

THE ROLE OF BRAND UTILITIES: APPLICATION TO THE BUYING INTENTION OF FAIRTRADE PRODUCTS

ABSTRACT

The authors focus on the ethical consumption and propose a model of buying intention of Fairtrade products, including the utilities of the Fairtrade brand as direct determinants. The authors measure the functional and symbolic utilities provided by this brand, together with the attitude toward the commercializing organizations, consumer concern and perceived knowledge about fair trade issues. The model is tested through a structural equation model on a sample of members (students, lecturers and staff) of a “Fairtrade University”. The results confirm that perceived functional utility is the most important antecedent of the buying intention, while the symbolic dimension has a significant but weaker explanatory power. Conversely, the consumer attitude toward the organization has no influence. The authors also highlight the importance of communication and concern to stimulate consumer behaviour.

KEYWORDS

Fairtrade, not for profit marketing, brand equity, ethics,

1. INTRODUCTION

It has long been observed that consumers are increasingly interested in the social and ethical components of the products (Andorfer and Liebe, 2015). In this sense, ethical trade initiatives, such as fair trade, have arisen in the context of economic globalization, and they have acquired considerable prominence in recent years (Benzencon and Blili, 2010). Fair trade is an alternative market approach that aims to improve the well-being of small producers in developing countries (Randall, 2005). It implies a long-term and direct relationship with the producers, with a price for the products that covers the production costs and a premium that organizations can reinvest either in business or in social and environmental schemes amongst the wider community (Wright and Heaton, 2006).

This alternative trade experienced a period of expansion in the early 1990s in Europe, Japan and North America (Wright and Heaton, 2006), and currently the fair trade products sales keep in constant increase (Yamoah et al. 2016). However, its market share remains still very small compared to traditional commodity networks, leaving much room for market growth (Schollenberg, 2012). This fact makes specially interesting the study of this ethical purchase. It is necessary a better understanding of consumer buying behaviour, in order to engage the interest of the mass market and attract more and more new consumers (Cailleba and Casteran, 2010).

Academic literature about fair trade is growing. From the quantitative perspective, it is common to find different versions of hierarchical beliefs–attitudes–behaviour models, supported on the Theory of Planned Behaviour (Ajzen, 1985), such as Shaw et al. (2000), Shaw and Shiu (2002), Shaw and Shiu (2003), Ozcaglar-Toulouse et al. (2006) and Yamoah et al. (2016), as well as models inspired in this theory but incorporating new constructs with potential influence on the buying intention (De Pelsmacker and Janssen, 2007; Kim et al. 2010). These authors highlighted the lack of understanding on what

determines consumers' responses to fair trade products, and the need of analysing new proposals. To shed further light on this issue, we take as a basis the De Pelsmacker and Janssen (2007) and Kim et al. (2010) works and propose a new model which includes constructs that have hardly been measured in this field empirically.

In the first place, we consider the consumer-based brand equity. Taking into account the works of Kamakura and Russell (1991), Cobb-Walgreen et al. (1995) and De Chernatony (1993), Del Río et al. (2001) and Vázquez et al. (2002) define consumer brand equity as the overall utility that the consumer associates to the consumption of the brand, including associations expressing both functional and symbolic utilities. The functional utility is linked to "doing good" (De Chernatony, 1993) and it meets the practical needs of consumers, whereas the symbolic utility refers to the emotional evaluation of the brand.

The consumer-based brand equity and, specifically, its utilities associated have not been measured in the fair trade realm. With regard to this, Fairtrade mark has proved to be very effective in generating overall brand awareness (Nicholls and Lee, 2006). Opposite the little or no coherence across specific brands, Fairtrade becomes the only consistent feature on products (Nicholls, 2002), and the one that distinguishes them from their competitors (Castaldo et al. 2009). Consumer perceptions about it may serve as a halo for the attributes of the products, influencing consumers' responses (Kim et al. 2010), so it is advisable to promote the Fairtrade mark as a brand or meta brand (Nicholls, 2006; Wright and Heaton, 2006; Bezencon and Blili, 2010; Griffiths, 2012), becoming a master brand, that is, the umbrella for various products offered (Saunders and Guoqun, 1997).

The Fairtrade brand has an identification function; at the same time, it has many possibilities to generate functional and symbolic utilities to consumers, that is important to measure. Functional issues related to fair trade products and its commercialization have been studied (De Pelsmacker et al. 2006; De Pelsmacker and Janssen, 2007; Kim et al.

2010; Yamoah et al. 2006), but no previous research has measured the functional utility of Fairtrade brand as a multidimensional concept. With regard to symbolic utilities, related to psychological issues linked to the buying, to the best of our knowledge they have not yet been included in models of buying intention. Against this background, this research aims to provide the two first contributions to the academic literature on this topic: a) to measure Fairtrade brand utilities, both functional and symbolic; b) to test empirically their direct effect and explanatory power of the buying intention.

In the second place, we study the influence of the attitude toward the companies that sell Fairtrade products. In general terms, past research suggests that corporate evaluation can be separated from product evaluation and that the attitude toward the corporate brand has a direct and positive influence on product evaluations (Keller, 1993; Berens et al. 2005) and behavioural intentions (Goldsmith et al. 2000; Lafferty et al. 2002). In this sense, Kim et al. (2010) analysed a for-profit company (Starbucks) and showed its influence on the buying of fair trade products depending on the country analysed. However, the fair trade movement is mainly characterized by networks of relatively small companies, non-profit organizations (NPO), rather than large, profit-making corporations. Llopis (2007) found that one key factor influencing the consumption of fair trade products is trust in these social entities, but this issue has not been included in intention models of these type of products. Its possible impact on the perception of brand utilities have not considered either. Therefore, the third contribution of the article is: c) to analyse the possible influence of consumer attitude toward the retailing social entity on the intention model.

Finally, the model is completed with the inclusion of consumer concern or general attitudes towards the fair trade issue (Shaw et al. 2000; Shaw and Shiu, 2002; Castaldo et al. 2009), and the perceived knowledge (De Pelsmacker and Janssen, 2007). Knowledge has been identified in qualitative studies as a very important issue to promote

consumption and influence on attitudes (Wright and Heaton, 2006; Bray et al. 2011), so it must have a key role in the intention model (De Pelsmacker and Janssen, 2007). This one leads us to the fourth contribution: d) to test the influence of knowledge perceived and concern about fair trade issues on the explanatory variables of buying intention.

All in all, the challenge to expand the consumption of these products to mass market, not only to the niche market of ethical buyers, implies several challenges. Thus, together with the academic contribution, the study of these variables will let us to identify motivators and barriers to the buying, an information that can be useful to fair trade products sellers when planning their marketing strategies.

2. LITERATURE REVIEW

2.1 Buying intention of Fairtrade products

One research line in fair trade field is the analysis of consumer behaviour. Specifically, it is highlighted the development of models of ethical purchasing behaviour that have incorporated into Ajzen's (1985) Theory of Planned Behaviour (TPB) constructs of 'ethical obligation' and 'self-identification with ethical issues' (Shaw et al. 2000; Shaw and Shiu 2002; Shaw and Shiu, 2003; Ozcaglar-Toulouse et al. 2006) or "self-direction and universalism values" (Yamoah et al. 2016) in an attempt to better understand the big growth of fair trade market. The inclusion of these constructs assumes that people who buy these products are ethically minded consumers, that is, they are concerned with ethical issues and feel obligated to buy fair trade products (Carrington et al. 2010). However, these purchases are not driven by ethical concerns alone (Yamoah et al. 2016) and the inclusion of additional variables is not only empirically pertinent, but also conceptually desirable in this behavioural context (Shaw et al. 2000).

With regard to this, De Pelsmacker and Janssen (2007) and Kim et al. (2010) analyse the antecedents of buying behaviour including new variables. For example, whereas the

construct of Perceived Behavioural Control includes items related to problems which may affect the buying, such as availability, range, location of retail outlets, price or availability of information, De Pelsmacker and Janssen (2007) analyse each issue separately, that is, they study constructs like Quality of Information, Quantity of Information, Convenience, Product interest, Product likeability and Price acceptability. These authors include both positive and negative attitudes toward fair trade (concern and skepticism), whereas Kim et al. (2010) analyse the influence of fair trade corporation evaluation in the buying intention (see Table 1).

Table 1. Models of buying intention of Fair trade products

Authors	Variables	Sample
Yamoah et al. (2016)	Self-direction Values, Universalism Values Subjective Norm, Attitude, Perceived Behavioural Control, Purchase Intention	UK supermarket fair trade shoppers
Kim et al. (2010)	Ethical Consumption Values, Fair trade corporation evaluation, Fair trade product beliefs, Fair trade Brand Loyalty	Self-report survey on a University campus (Korea and United States)
De Pelsmacker and Janssen (2007)	Knowledge, Quality of Information, Quantity of Information, Fair trade concern, Fair trade skepticism, Convenience, Product interest, Product likeability, Price acceptability, Buying Behavior	Mail-access panel of Belgian individuals who were responsible for day-to-day purchases of groceries for their household
Ozcaglar-Toulouse et al. (2006)	Ethical Obligation, Self-identification with ethical issues Subjective Norm, Attitude, Perceived Behavioral Control, Purchase Intention	Self-administrated questionnaire over the Internet. French consumers with a strong ethical stance
Shaw et al. (2000), Shaw and Shiu (2002), Shaw and Shiu (2003)	Ethical Obligation, self-identification with ethical issues, Subjective Norm, Attitude, Perceived Behavioural Control, Purchase Intention	Subscribers to the UK Ethical Consumer magazine

We support on De Pelsmacker and Janssen (2007) and Kim et al. (2010) works to propose our buying behaviour model, which includes the measurement of the Fairtrade brand equity (brand utilities) and the attitude toward the trading social entities as direct antecedents. The model also include knowledge perceived and concern as variables with indirect influence on the buying.

3.1 Brand utilities for consumers

Brand equity is a core concept of marketing. An extensive research has been conducted on the topic over the last decades, resulting in highly diverse definitions and in a great variety of methods and proposal to measure it (Vázquez et al. 2002; Buil et al. 2013). Against the financial dimension, the research has tended to focus on the consumer perspective. Consumer brand equity denotes the added value endowed by the brand to the product (Keller, 1993). This definition is related to brand name utilities, which are associations added to the product thanks to its brand name (Del Río et al. 2001). The theoretical and empirical literature on this issue suggests classifying the utilities according to two basics dimensions: the functional and the symbolic one (Vázquez, et al. 2002; De Chernatony and McDonald, 2003).

On the one side, the functional utility is associated with “doing good” (De Chernatony, 1993), it meets the practical needs of consumers and has a guarantee function. It is linked to brands with the ability to offer products that meet the market needs (Keller and Aaker, 1992), good quality, convenience (Ambler, 1997) and value for money (Aaker, 1996).

On the other side, symbolic utility refers to the emotional evaluation of the brand, linked to intangible issues, such as personal and social identification (Vazquez et al., 2002). Product ownership and use help consumers define and live out their identity (Mittal, 2006). The act of buying can become an act of expression and projection of oneself,

necessary for consumers' personal definition (Belk et al. 1982). It lets consumers communicate their link to certain social groups, values and personal features (Keller, 1993). Brands act as communication instruments, fulfilling a social identification function by allowing consumers to manifest the desire to integrate themselves with or dissociate themselves from the groups that make up their closest social environment. Consumers will positively value those brands with a good reputation among the groups to which they belong or aspire to belong (Long and Shiffman, 2000). These needs are linked to the maintenance of self-esteem, understood as the motive to seek experiences that enhance or protect the self-concept and the acceptance by significant others, with approach and avoidance behaviours (Banister and Hoggs, 2004), for example rejecting products or brands with negative imagery (Sirgy, 1982).

The special characteristics of fair trade products make interesting the study of brand utilities. Their purchase is related to the ethical buying, in the sense that Fairtrade brand provides people with a guarantee that producers have not been exploited (Alexander and Nicholls, 2006), among other social issues. Given its strong ethical component, it is expected that emotional or psychological issues have a relevant role in the model, that is, the personal identification with the values of the cause, social identification and self-esteem associated with the purchase of products with Fairtrade brand. On the side of functional associations, the ethical issue explains the premium pricing of many Fairtrade products and the need for greater reasoning to explain it (Wright and Heaton, 2006). Furthermore, consumers found availability of Fairtrade products to be limited and insufficient, but were prepared to search (Shaw and Clarke, 1999), an effort that may not be able to do the mass market. Finally, its quality has been traditionally called into question (Obermiller et al. 2009), so quality of a product is needed to come before any efforts to communicate the Fairtrade message (Wright and Heaton, 2006). Quality,

convenience and value for money are three key issues of functional utility, particularly important in this type of products, that should be globally taken into account to explain the buying intention. The lack of empirical works measuring these issues lead us to consider an unanswered question the role of both types of utility, symbolic versus functional, in the intention model.

3. A MODEL OF BUYING INTENTION: HYPOTHESES' PROPOSAL

3.2 Brand utilities and attitude toward organizations

Functional utility is based on objective characteristics, thus it is expected that this dimension influences the buying intention directly and positively. Several studies analyse specific variables of this type of utility. With regard to the price, there are a lot of empirical research whose goal has been identify how much more individuals are willing to pay for a fair trade product (Salvador et al. 2014), highlighting the power of price to attract new consumers (Hainmueller et al. 2015). In this sense, researchers and practitioners should not forget that although consumers state that they would pay a premium for socially responsible products, they will only purchase the products if they perceive them to be of high quality (McCluskey and Loureiro, 2003). Thus, product likeability is determinant of the buying behaviour (De Pelsmacker and Janssens, 2007). Alexander and Nicholls (2005) establish that to grow their market share beyond the population that constitutes their natural consumers, it is necessary for companies to support the Fairtrade positioning on quality and differentiation, focusing on new product development and increasing the retail availability of products. Therefore, all the aspects included in the functional utility of the Fairtrade brand are key factors to encourage consumers to buy. That is:

H1. The functional utility of the Fairtrade brand influences buying intentions positively

On the other hand, symbolic utility refers to satisfying the needs of the psychological and social environment, for example communicating desirable impressions about consumers to others and helping consumers to live out their self-concept (Vázquez et al. 2002). Specifically, the greater the consistency between the brand image and the consumer's self-image, the greater the consumer's intention to buy the product (Hogg et al. 2000). In the same way, self-esteem linked to the purchase is an important motivational driver for consumption, involving both the acceptance and the rejection/avoidance of products and brands (Banister and Hoggs, 2004).

While some people question the quality or functional attributes associated with the Fairtrade products (Wright and Heaton, 2006; De Pelsmacker and Janssens, 2007; Bray et al. 2011), the social benefit of products is beyond doubt (Randall, 2005; Nicholls and Lee, 2006). Thus, the buying of these products can have a strong symbolic component. An individual's values are likely to play an influential role in shaping aspects of her or his decisions to purchase or support Fairtrade products (Salvador et al. 2014). According to Varul (2009), buying these products is not only a means of "doing good" but also a way of expressing consumer identity as a moral person ("being good"). With their purchase, consumers express their concerns about mass consumption and distinguish themselves from conventional shoppers. Consumers can then enrich their self-image and transmit information to others through the images of the brands that they buy, reinforcing their self-esteem. Based on these ideas, it is proposed that:

H2. The symbolic utility of the Fairtrade brand influences buying intentions positively.

Fair trade products are commercialised by importing organizations; it is then interesting to analyse if the attitude toward these organizations influences buying intention. Specifically, attitude is an overall evaluation of the company, a subjective and intangible judgement that includes feelings and associations (Barich and Kotler, 1991). Corporate

associations might influence product imagery, in the sense that a good view of an organization would lead to an overall positive evaluation of its products and would favour the buying intention (Selnes, 1993; Brown and Dacin, 1997; Saunders and Guoqun, 1997; Berens et al. 2005). With regard to this last issue, Llopis (2007) establishes that one factor influencing the consumption of fair trade products is consumer trust in NPOs. This relationship has been analysed in the fieldwork of Kim et al. (2010), although they considered the case of a for-profit company and obtained different results depending on the country analysed. Thus, we propose that:

H3. The attitude toward the organization that commercializes Fairtrade products influences positively on a) functional utilities; b) symbolic utilities; c) buying intentions

3.3 Consumer concern and perceived knowledge of fair trade issue

With regard to ethical buying intentions, it is believed that general attitudes toward fair trade will lead to more specific consumption-related attitudes (De Pelsmacker and Janssen, 2007). According to these authors, one dimension of consumer attitude is concern, which measures respondents' support for the fair trade issue. This variable influences the cognitive and behavioural processes of the consumer. In fact, inherent in the purchase of a fair trade product is the consumer's concern that producers in developing countries receive their fair compensation for what they produce (Doran, 2010). Concern leads to a greater perception of the attributes of a product and greater interest in its characteristics (Bloch and Richins, 1983). In this sense, most of the participants in the study of De Pelsmacker and Janssen (2007) stress that their concern about fair trade issue would enhance their interest in these products and would lead them to pay less attention to inconvenience and high prices. Furthermore, those people concerned about ethical issues may be guided by a sense of ethical obligation to others and self-identification with these issues (Shaw et al. 2000). Therefore, consumer concern

would lead to better perceptions of the functional and symbolic utility of the Fairtrade brand. Moreover, it is expected that highly concerned consumers have more elaborated evaluations of the NPOs that commercialize Fairtrade products. Consequently, they will evaluate them more favourably. That is:

H4. Consumer concern influences positively on a) the functional utility of the Fairtrade brand; b) the symbolic utility of the Fairtrade brand; c) the attitude toward the Fairtrade organization.

Finally, in models of buying intentions, knowledge has an impact on attitudes, which in turn have an impact on behaviour (McEachern and Warnaby, 2008). In the case of Fairtrade products, it is assumed that better knowledge leads to more positive attitudes toward the issue and product-specific characteristics (De Pelsmacker and Janssen, 2007). The challenge is to gain consumer understanding of the issues associated with fair trade because the level of knowledge heavily influences the process of the formation of buying intentions (Kim et al. 2010). According to De Pelsmacker et al. (2005b), almost half of the respondents felt they did not have enough information to be convinced, so they did not buy fair trade products. In the same line, one of the reasons offered by most people for their inaction is ignorance of how the system works (Castaldo et al. 2009). The research of Bray et al. (2011) leads to the same conclusion, that is, the without prominent communication of these issues, lack of knowledge would continue to limit ethical consumption. Among the reasons that explain this relationship is that a consumer who is becoming more familiar with one particular issue will have a different frame of reference for evaluations than a consumer exhibiting a low level of familiarity (Soderlund, 2002). Roughly speaking, the high-familiarity consumers have encountered the fair trade issue more often, and therefore they have a larger pool of evaluations stored in their memory. This fact will influence positively their concern, the utilities of the Fairtrade brand and

the attitudes toward the NPOs involved in this trading. With regard to this last issue, Llopis (2007) shows that people with a higher level of knowledge trust NPOs to a greater extent. Therefore, it is proposed that:

H5a. The perceived knowledge of fair trade influences positively on a) the concern about the fair trade; b) the functional utility of the Fairtrade brand; c) the symbolic utility of the Fairtrade brand; d) the attitudes toward the Fairtrade organization.

4. METHODOLOGY

The research focuses on the Spanish market. This market still has great potential for growth in this country, representing an annual per capita consumption of €0,71, far below the European average of €11,43 (National Fair Trade Coordination Committee). Despite this difference, the sales have not stopped growing since the year 2000, the use of the Fairtrade mark certification being an important stimulus in this development. Taking into account the fact that the fair trade system is still emerging in Spain, we decided to carry out the study in an environment in which there are frequent awareness-raising campaigns and points of sale of fairly traded products throughout the year. Specifically, the NPO IDEAS, with the support of the European Commission and the Spanish Agency for International Development Cooperation, coordinates the “Fair Trade University” initiative. A university can achieve this status if: a) it approves an institutional statement favourable to fair trade; b) it uses fairly traded products on an institutional level; c) it offers fairly traded products on the university campus; c) it promotes and raises awareness of fair trade issues in the university; and d) it creates a work group about fair trade. In Spain, there are eight “Fair Trade Universities”, and this empirical study was carried out in one of them.

A web survey was published and the link was e-mailed to the university community in March 2014. The size of the final sample was 292 valid cases, once we had removed all

the incomplete surveys (65.4% students, 24.3% lectures and 10.3% staff and 52,3% women and 47,7% men). The most commonly consumed category of Fairtrade products was coffee, with a total of 54.5% of respondents reporting its eventual consumption in the past.

The hypotheses were contrasted with a causal analysis studying the relationships among the variables through a structural equation model (SEM). All the variables were measured with ten-point Likert-type scales (see Appendix 1 with items and source of the scales). Specifically, we propose that functional utility included issues related to the product, perceived value and convenience. With regard to symbolic utility, we include items related to consumer personal identification, social identification and self-esteem (scale adapted from Ellemers et al. 1999). Regardless of these constructs, and to avoid consumer confusion, an explanation about the meaning of the Fairtrade mark was included in the questionnaire, indicating that it is a “brand” that identifies products that have been fairly produced and traded.

With regard to the attitude toward the organisation, we asked the respondents to select a entity that commercialized Fairtrade products in the region. A total of 71.8% respondents selected Oxfam Intermon, 11.8% selected Espanica and the rest of the respondents selected other minority institutions.

5. RESULTS

5.1 Perceived functional and symbolic utilities

To fulfil the first objective of the research, we carried out two confirmatory factor analyses with maximum likelihood estimation (Table 1). In the first place, we evaluated the global model applying absolute, incremental and parsimonious measures of fit. We also examined the measurement model by individual factors, confirming the statistical significance of each loading obtained between the indicator and the construct. With these

measures, they analysed the convergent and discriminant validity of the proposed model (Hair et al. 2010).

INSERT TABLE 1

In the case of functional utility, the model presented high goodness-of-fit measures and convergent validity of the dimensions, with all the standardized lambdas above 0.5 (Steenkamp and Van Trijp, 1991). In the case of symbolic utility, the goodness-of-fit measures were right and all the items were significant at the confidence level of 95%. However, the standardized lambda coefficient for the item “Fairtrade products (with the Fairtrade brand) are linked to a certain type of people; but they are not for me (r)” was below 0.5 (0.26). Thus, this item was removed. Once the model was reformulated, it was possible to confirm its convergent validity and to obtain an adequate specification of the proposed factor structure. To confirm the discriminant validity, we followed the procedure described by Anderson and Gerbing (1988), in which the confidence intervals for the correlation of the constructs were estimated and compared with 1. In none of the cases did the intervals contain the value 1, so the proposed measurement model was right. Finally, the reliability of the measurement scales was evaluated using the Cronbach’s alpha. All the factors exceeded the minimum recommended value of 0.7, confirming the internal reliability of the proposed constructs (Hair et al. 2010).

These analyses led us to undertake a second-order factor analysis. The second order analysis is a statistical method employed to confirm that the theorized construct in a study loads into certain number of underlying sub-constructs or components. It allowed us to confirm the multidimensionality of functional and symbolic brand utilities and to determine the weight of each factor in the global constructs. (Figure 1). The factor loadings between the second-order factor and the proposed dimensions were statistically significant in both cases, and the goodness-of-fit measures also indicated that the model

was correct. Therefore, it is possible to conclude that, from the consumers' perspective, functional and symbolic utility of Fairtrade brand exist and may influence consumer behaviour.

INSERT FIGURE 1

As far as the research hypotheses are concerned, and following Anderson and Gerbing (1988), we first confirmed the reliability and validity of all the constructs of the causal model by means of a confirmatory factor analysis (Table 2).

INSERT TABLE 2

All the results led us to accept its adequacy. As it can be observed, the most explanatory variable of functional utility is perceived value. In the case of symbolic utility, the personal identification and self-esteem linked to the purchasing have the greatest weight, the social identification/reputation of the Fairtrade brand being less important.

Subsequently, the structural model was estimated. The indices of goodness of fit of the model to the data were correct, as the statistics exceeded or came close to the optimal values (Figure 2). It was observed that all the hypotheses were accepted, except H3b, H3c and H5d. That is, buying intentions are explained mainly by the Fairtrade brand's functional utility (H1 accepted). The symbolic utility provided by the brand followed (H2 accepted). The attitude toward the NPO has not a direct effect on consumer buying intentions (H3c rejected). These findings show the importance of the associations of the Fairtrade brand, above all the functional issues, to explain the buying behaviour. The attitude toward the social entity has not influence on the symbolic associations either (H3b rejected) but it does enhance functional utility (H3a accepted). Thus, the global evaluation of the NPO does not affect directly the buying, but indirectly. When the social entities that market the fair products are well valued, the functional associations of products improve, which makes buying easier.

It is also relevant that consumer' knowledge is a key variable in improving their perceptions about the Fairtrade brand, in the sense that greater knowledge about fair trade leads consumers to feel greater concern about its cause and it improves their perceptions of the brand (H5a, b and c accepted). However, the relationship between knowledge and attitude toward the NPO is not significant (H5d rejected). This relationship is indirect, through the higher concern that provokes the knowledge. Finally, the fair trade concern influences the perceived functional and symbolic utilities directly and positively, and also determines the attitude toward the NPO (H4a, b and c accepted).

INSERT FIGURE 2

6. CONCLUSIONS

Fair trade has great growth potential and faces the challenge of reaching not only “ethical consumers” but also the mass market. For this purpose, marketing strategies are necessary because ethical consumers buy intangibility, justice and perhaps conscience (Bezencon and Bili, 2010), but the mass market needs more than this. According to Nicholls and Lee (2006), ethical products such as fair trade are competing with well-established brands whose owners are able to focus significant effort on brand-building activities. Therefore, the intention to purchase this type of product in preference to a usual branded option is complex. This work tries to provide insights into consumer behaviour in the fair trade field, something important to identify ways to boost its growth, engage the interest of the mass market and attract more and more new consumers (Cailleba and Casteran, 2010). Specifically, a quantitative study was carried out to test a causal relationship sequence (knowledge –associations/attitudes – buying intention).

In this model, an important concept was brand utility. There are many specific brands of fair trade products, many of which are unknown to the consumer, but they may have

something in common: the Fairtrade mark. It is advisable to develop this mark as a brand (Wright and Heaton, 2006), which serves as a guarantee and communicates that products have been fairly produced and traded. To encourage the purchasing of these products, it is necessary to act in relation to the two main utilities that a brand provides: the functional and the symbolic one.

First, we confirmed that functional utility includes three dimensions, related to product characteristics, perceived value and convenience. The most important variable is the perceived value, which reinforces the importance of the price for consumers (De Pelsmacker et al. 2005b). The higher price of fair trade products should not be a barrier to attracting consumers who are concerned with social responsibility, but it may be an obstacle to attract more market (Obermiller et al. 2009). Taking into account the strong explanatory power of the functional utility in the buying intention, we can say that it is not enough to highlight the ethical value of products to stimulate the buying. Quality and convenience are key variables and fair trade organizations have to act on them. On the one hand, it is necessary to change any negative perception about the products (Wright and Heaton, 2006) and for this, the communication message should focus on the quality of the product, its origin, materials, production process or taste, among other issues. The buying of a fair trade product should not be related to charity, but to good products that, besides, have been ethically produced and marketed. With regard to the convenience, one way to make more accessible the products is to develop the e-commerce, a channel that, besides, allows reaching young people.

It is highlighted that these aspects of functional utility are even more important than symbolic associations, closer to the ethical and solidarity attributes of these products. Symbolic utility includes a social function, a personal identification and a self-esteem dimension linked to the purchase. The last two dimensions, more linked to personal

issues, are more important for consumers than the social function, which measures the prestige and recognition of the brand in the social environment. It seems that people do not clearly identify the reputation of the Fairtrade brand, so it may be advisable to act on this. The social function is linked to people as members of social groups. Thus, consumers positively value those brands with a good reputation among the groups to which they belong or aspire to belong. To expand the market, it is important for the Fairtrade brand to improve its prestige and recognition, no longer to be considered an issue for “a few” ethical consumers. Again, the advice is to raise the communication because, as it has been defined in previous works (De Pelsmacker et al. 2005b; Castaldo et al. 2009; Bray et al. 2011), the lack of knowledge will limit the growth of ethical consumption.

Communication is important, and it is necessary to increase fair trade awareness among consumers. Taking into account companies’ possible lack of resources, encouraging consumer word of mouth can be key, or support on social media and communication on the Internet. Knowledge leads to a higher level of consumer concern, it improves brand utilities and, therefore, influences buying intentions. In turn, interest or concern about fair trade issues favours the buying, because people will be more involved and will improve the brand associations and the attitude toward NPOs that sell the products.

With regard to this variable, it is important to take into account that the attitude toward the NPO does not influence directly on the buying. However, it does have a role in the model, in the sense that the functional associations can be affected by the NPO that market the product, influencing the buying. On the contrary, the social function, personal identification and self-esteem is not affected by the trading company. These symbolic issues only come from the Fairtrade brand. This result leads us to support the argument that it is very advisable to promote the Fairtrade mark as a brand or meta brand (Wright

and Heaton, 2006; Bezencon and Blili, 2010; Griffiths, 2012), and take advantage of its potential.

This paper is not exempt from limitations. The field study was carried out in a university and we used a convenience sample. This fact can limit the generalization of the results. Furthermore, we did not include large commercializing companies in the study, even though they are increasingly including fair trade products in their portfolios. It would be interesting to carry out new studies including these companies and make comparisons between them and non-profit organizations. We also studied the functional and symbolic utilities in an aggregated form, so further research could analyse the independent effect of each construct on buying intentions. Finally, we propose as future research to include new explanatory variables in the model, such as consumer values, and it would be interesting to explore how different messages in communication campaigns influence brand utilities and consumer behaviour.

REFERENCES

Aaker, D. 1996. *Managing brand equity: capitalizing on the value of a brand name*. New York, Free Press.

Ajzen, I. (1985) From intentions to actions: a theory of planned behaviour. In: J. Kuhl and J. Beckman (eds) *Action–Control: From Cognition to Behaviour* (pp. 11–39), Springer: Heidelberg.

Ambler, T. 1997. “How much of brand equity is explained by trust?”. *Management Decisions*, 35 (49), 283-292.

Ajzen, I. 1985. “From intentions to actions: a theory of planned behaviour”, in Kuhl, J. and Beckman, J. (Eds). *Action-control, From Cognition to Behavior* (pp. 11-39), Springer, Heidelberg.

- Alexander, A. and Nicholls, A. (2006). "Rediscovering consumer-producer involvement: a network perspective on fair trade marketing". *European Journal of Marketing*, 40 (11/12), 1236-1253.
- Anderson, E. and Gerbin, D. 1988. "Structural equation modeling in practice: a review and recommended two-step approach". *Psychological Bulletin*, 103 (3), 411-423.
- Andorfer, V. and Liebe, U. 2012. "Research on Fair Trade consumption—a review". *Journal of Business Ethics*, 106, 415–435
- Andorfer, V. and Liebe, U. (2015). Do information, price, or morals influence ethical consumption? A natural field experiment and customer survey on the purchase of Fair Trade coffee, *Social Science Research* 52, 330–350.
- Andreassen, T. and Lindestad, B. 1998. "Consumer loyalty and complex services: The impact of corporate image on quality, consumer satisfaction and loyalty for consumers with varying degrees of service expertise". *International Journal of Service Industry Management* 9 (1), 7-23,
- Banister, E. and Hogg, M. 2004. "Negative symbolic and consumers' drive for self-esteem: the case of the fashion industry". *European Journal of Marketing* 38 (7), 850-868.
- Barich, H. and Kotler, P. 1991. "A framework for marketing image management". *Sloan Management Review* winter, 94-109.
- Bhattacharya, C. and Sen, S. 2003. "Consumer-Company identification: a framework for understanding consumers' relationships with companies". *Journal of Marketing*, 67 (2), pp. 76-88.
- Bray, J., Johns, N. and Kilburn, D. 2011. "An exploratory study into the factors impeding ethical consumption". *Journal of Business Ethics*, 98 (4), 597-608.
- Belk, R., Bahn, K. and Mayer, R. 1982. Developmental recognition of consumption symbolism. *Journal of Consumer Research*, 9 (1), 4-17.

- Berens, G., van Riel, C. and van Bruggen, G. 2005. Corporate Associations and Consumer Product Responses: The Moderating Role of Corporate Brand Dominance. *Journal of Marketing*, 69, July, 35–48.
- Berens, G. and Popma, W. 2014. “Creating consumer confidence in CSR communications, in *Communicating Corporate Social Responsibility: perspectives and practice*”. Tench R., Sun, W. and Jones, B., 383-404.
- Bezencon, V. and Blili, S. 2010. “Ethical products and consumer involvement: what’s new?”. *European Journal of Marketing*, 44 (9/10), 1305-1321.
- Brown, T. and Dacin, P. 1997. The Company and the Product: Corporate Associations and Consumer Product Responses. 61 (1), pp. 68-84
- Buil, I., De Chernatony, L. and Martínez, E. 2013. “Examining the role of advertising and sales promotions in brand equity creation”. *Journal of Business Research*, Vol. 66 (1), January, pp. 115-122.
- Cailleba, P. and Casteran, H. 2010. “Do ethical values work? A quantitative study of the impact of Fair Trade coffee on consumer behaviour”. *Journal of Business Ethics*, 97, 613-624.
- Carrington, M. J., Neville, B. A., & Whitwell, G. J. (2010). Why ethical consumers don’t walk their talk: Towards a framework for understanding the gap between the ethical purchase intentions and actual buying behaviour of ethically minded consumers. *Journal of Business Ethics*, 97, 139–158.
- Castaldo, S., Perrini, F., Misani, F. and Tencati, A. 2009. “The missing link between Corporate Social Responsibility and consumer trust: the case of Fair Trade products”. *Journal of Business Ethics* 84, 1–15
- Cobb-Walgren, C.J, Ruble, C.A. and Donthu, N. 1995. "Brand equity, brand preference, and purchase intent", *Journal of Advertising*, 24 (3), pp. 25-40.

- Currás, R., Bigné, E. and Alvarado, A. 2009. "The role of self-definitional principles in consumer identification with a socially responsible company". *Journal of Business Ethics* 89, 547–564
- De Chernatony, L. 1993. "Categorizing brands: evolutionary processes underpinned by two key dimensions". *Journal of Marketing Management* 9 (2), 173-188.
- De Chernatony, L. and McDonald, M. 2003. *Creating Powerful Brands*. Oxford, Butterworth Heinemann.
- Del Río, B., Vázquez, R. and Iglesias, V. 2001. "The effects of brand associations on consumer response". *Journal of Consumer Marketing* 18 (5), 410-425.
- De Pelsmacker, P., Janssens, W., Sterckx, E. and Mielants, C. 2005a. "Consumer preferences for the marketing of ethically labelled coffee". *International Marketing Review*, 22, 512-30.
- De Pelsmacker, P., Driesen, L. and Rayp, G. 2005b. "Do Consumers Care about Ethics? Willingness to Pay for Fair-Trade Coffee". *The Journal of Consumer Affairs*, 39 (2), 363-385.
- De Pelsmacker, P., Janssens, W., Sterckx, E. and Mielants, C. 2006. "Fair-trade beliefs, attitudes and buying behaviour of Belgian consumers". *International Journal of Nonprofit and Voluntary Sector Marketing*, 11, 125–138.
- De Pelsmacker, P. and Janssens, W. 2007. "A model for Fair Trade buying behavior: The role of perceived quantity and quality of information and of product-specific attitudes". *Journal of Business Ethics*, 75, 361–380.
- Doran, C. J. 2010. "Fair trade consumption: In support of the outgroup". *Journal of Business Ethics*, 95, 527–541

Ellemers, N., Kortekaas, P. and Ouwerkerk, J. 1999. "Self-categorisation commitment to the group and group self-esteem as related but distinct aspects of social identity". *European Journal of Social Psychology*, 29, 371-389.

Griffiths, P. 2012. "Ethical objections to Fairtrade". *Journal of Business Ethics*, 105, 357–373.

Hainmueller, J., Hiscox, M., Sequeira, S. 2015. "Consumer demand for the fair trade label: evidence from a multi-store field experiment". *Review of Economic Statistics*, 97 (2), 242-256.

Hair, J., Black, W., Babib, B. and Anderson, R. 2010. *Multivariate data analysis*, 7th edition, Upper Saddle River, NJ. Prentice Hall.

Hogg, M., Cox, A. and Keeling, K. 2000. "The impact of self-monitoring on image congruence and product/brand evaluation". *European Journal of Marketing*, 34 (5/6), 641-66.

Kamakura, W.A. and Russell, G.J. 1991. "Measuring consumer perceptions of brand quality with scanner data: implications for brand equity". Marketing Science Institute, Report, 91-122, October.

Keller, K. 1993. "Conceptualizing, measuring, and managing consumer-based brand equity". *Journal of Marketing*, 57, 1-22.

Keller, K. and Aaker, D. 1992. "The effects of sequential introduction of brand extensions". *Journal of Marketing Research*, 29, February, pp. 35-50.

Kim, G, Lee, G. and Park, K. 2010. "A cross-national investigation on how ethical consumers build loyalty toward Fair Trade brands". *Journal of Business Ethics*, 96, 589–611

Lafferty, B. Goldsmith, R. and Newell, S. 2002. "The Dual Credibility Model: the influence of corporate and endorser credibility on attitudes and purchase intentions". *Journal of Marketing Theory and Practice*, 10 (3), 1-12.

- Llopis Goig, R. 2007. "Fair trade and global cognitive orientation: a focus on Spanish fair trade consumers". *International Journal of Consumer Studies*, 31, 468–477
- Long, M. and Schiffman, L. 2000. "Consumption values and relationships: segmenting the market for frequency programs". *Journal of Consumer Marketing*, 17 (3), 214-32.
- MacKenzie, S.B. and Lutz, R.J. 1989. "An empirical examination of the structural antecedents of attitude toward the ad in an advertising pretesting context". *Journal of Marketing*, 53, April, 48-65.
- McCluskey, J. and Loureiro, M. 2003. "Consumer preferences and willingness to pay for food labelling: A discussion of empirical studies". *Journal of Food Distribution Research*, 34 (3), 95 – 102 .
- McEachern, M. and Warnaby, G. 2008. "Exploring the relationship between consumer knowledge and purchase behaviour of value-based labels". *International Journal of Consumer Studies*, 32, 414–426.
- Mittal, B. 2006. "I, me, and mine—how products become consumers' extended selves". *Journal of Consumer Behaviour*, 5, pp. 550–562.
- Moore, G. 2004. "The Fair Trade movement: parameters, issues and future research". *Journal of Business Ethics*, 53, 73–86.
- Nicholls, A. 2002. "Strategic options in fair trade retailing". *International Journal of Retail & Distribution Management*, 30, 6-17.
- Nicholls, A., and Lee, N. 2006. "Purchase decision-making in fair trade and the ethical purchase 'gap': 'is there a fair trade twix?'" *Journal of Strategic Marketing*, 14, pp. 369–386.
- Ozcaglar-Toulouse, N., Shiu, E. and Shaw, D. 2006. In search of fair trade: ethical consumer decision making in France, *International Journal of Consumer Studies*, 30 (5), September, pp502–514

Randall, C. 2005. "An exploration of opportunities for the growth of the Fair Trade market: three cases of craft organizations". *Journal of Business Ethics*, 56, 55–67.

Salvador, R., Merchant, A. and Alexander, E. 2014. "Faith and fair trade: the moderating role of contextual religious salience". *Journal of Business Ethics*, 121, 353–371.

Saunders, J. and Guoqun, F. 1997. "Dual branding: how corporate names add value", *Journal of Product & Brand Management*, 6, pp. 40 – 48.

Schollenberg, L. (2012), "Estimating the hedonic price for fair trade coffee in Sweden", *British Food Journal* Vol. 114 No. 3, pp. 428-446.

Shaw, D. and Clarke, I. 1999. "Belief formation in ethical consumer groups: an exploratory study", *Marketing Intelligence & Planning*, 17(2), pp. 109-119.

Shaw, D., Shiu, E. and Clarke, I. 2000. The contribution of ethical obligation and self-identity to the Theory of Planned Behavior: an exploration of ethical consumers.

Shaw, D. and Shiu, E. 2002. The role of ethical obligation and self-identity in ethical consumer choice, 26 (2), 109–116

Shaw, D. and Shiu, E. 2003. Ethics in consumer choice: a multivariate modelling approach. *European Journal of Marketing*, 37 (10), pp. 1485-1498.

Sirgy, M. 1982. "Self-concept in consumer behavior: a critical review". *Journal of Consumer Research*, 9, December, 287-300.

Soderlund, M. 2002. "Consumer familiarity and its effects on satisfaction and behavioral intentions". *Psychology & Marketing*, October, 19 (10), 861- 883.

Steenkamp, J. and Van Trijp, H. 1991. "The use of LISREL in validating marketing constructs". *International Journal of Research in Marketing*, 8, 283-299.

Valor, C., Carrero, I. and Redondo, R. 2014. "The Influence of Knowledge and Motivation on Sustainable Label Use". *Journal of Agriculture Environment Ethics* 27, 591–607.

Varul, M. 2009. "Ethical selving in cultural contexts: Fairtrade consumption as an everyday ethical practice in the UK and Germany". *International Journal of Consumer Studies* 33, 183–189.

Vázquez, R., Del Río, B., Iglesias, V. 2002. "Consumer-based brand equity: development and validation of a measurement instrument". *Journal of Marketing Management* 18, 27-48.

Yamoah, F., Duffy R., Petrovici, D. and Fearne, A. 2016. "Towards a Framework for Understanding Fairtrade Purchase Intention in the Mainstream Environment of Supermarkets". *Journal of Business Ethics*, 136, pp. 181–197

Witkowski, T. 2005. "Fairtrade marketing: an alternative system for globalization and development". *Journal of Marketing Theory and Practice* 13 (4), 22-33.

Wright, L. and Heaton, S. 2006. "Fair Trade marketing: an exploration through qualitative research". *Journal of Strategic Marketing* 14 (4), 411-426.

Zeithaml, V., Berry, L. and Parasuraman, A. 1996. "The behavioural consequences of satisfaction decisions". *JMR, Journal of Marketing Research* 17 (4), 460-469.

APPENDIX

	Items	Scale adapted of...
Product	Fairtrade products (with the Fairtrade brand) are healthy	De Pelsmaker et al. 2006; De Pelsmaker and Janssen, 2007; Kim et al. 2010
	Fairtrade products (with the Fairtrade brand) are tasty	
	Fairtrade products (with the Fairtrade brand) have a high quality	
Perceived value	Fairtrade products (with the Fairtrade brand) have a good quality/price ratio	Andreassen and Lindestad, 1998
	Fairtrade products (with the Fairtrade brand) offer the best value for money	
Convenience	Buying Fairtrade products (with the Fairtrade brand) does not require an effort for me	De Pelsmaker et al. 2006 and De Pelsmaker and Janssen, 2007
	Fairtrade products (with the Fairtrade brand) are easily available on the market	
Social identification	People around me have a positive image of Fairtrade products (with the Fairtrade brand)	Del Río et al. 2001, Bhattacharya and Sen, 2003; Currás et al. 2009
	In general, Fairtrade products (with the Fairtrade brand) have a good reputation	
	Fairtrade products (with the Fairtrade brand) are first-class	
Personal identification	I feel identified with the values of the Fairtrade brand	Bhattacharya and Sen, 2003; Currás et al. 2009
	The Fairtrade brand is totally in line with my lifestyle	
	My sense of who I am matches my sense of the Fairtrade brand	
	Fairtrade products (with the Fairtrade brand) are linked to a certain type of people, but they are not for me (r)	
Self-esteem	I feel (would feel) good buying Fairtrade products (with the Fairtrade brand)	Ellemers et al. 1999
	I like (would like) saying that I buy Fairtrade products (with the Fairtrade brand)	
	Buying Fairtrade products (with the Fairtrade brand) is important for me	
Attitude toward the NPO	I have a good impression of XX	MacKenzie and Lutz (1989); Lafferty et al. (2002)
	I have a good image of XX	
	My opinion about XX is favourable	
Concern	The fair trade issue is important	De Pelsmacker and Janssen (2007)
	The fair trade issue is interesting	
	I am concerned about the fair trade issue	
	Fair trade ought to be a generalized way of trading and not an alternative way	
Perceived knowledge	I have a good knowledge about the fair trade issue	Soderlund (2002)
	I have a precise view about the fair trade issue	
	The fair trade issue is familiar to me	
Buying intentions	It is likely that I will buy Fairtrade products in the future	Zeithaml et al. 1996
	I intend to buy Fairtrade products	
	Next time I buy a category of products in which there are Fairtrade products, I will buy them	

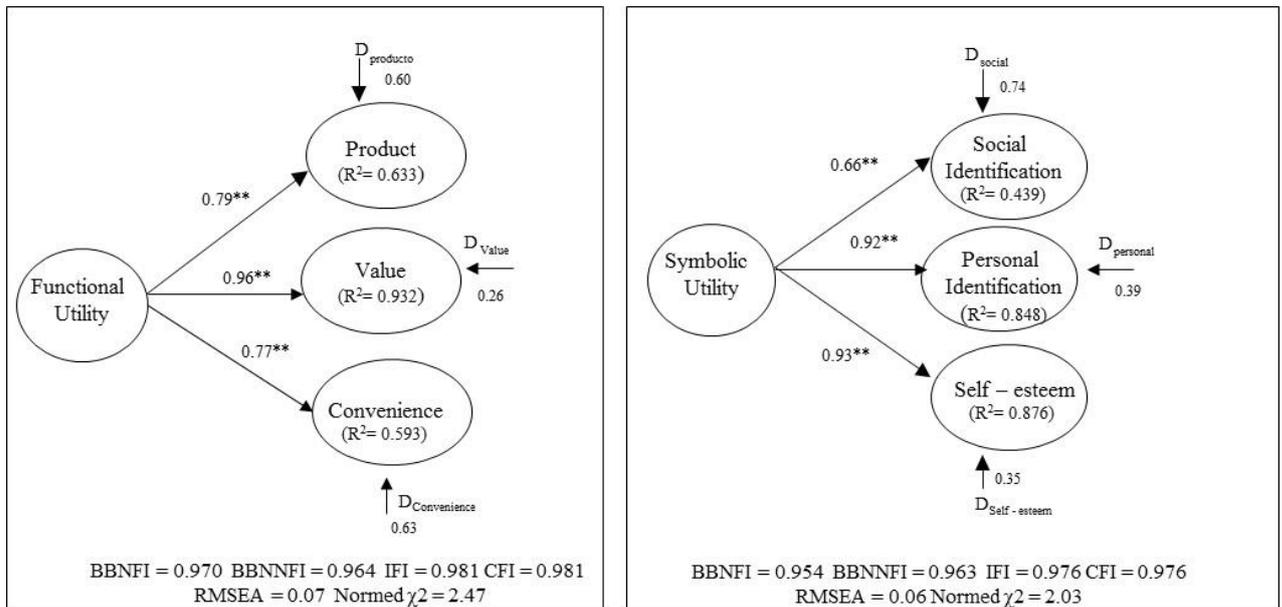
Table 1. Confirmatory Factor Analysis of Perceived Utilities (First Order)

FUNCTIONAL UTILITY							
Latent variable	Measured variable	Standard. lambda	R ²	Cronbach's α	Correlation and confidence intervals for the correlations	Goodness-of-fit indices	
Product	Flavour	0.91	0.82	0.93	Product-Value 0.768 (0.66-0.86) Product-Convenience 0.612 (0.47-0.75) Value-Convenience 0.743 (0.62-0.85)	BBNFI = 0.970	
	Healthy	0.86	0.74			BBNNFI = 0.964	
	Quality	0.95	0.90			IFI = 0.981	
Value	Price	0.92	0.83	0.93		CFI = 0.981	
	Value	0.95	0.92			RMSEA = 0.07	
Convenience	Accessibility	0.65	0.42	0.71			Normed χ^2 = 2.50
	Effort	0.67	0.45				
SYMBOLIC UTILITY							
Social identification	Image	0.74	0.55	0.85	Social-Personal 0.611 (0.51-0.71) Personal-Self-esteem 0.621 (0.80-0.92) Self-esteem-Social 0.862 (0.50-0.74)		BBNFI = 0.954
	Reputation	0.89	0.79				BBNNFI = 0.963
	First-class	0.81	0.66				IFI = 0.976
Personal identification	Identified	0.89	0.79	0.93			CFI = 0.976
	Lifestyle	0.93	0.87				RMSEA = 0.06
	Sense	0.88	0.78				Normed χ^2 = 2.03
Self-esteem	Good	0.83	0.69	0.85			
	Like	0.82	0.67				
	Important	0.74	0.56				

Table 2. Confirmatory Factor Analysis of the Final Model

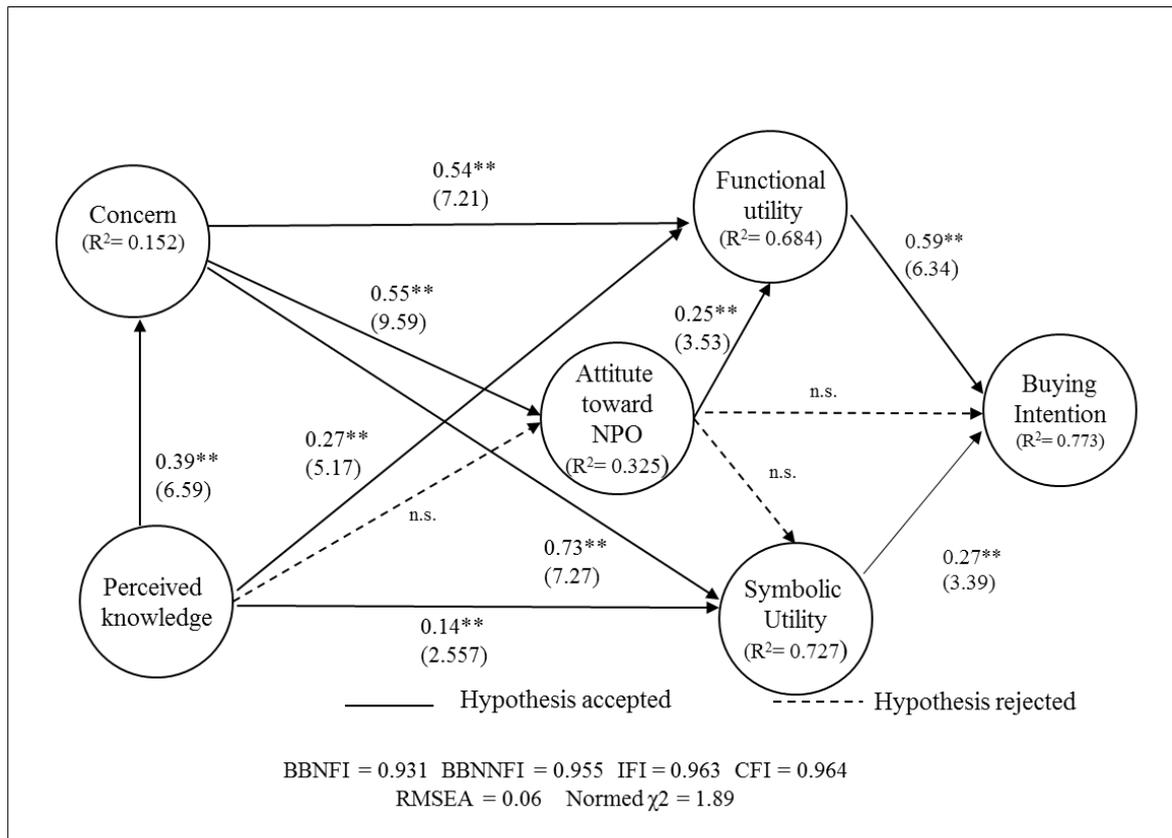
Latent variable	Measured variable	Standard. lambda	R2	Cronbach's α	Goodness-of-fit indices
Buying intention (BI)	INTENTION	0.92	0.85	0.95	BBNFI = 0.915 BBNNFI = 0.937 IFI = 0.948 CFI = 0.948 RMSEA = 0.07 Normed χ^2 = 2.41
	Likely	0.89	0.79		
	Buying	0.85	0.73		
Functional utility (FU)	Product	0.83	0.69	0.80	
	Value	0.85	0.70		
	Convenience	0.62	0.39		
Symbolic utility (SU)	Social	0.64	0.41	0.83	
	Personal	0.89	0.70		
	Self-esteem	0.85	0.68		
Attitude toward the Organization (AtO)	Impression	0.95	0.89	0.96	
	Good	0.93	0.86		
	Favourable	0.95	0.91		
Concern (CONCERN)	Interest	0.93	0.87	0.94	
	Concerned	0.89	0.80		
	Important	0.89	0.80		
	Alternative	0.82	0.67		
Perceived knowledge (PK)	Knowledge	0.92	0.85	0.95	
	View	0.97	0.94		
	Familiar	0.88	0.78		
CORRELATIONS AND DISCRIMINANT VALIDITY					
BI-FU 0.83 (0.78-0.89)	BI-PK 0.75 (0.68-0.81)	FU-PK 0.76 (0.69-0.83)	AtO-CONCERN 0.20 (0.07-0.32)		
BI-SU 0.72 (0.64-0.79)	FU-SU 0.73 (0.65-0.81)	SU-AtO 0.53 (0.42-0.63)	AtO-PK 0.55 (0.45-0.65)		
BI-AtO 0.53 (0.42-0.64)	FU-AtO 0.58 (0.47-0.68)	SU-CONCERN 0.43 (0.31-0.56)	CONCERN-PK 0.39 (0.28-0.49)		
BI-CONCERN 0.52 (0.42-0.63)	FU-CONCERN 0.50 (0.40-0.60)	SU-PK 0.83 (0.77-0.89)			

Figure 1. Functional and symbolic utility



** Standardised path coefficients are significant at p-value < 0.005

Figure 2. Causal model



** Standardised path coefficients are significant at p-value < 0.005