

**Czech University of Life Sciences Prague**

**Faculty of Economics and Management**

**Department of Trade and Finance**



**Diploma Thesis**

**Consumer Preferences of Fair Trade Products in Czech Republic**

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## DIPLOMA THESIS ASSIGNMENT

Bc. Elina Ganeeva

Economics and Management  
European Agrarian Diplomacy

Thesis title

**Consumer Preferences of Fair Trade Products in Czech Republic**

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### Objectives of thesis

The main objective of this diploma thesis is to research the Fair Trade system and consumer buying behavior in the Czech Republic. The aim of the thesis is to identify barriers and opportunities for the sale of Fair Trade products and its improvement in the Czech Republic.

### Methodology

The thesis divided in two main parts – one theoretical and the other practical.

Theoretical part deals with the clarification of fair trade, its ideas, history and principles.

The practical part will be based largely on a detailed analysis of a questionnaire, connected to the consumer buying behavior. The result will be to identify the most common challenges related to the Fair Trade system in the Czech Republic. If any difficulties are found, proposal will be made to overcome these, and to make the Fair Trade system more efficient.

## The proposed extent of the thesis

60-80 pages

## Keywords

FairTrade, fair trade, product, consumer,

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## Recommended information sources

ANDERSON, Matthew. A history of fair trade in contemporary Britain: from civil society campaigns to corporate compliance. New York: Palgrave Macmillan, 2015. ISBN 9780230303812.

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### **Declaration**

I declare that I have worked on my diploma thesis titled "Consumer Preferences of Fair Trade Products in Czech Republic" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the diploma thesis, I declare that the thesis does not break any copyrights.

In Prague on 29 March 2021

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I would like to thank Ing. Zdeněk Toušek, Ph.D. for his help and guidance during the work on this thesis.

# Consumer Preferences of Fair Trade Products in Czech Republic

## Abstract

The diploma thesis is focused on the Fair Trade concept and consumer preferences on fair Trade products in the Czech Republic.

Diploma thesis consists of two parts: theoretical and practical. Theoretical part of the thesis is based on the literature review of the relevant literature and online sources. It gives you general information about the Fair Trade, its history, principles and aims, as well as some of its disadvantages.

Practical part of the thesis is based on the questionnaire survey and its results. Results of this survey helped to understand not only the attitude and behavior of Czech consumers, but also see their differences. The result will be to identify the most common challenges related to the Fair Trade system in the Czech Republic. If any difficulties are found, proposal will be made to overcome these, and to make the Fair Trade system more efficient.

**Keywords:** FairTrade, fair trade, product, consumer

# Spotřebitelské preference produktů Fair Trade v České republice

## Abstrakt

Diplomová práce je zaměřena na koncept Fair Trade a preference spotřebitelů ohledně produktů Fair Trade v České republice.

Diplomová práce se skládá ze dvou částí: teoretické a praktické. Teoretická část vychází z literární rešerše relevantní literatury a online zdrojů. Poskytuje obecné informace o Fair Trade, jeho historii, principech a cílech a zároveň o některých jeho nevýhodách.

Praktická část práce vychází z dotazníkového šetření a jeho výsledků. Výsledky tohoto průzkumu pomohly pochopit nejen přístup a chování českých spotřebitelů ale také vidět jejich rozdíly. Výsledkem bude identifikace nejčastějších výzev souvisejících se systémem Fair Trade v České republice. V případě zjištění potíží, bude předložen návrh k jejich překonání a zefektivnění systému Fair Trade.

**Klíčová slova:** FairTrade, fair trade, produkt, zákazník

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# 1 Introduction

People are made in a way that they like to use things, consume products, sometimes without even thinking about how much effort and labor has been invested in its production. Humanity have become a real consumer.

In the old times, when there were no concepts of free market relations, we were convinced that slavery on the planet is not possible or it is possible only in the countries that are exploited by capitalists and imperialists. For example, there could be a slave working on the coffee plantation, who gets paid an extremely low amount money for his hard work, which is barely enough for him to buy a bread. He works a lot till his death, while people from the West were ready to buy this coffee, ignoring the fact that this coffee was made unfairly. Looking back in times it was normal for people to work a lot and to get a minimum pay.

Now times changed and it is incomprehensible to imagine that there is a slavery or that some worker is treated in the unfair way. One of the organizations who takes care of that is Fair Trade. Its main goal is to end unfair working conditions and low payments, provide better working environment and health care, as well as education and better livelihoods of the workers from the developing countries. Sadly, unfair working conditions still exist, even the forced child labor. Fair Trade takes care of all that, ensuring that everyone will be treated in the fair way and will get a proper wage for their fair work.

Many people worldwide have heard about the Fair Trade and what it is doing for the producers in developing countries. That is why consumers are supporting the organization by purchasing their products. Mainly organization has food commodities, like coffee, tea, cacao, rice, bananas, juices, but also cotton products and other handmade goods. All of these products are made by the workers from the developing countries, ensuring that they were treated in a fair way, no child labor was used, and they would get a proper wage.

Fair Trade is an economic partnership based on dialogue, transparency and respect that ensures fair international trade. Its essence is to help producers to ensure a stable output by guaranteeing them sufficient revenue to meet basic family needs. This form of economic solidarity is also a vehicle for demonstrating commitment to human rights. Fair Trade acts as a complement to international standard trade.

At the core of Fair Trade usually lays an interaction of various participants with the aim of enabling consumers to offer producers in developing countries higher profits and better living conditions.

This thesis is focused on the consumers and their preferences when purchasing Fair Trade products. In order to achieve the fulfillment of their goals, company should know consumer preferences and behavior, hence they are the ones buying those products.

## **2 Objectives and Methodology**

### **2.1 Objectives**

The main objective of this diploma thesis is to research the Fair Trade system and consumer buying behavior in the Czech Republic. The aim of the thesis is to identify barriers and opportunities for the sale of Fair Trade products and its improvement in the Czech Republic.

### **2.2 Methodology**

The thesis divided in two main parts – one theoretical and the other practical. Theoretical part deals with the clarification of fair trade, its ideas, history and principles. For the purposes of elaborating the diploma thesis, the method of document analysis is used, which consists of finding and studying suitable sources from which the author obtains information on the topic. These sources include printed and electronic documents, mainly professional publications, research reports and other relevant sources of information. Theoretical background of the work is processed on the basis of analysis and synthesis of information from the secondary sources.

The practical part will be based largely on a detailed analysis of a questionnaire survey, connected to the consumer buying behavior. Questionnaires are the most widely used data collection tool, that allows researcher to obtain data directly from the respondents. Questionnaire survey was created in the Google Forms and was spread through electronic communication on social networks. It consists of 29 questions that were focused on the research of consumer preferences and on their knowledge about Fair Trade.

The result will be to identify the most common challenges related to the Fair Trade system in the Czech Republic. If any difficulties are found, proposal will be made to overcome these, and to make the Fair Trade system more efficient.

## **3 Theoretical Part**

### **3.1 Fair Trade**

”Fairtrade is about better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world.” (Fairtrade UK, 2020).

Product with the FAIRTRADE Mark means producers and businesses have met internationally agreed standards which have been independently certified. Fairtrade mark is one of the most recognizable labels worldwide. By purchasing product with this logo, you are helping people to improve their lives and their communities. Fairtrade mark always has stood for fair price and fair trade, fairly produced products that are fairly traded. Fair wages for the workers with fair working conditions (Bowes, 2011).

Fairtrade is a simple way how to make a difference to the lives of producers and farmers. It is about making trade fair. Small farmers and workers are among the most important pieces by the global system. Producers have an equal say in how things in Fairtrade work and run. Fairtrade producers have 50 percent of the vote at General Assembly, also farmers and workers are consulted during the process of creation of new Fairtrade policies and standards.

Consumers play a big role in the Fairtrade, because every purchased product counts and enables a better future for the farmers and their lives. Because of that they can invest in their future and have a better control of it.

Product with the Fairtrade mark means that this product met all the Fairtrade standards, including businesses and producers. Those standards are economic, social and environmental. Fairtrade is the only standard in the world that is equally owned and managed by producers and for producers, and it is protected by the transparent standards. Also, Fairtrade supports women, trains them to develop their own businesses and become entrepreneurs.

Fairtrade helps to deliver the Sustainable Development Goals. The main goal is to end the poverty in all the forms everywhere, it is essential and very important. Fair Trade believes that best way to exclude poverty is to pay fair wages for the workers and set fair prices for the producers. They believe that people in developing countries deserve to have a decent payment for their labor and should have a chance to live a normal life.

Fairtrade sets the minimum prices for all major commodities, which provides their producers with an essential safety, while the unique Fairtrade premium gives additional funds for workers and farmers investment. Since 2014 workers and farmers received over 791 million euro in premium money (Fairtrade UK, 2020).

### **3.1.1 History of Fair Trade**

Fairtrade is one of the most recognizable movements today. There is no doubt, that it is hard to find at least one person who have never heard of it, or at least have not seen a Fairtrade mark on some products in the shop. Fairtrade exists for already 60 years and it is continuously developing. It is a truly global movement with over a million small producers and workers, that are organized in around 3.000 grassroots organizations in over 70 countries in the South.

Fairtrade products are sold in thousands of Fairtrade shops, world shops, supermarkets and other stores in the North and worldwide.

So how did it begin? It all began in the United States, when ten thousand villages decided to buy needlework from Puerto Rican villages in 1946, and SERRV started trading with poor communities in the South in the 1940s. First Fairtrade shop was opened in United States in 1958. They were selling needlework and many other items.

First appearance of Fairtrade in Europe was at the end of 1950s, when Oxfam UK decided to sell crafts in their shops, that were made by Chinese refugees. First Fair Trade Organization was created in the 1964, then the importing organization Fair Trade Original was established in Netherlands in 1967. Same year Dutch organizations started selling cane sugar with the slogan, that by buying cane sugar – you help people from poor countries. First ever “Third World Shop” was opened in 1969. Such world shops or Fair Trade shops played and still are playing an important role in Fairtrade movement and development. They play a crucial part in awareness-raising and are very active in campaigning.

During 1960 and 1970, Non-Governmental Organizations (NGOs) and other motivated people from Asia, Africa and Latin America. They realized the need for fair marketing organizations, that would provide assistance and support to producers, that are in a disadvantage situation. Many fair trade organizations were established in the south, and they would link with organization in the North. They had good relationships, which were based on the partnership, respect, dialogue and support. The main goal was to have bigger equity in the international trade.

In parallel with this civic movement, developing countries spoke at international political forums such as the second United Nations Conference on Trade and Development conference in Delhi in 1968. Main message was “Trade not Aid”. This approach put an accent on the establishment of fair trade relations with the South, instead of seeing the North getting all the benefits and only returning a small piece of the benefits in the form of development aid.

The rise of alternative trade from the late 60s was mainly associated with the trade for development. Disaster and poverty of the South made it focus primarily on the marketing of craft products. NGOs helped to create Southern Fair Trade Organizations, that can take care of the production, provide social services to the producers and can export to the North. Meanwhile, there was also a solidarity trade industry, organizations were created to import goods from the southern countries, which were marginalized both politically and economically.

In the beginning, Fair Trade Organizations were mostly trading with handicrafts producers, due to their contacts with missionaries. Handmade crafts were giving a huge opportunity to the households, especially to the women, who had very limited job opportunities back then. Majority of Northern organizations were focused on buying those products and then would sell them to the World Shops. Handmade products market was enormous, and World Shop became very popular for selling products from the developing countries. Their sales were rising for many years.

First fairly trade coffee was imported in 1973 from cooperatives of farmers in Guatemala. Nowadays, fair trade coffee is a concept, lots of thousands of farmers have benefited from coffee making for Fair Trade. Many consumers in Europe would rather prefer fair traded coffee, over non-fair traded. It became super popular choice of many people. Around 25 to 50% of turnover comes from the coffee for Northern Fair Trade Organizations. Since such product like coffee had such a huge success, fair trade organizations decided to expand their range of products and started selling products like tea, cocoa, nuts, rice, sugar, wine etc. Of course it is save to say, that customers were very happy with such a variety of products and they are almost as popular as coffee. Fair Trade Organizations has an opportunity to open new markets, supermarkets and bio shops, due to the high demand on food products. Later on, such products like cotton and flowers were also added to the Fair Trade assortment.

Starting from middle 70s, Fair Trade Organizations would meet worldwide for conferences every couple of years. By the end of 80s two new organizations were established: The European Fair Trade Association (EFTA), and World Fair Trade Organization (WFTO). EFTA consists of 11 biggest fair trade organizations in Europe. WFTO was formed in the Netherlands in 1989, hence organizations felt the need to create a global network of Fair Trade Organizations. The key to success is the networking between fair trade organizations, so networks been created all over the world. Those networks include WFTO ASIA (before Asia Fair Trade Forum), WFTO Africa and Middle East (before Co-operation for Fair Trade in Africa), WFTO Latin America (before Association Latino Americana de Comercio Justo), WFTO Europe (before IFAT Europe). National networks grew internationally like Ecota Fair Trade Forum in Bangladesh, Fair Trade Group Nepal, Fair Trade Forum India, Associated Partners for Fair Trade Philippines, Kenya Federation for Alternative Trade or KEFAT, etc (WFTO, 2020).

Since 1998 IFAT, FLO, EFTA and NEWS! (Network of European World Shops) started to meet and were known by their acronym – FINE. The aim is to make it possible for the networks and their members to cooperate together on crucial areas of the work, such as advocacy and campaigning, fair trade standards and monitoring.

Movement for the Fair Trade began to arise awareness about trade inequity and disbalance of power in the traditional trade structures, and also to defend changes in the policies to favor of fair trade. Most effective methods of campaigning became sale point of fair trade products. First to include producer stories on their products packaging were Fair Trade shops, this was made to create awareness on Fair Trade. These shops made costumers to participate in their campaigning activities for more world justice.

In the 1984 there was first European World Shops conference, which then enabled close cooperation between volunteers, that are working in World Shops from all over the Europe. In 1994 Network of European World Shops was established and nowadays represents around 3.000 World Shops in the Europe. It coordinates campaign activities and stimulates the exchange of information and experience on sales development and awareness raising.

The European World Shops Day was established in 1996. Often this day would have a campaign about some particular issue. IFAT took the initiative and brought it to the worldwide level. So, on May 4, 2020 first World Fair Trade Day was celebrated, and it



involved global Fair Trade movement. Nowadays, every year on the second Saturday of May World Fair Trade Day takes place.

Over the years fair trade movement became more professional in their work on advocacy and awareness-raising. They create appealing campaign materials, well studied documents and public events. It also benefits from establishment of European structures that help with the campaigns and advocacy work. Many European Institutions would recognize Fair Trade organizations for their contribution to sustainable development, poverty reduction and customer awareness-raising.

The European Parliament has passed few resolutions in 1994, 1996 and 2006, and also Fair Trade was publicly supported by many European ministers and prime ministers. Many cities, universities and churches wanted to have Fair Trade status, so they have applied for it, committing to do the promotion and to help with poverty overcoming and exclusion. More often representatives from developing countries are promoting Fair Trade, because it allows small producers to live a normal life and work worthily.

In the beginning, most of the Fair Trade products were sold by Fair Trade Organizations, but later on, in 70s and 80s Fair Trade products started to appear in the world shops.

In the end of 1980s, a priest, together with the collaborator of a Dutch-based NGO came up with the idea of the concept. They have suggested that the coffee, which was bought or traded with the respect of Fair Trade conditions, would qualify for the label, which would stand out from ordinary coffee sold on store shelves, and would allow others companies to sell Fair Trade products. In 1988 new label named “max Havelaar” was established in the Netherlands. Concept worked out very well, and within a year, market share of the coffee with the label was almost three percent.

In later years, similar non-profit Fair Trade organizations were created in other European countries and in North America. In 1997 Fairtrade Labelling International was created. Nowadays, organization sets international standards for several Fair Trade products. Products, that meet Fairtrade standards are labelled with the Fairtrade label. The Fair Trade label has helped Fair Trade enter mainstream business. Currently, more than two thirds of Fair Trade products are sold in food service and retail trade.

International Fair Trade Association has developed s system, that would monitor other fair trade organizations In January 2004, the IFAT Fair Trade Organization badge was introduced to enhance the credibility of these organizations among policymakers,

business and consumers. Member organizations, that agree with the requirements of IFAT monitoring system, have the FTO Mark available for them. IFAT members felt that the FTO Mark, which cannot be used as a trademark, was insufficient to make them visible in a label-oriented market. Starting from 2009 IFAT has undergone through tremendous changes.

World Fair Trade Organization has its name since 2009, hence before that it had a name The International Federation of Alternative Trade. In the same year, organization has led the global celebration of World Fair Trade Day. The plan was to make WFTO one of major players in Fair Trade.

During the Mombasa AGM in 2011, members of WFTO decide to have a new system, so they formed a working group, that would design a system for the product labelling. After two years, in 2013 the new Guarantee System was presented by the working group and was approved by the WFTO members. System is using WFTO Fair Trade Standard for organizations, which criteria are based on the 10 Principles of fair Trade. Guarantee System is an innovative system, that is used for the verification of Fair Trade compliance of trading organizations, and it is not tied only to the product features. The system improved Fair Trade verification. There are lots of small fair trade organizations that produce variety of different products, which are dependent on market demands and trends. Members successfully completed the system process are able to use the WFTO Product Label on their products. This label gives consumers an assurance that the product they are buying, has complied with the Fair Trade Standard (WFTO, 2020).

### **3.1.2 Principles of Fair Trade**

Fair Trade has 10 principles, that Fair Trade Organizations must always follow. These principles specify the ways that enterprises are established and behaved to ensure they put people and earth first. The WFTO is taking care of the verification and monitoring of these principles.

#### **Principle One: Opportunities for Disadvantaged Producers**

The main aim of the organization is to reduce poverty through trade forms. The organization supports marginalized small-scale producers, whether they are independent family businesses or affiliated with associations or cooperatives. It aims to provide them

with a stable income and to avoid poverty, helps them to achieve economic stability and ownership.

### **Principle Two: Transparency and Accountability**

Organization is transparent in its governance and is accountable to all interested parties and respects the confidentiality of the commercial information given. The organization finds suitable, collaborative ways to involve employees, members and manufacturers in its decision making processes. Organization ensures that up-to-date information is given to all their trading partners. Organization should provide a quality level of communication at all processes of supply chain.

### **Principle Three: Fair Trade Practices**

The organization trades with the care about social, economic and ecological well-being of small producers and does not try to make profit out of them. Organization always fulfills all its obligations on time. Suppliers always deliver their products of the highest quality and respect all the contracted specifications. Fair Trade buyers, aware of the financial constraints faced by Fair Trade manufacturers and suppliers, ensure paying for orders upon receipt of documents or by mutual agreement. There is an interest free pre-payment of at least 50% for the handicraft Fair Trade products. For Food Fair Trade products, a minimum 50% pre-payment is available upon request with a reasonable interest rate. The interest rates paid by suppliers, should not be higher than the cost of borrowing from third parties for buyers.

When there is a pre-payment made by buyers, received by the southern Fair Trade suppliers, they make sure that this payment is given to the producers and farmers, who grow or create Fair Trade products.

Buyers should always consult with suppliers before cancelling or rejecting an order. If the order has been cancelled, but there is no fault of producers or suppliers, compensation is guaranteed for all the job that was already done by the workers. Suppliers and producers always communicate with the buyers regarding the order, for example if there is a problem with a delivery. If quality of the order or the quantity does not respond to the description given, they ensure a compensation is provided to the buyers.

The organization maintains long-term relationship based on the mutual trust, respect and solidarity, that impact the promotion of Fair Trade. It helps to maintain

effective connection with its trade partners. Parties, that are part of this trading relationship, strive to increase the volume of the trade, and also the value and diversity of the product they offer, for the growth of Fair Trade and the income of their producers. Fair Trade avoids unfair competition with other organizations in country and works cooperatively with them. It would not allow a duplication of the designs of other organizations without their allowance.

Fair Trade protects and recognizes traditional skills and culture of small producers, that is reflected in their designs, food products and other related services.

#### **Principle Four: Fair Payment**

A fair payment is one that has been mutually recognized and agreed, and which provides fair payment to the producers and farmers, and also provides a fair and equal payment to the women and men. Local Living Wages is the main aim. Forth principle is made of Fair Prices, Fair Wages and Local Living Wages.

##### Fair Prices

Fair Price is usually mutually negotiated between the buyer and the supplier and based on transparent pricing. Fair prices represent a fair friction of the final price for every participant in the supply chain.

##### Fair Wages

Fair Wage is wage that is mutually agreed and should include at least a minimum local wage.

##### Local Living Wage

Local Living Wage is a remuneration received by the employee for a standard working week, that cannot exceed 48 hours, that can allow a worker to have a decent standard of living for them and their family. Decent standard of living includes basic elements like food, water, living, education, health care and other needs.

### **Principle Five: No Child Labor, No Forced Labor**

The organization follows the UN Convention on the Rights of the Children, and national and local law on the employment of children. Organization is against forced child labor, so it ensures everything is right in the workplaces, households etc.

Organizations, that buy products directly from the producers or through the sellers, make sure that no forced child labor is used in the production of the products. Any involvement of children power in the process of production of Fair Trade products is always monitored and does not affect children's security or well-being.

### **Principle Six: No Discrimination, Gender Equity, freedom of Association**

Principle Six is based on the fact, that company should not discriminate anyone. Organization cannot discriminate anyone based on their skin color, gender, nationality, disability or sexual orientation. Not only at hiring, but also be it training or the retirement, organization cannot discriminate anyone.

The organization promoted actively gender equality and ensures that women have the same right as men and are paid fairly and equally. It makes sure that women have ability to all the resources that help them be productive and ensure they are able to have a normal life for them and their families. Organization allows women to be become active members of it and to take leadership positions in the management structure, regardless of a woman's status in relation to the ownership of assets or land. Women employed within the organization receive an equal payment for equal work. Organization recognizes women's rights for full employment and ensures they receive their full employment benefits. It also recognizes special health needs of pregnant women and mothers, who feed their children.

### **Principle Seven: Good Working Conditions**

The organization provides safe working conditions for employees and its members. It complies with the laws and ILO conventions on health and safety. All the conditions and working hours comply with the conditions established by the laws and conventions. Fair Trade organizations are aware of the health and safety conditions in the producer groups from which they buy. They seek to raise awareness of these conditions and improve these practices in producer teams.

**Principle Eight: Capacity Building**

The organization seeks to improve developmental impacts for small producers. It evolves skills of their workers and members. Organizations, that are working directly with the small producers help them develop their management skills, production and access to markets. Organizations that buy Fair Trade products through Fair Trade resellers in the South help these organizations develop their capacity to support marginalized groups of producers they work with.

**Principle Nine: Promote Fair Trade**

The organization raises awareness of the purpose of Fair Trade and the need for greater fairness in the world trade. It protects goals and objectives of Fair Trade with respect of the scope of the organization. Fair Trade provides all the information about themselves, their goals, their products, their workers and members, and everything that is taking part in the production process. Only fair marketing and advertising techniques are used.

**Principle Ten: Respect for the Environment**

Fair Trade Organizations make the most of raw materials from sustainably managed sources, purchasing locally whenever possible. Production processes use technologies of renewable energy and need the least consumption. When it is possible, they minimize greenhouse gas emissions and impact of waste stream on the environment. Agricultural producers use organic and low pesticide production methods whenever possible.

Products made from raw materials, originated from sustainable sources, usually preferred by the buyers of Fair Trade products. Organizations use mostly recycled and biodegradable materials for their packaging, and their products are shipped by the sea wherever possible.

**3.1.3 Impact of Fair Trade**

Fair Trade businesses around the world are manufacturing, selling, campaigning and educating to make the world a better place. WFTO is the global community for these enterprises. The impact of Fair Trade includes 965.700 livelihoods supported by the

operations and supply chains of these businesses. Fair Trade help many workers and farmers have a better life and 74% of the workers are women. It ensures the safe and fair working conditions for all of them (Nicholls, Opal, 2005).

Fair Trade demands fair wages and treatment, and by that impacts the building of sustainable businesses. Workers can communicate with buyers while gaining a living wage. More companies are investing in this movement, because it also ensures fair working conditions, and it stands against child labor.

Such companies as Ben & Jerry and Rishi Tea are investing in the movement. Ben & Jerry is the first ever ice cream company that have joined the movement. Since it is a popular brand, it sets the good example for many other companies to follow. Rishi Tea is based in China and makes organic teas from the oldest gardens in the world. The company provides scholarship programs and builds hospitals in poor areas.

Fair Trade uses the money to build schools. Many children have a possibility to be in school thanks to the fair trade, since it helps the families to have a stabilized income. It also provides healthy meals and scholarship programs. Fair Trade provides the education for even the most remote communities (Bowes, 2011).

Fair Trade impacts farmers, workers and families. Workers and families have the access to the health facilities and doctors, so they can get an appropriate treatment if needed. Farmers can get the tools to help themselves from falling into poverty. Fair Trade has many benefits, and it helps people in many different ways.

Fair Trade is a model for reducing global poverty. Many companies are investing into it, impacting developing communities. The movement is life-changing for the people living in poor countries all around the world (Nicholls, Opal, 2005).

### **3.2 Fair Trade Organizations**

There are few organizations that help with Fair Trade.

Fairtrade Labelling Organizations International (FLO) are 24 organizations dedicated to providing manufacturers with the best deal. It coordinates the labelling at an international level, sets international Fairtrade standards, organizes support for producers all around the world, develops global Fairtrade strategy and promotes trade justice internationally.

Fairtrade International is non-profit organization that focuses on the empowerment of workers and producers in developing countries. It provides all the necessary tools and

services, that are essential for producers and consumers to connect with each other. Organization promotes fair conditions and works towards better livelihoods. “Fairtrade Labelling Organizations International eV is the legally registered name for ‘Fairtrade International’”.

FLOCERT is the certification body for Fairtrade, which serves more than 5.000 customers in more than 120 countries. Organization has the direct access to 1.6 million workers and farmers in developing countries. It was found in 2003 and since then it offers verification services to Fairtrade organizations globally. It was always very supportive of the Fairtrade movement and was a big help over the years. It was set up as subsidiary of Fairtrade International to act as an independent side of the organization, ensuring the quality of the Fairtrade certification system (Flocert, 2020).

World Fair Trade Organization (WFTO) is a global community that practices Fair Trade. Members of WFTO are spread among 76 countries and their mission is to serve marginalized communities. To become a member of WFTO, an enterprise should demonstrate that they put planet and people first. WFTO focuses both on the social enterprise and on Fair Trade. Its Guarantee System is the only model that is focused on social enterprises that put interest of workers on the first place (WFTO, 2020).

European Fair Trade Association (EFTA) is the association of nine European importers in eight countries: Austria, Belgium, France, Germany, Italy, Spain, Switzerland and the United Kingdom. EFTA is the organization that was established in 1987 and gained its formal status in 1990. The organization is based in the Netherlands. The aim of EFTA is to support the member organizations in their work and help them to cooperate and coordinate. It creates conditions for labor division, facilitates the exchange of information and networking and it identifies and develops joint projects. It organizes the meetings of the members and circulates relevant information to them (Nicholls, Opal, 2005).

The Network of European Worldshops (NEWS!) was established in 1994 and cooperates between Worldshops in Europe. It is a network that represents 2.500 shops in 13 member countries: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Spain, Sweden, Switzerland, United Kingdom. This organization mainly coordinates campaigns and works on awareness raising activities of the European Worldshops. Its aim is the promotion of Fair Trade and development of the Worldshops movement.



Worldshops sell Fair Trade products and work on organizing of different programs, exhibits and campaigns to promote Fair Trade practices. They cooperate not only on local, but also on regional, national and international level. From October 2008 NEWS! stopped its existing in its original form and became a part of European chapter of the World Fair Trade Organization: WFT Europe.

The Fair Trade Federation (FTF) is a trade association of fair trade enterprises fully committed to sustainable trading partnerships. The organization traces its roots since 1970s and in 1994 the group incorporated formally as the North American Alternative Trade Organization (NAATO). Following year, it changed its name to the fair Trade Federation, and it stayed like this till today. FTF strengthen and support its members in order to grow the global movement, that values the health of the planet, labor, dignity, and equality of all people. It is the part of the global Fair Trade movement and it shares a vision of world, where justice, equity and sustainable development are the most important trade structures. It believes that everyone, through their work, deserve to have decent and dignified livelihood (Nicholls, Opal, 2005).

FINE represents the formation of the four main fair trade organizations. It formed in 1998 and the name was created from the first letters from the names of those organizations, and they are: Fair Trade Labelling Organization (FLO), International Fair Trade Association (WFTO), Network Of European Worldshops (NEWS!) and European Fair Trade Association (EFTA). The formation was created with the purpose of strategic coordination of the fair trade movement, fair trade standards and the provision of information.

National Fairtrade organizations license the FAIRTRADE Marks on products and help to promote Fairtrade in their territory. Many of those helped to establish Fairtrade International in 1997.

Similar to the National Fairtrade organizations are Fairtrade Marketing Organizations. They help to market and to promote Fairtrade in their territory. Fairtrade Česko a Slovensko is Fairtrade Marketing Organization in the Czech Republic, and it locates in Prague 2.

### **3.2.1 Commodity structure**

There are two categories of Fair Trade products. First one is the products that are labeled with the FAIRTRADE logo. Second category are the products from the World Fair Trade Organization, such as GEPA, EZA, EL Puerte, Traidcraft and Libero Mondo. Fairtrade Czech Republic has following type of products in the country:

#### **Coffee**

Coffee is one of the most popular drinks on our planet. Coffee is the most important agricultural commodity between the South and North. Coffee was the first product with which the concept of Fair Trade was started. Around 125 millions of people worldwide are dependent on the coffee. Almost every household has coffee at their home. Instability of coffee prices on the market can negatively affect producers. Fair Trade can guarantee them the minimal buying prices, saving them from the poverty. Since the International Coffee Agreement took place in 1962, prices are regulated by the International Coffee Organization. Agreement was negotiated by the Coffee Study Group and it sets limits on the amount of coffee trade, so there would be no excess supply of coffee which would force the price to drop. International Coffee Agreement was also renewed in 1968, 1976, 1984, 1988 and 1992. The last agreement was made in 2007 and its aim was to stabilize the coffee economy (Fairtrade ČS, 2020).

There are nineteen of ICO Members, that are from least-developed countries, meaning that they have low incomes and are economically vulnerable. There are many small farmers, who produce majority of the coffee on the world, and they are affected by fluctuations of market prices and imbalances in supply and demand” (ICO, 2007).

Fairtrade coffee appeared on the Czech market in 2004.

#### **Cacao**

Among coffee and oils, cacao is one of the most important raw materials on the world market. Price fluctuations is typical for the cacao, Despite the high demand on the cacao the income of the small growers is still not high enough for their families. Child labor is being used in the West Africa.

When people purchase chocolate and other cacao products with the FAIRTRADE logo, they help with the improvement of lifestyle and work conditions of cacao growers

and their households. Cacao growing is the main source of income for more than 5,5 million farmers in the South (Fairtrade ČS, 2020).

### **Tea**

Most of the countries that export tea are ex British colonies. Growing and selling this aromatic product is still the important source of foreign exchange. Tea usually comes from the big plantations and is sold at auction on the world market. Prices can differ dependent on the region and on the type of tea.

Tea is the second most popular drink on the world after water. People consume 15.000 teabags every second worldwide. Often there are bad working conditions on the tea plantations, that is why Fair Trade exists to make sure that the good working conditions are provided. Also, small farmers have a big competition with the big tea plantations and they need the support of the Fair Trade.

### **Chocolate**

Chocolate is a delicious product made from the cacao. That means that it is affected by the cacao quality and price. Fair Trade cacao has not only a minimal fixed purchase price, but also fixed surcharge for cacao increased by 20% last year and became the highest of all certification marks. In addition, cooperatives are paid the additional surcharge and members can decide for themselves how they can spend this money. In 2018 they received more than 44 million euro from the surcharges.

Because of the additional surcharge, cooperatives are able to grow their business in different directions and expand their communities.

### **Bananas**

Banana is the most favorite Fairtrade fruit. It is the most eaten fresh fruit in the world. Bananas are grown by around 106 organizations near the equator. Production of the bananas is not as easy, as it may seem, it is problematic since there is a big global competition of exporters and it is affecting growers of the bananas.

Working conditions for the workers are extremely hard, because usually working shift lasts for 15 hours daily and salary is the lowest. To export bananas lots of pesticides are used, so they would not get spoiled during the transportation. Those chemical pesticides have a bad effect on the health of the people and on the environment. Also,

small farmers are not able to compete in the business, hence they are facing the pressure from the importers, exporters and supermarkets. Their future is uncertain.

### **Sugar**

Sugar is widely used all over the world for many purposes. It is one of the most important commodities in the world. Same as bananas, workers have bad conditions and that is why Fair Trade is important. Lots of pesticides are used for the sugar cane and it is not good for the health and the environment. EU sugar policy favors European producers over the small farmers from Africa, Asia and Latin America, which negatively affects their lives and lives of their families.

### **Rice**

Rice is one of the most important basic foods on the planet. Every year around 400 million tons of rice is produced and consumed. More than billions of farmers are making their money from the rice. Some of the farmers are forced to sell not only the rice for sale, but also the rice that they had for themselves and their families. All of this is because of the poverty, but Fair Trade can solve such problems and guarantee them a better life.

### **Cotton**

Cotton is usually grown in the countries of the South. Around 100 million households are involved in the cotton production. Due to the subsidies the price of cotton in the North is kept low, but it does not help the cotton growers at all, hence they do not receive any subsidies in the South. Most of our clothes are made out of cotton. Cotton is the source of income for many people of west and middle Africa, India, Pakistan and middle Asia.

Cotton is traded the same way as coffee. That means that small growers are exposed to market fluctuations and have to compete with big cotton plantations. Also, subsidies in the industrialized countries reduce the price of cotton, forcing small farmers to sell their cotton for dumped prices.

### **Sports balls**

A lot of handmade sports balls are made in Pakistan, especially in the North part close to Sialkot. Balls makers usually work for the salary that is below the minimum, and

often due to the lack of money, kids from the families are forced to work too. When you purchase balls that are made with the help of Fair Trade, you are ensuring the good working conditions to the workers, where no child labor was used. Fair Trade gives workers fair salary and surcharge allows them to invest into common projects.

### **Flowers**

Flowers is another Fair trade commodity and usually comes from such countries like Sri Lanka, Kenya, Ethiopia, Ecuador, Uganda and Tanzania. Fairtrade flowers can be traceable back to the farm, at which they were made. Fairtrade ensures safe and working conditions for the flower farmers and the farm receive a premium of 10% for every stem sold. Many of the supermarkets offer Fairtrade flowers. Stores like Lidl and Marks & Spencer sell Fairtrade flowers.

There are other commodities which thanks to the Fair Trade concept have better working conditions and guarantee of a fair price. Such commodities are spices, oils, juices, nuts etc. Fair Trade ensures that workers have better live and better working conditions.

### **3.2.2 Fair Trade in Czech Republic**

Today, consumers from more than 70 countries buy Fair Trade products. These products are made in 58 countries which are predominantly developed in nature. Around 30% from these products are handicrafts and about 70% make food products. Fair Trade shops are present in such countries like Thailand, India, Brazil, Chile, Argentina and Mexico.

There are few shops in the Czech Republic that are specialized in Fair Trade products. These shops are part of the Fair Trade Association. Fair Trade products can also be found in the coffee shops, small shops that sell bio products, but also stores like Globus, Tesco, DM, Marks & Spencer and Makro.

Concept of Fair Trade first appeared in the Czech Republic in 2003. Before that, concept of Fair Trade did not exist in the Czech Republic, no one heard about these products, and such products were not sold in the country. Together with the Ecumenical Academy in Prague and o.p.s. One World, this association became a member of the Fair Trade Association. First shop was opened in year 2004 in Brno, which was specialized on Fair Trade products. One of the main goals of this association was the awareness rising of Fair Trade as an alternative to the international trade, which is more acceptable in terms of

ethics and environmental impact. Later on, association focused itself on the development of education in the developing countries. But the real goal was the development of the concept of Fair trade in the Czech Republic, and previous elements were to help to achieve this goal (Doležalová, 2021).

In 2009 Fair Trade Association became a member of Fairtrade International and started functioning as the national representative in the Czech Republic. In the year 2011 the Fair Trade Association was renamed to Fairtrade Česká republika (Fairtrade ČS, 2020).

### **3.2.3 Fair trade fairness**

Since Fair Trade is all about trading in a fair way, there is a question coming. Is Fair Trade really fair? One of the main goals of the Fairtrade is the economic stability and better livelihood of the farmers and workers from the developing countries. The fair market itself is based on the sustainable development, where all the organizations ensuring the well-paid salary and good working conditions for the producers, farmers and growers, that work for Fairtrade.

Therefore, there is a high level of responsibility of the production at many levels. Such as economic, social and environmental. That is why products that answer all Fair Trade criteria deserve to have the Fairtrade logo.

Even if it seems that Fairtrade concept might be perfect and have no disadvantages, it is not fully true. One of the first disadvantages is the price for the households and consumers. Usually, the price of the Fair Trade product is higher than the price of the same product that is not Fair Trade. Although Fair Trade claims that the price is high for helping people, the surcharge for organizations and traders is few times higher, than the real aid in developing countries. For example, coffee traders of the Fair trade benefit the most from this (Sylla, 2014).

Second disadvantage is the quality of the fair trade products. Often the quality of the product in the supermarket can be same, or even worse, than the quality of the non-fair trade product. For example, fair trade coffee does not always mean that this coffee is instantly better. People, who want to help farmers, by buying fair trade coffee, cannot always expect their coffee to be the best quality. Nonetheless, the organization still gives good working conditions and fair salary to their farmers and workers. The only thing is, only people who have experience and who are able to communicate with the organization can have those benefits. Meaning that farmers with less experience would get less benefits.

Many experts say that purchasing fair trade coffee does not contribute to the charity, but people usually would buy it because of their moral or political beliefs. Fair Trade gives the information about how the products were made, all the way from the beginning before it reaches the hands of the consumer. As an example, coffee, one of the most difficultly made products. But it gives people the information about how certain things in life work, it teaches them to know the value of the products and hard it was for someone to make a certain product.

Still, there are many questions about the fair trade system and many answers that do not match. As a result, it is mainly about how good the marketing strategy is. Because of the good marketing people purchase certain type of products, because of the marketing people believe that they want to have exactly this type of product and not the other. And because of the marketing people purchase fair trade products, because they believe that by buying fair trade they support farmers and workers in the developing countries. Of course, this marketing works and people are actually changing someone else's lives for the better side.

How much of the sale price actually goes to the farmers of the developing countries? If we take some product and think about which part of the sale price goes where, we can understand that farmers actually do not have that much. Most of the fair trade products are sold in the supermarkets. So mainly the biggest amount of the sale price goes to the supermarket, then goes import and owners of the plantations. Only then we have workers and export (Sylla, 2014).

When customers see some particular products in the supermarket, it is because the supermarket decided to sell this product. That means that not every product will get to the shelf of the supermarket, hence the shop can decide which supplier to prefer and how high or low the price would be. Often, supermarkets can abuse it, forcing suppliers to reduce the price to their advantage. Of course, farmers and workers are the people who suffer the most from this, hence they will get less payment for the fair work.

However, consumers can purchase fair trade products not only in the supermarkets, there are special fair trade shops, or also it is sold online. The disadvantage is, that some people do not even know about the existence of fair trade, or they shop for products only in supermarkets, when they could have been buying fair trade in special stores or online.

### **3.2.4 Consumer behavior**

Consumer behavior is the study of individuals and how they select and use products and services. It is mainly connected to the psychology motivation and behavior.

Consumer behavior is mainly focused on how consumers think and feel about their different choices and alternatives, such as products, services, brands etc. How consumers make a selection between different alternatives plays an important role. It also studies how they behave while researching and shopping, how they can be influenced by the environment they are in and how marketing campaigns can influence the consumer.

There is main three factors that display how those considerations are being influenced. One of them is personal factor which represents person's interests and opinions. It is usually affected by the age, gender, culture, profession, household and so on. Second important factor is psychological. Each person is different and each person's response to some marketing campaigns would be different based on their perceptions and attitudes. How the person processes the information, and their attitude plays a crucial role in this (O'Connor, 2014).

Third factor is a social factor. This factor is usually influenced by the groups of people, like friends and family, school, work and even social media. It also includes income and education level of the person.

Collecting the information about consumer behavior is a useful tool in the researching and marketing. Many useful data can be collected from the customer reviews that nowadays can be found on every website of some company. Reading customer reviews can highlight advantages or disadvantages of the firm. Some customers can share their wishes concerning some products.

Surveys are another way to collect information about the consumer behavior. Surveys can be online and offline, and they allow you to ask specific questions, that way you will get the responses that are needed for the analysis of the consumer behavior. Another way for collecting the data is focus groups. Focus group usually consists of group of consumers that are together for the collection of the information. Questions can be asked directly.

Any consumer is an individual with their own opinion. To determine shopping preferences of an individual it is also important to examine what influences their decisions. Whether it is personal dispositions or specific social factors.



Furthermore, it is important to specify the criteria which are crucial for costumers when purchasing goods or services. Those criteria usually include price, brand, quality, strength of promotion etc.

Consumer behavior can be understood as the motives of human behavior for using particular product, as well as the ways in which behavior is carried out. It also includes influences that affect this whole process. It is strongly connected not only to the purchase and use of the product or service itself, but also to the surrounding environment which determines it together with other factors of human behavior (O'Connor, 2014).

Within the consumer behavior it is essential to define the concept of shopping behavior of the consumer. It can be characterized as a subset of consumer behavior, especially the way consumers purchase goods or services for their personal consumption. Shopping behavior comes from the needs and economic opportunities which are influenced by the supply.

When trying to analyze this behavior, it is necessary to find out which product or service this customer purchases in terms of quality, packaging, design and brand. Another factor is, what price the consumer is willing to pay for this product or service, how this product or service is presented to the costumer, where this product or service can be found, and how this product or service is offered, sold and distributed.

Shopping behavior is influenced by many factors, also by the mental characteristics of the person, together with his attitude, lifestyle, opinions and social environment he is living in.

## 4 Practical Part

Practical part is based on the questionnaire survey, which is focused on the research of consumer preferences of Fair trade products in the Czech Republic.

The aim is to understand the motives and factors, that can affect customers when purchasing these products. Furthermore, knowledge, attitudes and awareness about the Fair Trade concept in the Czech Republic are examined. Last but not least, impulses that would help to expand the awareness of this business concept and would contribute to increasing of interest about the fair trade was also studied.

### 4.1 Questionnaire survey

Questionnaire consists of the 29 questions, where 28 of them are multiple choice questions, and one is the open question. The main idea of the questionnaire survey was to find out about the awareness of the Czech households about the fair trade concept and its products. Are Czech households aware of what fair trade is, what products it offers and where it can be purchased?

First questions were made for the purpose of knowing the basic information about the person, that is filling in the survey form. These questions were about the sex, age, education and the place of living of the person in the Czech Republic. After having this basic information, we can create an idea about the person.

Next questions were made to find out if the person ever heard about the fair trade or seen the logo. If the person knows about the fair trade concept, he then would answer how he was introduced with the fair trade. Answers have not only multiple-choice variants, but a possibility to type in your unique answer, in case of not finding the right choice in the following answers.

After finding out if the person is introduced with the fair trade or not, question whether they purchase fair trade products follows. The choice is simple, it is either “yes” or “no”.

Because we want to know the behavior of the people, next questions are about their opinions on the fair trade and whether they are satisfied with the price and quality of fair trade products. By trying to find out buying habits of the respondents, questions about important criteria and the purchase frequency follows. If the respondent actually purchases fair trade products, we want to find out what type of product is it, where do

they buy it and in which shops. We want to gather the information about their opinion on the origin of the product and the way it was made.

Another important factor is to find out about they way, how Fair Trade can be promoted in the country in their opinion, and whether it has the success in the Czech market or not.

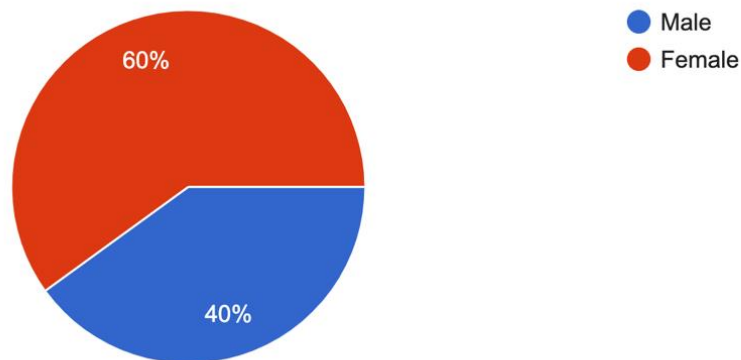
Last, but not least, it is crucial to analyze the behavior of the respondents. After filling in most of the questionnaire survey, they should choose between fair trade and non-fair-trade product and explain their choice. One of the most important things is the household and current status of the person, that is why questions about the employment, size of the household and the net income are there. Those factors play a crucial role in humans everyday choices concerning their shopping habits.

In the conclusion, two last questions about their opinion on fairness of fair trade and willingness to buy fair trade products after the survey, follows.

#### 4.1.1 Results of the questionnaire survey

Graph 1: The division of the respondents by the sex

What is your sex?  
70 responses



Source: Own information based on the questionnaire survey

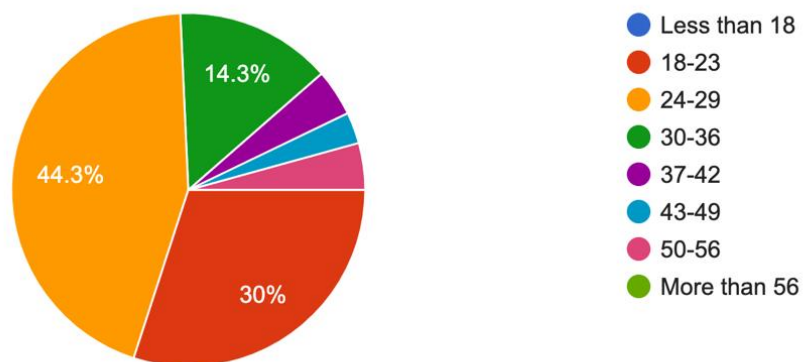
70 respondents have filled in the questionnaire survey, from which 42 answered to be female, making it 60% out of all, and 28 answered to be male, making it 40% out of the group. The question was purposefully put as the “sex” and not the “gender”, knowing that nowadays people believe in more gender types. Trying to avoid any

complications and difficulties, two choices were given, hoping it would not offend any of the respondents. None of the respondents have contacted me concerning this, or any other questions, meaning that the whole questionnaire remained fully unchanged from its start till the end.

Graph 2: Distribution of respondents by age

How old are you?

70 responses



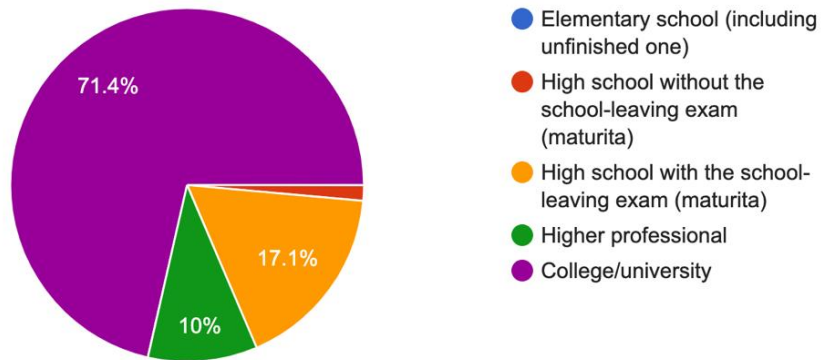
Source: Own information based on the questionnaire survey

The biggest group of the respondents make people in the group of 24-29 years old, making it 31 respondents and 44.3%. Then 30% of the respondents, which is 21 people, are aged 18-23. 14.3% or 10 people of the group make people who are 30-36 years old. Following by 4.3% or 3 people from both groups of 37-42 and 50-56 years old. Last 2 respondents were 43-49 years old, leaving us with no respondents from the age group of “More than 56” and “Less than 18”. Lower number of respondents from older groups can be explained by the decreased ability of the elder people to use social networks and computer technology in general. No answers from the age group of people who are younger than 18 can be explained by the fact, that people of this age are not very interested in such topics and filling in surveys online. This also can be explained by the different interests of this age group and not reaching the age of adulthood yet.

Graph 3: Highest education of respondents

### What is your highest education?

70 responses



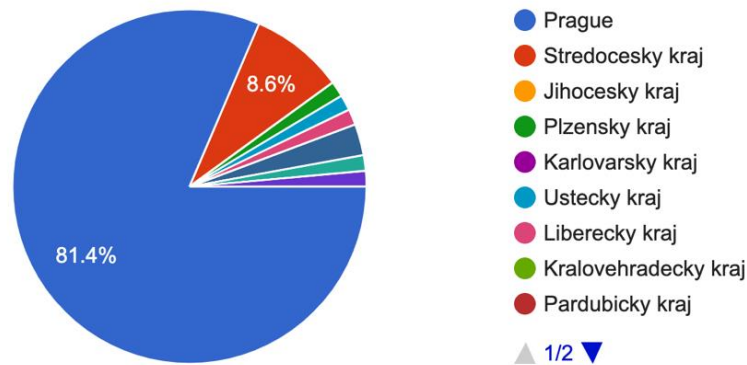
Source: Own information based on the questionnaire survey

This question was about the highest education of the respondents. Most of the respondents, which is 71.4%, have College or University degree. Second most chosen answer was High school with the school-leaving exam, making it 17.1% of people. Then goes 10% of people with the Higher professional degree. And lastly 1 respondent, making it 1.4% has High school without the school-leaving exam.

Graph 4: Distribution of respondents according to the region in which they currently live

### Where are you living right now?

70 responses



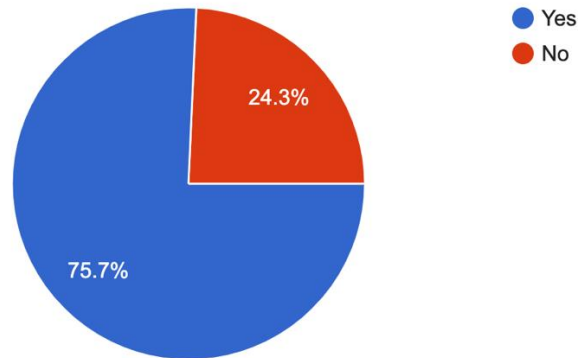
Source: Own information based on the questionnaire survey

This question is made to find out where the respondents are living right now. There were 14 options, hence there are 14 regions in the Czech Republic. Prague was the most chosen answer with the 57 respondents. Following 6 respondents from Stredocesky kraj and 2 from Kraj Vysocina. Then with only 1 respondent from each group, and that is: Plzensky kraj, Ustecky kraj, Liberecky kraj, Olomoucky kraj and Zlinsky kraj. There were no respondents from the Jihocesky kraj, Kralovehradecky kraj, Pardubicky kraj, Jihomoravsky kraj and Moravskoslezsky kraj. Number of the respondents from those regions were 0.

Graph 5: Respondents' awareness of the very concept of fair trade

Have you ever heard about Fair Trade?

70 responses



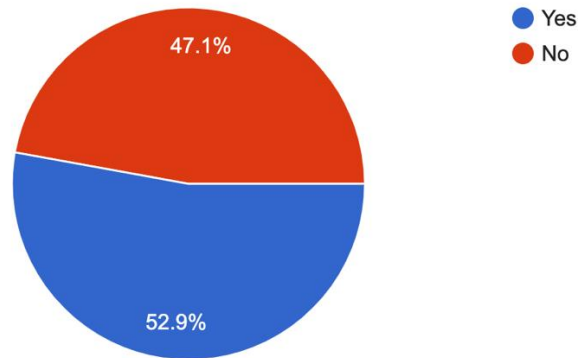
Source: Own information based on the questionnaire survey

This question was made to understand if respondents ever heard about the concept of Fair Trade. 53 respondents out of 70 have answered positively, meaning that that at least have heard this word, or they actually know something about the Fair Trade. 17 people out of 70 have answered negatively to the question, meaning that have never heard about the concept.

Graph 6: Respondents' awareness of the Fair Trade brand

Have you ever seen this logo?

70 responses



Source: Own information based on the questionnaire survey

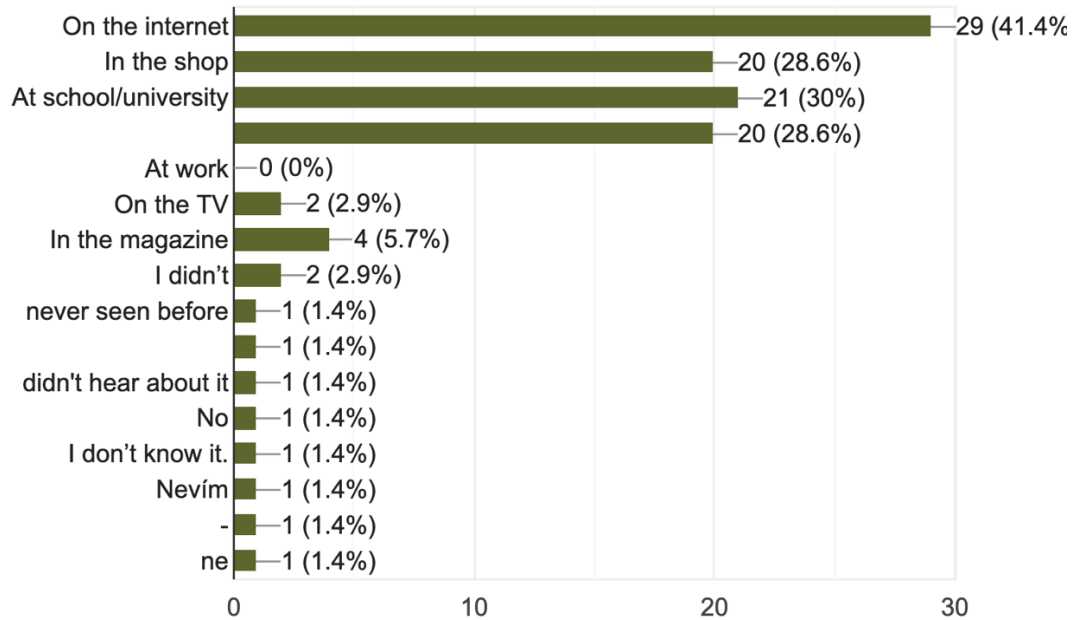
This question includes a picture of Fair Trade logo and the aim was to find out if respondents have ever seen it. 37 respondents have answered “Yes” and 33 respondents have answered “No” to this question. Compared to the previous question about the concept of Fair Trade, this question included only logo, yet the answers are different. Even if some of the respondents knew or heard about the Fair Trade concept, some of them still have not seen the logo of this organization. From 53 people who have heard about the concept, only 37 have seen the logo.



Graph 7: Area where respondents first encountered the concept of fair trade

If yes, from where did you hear about it/where did you see it?

70 responses



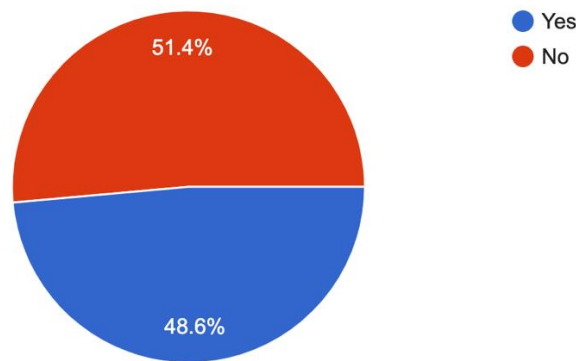
Source: Own information based on the questionnaire survey

Respondents had to answer from where they heard about the Fair Trade concept or where did they see it. The most popular answer to this question was option “On the internet”, having 29 responses. Second popular answer was “At school/university”, meaning that schools and universities give their students information about the concept. This answer had 21 responses. Third place took 2 options with the similar number of responses. Those options are “In the shop” and “From a friend or someone”. Then we get 4 responses “In the magazine” and 2 responses “On the TV”. The rest of the answers were typed manually by the respondents and the result was that they did not hear about it, making it 10.

Graph 8: Purchasing of Fair Trade products by the respondents

Do you buy Fair Trade products?

70 responses



Source: Own information based on the questionnaire survey

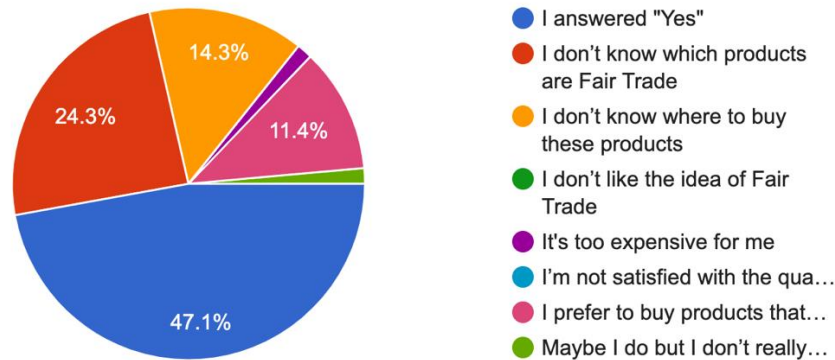
In this question the answers almost divided by the half. 36 out of 70 have answers that they do not buy Fair Trade products, where 34 have answered that they do buy Fair Trade. This can be explained by the fact, that some people might purchase Fair Trade without even knowing that they purchase it, or they just do not realize that they are buying this product.

Still, that means that almost 50% of the respondents are purchasing Fair Trade products in the Czech Republic.

Graph 9: Why respondents do not buy Fair Trade products

If you answered “No” to the previous question, can you explain why?

70 responses



Source: Own information based on the questionnaire survey

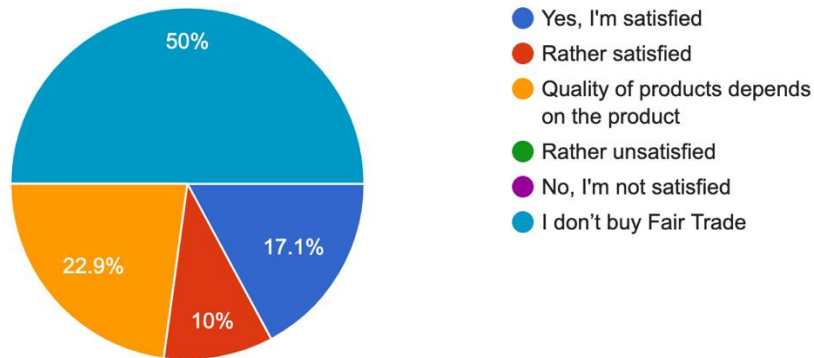
This question was mainly made for the people, who's answered was negative to the previous question. First option was “I answered “Yes””, to exclude the answers of the people, who buy Fair Trade. From those respondents, who answered “No” to the previous question, 17 of them do not know which products are Fair Trade. Second popular option with 10 answers suggests that people simply do not know where to buy those products. 8 people have responded that they rather buy products that they know and trust to. 1 person have answered that it is too expensive. Last answer to the question was typed manually, and says “Maybe I do, but I don't really look for products just because they are fair trade”.

None of the respondents have answered that they do not like the idea of Fair Trade concept, or that they are not satisfied with the quality.

Graph 10: Satisfaction with the quality of purchased Fair Trade products

If you buy Fair Trade products, are you satisfied with the quality?

70 responses



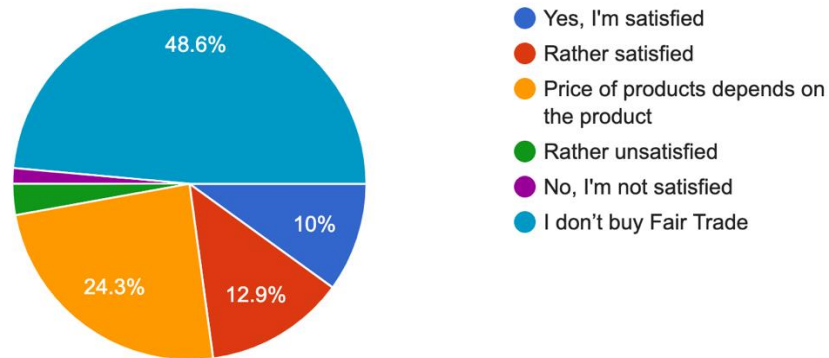
Source: Own information based on the questionnaire survey

50% of the respondents do not buy Fair Trade, this was the most popular answer. But another half purchases Fair Trade, and 16 people have stated that quality depends on the product. 12 answers were positive, meaning that the consumers are satisfied. 7 respondents have stated that they are rather satisfied with the quality of purchased Fair Trade products.

Graph 11: Satisfaction with the price of purchased Fair Trade products

If you buy Fair Trade products, are you satisfied with the price?

70 responses



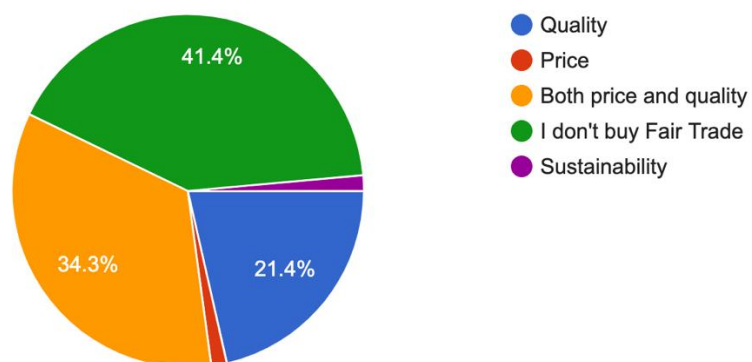
Source: Own information based on the questionnaire survey

From the respondents, who purchase Fair Trade 17 have answered that price depends on the product, 9 have stated that they are rather satisfied with the price and 7 respondents are satisfied with the price of purchased Fair Trade products. 2 people are rather unsatisfied, and 1 person is not satisfied with the price at all.

Graph 12: Consumer preferences when buying fair trade products

What is the most important thing about Fair Trade product to you?

70 responses



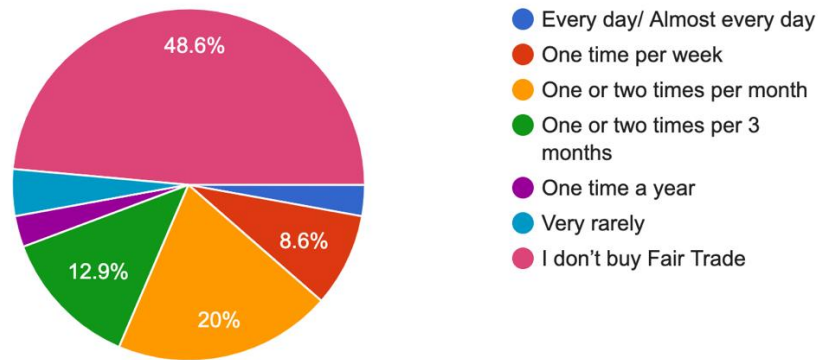
Source: Own information based on the questionnaire survey

29 respondents out of 70 have stated that they do not buy Fair Trade products. For 24 respondents both price and quality are the most important criteria when purchasing Fair Trade product. For 15 people the most important factor is the quality. Last 2 options have 1 answer each, where only 1 person voted for the sustainability and only 1 chose price, as the most important factor when buying Fair Trade product.

Graph 13: Purchase frequency of Fair Trade products

How often do you buy Fair Trade products?

70 responses



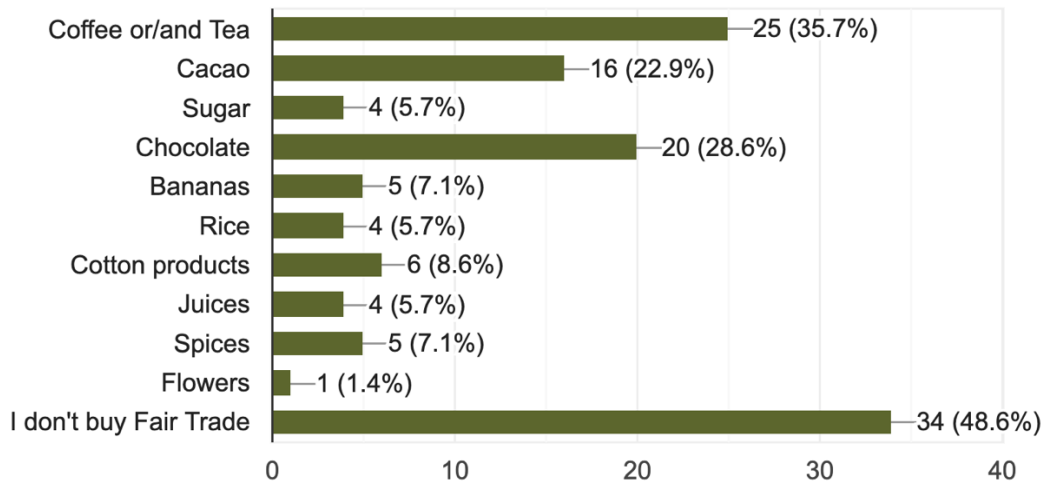
Source: Own information based on the questionnaire survey

The most common answer for this question is the frequency of one or two times per month, which had 14 respondents. Second popular frequency is one or two times per 3 months with 9 answers, followed by one time per week with 6 answers. 2 people purchase Fair Trade products every day and 3 people buy it very rarely. 2 people buy these products one time a year. 34 of the respondents do not buy Fair Trade products.

Graph 14: Purchase of specific Fair Trade products

If you buy Fair Trade, then which type of product is it usually?

70 responses



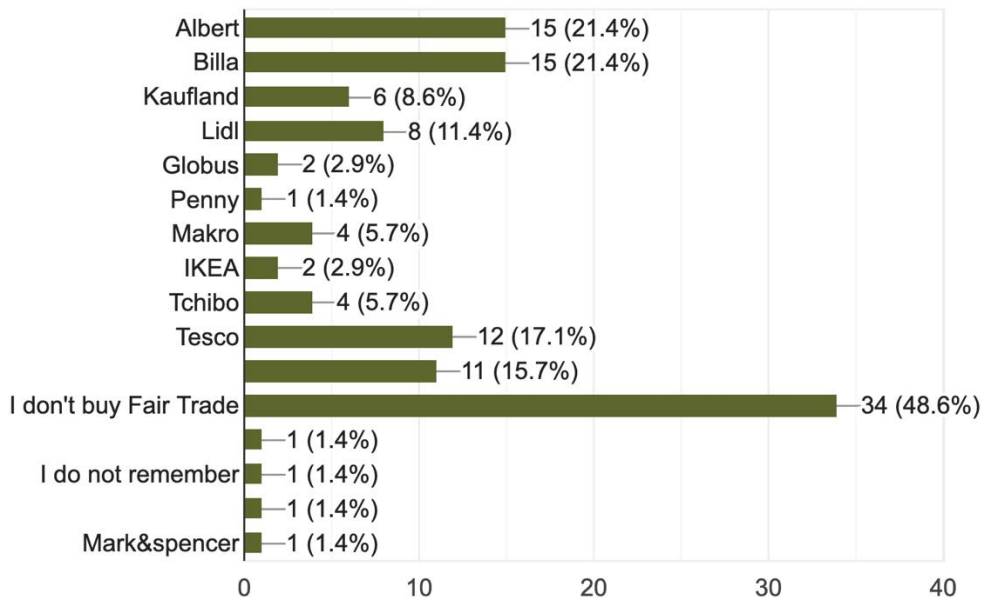
Source: Own information based on the questionnaire survey

The most popular product category in this question was Coffee or/and tea, with the 25 respondents, followed by 20 answers for the chocolate and 16 for the cacao. Those products are the most popular Fair Trade products. 6 people stated that they buy cotton products and 5 buy spices. Sugar, rice and juices all got 4 responses each. 1 respondent chose flowers. 34 of the respondents do not buy Fair Trade products.

Graph 15: Where respondents buy Fair Trade products

### Where do you usually purchase Fair Trade products?

70 responses



Source: Own information based on the questionnaire survey

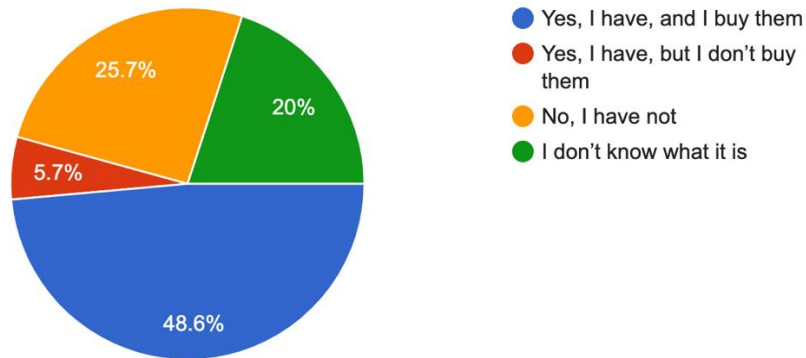
Albert and Billa were the most chosen stores, each option has 15 responses. Tesco was on the second place with 12 respondents, followed by online purchase with 11 respondents. 8 people purchase Fair Trade products at Lidl, 6 at Kaufland, 4 at Tchibo and 4 at Makro, 2 at Globus and 2 at IKEA and 1 person buys Fair Trade at Penny. 2 people have written the option, that was not on the list, and it was Marks&Spencer. 1 person have stated that he/she buys Fair Trade in DM Market, and 34 people do not buy Fair Trade products at all.



Graph 16: Seeing Fair Trade products in stores

Have you ever seen Fair Trade products in shops?

70 responses



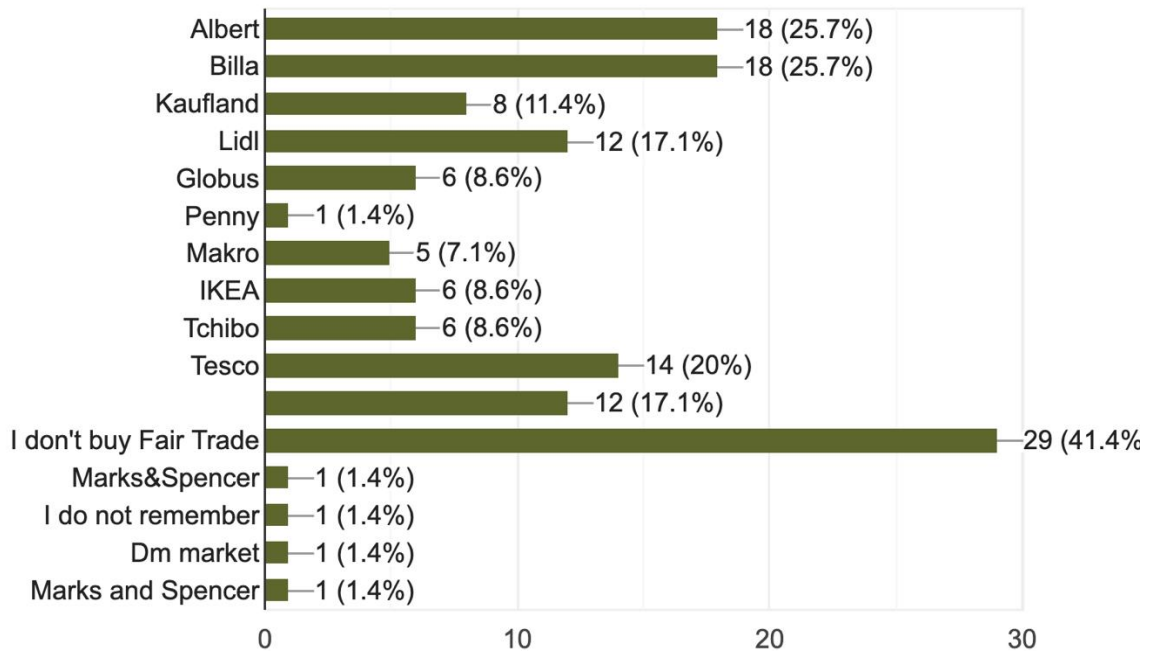
Source: Own information based on the questionnaire survey

This question was made to find out whether customers see Fair Trade products in the stores or not. 34 respondents claim that they see Fair Trade products in stores and that they buy them. Second popular answer with 18 respondents was that customers do not see Fair Trade products in stores. 14 respondents out of 70 claim that they do not know what Fair Trade is. Lastly, 4 people have answered that they see Fair Trade products in the stores, but they do not buy them.

Graph 17: Specific shops at which respondents encountered Fair Trade products

If you see Fair Trade in the shops, then where exactly?

70 responses



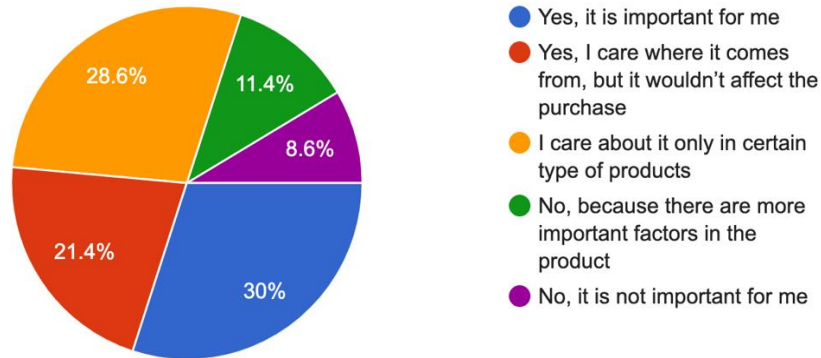
Source: Own information based on the questionnaire survey

Both Albert and Billa got 18 responses each, meaning that in those stores people encounter with Fair Trade products more often. Tesco was second popular option with 14 respondents. 12 people have answered that they see these products online, and 12 people have stated that they see them at Lidl. 8 respondents see Fair Trade products at Kaufland, then 6 at Globus, 6 at IKEA and 6 at Tchibo. 5 of respondents see those products Makro, 1 at Penny, 2 at Marks & Spencer and 1 at DM Market. 1 person have stated that he/she does not remember and 29 do not buy Fair Trade products at all.

Graph 18: Importance of the product's origin

Is it important for you to know where the product is coming from?

70 responses



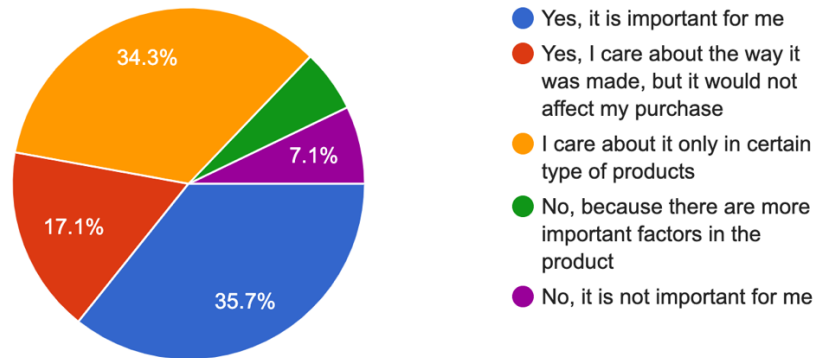
Source: Own information based on the questionnaire survey

The aim of this question was to find out if the origin of the product is important for the customers. Most of the people have answered that it is important for them, making it 21 responses. For 20 people it is important only in some particular products, 15 people have stated that they care where the product is coming from, but it would not affect the purchase. 8 answers were that the origin is not that important, as the other factors. Lastly, 6 people gave a negative answer to the question, meaning that the origin of the product is not important for them.

Graph 19: Importance of the way of creation of the product

Is it important for you to know the way how the product was made?

70 responses



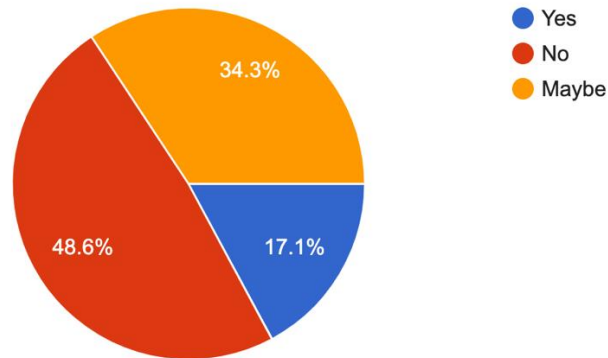
Source: Own information based on the questionnaire survey

Similar question was asked concerning the method of creation of the product, whether it is important for consumers or not. 25 people state that the way of how product was made is important for them. Just by one person less – 24 respondents – states that they care about the way of creation only in certain type of products. 12 people care about it, but it would not affect the purchase. 5 people state that it is not important for them and 4 say that there are more important factors in the product, than the process of creation.

Graph 20: Recognition of Fair Trade products

Do you think you can recognize Fair Trade products instantly?

70 responses



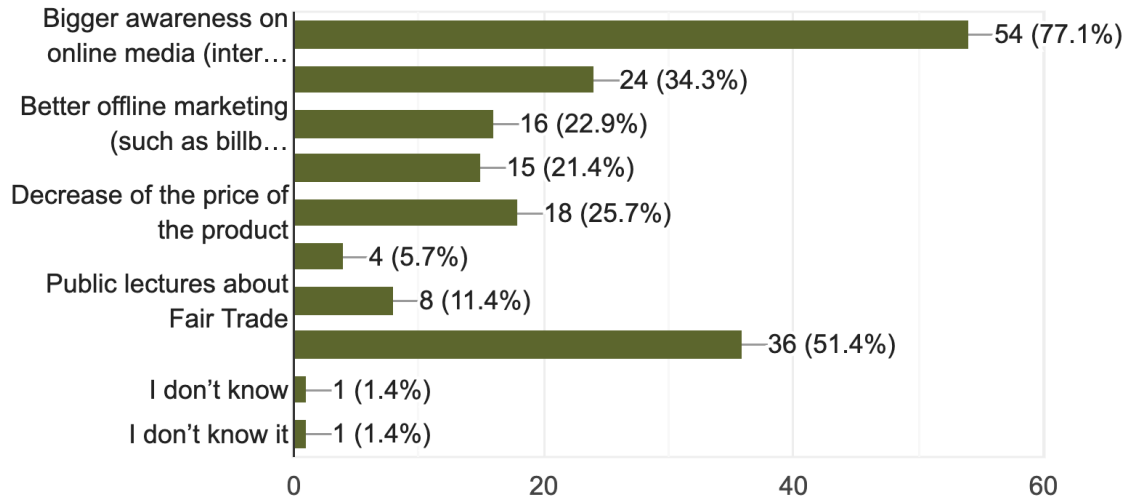
Source: Own information based on the questionnaire survey

Following question was made to find out whether customers can instantly recognize Fair Trade product or not. 34 people out of all have answered “No”, 24 respondents have answered “Maybe” and only 12 of the respondents think that they can recognize Fair Trade product instantly.

Graph 21: Respondent's opinion on a bigger promotion of Fair Trade products

### In your opinion, what can help with the promotion of Fair Trade products?

70 responses



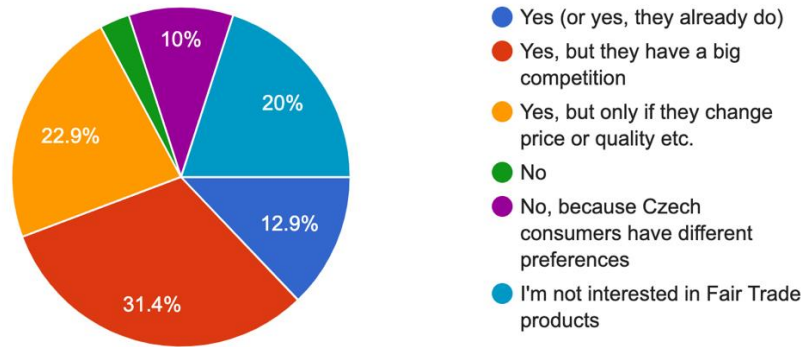
Source: Own information based on the questionnaire survey

This question was made to find out the opinion of respondents on the promotion of Fair Trade products. In this question people could choose more than one variant of the answer. Most popular answer with 54 respondents was the variant with the bigger awareness on online media, meaning social networks, blogs, Netflix, Youtube and other internet sources. Second popular option was the expansion of product availability, it scored 36 answers. 24 respondents think that bigger awareness on broadcasting media (TV or radio) would help with the promotion of Fair Trade. 18 people state that decrease of the price would be a good option. 16 people chose option with better offline marketing (such as billboards, pamphlets, posters etc.) and 15 think that better design of the product would make a difference. Option of public lectures about Fair Trade was chosen by 8 respondents, followed by Fairs and exhibitions about Fair Trade, which was chosen by 4 people. 2 people state that they do not know what would help with the promotion of Fair Trade.

Graph 22: Success of Fair Trade products in Czech households

In your opinion, can Fair Trade products have a success on the Czech market?

70 responses



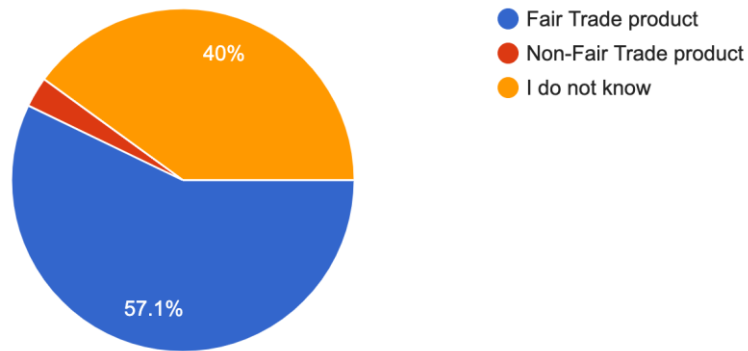
Source: Own information based on the questionnaire survey

Respondents had to answer whether they think that Fair Trade products can have a success in Czech households or not. Majority of the people – 22 respondents – think that Fair Trade can have a success, but it has big competition. 16 people state that if Fair Trade would change something like design or quality, then they would have the success. 14 people are not interested in Fair Trade products. 9 respondents think that Fair Trade products can have a success on the Czech market or that they already do have it. 7 people state that that it is not possible because Czech consumers have different preferences. Lastly, 2 people have responded with the negative response.

Graph 23: Preferences of the consumers

If you could choose between Fair Trade product and non-Fair Trade product (the price and the quality ... same), which one would you choose?

70 responses



Source: Own information based on the questionnaire survey

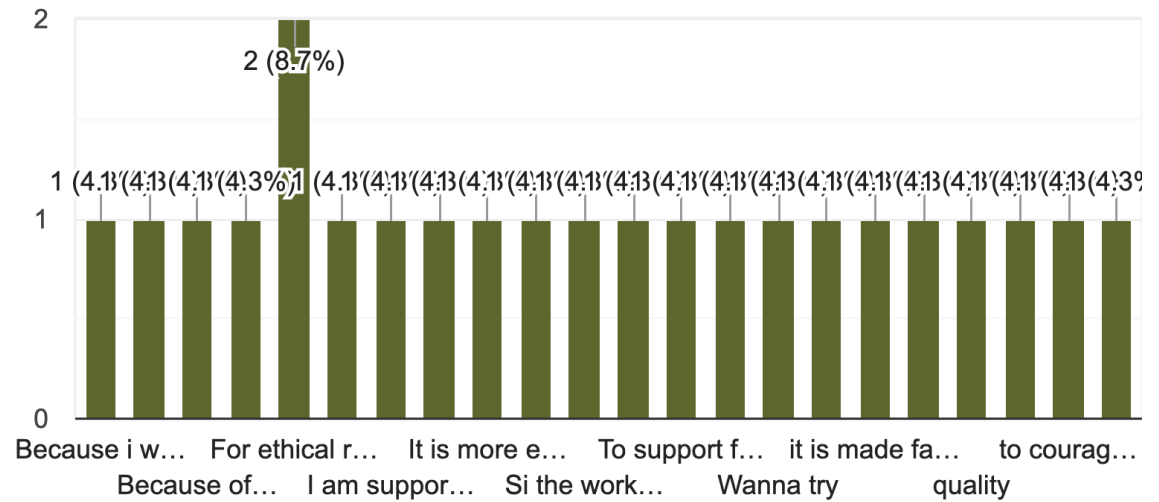
In the given question respondents had to choose between fair trade and non-fair trade product if both have the same price and quality. Majority of the respondents – 40 of them – chose Fair Trade product. 28 have answered that they do not know and just 2 people said that they would choose non-fair trade product.



Graph 24: Reason for buying Fair Trade products

### If yes, why would you choose Fair Trade product?

23 responses



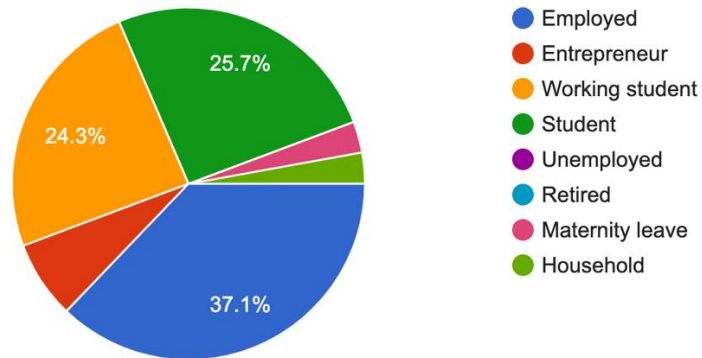
Source: Own information based on the questionnaire survey

This question was the open question and not every participant gave an answer to it, only 23 out of 70 respondents have answered. 3 people have stated that they purchase Fair Trade products for ethical reasons and 5 people would chose it because of the better quality of the products. Other responses were because of the idea of Fair Trade and its fairness for its workers. Many people want to support Fair Trade and want to help workers from the developing countries, some of them just want to try the product. 1 person have said that Fair Trade products should not be something special and it should be a normal thing to buy in the store.

Graph 25: Distribution of households according to their social status

You are:

70 responses



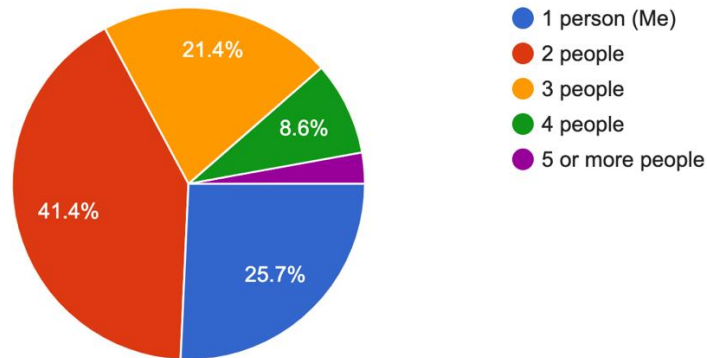
Source: Own information based on the questionnaire survey

The following question in the questionnaire focuses on the respondents and their social status. Majority of the respondents were employed - 26 people. Second popular group were students - 18 responses, where working students scored 17 responses. 5 people are entrepreneurs, 2 in the household and 2 at maternity leave.

Graph 26: Distribution of the households according to the number of people

How many people are in your household?

70 responses



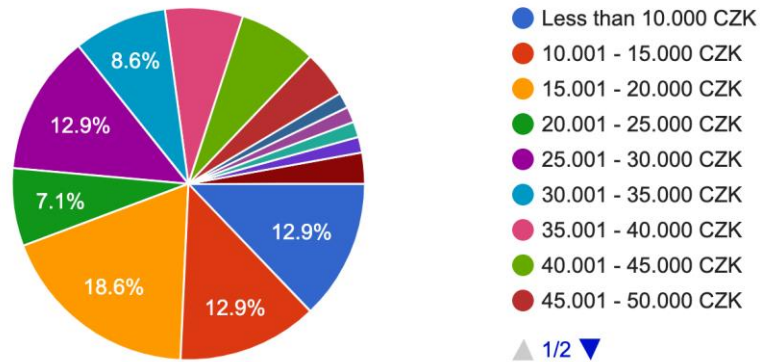
Source: Own information based on the questionnaire survey

The following question is focused on the number of the people in the household. 29 respondents have stated that their household consists of 2 people and it is the majority of the answers. Second popular option was 1 person in the household with the 18 number of answers. Option of household size of 3 people was the third popular option with the total number of respondents – 15. 6 people have a household of 4 people and 2 respondents have a household of 5 or more people.

Graph 27: Distribution of the households according to the net income of the respondent

What is your net income per month?

70 responses



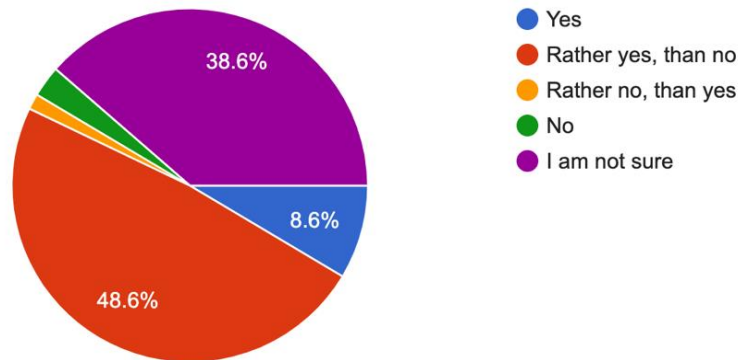
Source: Own information based on the questionnaire survey

The following question concerns the personal net income of the respondent per month, where net income means the income after tax, which could be income from the employment, business, state social support, rent or unofficial income. Totally 13 people have stated that their net income is from 15.001 to 20.000 CZK. Second popular option was income of 10.001-15.000 CZK, income less than 10.000 CZK and income of 25.001-30.000 CZK. All three options got 9 respondents each. 6 respondents have an income size of 30.001-35.000 CZK. Both net income of 20.001-25.000 CZK and net income of 35.001-40.000 CZK got 5 answers each. 3 respondents have a net income of 45.001-50.000 CZK. 2 people have stated that their income is 80.001 or more. Options with incomes of 50.001-55.000 CZK, 55.001-60.000 CZK, 60.001-65.000 CZK and 70.001-75.000 CZK each had 1 respondent.

Graph 28: Fairness of Fair Trade

In your opinion, is “Fair Trade” really fair?

70 responses



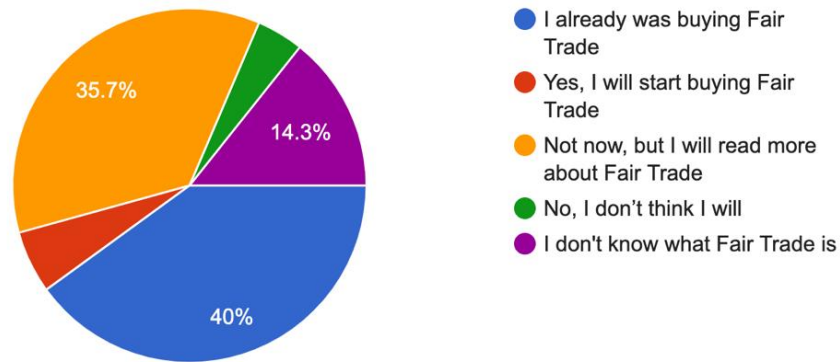
Source: Own information based on the questionnaire survey

This question was made to find out the opinion of respondents on the fairness of Fair Trade concept. 34 respondents think that Fair Trade concept is rather fair, than not fair. 27 people have answered that they are not sure. 6 of the respondents have answered positively to the question, where 2 have answered negatively. 1 person thinks that Fair Trade is rather not fair, than fair.

Graph 29: Willingness to buy Fair Trade products after completing this survey

After this survey, will you start buying Fair Trade products?

70 responses



Source: Own information based on the questionnaire survey

This last question was made to find out whether respondents of this survey are willing to start buying Fair Trade products after completing this survey questionnaire. 28 of the respondents say that they already were buying Fair Trade products. 25 people would not buy Fair Trade products right now, but they will read more about the Fair Trade. 10 people still do not know what Fair Trade is and 4 people say that they will start buying it. 3 people state that they will not buy Fair Trade products.

## **5 Results and Discussion**

This chapter is focused on the evaluation of the results of the questionnaire survey. The results then will be discussed with selected professional articles and research to compare the findings of the diploma thesis. Based on that recommendations will be developed.

### **5.1 Summary of the results of the questionnaire survey**

Overall, 70 people took a participation in the questionnaire survey. In terms of gender, more females took participation in the questionnaire survey, 60% or 42 females, and 40% of men took the participation, making it 28 male participants. Due to the nature of the distribution of the questionnaires through social networks, a higher proportion of the younger respondents took part in the survey. Majority of the respondents – 44.3% - were aged 24-29 years old. The most numerous were individuals from the age group of 24-29 years with the college or university degree and with the net income of 15.001-20.000 CZK, followed by 10.001-15.000 CZK and 25.001-30.000 CZK. Respondents from the Prague and Stredocesky kraj had a majority of representation, but some regions of the Czech Republic did not collect the responses: Moravskoslezsky kraj, Jihomoravsky kraj, Jihocesky kraj, Karlovarsky kraj, Kralovehradecky kraj and Pardubicky kraj.

According to the research, the key factors for the purchase of Fair Trade products were both quality and the price of the products, followed just by quality. The price factor alone was preferred only by 1 person, which was also from the representative of the younger generation, who is 24-29 years old and is a male student with the net income of 15.001-20.000 CZK from Prague, who usually buys Fair Trade products. This means that the quality of the product is more important almost for everyone, because quality alone was chosen by the 15 people as the most important factor in the product. Research shows that people have a willingness to pay more for the high quality of the product, no matter how high or low their income can be.

Knowledge of the Fair Trade concept was demonstrated by the 75.7% of the respondents. 24.3% of the participants are not introduced with the Fair Trade concept at all. When we look at this question from the angle of the generations, it is visible that the concept of Fair Trade is more familiar to the representatives of the young generation,

rather than the older one. Of course, it does not mean that people of older generations are not introduced to the concept at all, some of them are familiar with it, but by looking at the numbers, we can surely conclude that majority of the people who are familiar with the Fair Trade concept are simply young people.

This can be explained by the fact, that older people spend less time on the internet, or at least on the social media and similar platforms. Often people of older generation either do not use internet at all or they use it for the different reasons. Nowadays younger generation uses internet every day, more often is it used for social medias, such as Facebook, Instagram, Youtube etc. People communicate through these platforms with each other, they share their knowledge, opinions and experiences. Often those platforms are used for the marketing reasons, many stores and businesses have their pages there, so they can advertise their products and services which will help them to boost their sales. Marketing is one of the most important tools and can be very influential when used right. Interesting finding was that even though most of the respondents have heard about Fair Trade concept, which is 75.7%, 47.1% of the respondents have never seen logo of the organization. Those respondents, who have answered that they are introduced with the Fair Trade concept, could have answered that they never seen Fair Trade logo in the their life. How is this possible? Does it mean that eventually, even if a person has heard about the Fair Trade concept, he/she simply does not know anything about it? Does it mean that the promotion of the organization is not strong enough? This is the question that we should think of, hence it might be an important issue and the answer to the question of the concept popularity in the Czech Republic.

According to the responses it is visible that respondents were introduced with the concept of Fair Trade either on the internet, at the store itself or at school or university. Zero respondents have learnt about it at work, which can mean that people of the older generation simply have no sources from where they can get relevant information. Most probably, they would be introduced with the Fair Trade accidentally at the store, simply because they would be shopping and may accidentally buy one of their products. Some consumers of older generation would educate themselves and search for the relevant information on their own, but probably it would not happen due to the fact that majority of them do not use internet as much as the representatives of the younger generation. If information about the Fair Trade is provided at schools and on the internet, then how representatives of the older generation supposed to find it? Conceivably, when they were



young, relevant information was not provided to them at schools and they either did not have the internet or access to it, or either there was no relevant information about the Fair Trade. This means that it is an expectable fact for the older generation to not possess any knowledge about the Fair Trade concept. Hence, follows the fact that representatives of the younger generation would be most likely introduced to the concept, unlike the older generation's group.

When last time have you seen advertisement on the Fair Trade, or have you seen it at all? Personally, I have never seen advertisement on the concept, even on the internet, not mentioning TV advertisement or any type of the offline marketing. Fair Trade should work on their advertising campaigns more, in order to achieve bigger awareness. This way more people would know about the concept, especially people of the older generation. According to the results from the questionnaire, many of the respondents think that bigger awareness on the online media would help with the promotion of Fair Trade products. Another popular opinion was the expansion of product availability, meaning that there is not such a big availability of fair trade products in the stores. Among with first two opinions, suggestions of better offline marketing, decrease of the price of the product and better design of the product were given.

I believe that once Fair Trade would work on their marketing, like better advertisement, better design of the product and better visibility of their logo on the products, they would raise the awareness on the concept.

Knowing the fact, that young generation is more familiar with the term and the concept, flows the expected result, that purchase of Fair Trade products is more common by the representatives of the younger generation. 12 respondents of age 18-23 are purchasing fair trade products, then 15 respondents of age 24-29 also buy the products. However, respondents of the older generation buy those products less. For example, only 5 respondents of age 30-36, 1 person of age 43-49 and 1 of age 37-42. Those results show us that mainly younger generation is introduced with the concept and that younger generation also purchases the goods from fair trade more often. Another fact is that consumers of Fair Trade products buy them on a regular basis, not by occasion. Results show us that people mainly purchase fair trade products 1 or 2 times per month and 1 or 2 times per 3 months, where frequencies like "1 time per year" and "very rarely" were received only twice each. 2 of those responses were from the younger generation and 2 were from the older generation. This can mean that if the person is introduced with the Fair Trade concept and

its main ideas and aims, he/she will probably want to purchase the goods from the Fair Trade, because people believe that they are providing better livelihood and guaranteeing better salary for the workers from the developing countries.

### **5.1.1 Consumer behaviour**

Research shows that the person who is familiar with the Fair Trade, most probably would choose Fair Trade products over non-Fair Trade product. For people who already purchase Fair Trade goods it is quite an understandable response. But what is very interesting is that, even respondents, who did not hear about the concept and have not seen the logo, have answered that they would choose Fair Trade over non-Fair Trade product, if the price and quality of both were the same. This is the pure example of how consumer behavior can be affected when they believe that they are helping workers and farmers from the developing countries. It can be a positive and a negative thing at the same time, because that means that costumers can be influenced in their decision-making processes if they are assured that they are helping someone to have a better life, but also, they can be manipulated in their decisions and it can be used against them. Some companies can use good marketing campaigns, but in the reality, they will not necessarily have the best quality of the product or service. Prices can also be higher than the average price of similar type of product of service.

For Fair Trade it is a good thing, because consumers do believe that Fair Trade can provide better lives and good working conditions for poor people from the developing countries. By wanting to help the workers, consumers would frequently purchase fair trade products.

### **5.1.2 Consumer Preferences**

According to the results from the questionnaire survey, the information on the commonly purchased products is accessible. Looking at the results we can see that the most purchased fair trade goods are coffee and tea, 18 respondents of the young generation have choose this product and 3 representatives of the older group. Second popular commodity is chocolate with 14 representatives of the younger generation and 2 of the older one, followed by the cacao with 12 responses from the younger group and 1 from the older one. Other commodities like spices, cotton products and juices, all got 4 responses of

the young generation, and 0 to 2 responses from the older group of the respondents. Sugar was chosen by 3 representatives of the young generation and 2 representatives of the older generation, where bananas is usually purchased by 2 younger respondents and 3 older ones, followed by rice with 2 responses from the younger generation and 1 from older one. Commodity like flower scored 1 response from the younger individual.

Seeing these results, we can conclude that coffee, tea, chocolate and cacao are the most desired fair trade products, but mainly by the representatives of the younger generation. Where for the representatives of the older generation most desired products were coffee, tea and bananas. These results can also mean the fact, that those food commodities could be found in the stores more often and that they can be found easily on the store shelves, but also that those products are the most popular food commodities in the world and are frequently purchased by the customers.

Looking at the results from the perspective of where fair trade products can be found, few stores were mentioned more often than the others. Stores, which were the most popular for purchase of fair trade products are: Albert, Billa, Lidl and Tesco. The rest of the stores did not get as high amount of the responses as the first ones, but another option that scored a lot of responses was the option of purchasing goods Online. 9 representatives of the younger generation purchase Fair Trade products online, where only 2 people from the representatives of the older generation buy them online.

Based on the collected data from the questionnaire survey, consumer's behavior and preferences can be analyzed. Most of the respondents, who participated in the survey, are introduced with the Fair Trade concept and are buying fair trade products. Judging by the results of those respondents who purchase fair trade products, we collected the information on their preferences and how they behave in their decision-making processes concerning shopping. Many of the people purchase Fair Trade product frequently and they have particular products that they are looking for. They also go to some particular stores or purchase these products online. Majority of the respondents is satisfied with the quality of fair trade products and think that Fair Trade have a success on the Czech market, or at least that they can have the success, even with the big competition. Part of the respondents suggested that the organization would have the success, once they change the design or the quality of the products. According to these results, it is safe to say, that people want to purchase fair trade products and want to be a part of this journey, in order to help workers

from the developing countries. Even the respondents, who were not introduced with the concept, would rather choose fair trade product over non-fair trade one, from where follows the fact, that if those consumers knew about the concept from before, they would be purchasing fair trade products. Consumers, who already were buying fair trade products, suggest that the concept can still be improved, for instance lower price or better design of the products. People want to help other people, that means that Fair Trade should work on their marketing, in order to get more loyal customers.

## **5.2 Recommendations**

Among the most important recommendations is the improvement of Fair Trade's marketing strategy and execution. Organization is known worldwide, but according to the questionnaire survey it is clearly visible that not all of the consumers are introduced with the term, or if so, then they cannot recognize its logo or products. Even if the consumer has heard about the Fair Trade, it does not necessary mean that the customer is probably educated about the concept. Person can simply not know how the logo looks like, as well organization's aims, goals and principles. It is very important that the concept should be recognized everywhere, products should be visible on the shelves of the stores and online.

Organization should think about an improvement of the product's design, because consumers do not necessarily know that the product they are buying is Fair Trade product. One of its main goals is to help people in the developing countries, provide them with better salaries, good-working conditions, proper health care and schools. In order to achieve those goals, it is obligatory to have loyal customers that would be buying their products. Company is already known worldwide, but better promotion is needed.

Depending on the country, Fair Trade can provide different range of the packaging and designs of their products. One of the crucial things that should be seen on the packaging is Fair Trade logo. According to the results of the survey, there is no doubt that not all of the respondents knew how the logo looked like. This can be an issue, because if the customer purposely would go to the store in order to buy Fair Trade product, he can spend a big amount of time to figure out which product is it. But if the logo would be more visible, seeing Fair Trade in the stores would not be such an issue.

Taking into consideration opinions of the respondents, we can conclude that the promotion of the organization should be improved. Organization should work on the promotion on online media, as well as the expansion of the product availability and improvement of the design. According to the survey those are the consumer preferences on Fair Trade products.

## 6 Conclusion

Fair Trade products have a big interest mainly among young consumers, and there is a growing interest about the concept in general. Based on the questionnaire survey, that was fulfilled by Czech consumers, we are able to see some disadvantages of Fair Trade. Czech consumers do not have a complete information on the Fair Trade concept and its products. Many of the respondents were not introduced with the concept or its logo, others had some basic information about it. Interesting fact is, that although Czech households know what is Fair Trade, still an issue of finding these products comes out. Often consumers cannot see fair trade products in the store, because it is either hidden or not marked, where Czech consumers do not examine the product label too much.

Still, fair trade products do not have an extremely high demand, even having good quality and standard prices.

Diploma thesis was focused on the identification of main problems of the concept, related to how it is precepted among the customers. Based on the that, recommendations were developed.

According to the survey's results there comes a fact that knowledge of the Fair Trade concept depends on the generation. Younger generation had a bigger awareness about the organization, its principles and products. Different ways of promotion were suggested in order to increase the knowledge about the concept. For the younger generation it is mainly online media, where for the older generation it is broadcasting media and offline marketing, be it billboards, pamphlets, posters etc.

Consumer preferences and behaviour were carefully studied and analysed. One of the main factors affecting the decision-making process were both quality and the price.

Despite the fact that the work itself did not have a big range of the respondents and the results could not interpret for all Czech consumers, it still gave a clear vision about the consumer preferences, and whether they purchase Fair Trade products or not. Half of the respondents buy these products, where another half either does not buy them or might buy them unknowingly.

According to the respondents, Fair Trade products have a chance among Czech costumers, but they either have a big competition, or either price or quality of the products should be changed.

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## **8 Appendix**

Supplement 1 – Pictures

**Supplement 1** Pictures

Picture 1 Fair Trade logo



Source: FAIRTRADE G~S