

EXTRACT 1

Based on the data presented, the following conclusions can be drawn:

- the crucial Fair Trade products include coffee, cocoa, bananas and cane sugar;
- the value of retail sales of Fair Trade production has increased five times over the past eight years (2004–2011);
- the main two importers of Fair Trade production in the years 2004–2011 were the United Kingdom and the United States. The share of these countries in the sold production exceeded 50% in the analysed period;
- majority of all farmers and workers within the Fairtrade system lived in Africa;
- some economists perceive many negative aspects of Fair Trade: harmful intervention, unethical money allocation, corruption and overproduction argument are the most negative aspects of Fair Trade considered by them. The authors agree with the majority of noted negative aspects of Fair Trade but cannot share opinion about harmful intervention caused by Fair Trade rules;
- according to the authors the idea of Fair Trade movement is a valuable one and is worth popularising.

Wielechowski, M., & Roman, M. (2012). The essence of fair trade and its importance in the world economy. *Acta Scientiarum Polonorum. Oeconomia*, 11(4), 47-57.

EXTRACT 2

Several important strategic implications for fair trade retailers targeting the young female consumers emerged in this study. These consumers were found to be more likely to purchase fair trade products in the categories of jewellery, apparel accessories, and home decoration items (see Table I). They also had strong expectations about fair trade products exhibiting an ethnic appearance, uniqueness, and authenticity.

These findings are to some extent in line with current research, which has articulated that Generation Y consumers are fashion-conscious (Seock and Bailey, 2008; Hindustan Times, 2009). In addition, the considerable interest in jewellery and personalized accessories has been demonstrated among the young consumers in general (Solotaroff, 2006). The Generation Y population spends far more on jewellery compared to other generations when they were at that age (MJSA Journal, 2011); thus, the jewellery industry has been targeting primarily this particular consumer cohort. Therefore, it is recommended that fair trade retailers emphasize the distinctive and genuine features of handcrafted fair trade products, particularly in such product categories as jewellery, apparel accessories, and home decoration items that would appeal to a young cohort of female consumers. This consumer segment is also found to be receptive to marketing messages if they are pertinent to them (Cheng, 1999). Therefore, casting college-aged models in fair trade catalogues or featuring images of young consumers using fair trade products on web sites could promote purchases by the younger generation.

This is supported by previous studies that highlighted a fit between a product and a model featured in the advertisement (Chen and Huddleston, 2009) and the similarity between target consumers and sales people (Johnson-Hillery et al., 1997).

Jin, Y., Littrell, M. A., & Niehm, L. (2012). Young female consumers' intentions toward fair trade consumption. *International Journal of Retail & Distribution Management*, 40(1), 41-63.

EXTRACT 3

While 'fair trade' as a movement was undoubtedly launched in Britain and in the Netherlands in the 1980s, it had spread worldwide within twenty years. A conference at Kilkenny in 1991 under the presidency of Mary Robinson, then the

President of Ireland, brought together those involved in 'alternative trade' from the North and the South and established an International Federation for Alternative Trade (IFAT), which drew up agreed principles of 'fair trade' and has subsequently held biennial meetings to spread the message (author's own report of his keynote speech at Kilkenny). All the developed countries of the North have fair trade organisations and fair trade goods for sale generally in their supermarkets. Total sales worldwide were estimated to be some £758 million in value in 2005. The contribution of the UK was the largest of any single market at £195 million (Guardian Unlimited, 28 June 2005). These are, of course, minuscule figures out of a world total annual trade in goods of over a thousand times those sums. Even taking only those products in which 'fair trade' operates, the proportion of fairly traded is less than 1%. In the UK coffee market, Cafédirect provides a special case, supplying almost 10% of the coffees sold (Cafédirect, 2004/05).

While the base is still very small, the rate of growth is phenomenal: world sales of fair trade products grew by more than a third in 2005. In the UK, Cafédirect's sales grew in the same year by 14% to some £20 million in a stagnant coffee market (Ibid.). At the same time, Day Chocolate's sales topped £7 million, an increase of 25% over the previous year (Day Chocolate Co., 2004/05). What is most important, more and more of the giant retailers are offering fair trade goods. This does raise some problems: US fair trade enthusiasts complain that Starbucks makes much of the fact that they are a fair trade company while the proportion of fair trade coffees they sell is minimal with no agreed plan for an increased share. The most obvious one was raised when Nestlé announced that they were offering a 'fair-trade' coffee supplied from Ethiopia and it was duly granted the fair trade mark (The Guardian, 2006:27). Investigation showed that it really did comply with the fair trade criteria, but this Ethiopian coffee only comprised 0.02% of Nestlé's coffee sales and there was no agreement with the FLO for a minimum proportion of coffee from fair trade sources or for any future increase. More serious, it transpired that when the Body Shop sold out in 2006 to Loréal, Nestlé had a 25% share. Prior to that, TWIN had persuaded the Body Shop to invest in the Day Chocolate Company, so that Nestlé then was due to become a part owner of a leading fair trade company. Fortunately, the Roddicks, owners of the Body Shop, decided to give their Day Chocolate shareholding to the Ghanaian farmers' cooperative which was part-owner of Day – a wonderful precedent for any giant international corporation wishing to help poor African farmers.

Brown, M. B. (2007): 'Fair Trade' with Africa, *Review of African Political Economy*, 34:112, 267-277