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CONSUMER ATTITUDES AND POLICY-MAKER VIEWS ON SUSTAINABLE CONSUMPTION AND PRODUCTION: A BASELINE EVALUATION

Response by Fairtrade International to a baseline evaluation for the EU-funded project '*Trade Fair, Live Fair: Raising awareness and mobilizing the European public to advance consumption patterns that nurture the Sustainable Development Goals*'

THE STUDY AT A GLANCE

INTRODUCTION

Trade Fair, Live Fair, launched in 2017, is a three-year project funded by the European Union (EU) that brings together 21 organizations¹ in the fair trade and ethical fashion movements across Europe to raise awareness and mobilize European citizens to drive changes towards achieving sustainable consumption and production in line with Sustainable Development Goal (SDG) 12 and other related SDGs (1, 5, 8, 13). By focusing on influencing consumers' choices and shaping policy decisions that impact the availability of sustainably produced products, the project ultimately aims to promote more resilient livelihoods for farmers and workers, especially in the global South. In 2018, independent consulting firm Global CAD conducted a baseline study examining different aspects the project aims to address. The recommendations developed by Global CAD will be used for effective *Trade Fair, Live Fair* project implementation, and will also be valuable to all stakeholders who work and advocate for ethical and environmentally friendly choices. The results will also serve as a benchmark for the project and allow progress to be measured over time.

METHODOLOGY

The researchers developed a multi-pronged approach to gather information and analyse 1) public attitudes on fair trade and ethical consumption, and 2) EU decision makers' views on sustainable production and consumption. The researchers also reviewed internal project documentation and the monitoring and evaluation framework in order to strengthen project management and set the groundwork for measuring the project's impact (the findings of which are internally relevant only and are not published).

The public attitudes research consisted of a literature review and a consumer survey. The literature review included recent studies and reports on EU citizens' attitudes, motives and actions related to fair trade and ethical consumption. From this, the researchers compiled 10 country fact sheets based on Eurobarometer survey results (for Belgium, Denmark, France, Germany, Italy, Netherlands, Portugal, Spain, Sweden, and the United Kingdom [UK]). The consumer survey was conducted across 5,000 consumers age 16 to 75 in five European countries (France, Germany, Italy, Spain and the UK). The survey included questions on fashion and textile products, the findings of which were [published separately](#) by Fashion Revolution. The baseline study report analysed the survey data related to food/drink and cosmetics/toiletries. An endline consumer survey will be conducted in the final year of the *Trade Fair, Live Fair* project to measure the change and progress achieved through project interventions.

¹ The consortium partners are: Fairtrade International (lead), Coordinadora Estatal de Comercio Justo, Equo Garantito, Fairtrade Czech Republic and Slovakia, Fairtrade Denmark, Fairtrade Finland, Fairtrade Foundation UK, Fairtrade Germany (TransFair), Fairtrade Italy, Max Havelaar France, Fairtrade Poland, Fair Trade Advocacy Office, Fashion Revolution, Fédération Artisans du Monde, Forum Fairer Handel, Oxfam – Magasins du Monde, Plate-Forme pour le Commerce Equitable, Swedish Association of Fair Trade Retailers, Traidcraft Exchange, World Fair Trade Organization, World Fair Trade Organization Europe.



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The research on EU policy maker views consisted of 13 semi-structured interviews, namely with five members of the European Parliament (MEP), four officials of the European Commission (EC), and four representatives of civil society organizations. Interview participants were recommended by project partners, particularly by the Fair Trade Advocacy Office. Interview results were analysed through a combination of qualitative methods (identification of themes) and quantitative methods (descriptive statistics of the responses).

FINDINGS & RECOMMENDATIONS

FINDINGS

The **literature review** looked at two main areas: 1) current status of ethical consumption in the EU, and 2) factors influencing ethical consumption.

Current status of ethical consumption: Key findings are that while a high percentage of consumers buy products that carry an ethical label such as Fairtrade, a much lower percentage (21%) see themselves as 'helping developing countries' when they make ethical shopping choices – in other words, consumers don't always see the connection between buying fair trade and making an impact in developing countries. According to a 2018 Eurobarometer survey of 28 countries, 32% of respondents said that 'eco-labels' play a role in their purchasing decisions, while 25% said that they are not important. The most frequent answer given by the respondents was that they never take any notice of labels, mentioned by 39%.

The Eurobarometer survey also showed that the likelihood of buying ethical products varies depending on country as well as on socio-demographic factors: it increases with the level of education and is higher among managers, the self-employed, students, women, people between ages 25 and 54, people with financial stability, and politically left oriented consumers

Factors influencing ethical consumption: There is limited research on consumers' awareness of global sustainability issues and the link to production and consumption of consumer goods. Research on label recognition was reviewed, including differences between countries (e.g., the Fairtrade label is most recognized at 37% across all 28 European countries according to a 2018 Eurobarometer report, but ranges from 3% in Spain to 88% in the Netherlands). A large majority of EU consumers are in favour of helping people in developing countries, and some studies have looked at differences characteristics that may influence ethical buying choices (e.g., socio-economic factors, or individualistic versus collectivistic cultures). Perceived barriers to buying fair trade products include too high prices, brand loyalty and habits, and insufficient knowledge about labels. A higher share of consumers in northern and western Europe (up to 80%) seem to be willing to pay more for ethically produced products than those in eastern and southern Europe (less than 20%).

The **consumer survey** focused further on sustainable consumption, specifically on attributes that influence consumers' choices and what they want from brands.

Environmentally friendly production and fair wages are among highest ranked sustainability product attributes: Surveyed consumers said that products being produced in a way that is not harmful to the environment and products grown by workers paid a fair, living wage were two of the important sustainability attributes they consider when buying food and drink, mentioned by 38% and 32% of consumers respectively. For cosmetics and toiletries, these attributes were mentioned by 44% and 26% of consumers respectively.

Production without harming animals was also mentioned by 32% of consumers related to food and drink, and by 43% for cosmetics and toiletries. Food being produced in safe working conditions was



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cited by 23% while organic production was cited by 15%. Organic production was rated higher for cosmetics and toiletries than for food (mentioned by 24% of consumers), while safe working conditions was rated slightly lower than for food (20%).

Consumers are most interested in where product ingredients come from, and knowing how their food was produced: The majority of surveyed consumers value transparency from companies on sustainability issues. The highest percentage of shoppers said they want food companies to tell them where the ingredients in their products come from (75%), while 73% want to know how their food is produced. How companies protect workers' rights is also important, with 61% wanting this information. While age differences overall were minimal, the youngest age bracket tended to show the highest interest in social and environmental aspects.

A strong majority of consumers want brands to play a role in addressing sustainability issues like poverty and climate change: Regardless of age, income or gender, consumers consistently want food brands to take action on key sustainability issues, including tackling global poverty (important to 84% of respondents), environmental protection (88%), climate change (85%) and gender inequality (77%).

Consumers see a role for governments in promoting sustainable consumption: More than seven out of ten consumers agreed that governments should play a role in supporting ethical purchasing. As with other questions in the survey, women tend to feel slightly more strongly about this than men, with 75% of women agreeing that governments should make it easier to purchase food produced in a sustainable way, compared to 68% of men.

The majority of interviewed **EU decision makers** also agreed that strict legislation is needed to strengthen sustainable consumption and production and that current policy is not sufficiently effective. Most favour mandatory standards and requirements for businesses above voluntary systems such as incentives and awards. Interviewees gave top priority to the broad issues of decent working conditions and environmental protection. Within these priorities, policy makers pointed to transparency and balance of power in supply chains, as well as human rights and occupational health and safety on farms as specific areas to improve.

As for barriers, policy makers highlighted the role of big business, including a concentration of power that allows big companies to drive unsustainable supply chain practices as well as policy agendas, and a focus on short-term financial gain. Current policies focus more on environmental regulations than the social aspects of sustainability. Policy makers also pointed to the need to create consumption and production patterns that fit within the limits of the planet.

RECOMMENDATIONS

While this is a baseline study, meaning the project activities are intended to have an impact on the described state of consumer and policy maker perceptions, the researchers make some recommendations relevant for the *Trade Fair, Live Fair* consortium partners.

- The potential remains large to increase public awareness of sustainable production and how buying choices can make a difference. Country-specific context, including socio-economic and cultural factors, can vary significantly and should be taken into account, for instance for future communication and awareness-raising campaigns and related strategies.
- A solid research strategy needs to be developed to better understand attitudes and behaviour toward ethical consumption throughout the EU, serving as basis to advance ethical consumption and fair trade.
- The Fair Trade movement has an important role to play in raising consumers' awareness about sustainable consumption and production issues, resulting in changed consumption patterns and also increased likelihood that citizens will support public policies that address



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these issues.

- Some opportunities raised by the EU decision makers that the *Trade Fair, Live Fair* consortium partners could consider addressing are: 1) further differentiating the Fairtrade label in relation to other sustainability labels, particularly Fairtrade's impact on fairer prices and farmer and worker incomes; 2) continued efforts to try to reach actors in different policy areas and from across the political spectrum; 3) discussions on how the fair trade movement positions itself towards sustainable consumption models based on shorter supply chains, local production or reduced consumption.

FAIRTRADE'S RESPONSE TO THE FINDINGS

We welcome these baseline findings and recommendations. The additional insight they offer into public awareness and consumer preferences around ethical production and consumption are relevant for our understanding and for the entire fair trade movement to build on, in the activities of the *Trade Fair, Live Fair* project and beyond. In particular the high value that consumers place on sustainability issues is very positive, while opportunities to further increase awareness have been identified. We have disseminated the report to consortium partners, including 19 national Fairtrade organizations and 8 Fairtrade marketing organizations, who are each responsible for promoting Fairtrade in their national markets.

The information in the report supports actors in the fair trade and ethical fashion movements to further tailor their consumer campaigns to local information needs and awareness gaps. This includes for example the need to stress the relationship between product prices and ethical production, which relate directly to living incomes for farmers and living wages for workers, both of which are priorities for consumers. Higher prices also enable producers to take steps to tackle challenges like climate change and gender inequality. Because Fairtrade believes that price has to be part of the solution to achieve sustainable production, we will continue to build awareness about this issue, alongside our commitment to Fairtrade's unique minimum price model and set premium payments that put additional funds directly in the hands of farmers and workers to invest as they choose.

In terms of the recommendation from EU decision makers that Fairtrade should further differentiate the Fairtrade label, we value this finding as part of our ongoing consumer and impact research. GlobeScan consumer research on Fairtrade consistently shows it to be the most recognized ethical label in major global markets. Since no single scheme can solve some of the deeply entrenched challenges in global trade systems, we also believe strongly in collaborating with other organizations to address sustainability. The Global Living Wage Coalition and the Living Income Community of Practice include some of the same partners of the *Trade Fair, Live Fair* consortium, and aim to enable farmers and workers to earn incomes that allow them to sustain a life in dignity.

Finally, we agree that environmental priorities – while still offering room for improvement – have thus far gotten more traction in terms of EU policy than the social aspects of sustainability. Nonetheless, in addition to living income and living wage, human rights due diligence is an example of a social issue that has become an important area of focus for policy makers and companies.

REFLECTIONS AND NEXT STEPS

Trade Fair, Live Fair consortium partners will continue to mobilize the public to drive change and raise issues with policy makers on all levels. The report provides some insights into possible risks and opportunities. An example is that EU decision makers favour mandatory standards and requirements for businesses over voluntary systems such as incentives and awards. This suggests the need for continued advocacy from the fair trade movement with decision makers to create the legal framework



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that makes sustainable production and consumption increasingly the norm.

The upcoming elections for the European Parliament in May 2019 are a good moment to take these recommendations further. Through the coordination of the Fair Trade Advocacy Office, *Trade Fair, Live Fair* partners have organized campaigns to solicit the candidates' commitments on sustainable consumption and production. Responding to this study's findings that southern and eastern European countries typically lag in awareness and action on ethical shopping, Fairtrade International has engaged eight civil society organizations in these regions (Cyprus, Greece, Poland, Portugal, Romania, Slovakia and Slovenia) to advocate for sustainability agendas with their national European Parliament candidates.

In general, the findings on consumer attitudes and preferences will help consortium partners, including Fairtrade, to shape their interventions in such a way that they do not only continue to be increasingly beneficial to small farmers and workers, but also to assure that they continue to be appealing to consumers, whose demand for fairly traded products is critical to driving benefits for disadvantaged producers.