. In hot countries, more warming will cause increase in burdens on the physical and mental health of producers, labour and communities - with negative effects on productivity (Climate Institute, 2016).

It is not only about the rising heat that harms the crops. Experts expect the climate change to bring and spread fungi, which devastates the plant. In 2012, after unusual high temperatures and rains, the Central America was struggling with a wave of Coffee Leaf Rust. The disease spread quickly through highlands, affected more than 50 per cent of the crop, with some Guatemalan producers losing up to 85 per cent of their crop. In Colombia, the fungus is being reported in high-altitude regions previously too cool for it to survive. In 2012 and 2013, crop damages amounted to around US\$ 500 million with nearly 350,000 Central American labourers who lost their job (Agerholm, 2016). The Climate Institute is not the only one that warned about the threat. According to a recent report by scientists from Kew Gardens, coffee is at risk of running out by the end of the century (Kew Gardens, 2016).

3.5 Certifications

Coffee is one of the first internationally-traded products where people took collective efforts to develop standards related to processes addressing socio-economic and environmental interests. Increased concern for sustainable sourcing led to higher demand for certified food and beverage items, and it is having a strong impact on the coffee market.

There are several types of the symbols reflecting these processes. They are expressed through the words like “organic”, “Fair Trade”, “Bird Friendly”, “Rainforest Alliance”. Under them (and probably some other) certified coffee is sold as certified coffee. Following section will outline these certifications.

3.5.1 Organic

Organic coffee certification is based on a production management system that focuses on promoting and enhancing natural soil activity and forbids synthetically produced agrochemicals such as most pesticides, herbicides and fertilizers (D. Giovannucci, S. Ponte, 2005). The organic label includes a wide variety of goods, the most widespread are considered food and beverage products. Organic certification symbolizes an example of a third party-certification (D. Giovannucci, S. Ponte, 2005). According to Akerlof, the aim of the certification is to minimize the gap of disinformation between sellers/producers and customers, who have limited possibilities to control the food qualities (*see Zagata, Lošťák 2012*).

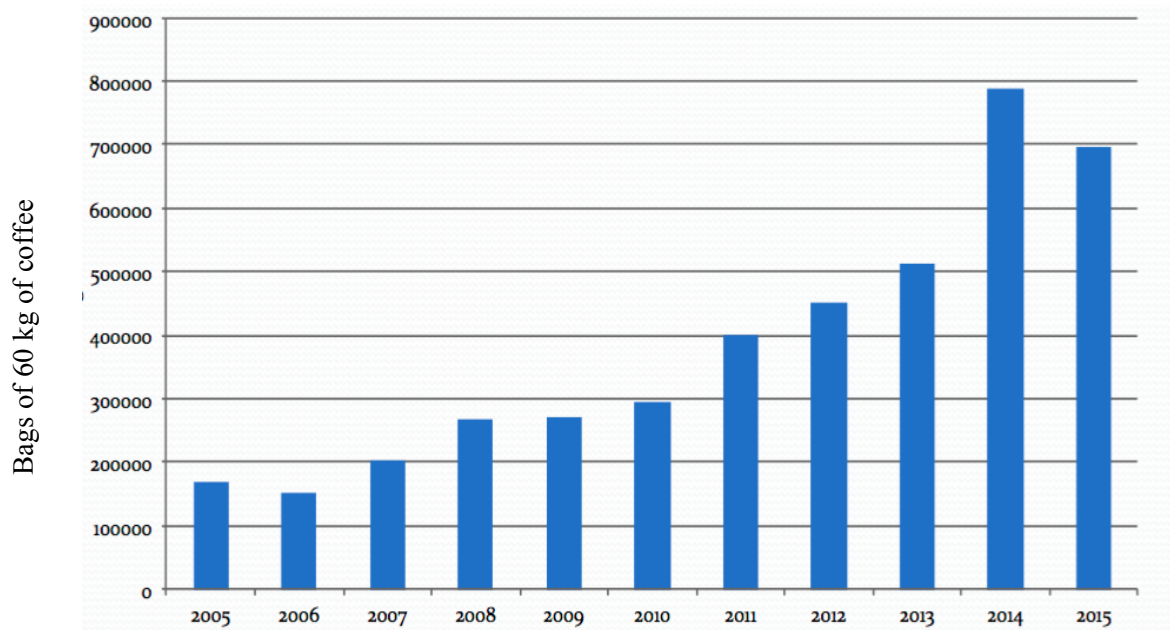
Organic agriculture is an alternative agro-food network (Goodman, 2004), which is based on production and institutional innovations connected with the consumers’ turn towards quality (Naspetti, Zanolini, 2006). According to Sonino and Marsden (2006), the term *quality* is in the organic context matter of dispute. Brunsø et al. systematically analyse food quality by dividing them into three categories: (1) product-oriented, (2) process-oriented and (3) user-oriented. First, product-oriented quality refers to fixed and measurable parameters of product, which are documented and considered as objective in nature. Second, process-oriented quality represents methods and conditions under which a product was made. These two categories are defined in official documents of the International Federation of Organic Food Markets (IFOAM 2005) and corresponding Council Regulation (EC 2007). The last

category is user-oriented quality and it is an opposite of the two above, because this one is based on the interpretations and subjective perception of consumers.

However, there are a great number of criticism related to organic certification. The weakness is that formal certification guarantees process-oriented quality, comprising organic standards of production and processing, however does not guarantee product-oriented quality. *“Since the key formal documents neither define nor generally guarantee the product-oriented quality of organic food, important parameters of this quality (such as nutritional value, vitamin content, health benefits) are subjected to polemical discussion”* (Zagata, Lošťák, 2012, p.472).

In these days, consumers have relatively inferior and limited information about the functions of the control bodies. The European Commission regularly publishes reports on their inspections, the problem is that the activities of control bodies across Europe significantly vary in all important parameters (from number of controls per year to imposed sanctions) (EC 2006). This implies, that significant factor in consumers' preference is user-oriented quality, which is based on subjective interpretations of available information and public discourse about the goods (Zagata, Lošťák, 2012). Consumers need to understand the process of obtaining certification. Only fully informed consumer can rationally evaluate the quality of products and make optimal decision.

Figure 4 Reported Exports of Organic Coffee to Europe



Source: **WHEELER, MICK. 2016.** *European Speciality Coffee Consumption Trends. 2016* [cit.2017-03-10]
http://www.sintercafe.com/uploads/File/2016/presentations/friday/01_-_Specialty_Coffee_Trends_in_Europe.pdfFairtrade

3.5.2 Fairtrade

Fairtrade is defined as a “*an alternative approach to conventional trade that aims to improve the livelihoods and well-being of small producers by improving their market access, strengthening their organizations, paying them a fair price with a fixed minimum, and providing continuity in trading relationships*” (Giovannucci and Koekoek 2003, p. 38).

The main goal of the movement is to create more direct, socially just, environmentally responsible and transparent trade relations between disadvantaged farmers in the global South and consumers in the North. The Fairtrade organization helps to make the trade both shorter and fairer- it means, to give back a larger share of the consumer’s purchase price directly to the farmers (producers) or labourers who work at the plantation and picked the coffee cherries. In the other words, the Fairtrade system accomplishes this objective by cutting out many of the intermediaries or middlemen, such as exporters,

importers, and brokers, who typically take a share at each step along the route from plantation, or farm to the coffee shop or the grocery shelf.

Figure 5 Fairtrade Logo



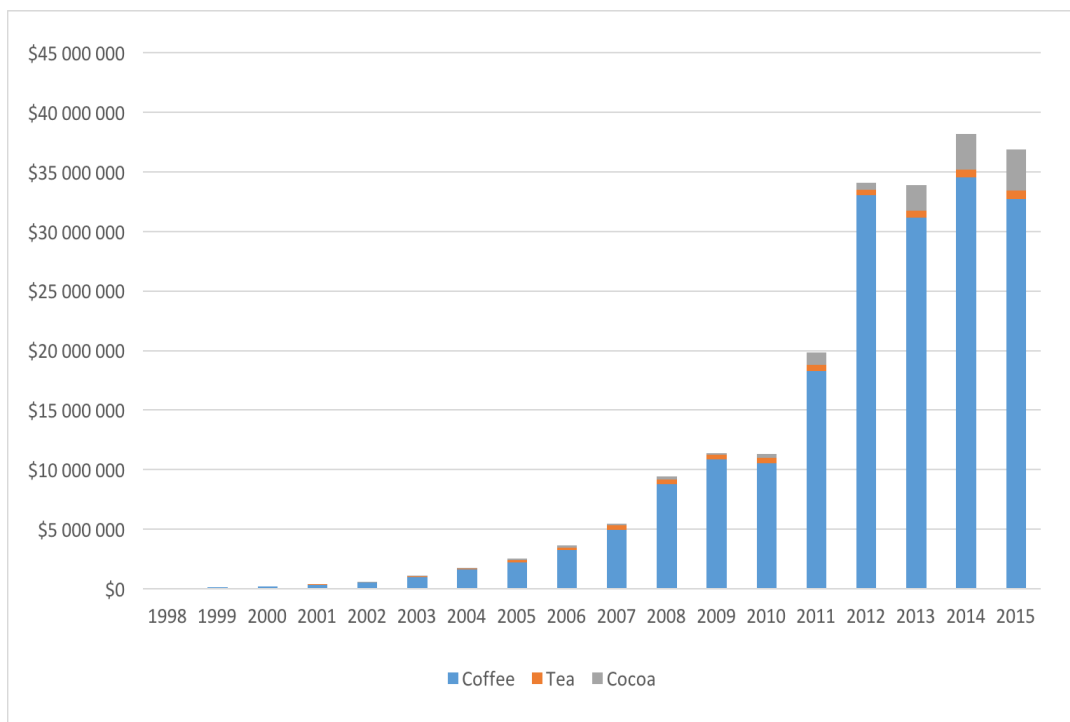
Source: **MY LEARNING. 2017.** *Bitter Sweet History- aspect of the British Slave Trade.* 2017. [cit. 2017-02-11]. <http://www.mylearning.org/bitter-sweet-history---aspects-of-the--british-slave-trade-/images/3-1584/>

Since its inception in Europe, the Fairtrade system has used a logo, which is placed on every product. In order to obtain this certification, products have to fulfil a series of criteria. The following list shows the most commonly used criteria (World Fairtrade Organization, 2014).

- Guaranteed and fixed at least minimum prices to producers, fair wages to labourers, social development premium
- Advance credit or payment to producers
- Long-term contracts and trading relationships
- Environmentally sustainable production practices
- Public accountability and financial transparency
- Financial and technical assistance to producers
- Safe, non-exploitative working conditions,
- No child labour, gender equity

Coffee was the first commodity to be fairly traded, and it is still the most expanded. However, Fairtrade organizations now certify over forty products including cocoa, bananas, tea, sugar, honey, fresh fruit, rice, cut flowers, and even soccer balls and cotton clothing (D. Jaffe, 2007). This market is growing rapidly. According to Fairtrade organization, the number of farmers and workers participating in Fairtrade reached more than 1.65 million by the end of 2014 of which 56 per cent farmers produce coffee.

Figure 6 Premium Payment to Producer Organizations 1998 - 2015



Source: **FAIRTRADE. 2015. *Almanac***. [cit. 2017-01-10]
https://fairtradeusa.org/sites/default/files/FTUSA_Almanac2015.pdf

3.5.3 Bird Friendly

Another certification system is Bird Friendly, which is created by the Smithsonian Migratory Bird Centre (SMBC). Criteria for obtaining this certification are probably one of the strictest of all. In order to get the label Bird Friendly, producer has to firstly acquire the Organic certification of United States Department of which operates as a certification body in this respect. As a next step, the applicants for Bird Friendly certification must meet SMBC standards (Ethical Coffee, 2014). These standards require at least 40 per cent of total area of coffee production must be covered by forests that provide habitat for birds and other animals. Exact requirement of diversity and size of trees, which ensure a variety of habitats that provides a wealth of wildlife is another requirement of SMBC to hold Bird Friendly certification (Fischersworrying, 2002).

The Bird Friendly label does not include in their standards favourable (fair) labour conditions as a necessary requirement. However, since it is necessary to first obtain organic certification, the pesticides and herbicides do not endanger workers' health. (Ethical Coffee, 2014).

One of the greatest disadvantage in order to get certificate Bird Friendly is the cost involved. Inspection investigating compliance with organic standards takes place every year and the Bird Friendly every three years. Both of these visits are paid by farmer. It may take many years of effort and costs until it starts to return. (Ethical Coffee, 2014)

Figure 7 Bird Friendly logo



Source: **BIRD FRIENDLY COFFEE SLIDESHOW. 2015.** [cit. 2017-01-2017].
<https://nationalzoo.si.edu/migratory-birds/bird-friendly-coffee-slideshow>

3.5.4 Rainforest Alliance

Rainforest Alliance is a non-profit organisation established in 1987 in New York, it certifies coffee, as well as other products and services, on condition that it is produced under required standards. Rainforest Alliance partners with the Sustainable Agriculture Network (SAN), which sets standards for farms and other operations. Awarded certification is based on a score for meeting a minimum number of criteria. Certified farms have to observe requirements such as conserving and avoid wasting water, prohibition of hunting wild animals, protecting existing ecosystem and helping in the restoration of critical areas. (Sustainable Agriculture Network, 2012)

In terms of social conditions, under which farm employees are treated, at least legal minimal wage must be paid. Workers employed in the farm matching Rainforest Alliance certification must have access to education and healthcare. It is strictly forbidden to employ children under fifteen years of age. (Sustainable Agriculture Network, 2012)

Rainforest Alliance standards are not as strict as the Bird Friendly standards. But the most common criticism of the Rainforest Alliance standard is that the farm can only produce 30 per cent of the coffee under Rainforest Alliance criteria and the coffee can still carry the Rainforest Alliance logo. The consumer then knows nothing about the rest 70 per cent of the product. He can avoid this problem by looking for labels that say 100 per cent Rainforest Alliance certified. (Ethical Coffee, 2014)

Figure 8 Rainforest Alliance logo



Source: **RAINFOREST ALLIANCE. 2015.** [cit. 2017-01-2017] Available at:
<http://www.rainforest-alliance.org/business/marketing/marks/certified>

3.5.5 Direct trade

Direct trade is a concept in the coffee industry that comprises a personal relationship between roaster or coffee buyer and farmer (K. Sinott, 2010). It means there is no third-party like the traditional middleman buyers, sellers and the organizations that control certifications such as Fairtrade and Rainforest Alliance, for example (Ethical coffee, 2014).

The great advantage is that the grower straight guarantees for its product to the buyer. This allows the buyer to be directly involved in the process of growing and according to their requirements discuss possibilities for improvement. The only negative aspect is high costs. Costs of international shipping and other administrative costs rapidly increase the price of the product. On the other hand, it can be compensated by removing middleman from the chain (Stark, 2012). Since the consumer is aware of the direct trade, the trust increases in his/her mind.

Figure 9 Direct trade logo



Source: **POETICE INTERNATIONAL. 2009.** [cit. 2017-02-01].
Available at: <https://poetice.org/mwana/>

4 Practical Part

In order to obtain the required data, the method of questionnaire survey imitating choice experiment was used. The students of third year of study, the bachelor degree programme in the field of Economics and Management (Czech University of Life Sciences Prague) composed the target group of the investigation. Answers were recorded into tables to observe the behaviour and preferences of customers (students) in the selection of coffee. During 14 days, 44 students of different nationalities answered a total of 9 questions (the template of the questionnaire is attached). The collected data are used to demonstrate how and in which way consumers socially construct coffee.

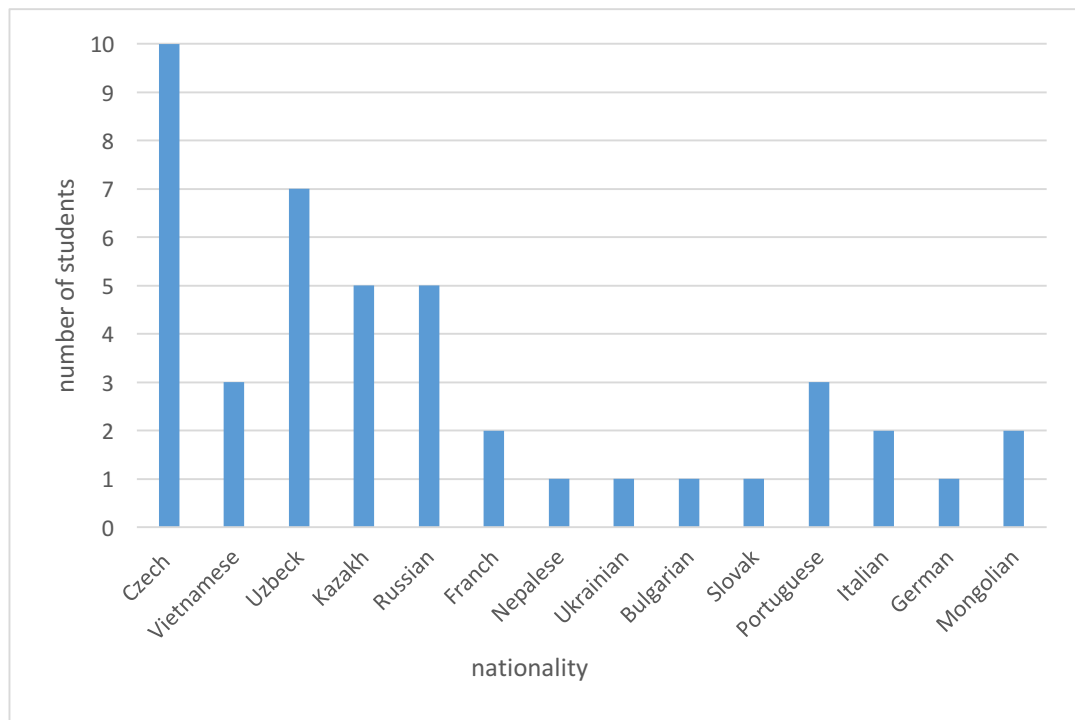
To process the data, the statistical program IBM SPSS was used. For another processing and generating graphs Microsoft Excel was utilised.

In the following chapter, answers obtained from the questionnaire are analysed and evaluated. The research question how students develop the concept of coffee will be answered.

4.1 Results and Discussion

As mentioned above, this experiment addressed 44 students, 23 males and 21 females. Since the field of study of economics and management is taught in English, respondents were from 14 countries

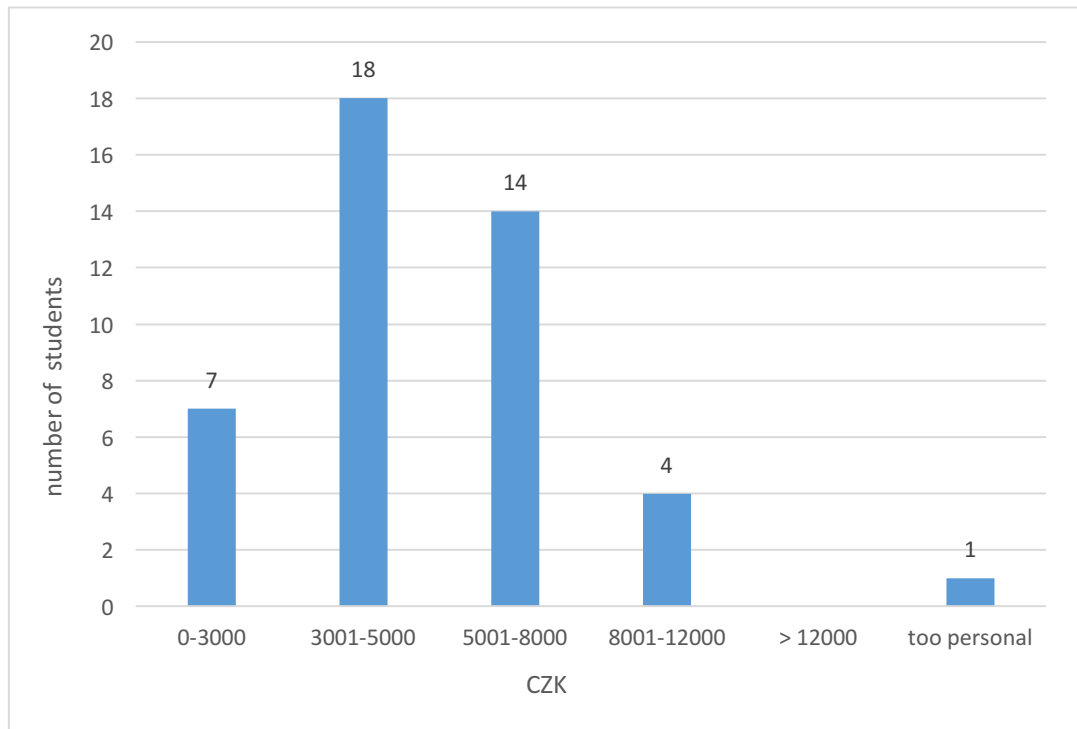
Figure 10 Nationality of Responding Students



Source: own calculation

For the purpose of determining the relationship of direct proportion (the higher income choice of more expensive beverages), participants were asked to specify their monthly financial disposable income for their free time (i.e. food, drinks, entertainment). However, direct proportionality has not been proven: those with higher disposable incomes did not select coffee that is significantly more expensive than those who have lower funds available (see appendix).

Figure 11 Disposable Financial Income of Students for Food, Drinks etc.



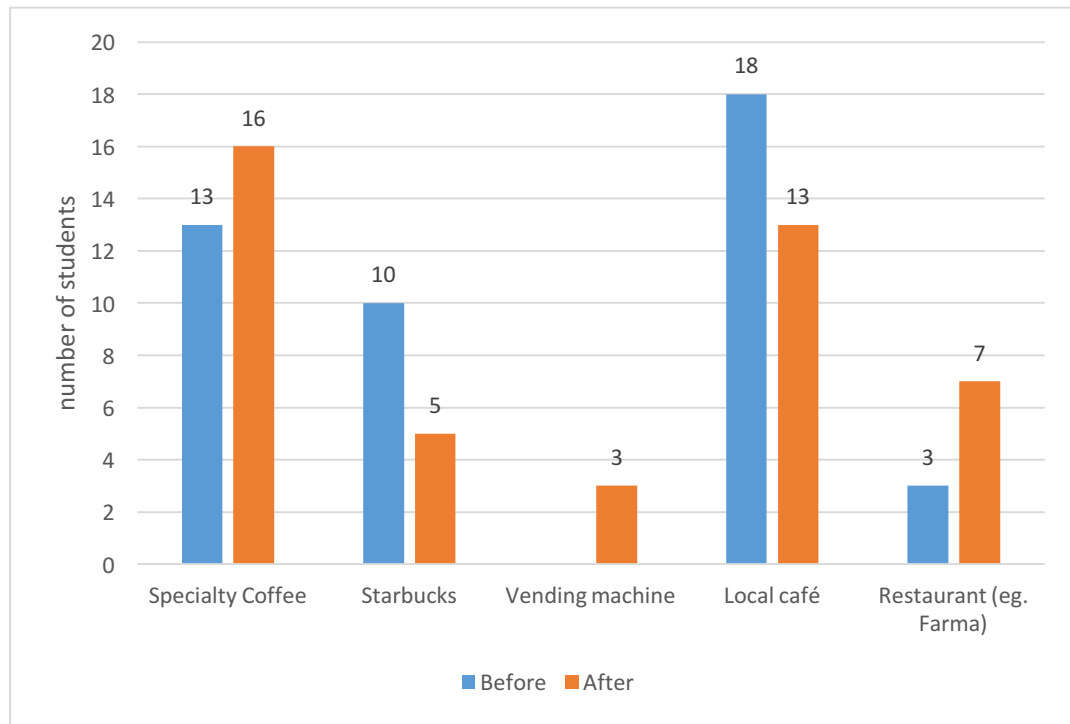
Source: own calculation

The favourite coffee beverage among students was cappuccino with 16 votes. This can be influenced by a recent trend drawing pictures on the top of espresso drinks (Veselá, 2010). As written in literature review, people, especially young generation, like to share photos and short videos of their cup of coffee while on the go. The second favourite was found to be espresso, with 14 votes. This indicates the fact that, as part of the ‘third wave’, the pure taste of coffee with no additional components (e.g. milk, sugar or syrup) is being much more appreciated than ever before.

Students had a chance to choose one of the source (out of 5) of their choice when the price did not matter. These sources were selected in order to give the most variety, in other words, every consumer of coffee could choose the source of his/her preference. The most frequent choice was a local café that roasts its own coffee (41 per cent), followed by specialty coffee (29 per cent) and Starbucks (23 per cent). Only 7 per cent of students preferred coffee from restaurants (e.g. Farma Restaurant). Afterwards, the price of their chosen beverage was

shown to them and there was a chance for them to change their decision. They were notified that the decision is definitive and binding.

Figure 12 Source Comparison Price Unknown vs Price Known



Source: own calculation

From the figure, a few changes can be seen. In all cases, the first decisions were substituted by cheaper alternatives. This change echoes economic rationality, since most of the students have limited budgets. However, half of new decisions were not as a change at the expense of the quality of the coffee. The rest of new decisions inclined towards the coffee of lower quality. In an average restaurant, the coffee is usually a mixture of Arabica and Robusta. The coffee blend is then sold under the brand and the exact percentage of each variety, coffee origin, processing methods and conditions of production are concealed from customers. Not to mention the coffee from vending machines, whose ingredients are unfindable even on the official website of one of the selling brands (Café+co DELIKOMAT).

As seen on the table below, the quality of coffee was the key factor for students when buying coffee. Although it could be disputed what exactly quality coffee is, such a result points out to social construction. Students construct the concept of quality coffee by the term specialty coffee, which is considered high quality coffee with extraordinary conditions for growth (*see literary section*). Local cafés are more disputable, however, since they roast their own coffee in limited quantities- but it is regarded as quality coffee as well.

In the following table, there is a list of 6 factors. Students were asked to rank them by the importance when buying coffee (1- the most decisive factor, 5- the least decisive factor). Numbers were averaged and factors sorted in descending order.

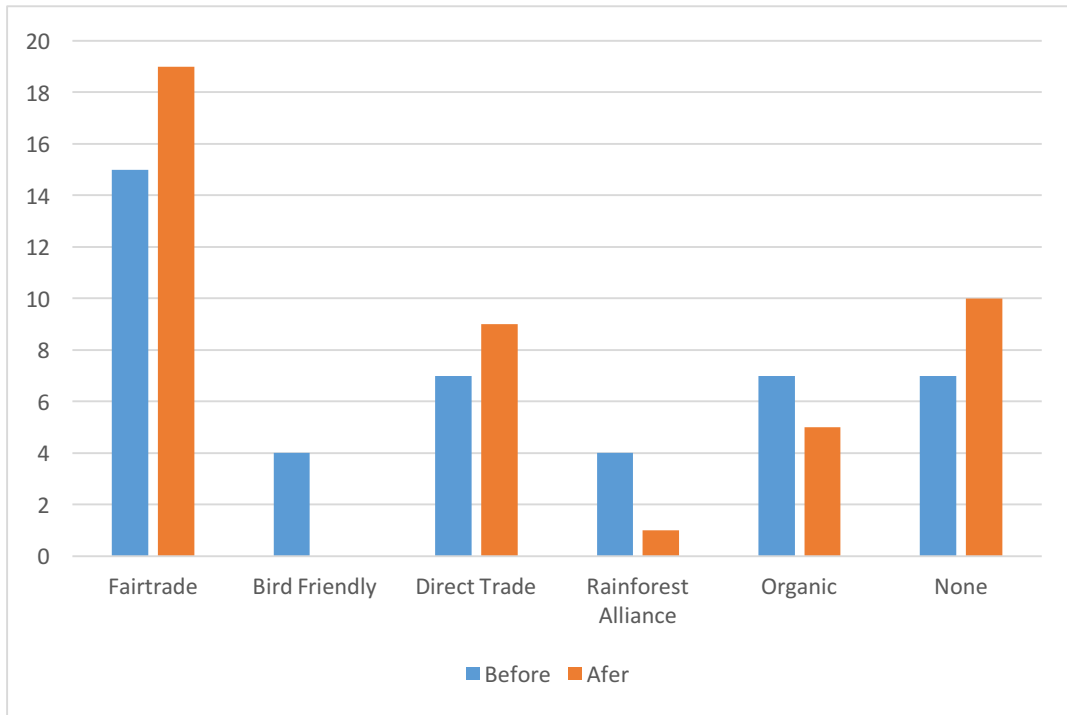
Table 2: Factors Influencing the Choice of Coffee

Quality of coffee	2,5
Habit to drink the chosen type of coffee	2,9
Trust in the chosen type of coffee	3,0
Cost of the coffee	3,3
Ethical Reasons	4,5
Image of the chosen type of coffee	4,8

Source: own calculation

In another part of the experiment, students were asked to choose a certification for their chosen beverage. Certifications were selected across the spectrum, from the "well known" to "no knowledge". In the figure below, changes can be seen when comparing between when the price is unimportant as opposed to a given price.

Figure 13 Certification Comparison Price Unknown vs Price Known



Source: own calculation

As seen from the figure, Fairtrade won by a large margin. This can be attributed to the fact that this certification is one of "the most known" of all in society. Additionally, Fairtrade coffee is relatively inexpensive compare to others. In all cases, the changes leant towards the cheaper alternative. Less than a quarter of participants decided not to select any certification. When students were asked to rank factors, which according to them are the most decisive when choosing coffee, the ethical reasons were on the last but one place.

5 Conclusion

The data collected and analysed in this thesis to fulfil its objectives, suggest great emphasis on the origin and proper treatment of coffee in recent years. Caring about what is in our consumed food and drinks is increasingly becoming a universal trend and in some cases it affects the lifestyle of individuals. The experiment targeted on group of students highlights that the most decisive factor when choosing coffee is the quality. Because of the maturity of the market and globalization, consumers can afford to be interested in exclusive coffee, that is not only mass-produced and traded commodity but the product of selected flavours. Only 7 per cent of students chose a Starbucks, so-called flagship of third place, as a place of possible future purchase. This could be caused by the frequent criticism of the poor quality despite a high price for the coffee offered (in comparison with others).

The economic factor plays a significant role as well. It is not surprising that 41 per cent of students, chose a cheaper alternative of coffee. It was, most probably, influenced by their budget constrain. According to the experiment made by K. Brunsø et al. (2002) the consumer's trade-off between perceived quality and price may not be based on the objective price, but on the value the person thinks the product has, based on previous experience. The experiment showed that a high price may even be considered as a positive sign of high quality (K. Brunsø et al., 2002).

Since coffee is numbered among one of the first products treated on an ethical level, the second part of the experiment was focused on the *fair market of coffee*. Results demonstrate strong popularity of Fairtrade coffee, which can be caused by the relatively low price compared to other certifications. In comparison, 10 students voted for the option "none-certification", which reflects the lack of interest in ethical affairs.

Although the experiment was conducted only by 44 respondents, the results indicate that consumers (at least those who were surveyed) are highly influenced by the quality and cost of coffee. They tend to be loyal to the source they trust. Students appear not to have an overwhelming interest in the *fair market* of coffee, but this needs to be changed due to the expected unfavourable future of coffee.

The long-term prediction does not seem optimistic at all. As written in a literature review, scientists predict the coffee to be extinct by 2080 due to climate changes. However, there are several things the individual can do to assist. One direct way is by choosing to buy only coffee with a certification that it is carbon or climate neutral. This provides a fair return to farmers and their communities while helping to build their capacity to adapt to climate change. The European Union and governments should take measures that are in conformity with the sustainability of coffee. It is required to focus on consumers and make them aware of what they consume and how important it is to be informed about the conditions in which the coffee grows and how it is treated.

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8 Appendix

Appendix 1 Questionnaire

Basic information:

- 1) Gender male female
 - 2) Nationality: _____
 - 3) If it's not too personal for you, can you tell me how much approximately is your monthly disposable financial income for your free time? (i.e. food, drinks, entertainment)
 0 – 3.000 CZK 3.001 - 5.000 CZK 5.001– 8.000 CZK
 8.0001– 12.000 CZK more than 12.000 CZK too personal for me
-

- 4) Imagine that there is a choice of any coffee beverage and the price doesn't matter. What would you choose? Considering that there is only one choice.

Espresso Cappuccino Latté Macchiato Americano Other

- 5) Now, imagine that there is a choice of the place/source where the chosen coffee beverage comes from and the price doesn't matter. What would you choose?

Speciality coffee Starbucks Vending machine

Local café that roast coffee by itself Farma Restaurant

Other _____ (please fill in where)

- 6) At this moment, the price of your chosen coffee is shown to you. Do you want to change your decision? Please decide like you would have to really buy it, at the end of this experiment.

Espresso	Cappuccino	Latté	Macchiato	Double Espresso
Speciality coffee 45,-	Speciality coffee 55,-	Speciality coffee 60,-	Speciality coffee 50,-	Speciality coffee 55,-
Starbucks 60,-	Starbucks 70,-	Starbucks 80,-	Starbucks 65,-	Starbucks 70,-
Vending machine 9,-	Vending machine 14,-	Vending machine 18,-	Vending machine 12,-	Vending machine 15,-
Local café 50,-	Local café 60,-	Local café 70,-	Local café 55,-	Local café 65,-
Farma 29,-	Farma 35,-	Farma 39,-	Farma 33,-	Farma 38,-

- Yes, I do. I choose:
 Speciality Coffee
 Vending machine
 Starbucks
 Farma
 Local café that roast coffee by itself
- No, I don't

- 7) Another step is to choose a certification for your chosen coffee and the price doesn't matter:

- Fairtrade
 Bird Friendly
 Direct Trade
 Rainforest Alliance
 Organic
 Other
 None Certification

- 8) At this moment, the price of your chosen certification is shown to you. Do you want to change your decision? Please decide like you would have to really buy it, at the end of this experiment.

Fairtrade	Bird Friendly	Direct Trade	Rainforest Alliance	Organic
Espresso 50,-	Espresso 80,-	Espresso 55,-	Espresso 75,-	Espresso 53,-
Cappuccino 60,-	Cappuccino 95,-	Cappuccino 65,-	Cappuccino 90,-	Cappuccino 65,-
Latté 70,-	Latté 105,-	Latté 75,-	Latté 100,-	Latté 74,-
Macchiato 55,-	Macchiato 89,-	Macchiato 60,-	Macchiato 84,-	Macchiato 58,-
Double Espresso 70,-	Double Espresso 100,-	Double Espresso 75,-	Double Espresso 95,-	Double Espresso 76,-

- Yes, I do. I choose:
 Fairtrade
 Direct Trade
 Bird Friendly
 Rainforest Alliance
 Organic
- No, I don't

- 9) Which of the following factors are decisive for you when you are choosing coffee? Rate each factor by scale 1-5 (1- the most decisive, 5- the least decisive)

Quality of coffee	
Habit to drink this type of coffee	
Image of the brand	
Cost of coffee	
Trust in this type of coffee	
Ethical Reasons	

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Gender	Nationality	Income	Beverage	Source	nge dcsn/sozw	dcsn/sour	Certificatione	dcsn/certifew	dcsn/ceri	Quality	Habit	Image	Cost	Trust
io. 1	2	1	2	1	4	2		3	2		1	2	4	3	5
io. 2	2	1	3	1	4	1	1	1	2		2	4	5	3	1
io. 3	1	2	3	2	2	2		5	2		3	1	2	4	5
io. 4	2	3	2	3	1	1	5	2	1	1	4	1	5	2	3
io. 5	1	1	3	5	1	2		3	2		4	1	6	3	2
io. 6	1	4	2	1	4	2		7	2		3	1	5	2	4
io. 7	2	3	4	2	2	1	4	1	2		1	3	4	5	6
io. 8	2	5	1	2	5	1	3	1	2		4	2	6	1	3
io. 9	1	1	2	1	1	2		4	1	3	1	2	5	6	4
io. 10	1	3	2	3	5	2		7	2		4	2	5	1	3
io. 11	2	1	1	5	4	1	1	4	2		3	1	6	2	4
io. 12	1	2	1	2	2	1	1	3	2		3	5	1	2	4
io. 13	1	4	3	4	4	2		1	2		2	1	6	4	3
io. 14	1	5	3	1	4	2		1	2		2	6	3	4	1
io. 15	2	6	2	2	1	1	5	3	1	1	4	1	5	2	3
io. 16	1	7	1	2	4	2		1	2		2	6	3	5	1
io. 17	2	1	3	1	1	2		5	2		1	2	5	3	4
io. 18	2	1	2	2	4	2		4	1	3	3	5	6	4	1
io. 19	1	3	2	2	2	1	5	7	2		5	3	4	2	1
io. 20	2	4	3	1	1	2		2	1	3	1	4	5	3	6
io. 21	2	3	3	2	2	2		1	2		3	2	4	2	1
io. 22	1	3	3	2	1	2		1	2		3	1	4	2	5
io. 23	1	4	2	1	1	1	3	7	2		2	4	5	3	1
io. 24	1	5	2	1	4	1	5	5	2		1	5	4	2	6
io. 25	2	8	2	5	4	2		3	1	7	2	5	6	1	3
io. 26	2	9	2	1	4	2		1	2		3	1	4	6	2
io. 27	2	5	4	1	2	2		1	2		3	2	5	6	1
io. 28	1	1	3	3	4	1	1	2	1	3	2	4	6	3	1
io. 29	1	4	6	4	4	2		5	1	1	1	4	6	5	3
io. 30	1	2	1	2	5	1	3	1	1	7	5	2	6	1	4
io. 31	2	1	2	3	4	1	1	1	2		2	1	3	4	6
io. 32	2	10	2	1	4	1	5	7	2		4	3	6	1	2
io. 33	1	11	2	2	2	2		1	2		2	6	4	5	1
io. 34	2	11	3	2	1	2		1	2		1	3	6	5	2
io. 35	2	11	1	3	1	2		5	1	1	1	6	4	5	3
io. 36	1	12	3	1	2	1	4	5	2		3	4	6	5	2
io. 37	1	12	2	1	1	2		3	2		2	3	6	5	1
io. 38	1	13	4	3	4	1	5	7	2		4	1	5	2	3
io. 39	2	14	3	3	4	1	1	3	2		2	4	6	5	1
io. 40	2	14	1	2	1	2		7	2		3	1	5	2	4
io. 41	1	3	2	2	1	2		2	1	5	1	2	6	4	5
io. 42	1	1	3	2	2	2		4	1	1	1	6	4	3	5
io. 43	1	5	4	3	2	1	4	5	1	1	1	2	3	4	5
io. 44	2	6	2	5	4	2		1	1	7	4	2	5	1	3

Appendix 2 Excel table