To Buy or not to Buy:
Antecedents of Fair Trade Apparel Purchase Behavior

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Abstract

Fair trade represents one of the most influential social movement that encourages sustainability and ethical consumerism in the past 20 years. While fair trade movement of apparel products is rapidly expanding, there is a dearth of understanding about the characteristics of consumers who regularly purchase fair trade apparel products. The purpose of the study was, therefore, to explore whether demographics, ethical traits, and individual characteristics such as clothing involvement helped predict fair trade purchase behaviors. Demographic variables such as gender, generational cohorts, education, and income were effective in predicting fair trade purchases. Ethical traits such as altruism, ethical concerns, and ethical obligation along with socially responsible attitudes were also able to differentiate fair trade purchase behaviors from non-purchaser behaviors. The final set of variables in a hierarchical regression model were price sensitivity, materialism, and clothing involvement. Among the individual characteristics, only the extent to which consumers were involved in clothing was associated with fair trade purchases. Investigating several sets of variables closely related to ethical consumption contributed to the literature in the context of fair trade consumer behavior.

Keywords: ethics, fair trade, individual characteristics
Introduction

Fair trade represents one of the most influential social movement that encourages sustainability and ethical consumerism in the past 20 years. The mission of fair trade aims to improve social and environmental conditions by supporting economically disadvantaged producers around the world and promoting environmentally conscious production among them (World Fair Trade Organization, n.d.). More than 1.6 million farmers and workers benefited from fair trade certified sales in 2017 which represented approximately 1 billion USD only in the United States and 9.7 billion USD across the world (Fairtrade International, 2017). Some examples of fair trade certified products are coffee, sugar, wine, and non-food products like apparel and home goods. Among the product categories, coffee shows the largest import to the United States which exceeded 140 million pounds in 2016, according to Fair Trade USA (2016). In spite of the greatest market size and sales volume in the coffee sector, the fastest growing product category of fair trade is apparel and home goods (Fair Trade USA, 2015). In 2015, the import of the fair trade certified apparel and home goods increased by 389% from the previous year in the U.S. market, and such steep growth is in part attributed to the participation of clothing companies such as West Elm, Patagonia, prAna, and PACT in the fair trade program (Fair Trade USA, 2015). According to Fair Trade USA (2015), the significant growth of the fair trade market has enabled a substantial increase in total Fairtrade Premium earned by cotton farmers and factory workers in four countries such as India, Sri Lanka, Ethiopia, and Pakistan, supporting seed cultivation, raincoats, healthcare, bicycles, training and more. The key driver that distinguishes fair trade from other socially responsible business sectors is the premium (Fair Trade USA, 2015) that is an additional earning that is saved as a communal fund for farmers and workers to use to enhance their economic, social, and environmental conditions (Fairtrade Foundation, n.d.).

In spite of the increasing consumer interest, fair trade performance of online and offline stores has been an ongoing concern among researchers considering the competitive fashion industry. While apparel companies like Patagonia have contributed to the growing awareness of fair trade apparel products, Fair Trade Organizations (FTOs) have played a significant role in marketing goods produced by the world’s most marginalized artisans and workers. Researchers investigated the performance of FTOs to provide insights to the nonprofit organizations that often face difficulties creating long-term customer patronage and challenges of maintaining volunteer commitment (Littrell & Dickson, 1998). Suggested strategies were increasing flexibility in the supply of artisans; recruiting volunteers for sales and retailing in the US; increasing quality and ethnicity in product design; linking customer to artisans; and creating new store images. Website designs between FTOs and mainstream retailers were also compared to encourage competitive approaches of marketing (see Halepete & Park, 2006).

Along with the competitiveness of fair trade apparel products, examining consumer values and characteristics such as benevolence has been an important goal for many researchers to understand what drives fair trade consumption. Users of fair trade non-food products tend to be more benevolent and have greater interests in the world than those who have not purchased such products (Ma & Lee, 2012). They also tend to be more acceptable and adaptable to new things or unexpected circumstances. These values have been suggested as antecedents that drive positive belief, attitudes, and purchase intentions of fair trade apparel products. Together with belief and attitudes towards fair trade products, perceived behavioral control is found to be a crucial predictor of fair trade consumption (Ma, Littrell, & Niehm, 2012). For example, consumers who feel confident to purchase fair trade non-food products are more likely to show greater intention to buy them in the future.
With the fast growing consumer awareness, fair trade apparel has been a target for research in the areas of retail performance (Halepete & Park, 2006; Littrell & Dickson, 1998), corporate commitment (Goworek, 2011; Jones, Hillier, & Comfort, 2014), consumer characteristics (Halepete, Littrell, & Park, 2009), and purchase behaviors (Ma & Lee, 2012). While fair trade movement of apparel products is rapidly expanding, there is a dearth of understanding about the characteristics of consumers who regularly purchase fair trade apparel products. The purpose of the study was, therefore, to explore whether demographics, ethical traits, and individual characteristics such as clothing involvement helped predict fair trade purchase behaviors. Understanding factors that distinguish fair trade consumers from non-consumers is essential to encourage future consumption of both consumer groups who have or do not have purchase experiences through market segmentation, advertising campaigns, or other important marketing activities.

Several studies attempted to understand buying behavior of fair trade non-food products with consideration of generational cohorts and socio-demographic profiles. This study aimed to fill the research gap by examining fair trade purchase behaviors of two age cohorts such as Generation X (born between 1965 and 1977) and Y (born between 1978 and 1994). In spite of their buying power and socially conscious attitudes, there is little research that incorporates both consumer groups and compares their characteristics and impact on the fair trade market. Another important demographic information such as gender, education, and income is also compared between fair trade purchasers and non-purchasers. In addition to demographics, this study examined whether the two consumer groups show differences in their ethical traits and attitudes towards social responsibility in the apparel industry. Ethical traits such as altruism, ethical concerns, and ethical obligation are the important precursors of forming positive attitudes toward ethical business practices and patronizing the businesses (Shaw, Shiu, & Clarke, 2000). In turn, socially responsible attitudes have a direct, positive influence on ethical consumption. Due to their significant roles in predicting purchase intention, ethical traits and socially responsible attitudes were included in determining the differentiating characteristics of fair trade consumers and non-consumers. Furthermore, individual characteristics have insightful moderating effects on ethical consumption (Trevino & Youngblood, 1990). Specifically for apparel products, examining consumers characteristics such as price sensitivity, materialism, and clothing involvement is critical because such factors are important considerations for consumers to decide actual purchases. Taken together, this study examined whether demographic backgrounds (e.g., education and generational cohort), ethical traits of consumers (e.g., altruism), and individual characteristics (e.g., clothing involvement) predicted purchases of fair trade apparel products.

**Literature Review and Hypotheses Development**

Demographics, personal values, positive attitudes, and social norms have been addressed as driving factors of fair trade consumption (Han & Stoel, 2016; Littrell, Ma, & Halepete, 2005; Ma & Lee, 2012). However, there is a paucity of studies that examined the roles of ethical values and individual characteristics in differentiating fair trade consumers from non-consumers to understand what other factors may motivate fair trade consumption.

**Socio-Demographic Factors and Fair Trade Consumption**

Some of the early fair trade research was supported by North American fair trade businesses including MarketPlace and Ten Thousand Villages to collect essential information to effectively market fair trade goods and to understand consumer attitudes. As an example, Littrell and her colleagues (2005) were interested in finding differences among generational
cohorts in terms of their shopping preferences and behaviors. Consumers across the generational cohorts highly valued fair trade philosophy such as paying a fair wage and considering worker safety and the environment. What distinguished the generations was their different focus on product attributes and socio-political attitudes. Unlike swing (born between 1934 and 1945) and baby boomer (born between 1946 and 1964) shoppers, Generation X shoppers (born between 1965 and 1977) put less importance on product quality and comfort. They were also less interested in ethnic clothing or product authenticity and less likely to be a local activist. Baby boomers were found to be most likely to be fair trade consumers in comparison to other generational cohorts. No specific differences were found in their study regarding gender, income, or education. Recently, a different study by Benson and Hiller Connell (2014) identified various barriers to fair trade consumption among the baby boomer cohort such as limited product options, high price points, and difficulties in identifying fair trade products. Ma and Lee (2012) focused on broader aspects of socio-demographic factors such as education and income along with age to identify influential variables of fair trade apparel consumption. Individuals in their 60s indicated greater purchase experiences while most of the non-purchasers were in their 30s. Fair trade purchasers obtained higher education than non-purchasers in two educational levels such as Bachelor’s and Master’s degree. Income also showed the similar pattern in that higher income indicated greater experiences in fair trade consumption.

As the baby boomers are retiring and Generation Y (Gen Y) (born between 1978 and 1994) has been starting their careers, the latter consumer group has become imperative for any businesses to target (Culclasure, 2016). Generation X (Gen X) and Generation Y are present and future working professionals who have higher discretionary income which leaves greater rooms for them to spend on fair trade products than any other generational cohorts. Gen X is known to be the well-educated and technologically literate generation (Reisenwitz & Iyer, 2009). However, they tend to be more cynical and skeptical than Gen Y who grew up in a more prosperous environment with abundant possibilities and technological advancement (Reisenwitz & Iyer, 2009). Similar to the generation of their parents (i.e., baby boomers), Gen Y tends to be environmentally and socially conscious, but much more acceptable to cultural diversity (Hewlett, Sherbin, & Sumberg, 2009). Both Gen X and Gen Y purchase products to seek status (Eastman & Liu, 2012), value volunteer work, and put importance on their careers, but Gen Y is more technologically savvy, more risk-taking, and less loyal to brands compared to Gen X (Reisenwitz & Iyer, 2009). Similarly, Parment (2013) identified that Gen Y chooses a product first rather than selecting a specific brand beforehand during as their consumption process, which indicates that the generation is less brand loyal. Gen Y, however, tends to put substantial time and efforts to purchase a product with whom they are highly involved (Parment, 2011). A more recent study focused on Gen Y consumers’ purchase intentions of fair trade apparel products (Hwang, Lee, & Diddi, 2015). The sample in their study showed lacking knowledge of the Gen Y consumer group toward products with ethical attributes, such as fair trade. Based on the research findings, Gen Y is more likely to be fair trade apparel consumers; however, there is inadequate understanding about whether the generational difference affects fair trade consumption.

Of the few studies focused on fair trade apparel products, socio-demographic information emerged as influential factors driving fair trade purchases. In the context of fair trade apparel consumption, there is still limited research investigating socio-demographic factors in forming fair trade purchases. Given that researchers in ethical product consumption have demonstrated contradictory findings about the impact of demographic information, it is worth further examining the factors. Also, Gen X and Gen Y have been targeted for fair trade research in
separate studies (Han & Stoel, 2016; Hwang et al., 2015; Littrell, et al., 2005), but no studies have compared the two generational cohorts to understand their purchase behavior of fair trade apparel. Furthermore, studies that included gender as a differentiating factor in the particular domain were not found. With that logic, the first hypothesis (H1) was developed to fill the research gap and contribute to the generalization of research findings in demographics:

H1: Gender, generational cohort, education, and income will predict fair trade apparel purchase behaviors vs. non-purchase behaviors.

Ethical Traits and Fair Trade Consumption

Personal values are critical factors in shaping positive attitudes toward certain behavior, which in turn leads to an actual behavior (Homer & Kahle, 1988). They have been considered underlying traits that drive ethical consumption including fair trade purchases. For example, Ma and Lee (2012) examined personal values using the Schwartz value theory (1992) to compare fair trade purchasers and non-purchasers. The study found that consumers of fair trade goods tend to be higher in their self-transcendence and openness to change values than those who do not have experiences in fair trade purchases. They are more interested in the world and people and seek variety in their lives. Similarly, these self-transcendent and openness to change values have shown their significant roles in understanding socially conscious or donating behaviors in other studies (Joireman & Duell, 2007; Pepper, Jackson, & Uzzell, 2009). As general personal beliefs, values appear as particular forms of individual traits (Smith, 1982). One example is altruism which refers to a pro-social behavior to benefit others (Krebs, 1970). While consumers tend to engage in ethical consumption due to their altruistic considerations for others (Shaw, Shiu, & Clarke, 2000), it is unknown whether altruistic values distinguish fair trade purchasers from non-purchasers. Considering that altruistic people take an action in the manner to support others, consumers’ altruistic values may provide a useful basis to compare them in the context of fair trade purchases.

Fair trade consumers may engage in ethical consumption due to their concerns about ethical issues such as environmental damage, labor standards, or worker exploitation (Doran, 2009). In the context of apparel consumption, consumers are more responsive to human right related matters than environmental impact. While Kim and Damhorst (1998) did not find a strong association between environmental concerns and apparel consumption, concerns about problems related to workers in the United States or foreign countries predicted consumers’ greater willingness to support socially conscious businesses in Dickson’s (2000) study. However, it is unknown whether ethical concerns help predict fair trade consumption. While concerns about ethical issues refer to worries and interests in environmental or societal problems (Cowe & Williams, 2000), ethical obligation is structured moral rules that help individuals distinguish what is appropriate to behave (Shaw & Shiu, 2002). Hwang and her colleges (2015) examined moral obligation to understand purchase intentions of Gen Y. Three items included measuring moral obligation by asking how moral it is to buy apparel products made of fair trade materials over those produced by conventional clothing companies. Even though the variable was to be an important antecedent of fair trade purchase intention among Gen Y consumers, the current study questions whether buying fair trade goods over standard products should be considered as more moral as some of the mainstream apparel companies perform ethical business practices by paying a fair wage to their factory workers. Thus, the current study measures ethical obligation with more general questions focusing on consumer responsibility towards ethical issues and purchasing products that have less negative impact on the environment and factory workers.
Attitudes toward social responsibility in the apparel and textiles industry also predict ethical consumption. According to Dickson and Eckman (2006), socially responsible clothing and textile businesses put emphasis on the environment and its people with the aim of causing minimum harm to them. Consumers who have positive attitudes toward social responsibility in business are more likely to support such companies that consider ethical issues for their production. For example, Patagonia is well known for its environmental sustainability efforts such as offering Fair Trade Certified™ products and producing goods made of recycled materials. With this campaign, “Don’t Buy This Jacket” in 2011, the company informed consumers to reconsider before buying their products by reminding them of environmental and societal costs of production. While consumers became frugal after the economic depression, the company was able to increase its revenue by 30 percent in 2012 through this message (Thangavelu, 2015). As reflected, consumers are more responsive to socially responsible companies to than those who are not. This study explores consumer attitudes toward social responsibility in the apparel and textiles industry to distinguish fair trade purchasers from non-purchasers. Based on the previous studies related to altruism, ethical concerns, ethical obligation, and attitudes toward social responsibility, hypotheses two (H2) tests whether fair trade buyers are different from non-buyers regarding the traits and attitudes.

**H2: Altruism, ethical concern, ethical obligation, and attitudes toward social responsibility in the apparel and textiles industry will predict fair trade apparel purchase behaviors vs. non-purchase behaviors.**

**Individual Characteristics and Fair Trade Consumption**

Although consumers are willing to buy a particular product, situational or personal circumstances may hinder them from the purchase. In the domain of ethical consumption, feeling concerned or responsible about the environment or unprivileged workers in developing countries may be interrupted by other considerations such as price, recognizable brands, and fashionability.

Price is vital in choosing a product and continuous price-based promotions in the marketplace reflect its significance. Consumers react differently on price in that some consumers are more responsive to it than others. This tendency explains price sensitivity which refers to “the extent to which individuals perceive and respond to changes or differences in prices for products or services” (Wakefield & Inman, 2003, p. 201). Findings of previous studies indicated price as an impeding element of ethical purchases because ethically made products include premiums. Consumers tend to pay extra dollars only when products are ethically certified by reputable organizations (Freestone & McGoldrick, 2008) or when product attributes are commensurate with price levels (Ha-Brookshire & Norum, 2011). Thus, it is likely that price sensitive consumers would choose a different option when the expected value of the product is less than the price range although it has fair trade certification. However, consumers with low price sensitivity would choose an ethical product even though they do not receive the value for the price as they would be more likely to sacrifice the value for other aspects of consumption such as helping the environment or other people around the world.

It is also uncertain whether materialistic consumers would purchase products for socially conscious reasons and choose to sacrifice brand recognition that communicates self-concept. Materialism refers to “the importance a consumer attaches to worldly possessions” (Belk, 1985, p. 291). Materialistic consumers possess goods that signal social status, achievement, and wealth (Presndergast & Wong, 2003). According to Kozar and Marcketti (2011), consumers who show high ethics in their purchase decisions such as avoiding buying counterfeit items are...
less materialistic than those who have buying experiences of copied products. Companies that sell fair trade items are less recognized among consumers, which may make worldly shoppers away from acquiring such product type since materialistic consumers seek apparent product features that signal wealth and status such as logos (e.g., Han, Nunes, & Drèze). Even though a few well-known companies like Patagonia sell products certified to be fair trade, the brand may not be adequate for materialistic consumers to signal their possession. Since materialism is a core value of consumption, it is worth investigating whether this characteristic would help predict fair trade purchases or non-purchases.

For apparel products, interests in the product category would also trigger individuals seeking different types of items or brands and paying attention to related information. A personal characteristic that portrays the statement is clothing involvement, which refers to the extent to which consumers put importance on fashion products in their lives and make much effort for the purchases (O’Cass, 2004). Individuals high in clothing involvement are more likely to have greater knowledge about fashion brands and their products. Fair trade consumers and ethnographic textile collectors tend to share similar characteristics such as expressing personal identity and individuality through purchasing unique items (Yurchisin & Marcketti, 2010). According to Littrell et al. (2005), fair trade buyers consider fashionability and highly valued unique designs of ethnic products. Given that most of the fair trade fashion items are from various countries with unique cultural backgrounds, consumers highly involved in clothing may show greater interests in such products. Following the logics regarding price sensitivity, materialism, and clothing involvement described above, hypothesis three (H3) was developed.

H3: Price sensitivity, materialism, and clothing involvement would predict fair trade apparel purchase behaviors vs. non-purchase behaviors.

Method

A total of 290 apparel shoppers (M = 24.6 years, 60% female and 40% male) answered a paper-pencil survey at shopping areas in the western state of the United States. Seventy-three respondents (25%) of the total participants had reported “yes” to the question of whether they had purchased fair trade apparel goods while 217 respondents (75%) answered “no.” Eighty-one respondents were Gen X (27–47 years old) which was 28 percent of the total whereas 209 respondents were Gen Y (18–26 years old: 72%). The questionnaire included (1) demographics, (2) ethical traits, (3) attitudes toward social responsibility in the apparel and textiles industry, and (4) individual characteristics such as price sensitivity, materialism, and clothing involvement. The section for demographics asked questions for respondents’ age, gender, ethnicity, educational level, and household income (see Table 1).
<table>
<thead>
<tr>
<th>Demographic Variable</th>
<th>Categories</th>
<th>Frequency/Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age (M = 25 years old)</td>
<td>Gen Y: 18–26 years old</td>
<td>174 (72.1%)</td>
</tr>
<tr>
<td></td>
<td>Gen X: 27–47 years old</td>
<td>116 (27.9%)</td>
</tr>
<tr>
<td>Gender</td>
<td>Female</td>
<td>174 (60%)</td>
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<td>Male</td>
<td>116 (40%)</td>
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<tr>
<td>Ethnicity</td>
<td>American Indian or Alaska Native</td>
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<td></td>
<td>Asian</td>
<td>20 (6.9%)</td>
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<td>Black or African American</td>
<td>17 (5.9%)</td>
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<td></td>
<td>Hispanic</td>
<td>31 (10.7%)</td>
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<td></td>
<td>Native Hawaiian and Other Pacific Islander</td>
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<td></td>
<td>White</td>
<td>194 (66.9%)</td>
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<td>Other</td>
<td>22 (7.6%)</td>
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<td>Education</td>
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<td>High school graduate</td>
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<td></td>
<td>Some college or associate degree</td>
<td>118 (40.7%)</td>
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<td>College degree</td>
<td>65 (22.4%)</td>
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<td>Graduate or professional degree</td>
<td>40 (13.8%)</td>
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<tr>
<td>Income</td>
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<td>$20,000 – $34,999</td>
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<td>25 (8.6%)</td>
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<td>$50,000 – $64,999</td>
<td>20 (6.9%)</td>
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<td>$65,000 – $79,999</td>
<td>20 (6.9%)</td>
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<td></td>
<td>$80,000 – $99,999</td>
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<td>$100,000 or above</td>
<td>27 (9.3%)</td>
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Table 1. Demographic Profiles of the Sample

Seven items used to measure altruism were from the Self-Report Altruism Scale developed by Rushton, Chrisjohn, and Fekken (1981). For ethical concerns, a total of eight items were adapted from the New Environmental Paradigm (NEP) Scale (Dunlap, Van Liere, Mertig, & Jones, 2000) along with questions developed by Dickson (2000) and Hustvedt and Dickson (2009). Regarding ethical obligation, five items from the studies by Kaiser and Shimoda (1999) and Sparks, Shepherd, and Frewer (1995) were adapted, and two items were created by the researchers of the current study. Ten questions developed by Dickson (1999, 2000) and Creyer and Ross (1997) examined attitudes toward social responsibility in the apparel and textiles industry. A total of four questions from Anglin, Stuenkel, and Lepisto (1994) as well as Goldsmith and Newell (1997) measured price sensitivity. Items created by Richins and Dawson (1992) measured materialism, and seven questions by Mittal (1995) and Mittal and Lee (1989) examined clothing involvement. All of the questions used a seven-point Likert scale (1 = strongly disagree to 7 = strongly agree). Principle component analyses showed that all multi-item constructs appeared to be one factor, except that ethical concerns emerged with two factors: 1) concern for environment and 2) concern for production) and that ethical obligation emerged with two factors: 1) personal contribution and 2) self-obligation. Reliability analyses showed that all constructs and factors had acceptable Cronbach’s alpha values between 0.76 and 0.92 (Nunnally, 1971).
Results

A hierarchical binary logistic regression was conducted in which the purchase experience of fair trade apparel products (0 = no previous fair-trade purchases and 1 = previous fair-trade purchases), gender (0 = female and 1 = male), generational cohorts (0 = Gen Y and 1 = Gen X) were categorical variables and the constructs described in the method section were the continuous independent variables. The regression model is useful for the data with clustered structures and a binary dependent variable (Wong & Mason, 1985). The regression process allows researchers to create blocks that have a fixed order of variables to control for the influence of covariates or to examine the impact of particular independent variables above and beyond the effects of others (Wong & Mason, 1985). For the current study, demographic variables were entered in the first block, followed by ethical traits along with attitudes toward social responsibility in the apparel and textiles industry in the second block, and individual characteristics in the third block. The Omnibus test of the model coefficients was significant (Chi-Square ($\chi^2$) = 89.55, $df$ = 28, $\rho < .001$). The Nagelkerke R Square depicted that 46.7% of the variation in the outcome variable are accounted for by this logistic regression model. Further, Hosmer and Lemeshow test indicated that the regression model showed an appropriate goodness-of-fit. The chi-square ($\chi^2$) value for the test is 5.27 with a significance level of .729. The value is larger than .05 which indicates a good fit of the model (Chi-Square ($\chi^2$) = 5.27, $\rho = .729$). Since the Goodness of Fit Test developed by Hosmer and Lemeshow points out a significance result below .05 as a poor fit, the model of the study was supported (Pallant, 2005).

According to the test for hypotheses, fair trade apparel purchasers were predicted by female ($\beta = -1.02$, $p < .05$), from Generation X ($\beta = 2.27$, $\rho < .01$), with higher levels of education (graduate or professional degree, $p < .05$), and income ($100,000 or above, p < .05$). The model had five levels of education, including less than high school graduate, high school graduate, some college or associate’s degree, college degree, and graduate or professional degree. The reference point for education was the highest level, graduate or professional degree. This education level showed a statistical difference from college education. In this example, respondents with graduate or professional education degree were more likely to be fair trade purchasers than those with college degree. Furthermore, there were seven levels of income from $19,999 or less to $100,000 or above. This level was compared with six other levels and the results showed that the highest income level was statistically different from $65,000 – $ 79,999 as well as $80,000 – $99,999 at the significance level of .05. Thus, H1 was supported.

When controlling for the demographic factors, higher levels of altruism ($\beta = .70$, $p < .01$), personal contribution ($\beta = .50$, $p < .05$), and attitude towards socially responsibility in the apparel and textiles industry ($\beta = .78$, $p < .01$) help predicted fair trade purchases vs. non-purchases. There were two factors that explain ethical concerns: 1) concern for environment and 2) concern for production. The results was marginally significant for the latter factor ($\beta = .36$, $p = .09$), but concern for environment showed a statistical significance ($\beta = -.76$, $p < .01$). However, the effect of the environmental concern on the purchase of fair trade was negative in that concern about the environment played a more important for fair trade non-purchases than fair trade purchases. Hence, H2 was partially supported.

After controlling for the demographics along with ethical traits and socially responsible attitude, results showed that higher levels of clothing involvement predicted fair trade purchase of apparel products ($\beta = .45$, $p < .05$), but price sensitivity and materialism did not ($\beta = -.08$, $p = .55$; $\beta = -.30$, $p = .15$, respectively). Therefore, H3 was also partially supported. See Table 2 for the regression results.
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<th>B</th>
<th>S.E.</th>
<th>Wald</th>
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<td>Concern for production</td>
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<td>.09</td>
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<td>4.99</td>
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<td>Self-obligation</td>
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<td>.19</td>
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<td>Attitude toward socially responsible businesses</td>
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<td>.27</td>
<td>8.52</td>
<td>&lt;.01</td>
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</tr>
<tr>
<td>Clothing involvement</td>
<td>.45</td>
<td>.21</td>
<td>4.75</td>
<td>&lt;.05</td>
</tr>
</tbody>
</table>

Table 2. Logistic Regression Results for the Hypotheses

**Discussion and Conclusions**

The purpose of this study was to predict fair trade purchase behaviors vs. non-purchase behaviors by examining demographic backgrounds, ethical-related variables, and individual characteristics. In contrast to previous findings, the first hypothesis showed gender to be a significant factor in fair trade consumption. Unlike the finding of Littrell and her colleges (2005) who did not find the effect of gender, the current study found that females were more likely to be fair trade purchasers than males. The finding may be because the current study focused on fair trade apparel products and females tend to purchase more apparel than males (O’Cass, 2004; Pentecost & Andrews, 2010). While previous studies focused on Gen X (Littrell et al., 2005) or Gen Y (Han & Stoel, 2016; Hwang et al., 2015), this study investigated which of the two generations was more inclined to purchase fair trade apparel products. According to the finding, the older group tended to shop more for fair trade goods compared to the younger group. With consideration of the roles of education and income, the result was consistent with the effect found in the study of Ma and Lee (2012) in that fair trade buyers showed higher education and earnings than non fair trade buyers. It seems evident that consumers with higher education may also be more knowledgeable about products, especially those products that have less negative impact on the environment and society, and thus show greater interests in such products (Finisterra do Paço, Barata Raposo, & Filho, 2009; Starr, 2009). When it comes to the role of income in ethical consumer behavior, there have been inconsistent findings from extant research. In the context of sustainable consumption and post-consumption behavior, middle-income consumers reported more active consumption practices throughout the consumption cycle than those in higher income in one study (Abeliotis, Koniari, & Sardianou, 2010). However, the participants in the highest income level of the current study were more likely to be the buyers of fair trade products. This finding shared the same pattern shown in other studies.
Ethical traits such as altruism, ethical concerns, and ethical obligation along with socially responsible attitudes were also able to differentiate fair trade purchase behaviors from non-purchaser behaviors. Similar to the study done by Ma and Lee (2012) who revealed benevolence as a fundamental personal value that fair trade buyers tend to possess, this study was also able to connect altruistic value to fair trade consumers. These results make it obvious that fair trade purchases are partially driven by consumers’ motivation to help impoverished farmers and producers around the world. However, the second hypothesis was partially supported because ethical concerns (concern for production) and ethical obligation (self-obligation) did not help predict fair trade purchases vs. non-purchases. The production of fair trade products has two goals: (1) minimizing the harmful impact on the environment and (2) helping workers and producers (Fairtrade America, n.d.). This study incorporated two types of concerns that consumers may have about fair trade consumption for the first time. However, ethical concerns did not help predict fair trade purchases. One factor of the construct (i.e., concern for production) showed a marginal positive significance, whereas the other factor (i.e., concern for the environment) revealed a negative statistical significance. Unexpectedly, fair trade non-purchasers reported higher levels of general environmental concerns than those who have experiences in purchasing fair trade goods. The most plausible reason of the finding could be that ethical concerns are less effective in predicting ethical consumption (e.g., Shaw, Shiu, & Clarke, 2000). The unexpected finding could also be explained by the fact that some consumers just limit consumption due to their concerns for the environment (e.g., Shaw & Newholm, 2002). The participants who showed more concerns for the environment might believe that consumption is not desirable even though it is fair trade. For the other factor of ethical concerns, the participants were not different in the levels of their concerns for the environmental and social impact of apparel production. Consumers may feel less concerned about the fair-trade apparel production considering that it is mostly handmade and not mass produced which requires substantial energy consumption. Ethical obligation was also found to have two factors: personal contribution and self-obligation. Only the first factor distinguished fair trade purchases vs. non-purchases. Although the extent to which the participants felt obliged to the environment and society did not predict whether they would make fair trade purchases or not, greater belief toward their contribution to ethical issues such as environmental and societal problems did help explain the difference in their purchase behaviors of fair trade apparel. This finding is similar to what previous studies found related to the effect of ethical obligation on fair trade consumption (Hwang et al., 2015; Shaw et al., 2000), even though the current research specifically identified personal contribution (one factor of ethical obligation) as the most effective ethical trait that linked to fair trade purchases. In addition to the three types of ethical traits, differences in attitudes toward social responsibility in the apparel and textiles industry were also evident between the two consumer groups. Attitudes toward socially responsible activities of apparel and textiles companies helped predict fair trade purchases vs. non-purchases. Consumers with positive attitudes toward socially responsible activities of apparel companies believed that clothing companies should be ethical, but were also willing to pay premiums and travel more miles to support such businesses. Labels designating socially responsible activities were important for them to identify socially responsible manufacturers and patronage them, similar to the finding of Hyllegard, Yan, Ogle, and Lee (2012).

The final set of variables in the hierarchical regression model were price sensitivity, materialism, and clothing involvement. Among the individual characteristics, only the extent to which consumers were involved in clothing was associated with fair trade purchases. Willingness to pay a premium for ethically made products has been one of the favorite topics
in ethical consumer behavior (Freestone & McGoldrick, 2008; Ha-Brookshire & Norum, 2011). Consumers are willing to pay more for ethical products; therefore, price sensitivity may not be a good indicator of fair trade consumption. The prices for fair trade products vary to a great extent (e.g., $15 cotton shirts on everlane.com vs. $35 cotton shirts on patagonia.com) that can be cheaper or more expensive than the same types of products without fair trade certification. Thus, it is hard to distinguish fair trade consumption based on how sensitive or insensitive consumers are toward the price points. Likewise, materialism did not support the hypothesis as well. Materialists tend to value possession of objects and acquire goods to signal success, achievement, and wealth (Belk, 1985; Richins & Dawson, 1992). According to Belk (1985), materialists display possessiveness, non-generosity, and envy. While possessiveness refers to consumers’ tendency to control or retain ownership of goods, non-generosity portrays that materialists avoid sharing their possessions with others. Further, materialistic individuals are envious toward people due to their ownership, reputation, or success. From his viewpoint of materialism, consumers with high levels of materialism may not be as interested in buying fair trade products. It is presumable that possessing fair trade goods itself can be associated with materialism, or fair trade consumption is another way of showing conspicuous altruism (Van Vugt, Roberts, & Hardy, 2007). Although materialistic consumers tend to engage in visual purchases to improve their social status (Christopher, Marek, & Carroll, 2004), it is unknown whether fair trade consumption has an association with any factor of materialism. Finally and most importantly, clothing involvement solely differentiated buyers from non-buyers. Fair trade apparel or fashion items are unique among the types of ethical products in that they have designs and details with various cultural characteristics and authentic values. Due to the product attributes, a previous study identified preference toward ethnically inspired clothing and wearing behavior as predictors of greater purchase intention for fair trade apparel (Littrell et al., 2005). Individuals highly involved in fashion goods display enthusiasm to search for such products and show greater knowledge on related information (O’Cass, 2004). In this respect, it is more likely for consumers high in clothing involvement to show interests in fair trade apparel items and buy them more frequently.

Implications and Future Research

Investigating several sets of variables closely related to ethical consumption contributed to the literature in the context of fair trade consumer behavior. Generation X and Y purchasers have been favorite targets among researchers from various domains including advertising (Bush, Martin, & Bush, 2004), decision-making styles (Bakewell & Mitchell, 2003), and ethical consumption (Han & Stoel, 2016; Hwang et al., 2015). While researchers focused on the two generational cohorts in their separate fair trade research, this study has broadened knowledge about the groups in their ethical consumption by incorporating them. Other demographic factors such as education and income also supported the previous findings. While previous researchers did not identify gender differences in fair trade consumption (Halepete et al., 2009; Littrell et al., 2005), the study added information regarding the influence of gender. These findings related to demographics are useful for marketers and advertisers. Considerable marketing and advertising efforts toward female consumers, especially those who are Generation X, can be practical to enhance fair trade product awareness among consumers in the generational group and potentially increase profitability.

Further, the study revealed that ethical obligation was a more powerful predictor of fair trade purchases than individual concerns for ethical issues (Shaw et al., 2000). Unlike other studies, the construct was divided into two factors: personal contribution and self-obligation. Previous studies identified its strong role to predict ethical consumption, whereas the current study
specifically found a stronger effect of personal contribution. That is, the fair-trade purchasers of the study demonstrated that they could help the environment and society than did the non-purchasers. Based on this result, companies may create advertising primed to feel a responsibility toward ethical problems by assuring that their personal efforts can change business practices, which can help the environment and people associated with production. This study is correlational, but future research can explore ethical concerns and obligation in the experimental paradigm to investigate the effect of the two different primes on attitudes and willingness to purchase fair trade product associated with each prime.

Clothing involvement did play a role in the fair trade apparel purchases. The finding provides a crucial insight to apparel producers and marketers to approach potential customers and efficiently communicate with them. Even though more studies are required to identify fashion styles that fair trade customers would prefer (i.e., ethnic uniqueness vs. trendy fashionability), this finding is useful for producers to consider when they design fair trade apparel as the result of the study suggested that consumers with a higher level of interest in clothing are more likely to purchase fair trade apparel. Fair trade apparel producers may focus on creating unique apparel designs and details in order to add value for the specific product category and increase sales. Also, instead of offering messages with the reason to support fair trade or explaining how it helps the environment and others, creating an appealing advertisement with fashion trends or providing information with the authentic procedure of fair trade production would attract customers more successfully.

Finally, price sensitivity and materialism did not help predict fair trade apparel purchase behaviors. As Richins and Dawson (1992) mentioned, materialism is a composite construct of various factors that include success, centrality, and happiness. Based on the scale developed by the researchers, materialistic individuals tend to gauge success by owned objects, consider possession of products critical to their lives, and feel unsatisfied when they do not own what they want. In association with conspicuous altruism reviewed by Fine (2010) and White and Peloza (2009), it is interesting to know whether consumers buy fair trade goods for their sake to signal social status or indeed to help poor workers and producers across the world.
References


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