

## **MASTERARBEIT / MASTER'S THESIS**

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# "Exploring the Intention-Behavior Gap in the Austrian Fairtrade Coffee Market "

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### **Declaration of Authorship**

In the present declaration I confirm that the submitted thesis was fully written by myself without any further support other than the available literature cited. In this way, all used sources for direct and indirect citations were included in the reference list at the end of this research project.

Moreover, and through this declaration I agree that this paper should be evaluated and checked for plagiarism purposes as a mean to corroborate the previously stated points. In this way, I ensure that the content of this paper is all my own work and thus, it has not been published by any institution in the past.

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## **List of Abbreviations**

ATOs Alternative Trade Organizations

EFTA European Fairtrade Association

PA Perceived Availability

PBC Perceived Behavioral Control

PCE Perceived Consumer Effectiveness

PF Perceived Price Fairness

TPB Theory of Planned Behavior

TRA Theory of Reasoned Action

VFM Value for Money

WFTO World Fair Trade Organisation

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## **Chapter 1: Introduction**

In the consumption literature the concept of "ethical consumerism" has been defined as the act of purchasing goods displaying ethical product features and characteristics (Bray, Johns & Kilburn, 2010). In this way, ethical consumption relates to several ethical behaviors and extends across different domains (e.g. gender equality, environmental performance, trade conditions, human rights, Fairtrade, child labour, etc.) (Doane, 2001). Along these lines, the Fairtrade organization has consistently been linked to social, economic and environmental improvements in developing countries. Accordingly, the organization has been said to cover several dimensions of the "ethical consumption" concept addressing not only social but also environmental issues. As such, it has been said to aid farmers through the providence of fair prices and more advantageous trading conditions than the ones offered under conventional market terms (Ruben & Fort, 2012).

In this way, the recent rise in consumer social and environmental awareness, and emerging ethical concerns with regards to consumption habits has led to substantial demand increases for ethical products in the last decades (Nicholls, 2002). This trend is believed to have contributed to the transition of Fairtrade products from being a niche to larger market segments in some regions of the world (Davies, 2007). In this line of thought, consumers are said to express their social and environmental concerns and define their identity through their consumption patterns (Elliott & Wattanasuwan, 1998). This being the case, by acquiring environmental and socially sound products consumers can gain the feeling to contribute to the establishment of amore inclusive, equitable, fair and sustainable world. Furthermore, and according to studies on ethical consumerism in the United States, evidence has been found stating a high self-reported willingness to pay for social and environmental goods among consumers (Campbell, Heinrich & Schoenmüller, 2015). Furthermore, in the European context have consistently figures shown an increased willingness to pay and a rather high price tolerance when it comes to purchasing ethical goods (MORI, 2000). Moreover, and according to data published by the Eurobarometer in 2015 the percentage of people concerned with social issues in developing countries has drastically risen over the course of the years. As such, the evidence suggests a considerable increase of 69% to roughly 92% between 1988 and 2015 (Bäthge, 2018).

All this being said, and in light of the evidence, it seems logical to expect a high coverage and market share of ethical products across industries. Notwithstanding, irrespective of the good

reputation and consumers stated preference for ethical goods, these only account for a very small proportion of the overall market demand (MacGillivray, 2000). Surprisingly, in the Fairtrade context, despite of consumers reported ethical concerns, their high self-reported willingness to contribute to the Fairtrade cause, as well as their stated awareness, knowledge and familiarity with Fairtrade practices, the representation of Fairtrade products in most global markets remains limited (De Pelsmacker, Driesen et al., 2005).

Within the Fairtrade organization's network coffee has been said to be one of the most commonly certified products worldwide. As such, it is believed to account for the highest price premiums within the Fairtrade product umbrella (Dragusanu et al., 2014). This being the case, and given the importance of coffee in the Fairtrade organization's network, the research at hand will focus on this product category and will use the Austrian coffee market as context of study.

In this way, figures from Fairtrade International suggest that Austria was the fastest growing country exhibiting the highest growth in sales between 2016 and 2017 of all countries within the Fairtrade international network. This increasing success of the Fairtrade movement in Austria has been linked to favourable perceptions attitudes and intentions to buy Fairtrade products among Austrian nationals (Derler et al., 2012). In this way, according to a recent study in the Austrian market 92% of Austrians know the Fairtrade concept, 90% trust Fairtrade certification and around 40% reported to frequently buy Fairtrade products. Nevertheless, although the Austrian market clearly shows a positive balance for the Fairtrade organization, the consumption of Fairtrade certified products in Austria remains surprisingly low when compared to non-Fairtrade consumption goods. As such, in Austria Fairtrade only accounts for around 6% of the overall coffee market demand according to data published in 2015.

These numbers seem contra intuitive and propose a lack of correspondence between Austrians' stated intentions with regards to Fairtrade coffee and their buying behavior. This mismatch observed in the market place reflects a clear discrepancy between what Austrians think, their reported intentions to buy Fairtrade products and their actual buying behavior. This peculiar phenomenon has widely been addressed in the literature and it is known as "the intention-behavior gap" (Vermeir and Verbeke, 2006). As such, the observed lack of correspondence between favourable attitudes and intentions towards Fairtrade coffee and the low market shares

<sup>&</sup>lt;sup>1</sup> Fairtrade International (2017). Building Fairtrade Markets.

<sup>&</sup>lt;sup>2</sup> FAIRTRADE Österreich (2018). Zahlen und Fakten 2017.

<sup>&</sup>lt;sup>3</sup> This number was calculated by diving the total amount of Fairtrade certified coffee sold in Austrian in (3550 tons) 2015 by the total amount of coffee tons purchased in Austria in the same year (40.000 tons).

identified in the Austrian coffee market, delivers the needed conditions to test the applicability of the so-called "intention-behavior" gap in the Austrian coffee context.

Within the gap's literature a myriad of reasons and interacting factors to explain this inconsistency have been proposed. However, these factors do not seem to have the same relevance across different studies and differ according to the cultural setting and product category of interest (Joshi & Rahman, 2015), (Nicholls, 2002). In this sense, most research within the Austrian context has been focused on green consumption practices, energy efficiency and other environmental dimensions of ethical consumption, rather than on social issues such as equitable trade and the production of fairly traded goods (Bilgili, Koçak & Bulut, 2016). Thus, in recent years less has been done in the Fairtrade coffee industry within the Austrian geographical context (Derler et al., 2012). As such, and accounting for only 6% of the coffee demand, the high penetration potential of Fairtrade coffee in the Austrian market makes it interesting to analyze the extent to which the "intention-behavior" gap applies to the Austrian coffee industry. In this way, a better understanding on the barriers involved in this gap can be gained, and inhibiting factors for the adoption of Fairtrade coffee can be identified. Furthermore, managerial implication and policy recommendations to increase the Fairtrade coffee presence in the Austrian market can be formulated. To this extent the study at hand utilizes the widely applied Theory of Planned Behavior (TPB) proposed by Ajzen and Madden in 1986 as a tool to analyze the "intention-behavior" relationship. Furthermore, it expands the theory's traditional framework by taking into account additional factors believed to be relevant in the Austrian coffee context. In this sense, an extensive literature review uncovered the potential role of potential variables believed to interact in the intention behavior relationship. Accordingly, and upon conduction of a focus group discussion composed by Austrian coffee consumers culturally relevant concerns and ideas with regards to Fairtrade were gathered, and finally, 10 variables were defined for this study. These were: Habitual consumption, Fairtrade knowledge, Fairtrade understanding, Fairtrade trust, value for money, perceived price fairness, perceived consumer effectiveness, perceived availability, intentions and buying behavior. In a further step, a conceptual model based on the previously mentioned theory was developed and an online questionnaire was created. As such, the online survey collected information on 10 different constructs as well as socio-demographics and was administered to a final sample of 334 Austrian consumers.

## **Chapter 2: Objectives**

The evidence and ideas previously exposed provide strong arguments to believe in the existence of the "Intention-Behavior" gap within the Austrian coffee market. Nevertheless, due to the lack of consensus in the literature and the rapid development Fairtrade has faced in Austria in recent years, it becomes interesting to empirically analyse the extent to which this phenomenon indeed applies to the Austrian coffee market. To this extent, it becomes key to understand the barriers and obstacles that act against Fairtrade coffee adoption and inhibit their consumption by Austrian consumers. This, being said the main objectives for this study have been defined as follows:

- Empirically test the hypothesized intention-behavior gap within the Austrian Fairtrade coffee market.
- Enlarge the traditional model proposed by the TPB by adding culturally relevant variables to the Austrian coffee market.
- Develop a comprehensive conceptual model to better understand the dynamic between the selected variables. These being: Habitual consumption, Fairtrade knowledge, Fairtrade understanding, Fairtrade trust, value for money, perceived price fairness, perceived consumer effectiveness, perceived availability, intentions and buying behavior.
- Empirically test the developed model to confirm the directionality, valence and effect size proposed by related papers in the ethical consumption field and their applicability to the Austrian Fairtrade coffee market. This will be done, through hypothesis testing based on an extensive literature review performed prior to the statistical analysis.
- Identify potential venues for Fairtrade growth based on the derived conclusions from the statistical analysis. In this attempt, facilitating and inhibiting variables to Fairtrade coffee adoption will be used to the formulation of managerial and policy recommendations to strengthen Fairtrade's position in the Austrian market.
- Update the body of research on the intention-behavior gap relationship and provide recent insights from one of the fastest growing Fairtrade markets world-wide.

## **Chapter 3: Literature review**

#### 3.1 Fairtrade and the Global Coffee Industry

In light of the globalization movement products from all over the world have become readily available for consumers on a global scale. In this way, liberalization trends in many countries have continuously been observed leading to the convergence of independent markets into a socalled global market. This being the case, production and consumption patterns are said to transcend boarders which has led to sharp increases in product availability and consumer's demand (Rao, 2001). In this line of thought, imports and exports are expected to continue to grow and cross-national trade is expected to further expand (WTO "Trade growth", 2018).

As such, this global movement allowed firms and businesses from all over the world to enter new interesting markets where demand for their products exists and extra profits can be made. In this context, more and more players have entered the market resulting in an oversupply and an increase in alternatives of most consumption goods on a global scale. The results of this supply explosion have been multiple, leading to significant price reductions, mass production, process optimization and fierce competition (Ferris & Robbins, 2003).

This being the case, and in light of these growing global pressures to optimization, profit maximization, mass production and the ever-growing competition, high incentives for cost reductions have become key to firms' profitability. In this way, many organizations in multiple industries have experienced the need to reduce consumer prices to remain competitive in the global market place. Consequently, sharp price decreases have been implemented in order for firms to meet global market standards and continue to operate (Rao, 2001). In this way, the extent to which global pressures affect firms, producers and individuals varies across industries and largely depend on the firms' size and their capabilities to cope with these interacting forces (Bäthge, 2018). Thus, despite of positive effects of the globalization movement on trade and the possibility of market entrance for middle and small players to distant markets, the distribution of profits still remains largely criticized (Tamru & Minten, 2016). As such, in most cases the benefits from this emergent globalized economy are not equally distributed along different layers of the supply chain4. In this regard, at the corporate level large and wellstablished firms are continuing to grow, reporting increasing sales and profits making them

<sup>&</sup>lt;sup>4</sup> FAIRTRADE Österreich (2016). FAIRTRADE-Kaffee im Fokus.

larger and richer. On the other hand, however, the situation looks less favourable when zooming in into further layers of the supply chain. That is, when taking into account producers, farmers and artisans of many consumption goods such as coffee, cacao, craft goods and other food products and handicrafts (Swinnen, 2007).

In fact, in the coffee industry around 45% of the market is currently being served by five large multinationals<sup>5</sup>. In this way, the dynamics of the industry have been largely influenced by these firms leading to substantial disadvantages for minor players and smallholding farmers. As such, according to a Fairtrade's report in 2016 under current market conditions coffee producers only obtain a minor share of between 7-10% of the coffee retail price charged to consumers<sup>6</sup>. This being the case and given their limited influence in the global coffee network, farmers do not have any other alternative but to accept the lower rates and disadvantaging contracts offered by exporting companies and multinationals. Therefore, coffee producers have been said to be price takers and often suffer the consequences of unequitable and unjust trade.

In light of the evidence, it is clear that global pressures from big corporations to optimization and price cuts are severely affecting producers and artisans all over the world. In this way, the growing interest in providing competitive retail prices goes at the expense of minor players, usually the actual producers with limited bargaining power and rights (Ferris & Robbins, 2003). Consequently, many movements have emerged to act against this unfair profit distribution and inequality supported under conventional market conditions. In this manner, the Fairtrade concept was developed and in 1967 the "Fairtrade Original" organization in the Netherlands was founded.

As such, in 1969 the first Fairtrade shop opened to the public in which fairly traded handicrafts from developing countries started being sold in the Netherlands. In the following years the growing concern for equitable trade and the increasing awareness of ethical consumption led to the establishment of related NGO's in South America, Africa and Asia. Their role was to provide advice to disadvantaged farmers and create more direct links between producers and consumers<sup>8</sup>.

<sup>&</sup>lt;sup>5</sup> ibid.

<sup>&</sup>lt;sup>6</sup> ibid.

<sup>&</sup>lt;sup>7</sup> World Fair Trade Organization (2015). History of Fair Trade\_.

<sup>&</sup>lt;sup>8</sup> ibid

In the very beginning of the Fairtrade organization mostly handcrafts and handiwork from developing countries were traded. It was not until 1973 that fairly traded coffee from Guatemala was introduced to the Dutch market. As such, the raise in ethical consumption concerns by Dutch and further European consumers in 1987 led to the foundation of the European Fairtrade Association (EFTA), an association of the 11 most important importing Fairtrade organizations in Europe. Subsequently in 1989 the World Fair Trade Organisation (WFTO) was stablished. This is a similar organization that promotes the Fairtrade concept and Fairtrade production practices<sup>9</sup>. In this manner, the institutionalization of the Fairtrade concept increased consumers' awareness and provided them with information on the unjust nature of the market for producers in developing countries. Ever since that time, the organization committed to taking actions against the unmoral structure of the market and aims at providing fairer prices to farmers and producers in the global south. Furthermore, in the late 1980s the Fairtrade packaging labelling, and certification was introduced. This added product attribute provided a mean to differentiate fairly-traded products from conventional ones. This initiative was launched as an attempt to create a market for additional product features based on transparent, dialogue-based and fairtrading conditions for farmers in the global south<sup>10</sup>.

In this sense, the Fairtrade term has been widely discussed in the literature of ethical consumption. Thus, many definitions have been provided to explain the way this organization operates and its social and environmental implications on a global scale. Generally, the concept addresses both social and environmental matters (Carrigan et al., 2004). A more detailed conception of the Fairtrade concept defines it as a trading partnership based on a clear dialogue between involved parties, respect and transparency (Becchetti & Rosati, 2007). According to Littrell and Dickson in 2010 the Fairtrade organization aims at making an attempt to work on sustainable development by: Offering better trading and working conditions to producers in developing countries, educating them about their rights, providing support at different stages of the production process, negotiating reasonable and fair prices with multinationals, enhancing their environmental production standards, and providing farmers with a clean and safe working environment. Overall, the concept involves business practices that allow for sustainable businesses to develop, empower producers, increase their overall well-being and supports equitable trade (Bird and Hughes, 1997). More precisely, the core of the Fairtrade concept has been said to be fair prices for fairly produced products in developing countries. This entails

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<sup>&</sup>lt;sup>9</sup> Carol Wills. History of WFTO\_.

<sup>&</sup>lt;sup>10</sup> World Fair Trade Organization (2015). History of Fair Trade.

promoting goods produced by farmers to prices that are more advantageous to them than the ones applying under free market conditions (De Pelsmacker, Driesen et al., 2005).

According to Davies in 2007 the development of the Fairtrade movement can be subdivided in three eras. Namely, the solidarity Era (1970-1990), the Niche Market Era (1990-2002), and the Mass Market Era (2002-present). In the first period (1970-1990) Fairtrade supporters were only alternative Trade organizations (ATOs) and the quality of offered products back then (e.g. coffee, craft goods) was rather seen as poor or average. In the subsequent era (1990-2002), the Fairtrade market expanded as more and more Fairtrade associated companies joined the market. Subsequently, the product variety increased and further products started being traded under Fairtrade certification programs (e.g. chocolate, sugar, tea, cocoa, fruits and nuts). On the other hand, however, availability remained low in most supermarkets, consumers still seemed to be sceptic with regards to Fairtrade product features and their quality was still perceived as poor by the public. Lastly, in the mass Market era starting in 2002 the perception of Fairtrade products started to change. As such, their quality and reputation substantially improved as they became available for sale in many supermarkets and retail stores. Nowadays, Fairtrade products are widely available for sale and provide an interesting alternative for consumers with higher ethical consumption needs (Nicholls, 2002).

In this way, as consumers' awareness increases and information spreads concepts such as ethical consumerism and ethical product features become more relevant to consumers (Carrigan & Attalla, 2001). These factors are believed to be drivers of demand in the ethical consumption arena and have been linked to a better Fairtrade product quality perception, acceptance and adoption, when compared to previous years (Jones & Comfort, 2003). More recently, Fairtrade labelled products have become readily available in most developed countries and therefore, their market shares have shown an upward slope since 2002 (Hira and Ferrie, 2006). In the European market the most traded products under Fairtrade certifications are coffee, chocolate, tea and bananas (Ferran & Grunert, 2007). Surprisingly, within the Fairtrade certification program coffee accounts for approximately 50% of the overall organization's turnover worldwide (Janssens et al., 2005). This being the case and given the importance of coffee for the Fairtrade organization several studies on this product category have been conducted. As such, the majority of studies in this field have emphasized the role of Fairtrade's social nature and the providence of better working conditions and advantageous remunerations to coffee producers. Accordingly, the Fairtrade organization is believed to educate consumers about unaddressed social and ecological challenges in today's unequitable consumption markets and

supply chains. Furthermore, it provides policy recommendations to avoid unfair production practices to continue to develop and makes an attempt to reduce inequitable income distributions around the world (Raynolds, 2000).

According to a report released in 2002 by the Fairtrade federation, the organization has been able to grant producing farmers with about 40% of coffee consumer prices. Further related studies have stated the big role of Fairtrade and their contributions in developing countries. As such, the evidence shows that farmers under Fairtrade certification programs manage to increase their annual income, report lower debt and are able to expand and improve their production activities (Kiy et al., 2015). Further, evidence has linked Fairtrade programs to environmental friendlier coffee production methods with organic and environmentally sound fertilisers which help keep their soils healthy and productive (Ruben & Fort, 2012).

Referring to an impact study by Fairtrade Germany and Switzerland Fairtrade programs have been said to improve the socio-economic structure of farmers in their communities in several ways. This being said, and especially in the case of coffee the results of the analysis state that farmers under the Fairtrade certification programs were the only ones to be able to survive on their coffee farming activities, when compared to other producers trading under standard market prices. Moreover, the study suggests recurrent and consistent money inflows by Fairtrade farmers and higher education and specialization in their production practices due to Fairtrade capacitation programs. Subsequently, the study analyzed the extent to which Fairtrade commercial activities and selling practices reduced farmers' ability to consume their own products due to lacking availability. In this way, results show that Fairtrade farmers did not have to devote their whole crop yielding to trading activities in order to survive and could still consume a fair proportion of it. As such, Fairtrade commercial activities were not found to limit farmers own food consumption. This study also addressed several social benefits granted by the Fairtrade movement in cooperating farmer communities. As such, contributions from Fairtrade price premiums have been devoted to building schools, providing further education opportunities, medical assistance and health care, as well as building roads and local infrastructure. In this way, the coffee cooperative developed for this study led to around 280 km of roads being built and showed a high involvement of farmers in the structural development of their own community<sup>11.</sup>

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<sup>&</sup>lt;sup>11</sup> Centrum für Evaluation (2012). Fairtrade Impact Study.

Notwithstanding, despite the overall positive impact Fairtrade has shown over the years in developing countries, consumption of Fairtrade certified products remains limited in most markets. In this way, when evaluating the coffee market and the overall coffee consumption in Europe and the USA on average Fairtrade only accounts for a minor share of up to 2% of the entire market (De Pelsmacker et al., 2005). Further evidence, states surprisingly low market shares of Fairtrade coffee reaching at best 3% of the entire coffee consumption in most developed countries (Krier, 2008). This being the case, and in light of the significant positive impact the organization activities have had on farmers' wellbeing and life standards, new strategies should be implemented to enlarge the representation of Fairtrade products in their respective markets. Hence, further contributions can be delivered and new initiatives can be undertaken to making the global market place more sustainable, equitable, inclusive and fairer.

#### 3.1.1 Fairtrade in the Austrian Context

Austria is believed to be among the countries with the largest per capita coffee consumption in the world (Smith, 2017). With regards to Fairtrade coffee, since 2011 a sharp increase in the Fairtrade trust and label familiarity among Austrian consumers could be observed <sup>12</sup>. As such, Austria was ranked to be within the five best performing countries in terms of Fairtrade per capita sales and reported a total sales volume of 270 million Euros in 2017 (Jiresch, 2017).

Furthermore, and according to the Fairtrade globe scan consumer study released in 2015, most Austrians recognize the Fairtrade label in the respective products and seem to be highly familiar with it. In fact, a survey conducted by the Austrian Fairtrade organization in 2017 states that around 92% of Austrians knows the Fairtrade brand, 90% trusts Fairtrade certification and approximately 40% of the Austrian population frequently buys Fairtrade products<sup>13</sup>. Further information provided by the Fairtrade Austria annual report of 2017 states an amount of roughly 3800 tons of Fairtrade certified coffee sold in the nation during that year. These figures represent a sales increase of about 5% when compared to the final sales achieved in 2016.

#### 3.1.2 The Intention-Behavior Gap and the Austrian Fairtrade Coffee Market

In this sense, the steady growth of the Fairtrade coffee consumption of recent years, the high familiarity, brand recognition and trust exhibited by Austrian consumers can lead to infer a strong presence of Fairtrade coffee in the Austrian marketplace. Nevertheless, despite this

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<sup>&</sup>lt;sup>12</sup> Fairtrade International (2015). GlobeScan Consumer Study.

<sup>&</sup>lt;sup>13</sup> FAIRTRADE Österreich (2018). Zahlen und Fakten 2017.

seemingly favourable outlook for Fairtrade, the picture looks very different when considering the overall market share of Fairtrade in the coffee market. As such, based on recent data provided by the Austrian Fairtrade report of 2015, Fairtrade only covers a minor share of the Austrian coffee market of roughly 6%. 14 Surprisingly, even though these numbers position Austria well above the general standard a big potential for improvement and market penetration still exists. In this regard, a similar pattern could be identified among British consumers in 2011. Consequently, the percentage covered by Fairtrade products in the retail industry was only around 1.53% despite consumers' high self-reported scores of 90% in Fairtrade trust and familiarity (Kiy et al., 2015). This being the case, and in light of the evidence previously presented being familiar, trusting and recognizing the Fairtrade label does not automatically imply Fairtrade product adoption and consumption. This behavior has been widely studied in the literature of sustainable consumption and has been referred to as the "attitude-behavior" and "intention-behavior gap" (Vermeir & Verbeke, 2006). As such, in a study focusing on biologic food choices around 67% of participants stated holing positive attitudes towards this kind of products but only 4% actually purchased them when given the opportunity (Hughner 2007). Further articles suggest that even though people seem to be concerned about the environment and are aware about the severity of the consequences of climate change on society as a whole, only few actually engage into mitigating activities (Bamberg, 2003). In a similar manner, the general understanding of our consumption and its impact on the environment and society has not always been linked to ethical behavior and thus, does not always lead to ethical consumption (Kilbourne and Beckmann, 1998). This behavioral pattern has even been observed among highly environmentally aware consumers, as their positive attitudes and stated intentions do not always translate into purchase decisions (Rokka and Uusitalo 2008).

The previously explained phenomenon has been well-documented and observed in the market place. According to secondary data, even though the willingness to purchase green and ethical products has increased in recent years, the market shares of most ethical goods remain low. This being the case, the market coverage of sustainable goods only ranges between 1-3% in most global markets (Bray et al., 2011). This being the case, people seem to overlook the impact of their consumption and tend to consume unethically despite their stated concerns and their seemingly high environmental awareness (Mohr et al., 2001).

14.

<sup>14</sup> ibid.

In light of the previously explained points, there is evidence to assume the existence of a gap between consumer's attitudes and behavioral intentions and their actual buying behavior (Chen and Chai, 2010). This being said, the literature uses the concept of "intention-behavior gap" to refer to the discrepancies observed between stated intentions to behave in a certain way and actual behaviors (Vermeir and Verbeke, 2008). In line with these arguments, a study demonstrated that although 30% of people generally state to be concerned about the environment, only a minority of around 5% actively takes actions (Young et al., 2010). This inconsistency has also been observed in wider spectrum of ethical consumption (e.g. Fairtrade, organic products). Moreover, and in the Fairtrade context a Belgian study addressed the previously explained gap and tried to uncover relevant links to explain its occurrence in the Belgian market (De Pelsmacker, Driesen et al., 2005). Thereby, the study analysed Belgian's statements with regards to Fairtrade coffee and their subsequent buying behavior. Along these lines, the high appreciation and high self-reported buying intentions exhibited by participants did not lead to any substantial increase in buying behavior of Fairtrade coffee. As such, the study proposes that participants' intentions to engage into Fairtrade consumption did not translate into actual purchase of Fairtrade certified coffee. Furthermore, the results of the study suggest that the Fairtrade related price premiums acted as a barrier and hampered actual Fairtrade product adoption. These findings propose a relatively low willingness to pay for Fairtrade coffee among Belgian consumers and serves as an example to illustrate the previously explained gap (De Pelsmacker, Driesen et al., 2005). In a similar way, studies related to organic food showed that even though 71% of the used sample expressed highly positive attitudes towards this type of products, only around 7% actually ended up purchasing them when given the opportunity (Magnusson et al., 2003). Thus, this lack of correspondence of stated intentions and observed behavior in the market place provides strong research-based evidence to assume the existence of the so-called "intention-behavior" gap across different dimensions of ethical consumption (e.g. organic, biologic, Fairtrade), (Joshi & Rahman, 2015).

## 3.2 The Intention-Behavior Gap Dynamic

As such, potential factors to explain the gap have been discussed. On the one hand, consumers usually tend to overstate their self-reported behavior to appear socially responsible and comply with researchers' expectations. Thus, self-reported statements on attitudes and intentions to consume in an ethical manner are often inflated and biased. This phenomenon has been said to contribute to the observed gap between reported intentions and observable buying behavior (Hassan, Shiu & Shaw, 2014). Further research suggests that competing factors as well as

uncontrollable variables so called non-observable variables (e.g. availability, price, information, trust, knowledge, habits, social influence) might help account for this lack of correspondence between intentions and behaviors. These barriers or obstacles are believed to add to the intention-behavior gap and taking them into account might help partially explain the observed mismatch between intentions and behaviors (Young et al., 2010). In the Austrian context some research has been devoted to identifying applicability of the intention-behavior gap to the Austrian Fairtrade coffee market. As such, studies have made an attempt to provide potential explanatory variables to better understand the dynamic of intentions and behaviors and further explain their relationship. More, precisely a survey-based study conducted in 2012 suggests four main barriers for Fairtrade consumption in Austria. These being: the lack of knowledge and increased uncertainties across consumers, an incomplete understanding of the Fairtrade logo and its certification, the belief that Fairtrade contributions achieved through price premiums do not make any difference for farmers, and the rather high price premiums that lead consumers to prefer more affordable non-Fairtrade coffee options (Derler et al., 2012). These findings clearly challenge recent figures by Fairtrade Österreich's 2017 report, stating that roughly 92% of Austrians knows the Fairtrade program and every 9 in 10 Austrian trusts its certifications<sup>15</sup>. Complementary data of this report suggests that 41% of Austrians regularly purchase Fairtrade products, especially coffee and chocolate, and around 80% of the country's population occasionally buys Fairtrade-certified goods. Nevertheless, these positive arguments do not seem to match the current low market share (6%) exhibited by Fairtrade coffee in the Austrian market place<sup>16</sup>. This being said, the contradictory nature of the data and uncovered findings call for further investigation and clarification on this matter. As such, the results of the previously mentioned study depict the situation back in 2012. In this way, over the course of the previous six years, changes in the way Austrian consumers perceive Fairtrade certified coffee seem likely. Thus, their perception trust and knowledge of Fairtrade products, as well as their price-related considerations are likely to have changed as well. This being the case and given the lack of recent studies on the Fairtrade coffee intention-behavior relationship in the Austrian context, a great potential for complementary research still exists. Thus, it would be critical to further investigate the role of trust, knowledge, the price sensitivity and price contributions perceived by Austrians in one of today's fastest growing Fairtrade coffee markets worldwide. Furthermore, insights from related literature suggest other alternative explanatory

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<sup>&</sup>lt;sup>15</sup> FAIRTRADE Österreich (2018). Zahlen und Fakten 2017.

<sup>16</sup> ibid.

variables not considered by the previous study that could also be relevant in understanding the intention-behavior relationship in the Austrian context (Young et al., 2010).

All in all, the high awareness, recognition and trust towards Fairtrade and yet the astonishing low market share of Fairtrade coffee in the Austrian market delivers the required conditions to assume and explore this gap. In this way, a more accurate representation of the current Austrian market can be gained and relevant insights on this matter can be uncovered. This being the case, being able to understand the dynamics of the "Intention-behavior" relationship and its interacting variables can lead to the generation of valuable managerial implications to further push the presence of Fairtrade coffee in the Austrian market and allow for larger contributions for farmers in developing countries.

#### 3.3 The Theory of Planned Behavior

The theory of planned behavior (TPB) has been one of the most commonly used frameworks in explaining purchasing behavior, specially in the field of sustainable consumption (Montano et al., 1997). This theory focusses on the performance of one particular behavior and addresses potential variables believed to be linked to it (Ajzen, 2015). As such, the theory's main argument states that behaviors are directly dependent on one's own intention to carry out the specific action being questioned (Giampietri, Verneau, Del Giudice, Carfora & Finco, 2018). Thus, and in line with this conceptualisation, behavioral intentions are believed to be the best predictor of subsequent behavior (Ajzen, 1985). In this way, the theory includes a set of variables to explain how intentions are formed and how these might translate into actions. This being said, the framework utilizes three main determinants of intentions, namely: Attitudes towards the behavior, subjective norms and finally perceived behavioral control (PBC). Attitudes relate to the individual's own evaluation of the behavior at hand, whereas social norms capture the influence of relevant social groups and their judgement of the behavior being evaluated. Furthermore, PBC addresses the extent to which an individual believes to be able to perform the given behavior. This concept is strongly related to the individual's ability and possibility to act and takes it into account that the behavior of interest might not always be under the actor's direct control (Ajzen, 1985).

According to the theory, all these factors are determinants of behavioral intentions, which in turn is believed to be the main antecedent of behavior (Vermeir & Verbeke, 2008). In other words, the theory posits that the more positive a person's attitudes, the more matching the

expectations of relevant social groups with the intended behavior, and the easier its performance is perceived to be by the actor himself, the more likely positive intentions towards the specific behavior will develop. Furthermore, and to account for uncontrollable factors the theory assumes a direct link between PBC and behavior (Vermeir and Verbeke, 2006). In this way, the model argues that specific actions are not exclusively linked to the individual's intention to perform them, but also to their perceived behavioral control to actually do so (Giampietri, Verneau, Del Giudice, Carfora & Finco, 2018). That is, a behavior is likely to occur if the actor intends to perform it and believes he/she has the ability and possibility to carry it out. However, due to uncontrolled factors, both situational and contextual, intended actions might become unfeasible. Such unexpected barriers are captured by the PBC construct which is believed to have a direct effect on purchase behavior and can render individuals unable to pursue their intended initial behavior (Tanner and Kast, 2003).

According to Sparks et al. in 1997, the PBC construct encompasses aspects that lie within and without the control scope of individuals and might act as barriers or facilitators to the performance of intended behaviors. This belief supports the idea that the performance of some activities might be outside individual's volitional control and therefore third variables might lead to inaction. Furthermore, and in line with several studies in the context of sustainable consumption, the construct PBC can be subdivided in two underlying variables, namely, perceived availability (PA) and perceived consumer effectiveness (PCE) (Vermeir & Verbeke, 2008). The former relates to the extent to which a product is available for purchase, whereas the last one concerns the individual's perceived contribution to the solution of a problem through performance of a particular behavior. Thus, PCE is linked to the actor's feeling that his/her particular behavior is effective and contributes to solving a specific problem (Kinnear, Taylor & Ahmed, 1974). Moreover, regardless of the inner motivation and formed intention towards a behavior in some cases unavailability might lead to unrealized purchase intentions. In a similar manner, the believe that personal contributions through specific actions might not translate into actual results might also lead to deviating purchasing behavior. All this being said, and to sum up, this theory proposes that favourable attitudes, matching social norms and control over actions are believed to lead to the formation of favourable intentions towards a specific behavior. In this sense, intentions are assumed to be the best proxy to predict actions and are believed to be the most immediate predecessor of subsequent behaviors. Furthermore, a direct effect of the PBC construct on actual behavior is assumed. In this way, and to allow for a better understanding of the proposed theory and its relationships the following figure was incorporated.

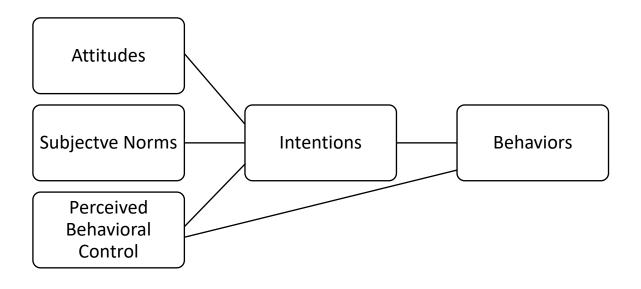


Figure 1: The Theory of Planned Behavior (Ajzen, 1991)

#### 3.4 Model Criticism

At first sight, the model proposed by the TPB seems to be a very robust tool to evaluate the formation of behavioral intentions and predict final behaviors. Nonetheless, criticism has been built around its limited explanatory power and its low predictive value in the majority of studies in the past (Sutton, 1998). Overall and according to a meta-analysis performed by Sutton in 1998 the TPB exhibits a moderate performance while predicting behavioral intentions. In this way, in most related studies it only accounted for up to 50% of the variation in intentions. Moreover, and with regards to final behavior the percentage explained by the model significantly dropped and accounted for between 19% and at best 38% of the variation in final purchase behavior. This numbers, allow for substantial improvements and pinpoint the potential exclusion of relevant variables that could be used to ameliorate the model's performance.

In this way, several studies have applied the TPB as their framework of analysis while studying green purchase behavior. The vast majority of them has implemented the conventional framework with variables such as attitudes, intentions and final behavior. Nonetheless, despite its wide applicability in the green consumption field results remain very modest, as only weak linkages between the interacting variables have been stated (Tanner and Kast, 2003). In

consequence, further research in the green literature has been devoted to addressing the question as to what extent intentions translate into actual purchase behavior. In this sense, contradictory and misleading findings could be attained (Joshi & Rahman, 2015). According to Vermeir and Verbeke in 2006 people's attitudes and intentions rarely translate into actual buying behavior. In the same way a similar study assessed the link between attitudes and final behavior among British consumers. Thereby, only 4% of the sample utilized actually purchased organic products despite the fact that 67% of respondents stated having positive attitudes towards this kind of products (Hughner 2007). This being said, a clear discrepancy between attitudes and behaviors, as well as intention and behaviors has been observed (Wheale and Hinton, 2007).

In this regard, some authors argue that this phenomenon partially manifests due to the presence of additional interacting variables in the physical and social environment in which buyers are embedded (Tanner and Kast, 2003). This being said, blindly assuming a perfect correspondence between intentions and actual behavior would contradict the observed mismatch and provide an inaccurate representation of reality. According to Carrington, Neville and Whitwell in 2010 people's initial intentions to act in a particular way might be outweighed by the presence of external competing barriers that inhibit their implementation. As such, the authors believe that intentions on their own act as weak predictors of subsequent behavior.

These phenomena describing mismatching attitudes, intentions and behaviors are known as the "attitude-behavior" and the "intention-behavior" gap. As such, these concepts assume that consumer's final decisions and purchase behavior significantly deviate from their stated attitudes and intentions to act (Joshi & Rahman, 2015). In fact, extensive support has been found for the existence of this so-called attitude-behavior and intention-behavior gap across different industries (Chen and Chai, 2010). This evidence provides valid arguments to criticize the reliability of the TPB and its applicability in the context of sustainable consumption. This being said, more recent research has tried to expand the conventional framework proposed by this theory and thus, improve its predictability (Carrington, Neville & Whitwell, 2010).

All this being said, the theory of planned behavior is believed to provide a good, yet over-simplistic framework to explain behavior in the sustainable consumption field and could therefore be improved. Thereafter, the paper at hand utilizes fundamental theoretical insights from this framework, and builds on the holistic approach proposed by Carrington, Neville and Whitwell of 2010 to correct some of the assumed shortcomings of the TPB. In this attempt, and referring to Tanner and Kast, 2003, the TPB is enlarged by considering situational and object-

based variables to depict a more accurate representation of the relationship between intentions and behaviors. These contextual or situational factors are believed to play a fundamental role in the model utilized for this paper. Moreover, these variables are expected to either hamper or facilitate the translation of intentions to final behavior and should therefore be included in the analysis (Carrington, Neville & Whitwell, 2010). In consequence, a conceptual framework suitable to analyzing Fairtrade coffee buying behavior in the Austrian context was developed. The model departs from key assumptions of the TPB and was complemented by inclusion of relevant situational and object- related variables believed to have an effect on buying behavior. All in all, the proposed framework draws on the core-stone of the TPB by focusing on the link proposed between intentions and final behavior. Furthermore, it challenges the TPB's traditional view which assumes a wide correspondence of intentions and behavior by the inclusion of relevant contextual variables that might help further explain this relationship. As such, it is expected that the extended model utilized could help explain effects above and beyond the ones elicited by intentions on their own and might contribute to the existing body of literature by shedding some light on additional relevant variables involved in this gap.

#### 3.5 Model Discussion

In the following subsection support for the selected variables and the utilized model will be provided. According to the literature in the context of sustainable consumption and in light of the criticism built around the TPB, the inclusion of further relevant variables seems logical. In doing so, Sparks and Shepherd in 1992, Robinson and Smith in 2002 highlight the value of including further situational and contextual factors to the ones proposed by the traditional TPB in order to improve the predictability of effects. As previously mentioned, intentions and attitudes might not always translate into actual buying behavior (Ajzen, 2001). Moreover, and referring to Joshi & Rahman in 2015 the inclusion of further variables that facilitate or block intended behavior might provide additional insights to the "intention-behavior" gap literature. In line with their research, the authors subdivided these factors in two categories. Variables subject to volitional control, and therefore directly dependent of the individual, and contextual variables that apply in specific situations and are beyond the individual's control. Relevant studies in this field address a myriad of factors believed to influence the intention-behavior relationship. In the context of sustainable consumption recent studies have addressed aspects such as product availability, price premiums, convenience, trust and habitual consumption (Robinson and Smith, 2002). Other have rather focused on the role of social responsibility and its effect on behavior (Boulstridge and Carrigan, 2000). Values, as well as situational variables

have also been identified as important factors of study while considering the gap (Vermeir and Verbeke, 2006). Nevertheless, depending on the specific cultural and social context some variables appear to be more important than others (Nicholls, 2002).

This being the case, an exploratory analysis to the identification of cultural-relevant variables in the Austrian coffee market was performed. In this attempt the available literature on ethical consumption and the "intention-behavior gap" was revised. Subsequently a preliminary list of potential variables was proposed and used as main theme of discussion in a focus group. Upon finalization of the discussion a narrower list of variables was developed. In this regard, the final list included the variables: Habitual consumption, Fairtrade knowledge, Fairtrade understanding, Fairtrade trust, value for money, perceived price fairness, perceived consumer effectiveness and perceived availability. For some of these variables the literature supports clear relationships and directionalities, whereas for others the connections remain ambiguous and contradictory (Joshi & Rahman, 2015). In this manner, the puzzling nature of these links reported in the Fairtrade context provides plenty of room for improvements (Young et al., 2010). Thus, through model testing the present research will aim at cross-checking and corroborating the results of previous studies and identifying facilitators and inhibitors leading consumers to commit or deviate from their intended ethical behavior. To allow for a better understanding of the links provided the developed conceptual model of study was included hereunder.

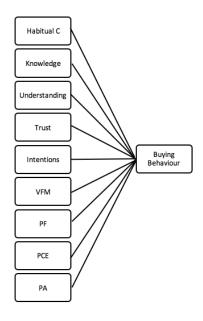


Figure 2: Enlarged Conceptual Model

#### 3.6 Relevant Constructs of Study

The following subsection will shed some light and conceptually define the constructs of study considered for the analysis. As previously mentioned, these variables were derived out of the literature review and a focus group discussion conducted as preliminary analysis. As such, a more detailed description of the discussion and the tools used for the variable selection will be provided in the methodology chapter. Furthermore, and after introduction of the relevant concepts of study, the specific hypotheses for each analysis will be formulated.

#### 3.6.1 Fairtrade Buying Behavior

In the intention-behavior relationship, behavior is the outcome-variable of interest. In this way, and according to the previously discussed literature substantial discrepancies in the relationship between intentions and behaviors have been observed (De Pelsmacker, Driesen et al., 2005). Thus, and in light of the contradictory results and the ambiguous nature of these links in the Fairtrade context it becomes interesting to further assess this gap. As such, in the overall model utilized for this research Fairtrade buying behavior will be the main dependent variable of study. In this way, four different dimensions of buying behavior will be measured. These were named as follows: (a) Fairtrade expenses, (b) Fairtrade past buying behavior, (c) Fairtrade experimental buying behavior and lastly (d) the Fairtrade coffee frequency of purchase.

#### 3.6.2 Fairtrade Buying Intention

Behavioral intentions have been defined by the literature as the perceived probability by an actor that he/she will perform a given behavior (Ajzen & Fishbein, 1980). This concept relates to the extent to which an individual has developed a conscious plan to implement the intended behavior evaluated (Warshaw & Davis, 1985). This being the case, behavioral intentions always relate to the performance of a specific activity. In line with Warshaw and Davis in 1985, high behavioral intentions suggest that the actor is decided to perform a given action. On the contrary, low behavioral intentions signal higher preference for opposing behavior to the one in question. Furthermore, moderate intentions relate to the case where individuals are undecided or indifferent whether to act or not. This being said, in a more practical sense the behavioral intentions variable distinguishes between individuals that want to perform the specific behavior from those that do not. In the particular model developed for this study behavioral intentions relate to Fairtrade coffee purchases. As such, this construct measures the extent to which

respondents intend or plan to buy Fairtrade coffee in the near future. Accordingly, and referring to the previous concepts within the TPB the following hypothesis was formulated:

H1a: The higher behavioral intentions, the higher Fairtrade coffee buying behavior is expected to be. As such, and referring to the TPB, a positive and direct effect between intentions and behaviors can be assumed.

Moreover, and in light of the model criticism suggested by Sutton in 1998, the framework proposed by the TPB is believed to uncover weak links between intentions and behaviors. In this regard and building on the model's critique a second hypothesis was developed.

H1b: Intentions on their own are believed to act as a weak predictor of Fairtrade coffee buying behavior. As such, a low explanatory power of intentions on their own can be expected.

In this sense, and assuming that H1b holds, the enlarged model developed for this research is expected to yield substantial improvements in the models' performance, when compared to simpler frameworks solely inspecting the traditional intention-behavior relationship. In this way, the inclusion of further variables to the traditional framework proposed by the TPB should lead to significantly higher adjusted R<sup>2</sup> coefficients when compared to models exclusively considering intentions. Moreover, and referring to the model criticism and the model specification sections developed for this study a literature review on the additional constructs other than the ones included in the TPB will be provided hereunder.

#### **3.6.3 Habits**

Studies in the food industry suggest that specially food and beverages purchase decisions are usually guided by instinct, past behaviors and experiences rather than by formal, complex psychological processes such as the one proposed by the TPB (Koster, 2009). In this way, this theory has been criticized as it has failed to include additional and relevant variables that could help predict observable behaviors (Tanner and Kast, 2003). In this regard, the literature provides extensive support for the role of habits as strong barriers to changing behavior and adopting new consumption practices (Neal et al., 2009). Overall, there is the notion that past-behavior specially when it comes to predicting buying behavior can be informative in forecasting future actions. In the economic debate this term has been defined as "Habitual consumption" (Wood & Neal, 2009). As such, the proposed extended model applied in this paper includes the variable previously mentioned to account for individuals automatic and habitual decision making.

Thereby, it is assumed that consumers' coffee consumption habits might cause them not to buy Fairtrade coffee, despite existing and positive behavioral intentions towards this type of coffee. According to Joshi & Rahman, 2015 in their meta-analysis, habits seem to be a rather underestimated variable in the context of sustainable consumption. Thereafter, only few studies have included it in their analysis. Accordingly, some authors clearly state the role of habits as an obstacle to green consumption, preventing its implementation even among ethically minded consumers (Tsakiridou et al., 2008). Moreover, research has found support to assume a negative relationship between strong habits and green buying behavior (Vermeir and Verbeke, 2006). Nevertheless, to the best of my knowledge less has been done in the Fairtrade coffee context. This being the case, the inclusion of habits as potential barrier to Fairtrade adoption might help better understand the dynamics between intentions and behaviors and might help complement the available body of literature on this relationship. All this being said, a direct effect of the habitual consumption construct on Fairtrade buying behavior can be expected.

Conceptually, habits have been defined as recurrent behaviors that form through repetition of the one and the same action over time. They usually form in stable contexts and are believed to be the result of associations between a specific context and a response behavior (Wood & Neal, 2009). According to the literature once habits have been developed, exposure to given stimuli will activate neural connections in the brain triggering the developed habitual behavior (Bargh, 1994). Furthermore, the development of habits can be supported by everyday constraints, such as time pressures, low involvement, distractions and psychological resource depletion (Wood & Neal, 2009). As such, these constraints along with positive and rewarding product experiences are likely to lead to habitual consumption patterns to develop (Martin, 2008).

Further research states the important role of habits in low involvement contexts, specially with regards to food and beverages. In this way, habits might be implemented as they allow for default, automatic and faster decision making (Verplanken and Wood 2006). This becomes even more salient in the context of sustainable or green products. This being the case, the literature argues that if consumers do not have a strong environmental awareness or ethical concerns related to consumption, their involvement level is likely to remain low while in the purchase situation. This being the case, automatic and default decision making is likely to occur (Verplanken and Roy 2013). In this regard, it is believed that only for the case that sustainability considerations elicit higher involvement levels habits might be questioned. As such, increased involvement can cause consumers to consider further alternatives other than their habitual choices (Bradu et al. 2014). Otherwise, if involvement levels remain low, consumers will be

less likely to engage into active information processing and habitual consumption patterns might be favored (Vermeir and Verbeke 2006). All this being said, and in light of the previously discussed arguments, the following hypotheses were developed.

H2a: Habitual coffee consumption of Fairtrade coffee is likely to have a direct and positive effect on Fairtrade coffee behavioral intentions.

H2b: Habitual coffee consumption of Fairtrade coffee is likely to have a direct and positive effect on Fairtrade coffee buying behavior.

H3a: Habitual coffee consumption of non-Fairtrade coffee is likely to have a direct and negative effect on Fairtrade coffee behavioral intentions.

H3b: Habitual coffee consumption of non-Fairtrade coffee is likely to have a direct and negative effect on Fairtrade coffee buying behavior.

These direct, positive and negative effects are expected as habits can prevent alternative behaviors to be implemented. This would apply to the case that consumers have built clear and strong coffee preferences for either Fairtrade or non-Fairtrade coffee and therefore do not consider other alternatives. As such, clear intentions and consistent behavioral patterns among habitual coffee consumers should be observed. Such behavioral consistency in favor of habits is even likely to be observed in the case of ethically minded consumers with positive and strong behavioral intentions towards sustainable goods, such as Fairtrade coffee (Carrington, Neville & Whitwell, 2010).

Furthermore, habits might influence the relationship between intentions and behavior in a different way. According to the literature, repeated habitual behavior might lead to the formation of post-purchase expectations linked to the specific behavior performed. (Wood & Neal, 2009). In this way, the literature supports the idea that repeated purchase behavior might occur as a result of positive associations between a product and its consumption (Martin, 2008). As such, recurrent positive and rewarding product experiences might cause consumers to assume a better performance of their product of choice when compared to potential alternatives and product substitutes (Wood & Neal, 2009). This behavior has been widely discussed in the literature as the so-called "confirmatory bias" by which past behavior is used to judge future actions (Betsch, Haberstroh, Glöckner, Haar, & Fiedler, 2001). Furthermore, the authors highlight the role of habits as they might oftentimes be perceived as the most appropriate response to the solution of a problem. This being said, the reliance on habits in daily life has

been said to reduce individual's search for different alternatives, choices and behaviors. Additional insights from the literature support the idea that once habits have been built, consumer's tend to prefer known habitual behaviors than riskier and unknown alternatives. In such settings, due to the confirmatory bias consumers might develop favourable product-related evaluations that might affect their judgement of other alternatives (Verplanken et al. 1997). In such situations research has shown that the information processing is likely to go in favour of habitual behavior and limit the search for alternative solutions. (Wood & Neal, 2009).

In light of the previously discussed arguments, habits are believed to reduce the individual's attempts to modify his/her habitual behavior and discourage him/her to engage into alternative buying activities (Wood & Neal, 2009). As such, and given the assumed importance of habits for purchase decisions the "habitual consumption" variable will be used to differentiate different types of consumers. Thus, the construct "habitual consumption" will be composed of items that allow to subdivide the sample and distinguish participants based on their coffee consumption patterns. That is, consumers that have a favorite coffee which they consecutively buy from those that do not. In this way, this variable refers to the consumption of non-Fairtrade coffee and Fairtrade coffee types. In consequence, some people will have a clear stated preference for Fairtrade coffees, whereas others might remain loyal to a specific non-Fairtrade option. Furthermore, a third group not displaying any consistent habitual consumption behavior will emerge. This subsample becomes particularly interesting for the analysis as participants in this cluster do not state to have strong coffee habits and might be potential future Fairtrade coffee consumers in case they are not already doing so. All in all, the total sample will be subdivided in four groups, one composed of Fairtrade coffee consumers, another one of non-Fairtrade coffee drinkers, a third group of uncertain consumers with habitual coffee consumption but without knowing whether their choice is Fairtrade or not, and lastly a fourth group with undecided individuals. According to the hypotheses H2 and H3, the first two groups are most likely going to remain loyal to their coffee of choice and be less prone to switching behavior. This being said, for these two groups consistency in intentions and behaviors can be expected. On the other hand, however, for the undecided group no preferences were stated and no habitual consumption could be observed. At this point a further question arises, namely, as to what extent the stated intentions of this group lead to Fairtrade coffee buying behavior. Thus, and according to the literature for the cluster of undecided consumers a gap in intentions and behaviors can be expected. This being the case, a further hypothesis was developed

H4: For undecided consumers a positive yet weak relationship between intentions and behaviors can be expected.

In this attempt, and by splitting the sample in several categories, the different behavioral patterns and trends in intentions and behaviors for specific groups can be explored and potential extreme effects on for highly habituated consumers can be identified and isolated.

As such, it seems logical to believe that people with high Fairtrade consumption will most likely show a wide correspondence between high Intentions to buy Fairtrade coffee and therefore more frequent buying behavior. In the same way, the intentions and behaviors of non-Fairtrade consumers should also correspond and lead to both low intentions to buy and infrequent buying behavior. In this way, a low discrepancy in intentions and behaviors is likely to be observed among respondents with high self-reported levels of coffee habitual consumption, regardless of the nature of their habitual consumption (Fairtrade vs. non- Fairtrade). This means that people with preferred Fairtrade coffee will most likely report both high intentions and behaviors, whereas low intentions and behaviors can be expected for non-Fairtrade habitual consumers.

Nevertheless, for the remaining undecided consumers the effects of intentions on behaviors do not seem as obvious and the size of the proposed gap remains a big question. Hence, by screening out those participants with strong habitual coffee consumption patterns (Fairtrade vs. Non- Fairtrade) the extreme effects of habitual consumption on buying behavior can be differentiated. In this way, the purchase behavior of undecided coffee consumers can be explored and additional insights on this potential market, their intentions and actual behaviors with regards to Fairtrade coffee can be gained.

#### 3.6.4 Knowledge and Understanding

In the intention-behavior literature knowledge has been one of the most used variables while analyzing green purchase behavior. In fact, in a meta-analysis conducted by Joshi & Rahman in 2015 around 18 studies highlighted the role of this variable in the intention-behavior relationship. As such, the vast majority of papers included stated a positive relationship between environmental knowledge and actual buying behavior of green goods (e.g., Chan et al., 2000).

Moreover, some authors attribute high importance to the knowledge construct and link higher knowledge to higher levels of trust (Joshi & Rahman, 2015). Based on the statements previously mentioned, there is evidence to assume that increased levels of trust and environmental

knowledge might positively influence individual's attitudes and green purchase behavior (Smith et al., 2010). Nevertheless, opposing ideas have challenged this positive view and propose a different role of knowledge in the intention-behavior relationship. According to Wolsink's results in 2007, environmental knowledge was found to be weakly related to the formation of more positive attitudes and purchase behavior of green products. One alternative to explain this behavior suggests that knowledge itself as an overall understanding of environmental issues might not be enough to encourage people to adopt green consumption practices (Bang et al., 2000). As such, the view that general environmental knowledge leads to increased green buying behavior has been challenged. In a similar manner, studies focusing on Fairtrade coffee observed no significant effects between higher information providence and Fairtrade coffee consumption. Along these lines, support has been found for the passive role of information in the persuasion process and its weak role as motivator to encourage consumers to act ethically (Devinney et al, 2010). Correspondingly, Hudson and his colleagues performed an experiment in the Fairtrade context in 2013 with similar implications. Their results state that providing additional information on Fairtrade coffee and its producers does not lead to significantly higher purchase rates of coffee. Surprisingly, however, a deeper and more comprehensive understanding of the Fairtrade organization, its projects, goals and networks was linked to a strong and positive effect on final Fairtrade coffee consumption (Hudson et al., 2013). In this regard, some authors highlight the importance of understanding the consequences related to unethical behavior over simply increasing environmental knowledge. The rational behind this idea is that the awareness of potential consequences might actually act as a mean to motivate consumers to shift to more ethical consumption patterns (Joshi & Rahman, 2015).

Overall, and due to the contradictory nature of the evidence, the discussed points provide a very unclear picture on the role of knowledge and understanding in the intention-behavior relationship. In this sense, while some papers state a clear positive correspondence between knowledge and buying behavior, others remain sceptical and ascribe higher importance to actual understanding than to mere factual knowledge. Furthermore, the presented discussion and findings were predominantly focused on the green consumption field and mostly addressed the role of environmental knowledge in the consumption of green products (Joshi & Rahman, 2015). Surprisingly, less has been done in the Fairtrade context. As such, fewer studies seem to have covered the role of knowledge in and its influence on Fairtrade buying behavior. This being said, the lack of evidence allows to gain additional insights on this topic and motivates

the present research to better define the ambiguous role of Fairtrade knowledge and understanding in the intention-behavior relationship.

In this way the paper at hands utilizes two distinct constructs to capture the role of knowledge in the intention-behavior gap, namely Fairtrade knowledge and Fairtrade understanding. The first construct "Fairtrade knowledge" will be used to define people's general knowledge of the Fairtrade concept. As such, this variable does not only accounts for mere recognition of the Fairtrade logo and Fairtrade brands but rather addresses questions related to the core-activities of the Fairtrade organization. In this way, this construct is purely conceptual in nature and allows to capture a superficial or general understanding of the Fairtrade definition. In this way, the knowledge variable should reflect the passive role of knowledge in consumers' persuasion process as proposed by Devinney et al. in 2010.

Furthermore, and according to Joshi & Rahman's arguments in 2015, a deeper understanding of the positive consequences related to Fairtrade coffee consumption might lead to increased Fairtrade coffee adoption. Therefore, in a further stage "Fairtrade understanding" was included. In this way, this variable will try to represent the active role of information in the persuasion process and aims at capturing a deeper level of understanding of the Fairtrade practices, activities and their added value. As such, this construct differs from the general concept of "Fairtrade knowledge" previously introduced in that it tries to capture the extent to which consumers understand how the Fairtrade organization operates, and how its activities actually benefit producing farmers in developing countries. In consequene, Fairtrade understanding does not aim at exploring the general conceptual definition of Fairtrade, but more precisely it tries to assess the degree to which consumers possess a clear understanding of the impact of Fairtrade activities and contributions in developing countries. By definition, this construct is purely outcome-based and focuses on the actual added value to coffee producers in the global south.

In other words, and to summarize the definitions of the previously introduced concepts, "Fairtrade Knowledge" is merely conceptual and focuses on capturing participants' familiarity with the Fairtrade's core-definition. On the contrary, Fairtrade understanding primarily addresses individuals' awareness of Fairtrade's activities and their positive impact in developing countries.

In light of the previously explained ideas the following hypotheses were formulated:

H5: Fairtrade knowledge representing the passive role of knowledge should not be positively linked Fairtrade coffee buying behavior.

H6: Fairtrade understanding representing the active role of knowledge is expected to have a positive direct effect on Fairtrade coffee buying behavior.

### 3.6.5 Fairtrade Trust

According to a substantial number of studies in the Fairtrade field information, trust and Fairtrade labelling practices are closely related (Andorfer & Liebe, 2015). Specially when analyzing green products trust can be defined as having a clear set of expectations about the environmental performance of a product and believing in the authenticity of its ecological claims (Chen et al., 2012). In the Fairtrade context however, trust has been linked to the belief that the Fairtrade organization aids farmers in developing countries and improves their working conditions and remunerations, as well as their life standards. As such, trust can be based on the belief that a contribution is being made through Fairtrade consumption (Nicholls and Opal, 2005). In both cases for green products, as well as for Fairtrade goods consumers encounter a high degree of information asymmetries and uncertainties when evaluating ethical attributes and their claimed ethical features. This being the case, lacking, contradicting and untrustworthy product information is believed to increase the uncertainty associated with purchasing sustainable goods (Andorfer & Liebe, 2015). Furthermore, Fairtrade products are oftentimes characterized as being "credence goods". By doing so, the literature defines goods which attributes are difficult to evaluate, neither ex ante or ex post to their purchase. As such, the value of their utility is hard to quantify and often times seen as abstract or ambiguous (Dulleck, Kerschbamer & Sutter, 2011). In this way, the lack of understanding and the incomplete knowledge of Fairtrade practices and programs, their effectiveness and actual contribution in third world countries can increase perceived uncertainty levels and lead to lower levels of trust by consumers (Andorfer & Liebe, 2015). One way to reduce uncertainty levels is related to the providence of additional information, such as product-specific features and their country of origin (Caswell and Modjuszka, 1996). In this sense, some studies have stated the importance of how information is framed and presented. Accordingly, information should be displayed in a short, understandable and user-friendly manner so that it can easily be processed and retained by exposed consumers (Rahbar and Wahid, 2011). Nevertheless, such attempts have been heavily criticized arguing that information overload and too detailed specifications can lead to undesired consumer reactions. In fact, the literature supports the idea that consumers are often overburdened with information and find it sometimes hard to judge and differentiate products from one another. This being the case, consumers find it difficult to distinguish the meaning behind organic, biologic, environmentally friendly and Fairtrade labels (De Pelsmacker and Janssens, 2007). This sometimes competing information is believed to add to the uncertainty attached to such buying decisions and make consumers sceptical about the authenticity and trustworthiness of such products' ethical claims (Andorfer & Liebe, 2015). In this way, according to Nittala in 2014, consumers don't always trust ethical features and remain critic specially when it comes to evaluating information on the product's origin, manufacturing practices and certifications. Moreover, in the Fairtrade context, the wide number product types (e.g. chocolate, coffee, bananas and tea) their quality differences and the large number of involved organizations covered by the Fairtrade program as well as the unobservable certification procedures further complicate the situation (De Pelsmacker and Janssens, 2007).

All this being said, the nature of Fairtrade products as credence goods, the lack of understanding of their programmes, and the difficulty to quantify the actual value added of Fairtrade contributions in developing countries make such products difficult to evaluate. In this context and due to the previously discussed information asymmetries the role of consumer trust becomes eminent in the intention-behavior gap dilemma (Andorfer & Liebe, 2015). In this regard, the literature suggests that these perceived asymmetries might be linked to consumer distrust, pessimism and decreased consumer confidence in certifications (Giampietri, Verneau, Del Giudice, Carfora & Finco, 2018). In light of the lack of knowledge and information asymmetries linked to Fairtrade coffee purchases the literature recognizes the role of trust as a potential solution to reduce uncertainties and motivate ethical behavior. As such, trust is believed to outweigh these negative factors and provide a solid basis to strengthen consumers attempts to engage in Fairtrade consumption (Frewer, Howard, Hedderley, & Shepherd, 1996; Lassoued & Hobbs, 2015). In the green consumption field several studies have found support to assume a positive relationship between increased levels of trust of green products and their consumption (Joshi & Rahman, 2015). On the contrary, lacking green trust has been said to act as an obstacle to the adoption of green consumption behaviors (Bang et al., 2000). In the Fairtrade field, Andorfer and Liebe conducted an experiment in 2015 by which the relationship between trust and self-reported Fairtrade buying behavior was evaluated. Their results also support a positive relationship of increased trust levels and Fairtrade coffee consumption. Accordingly, in the context of this study trust is believed to offset negative evaluations and uncertainty related to the consumption of ethical goods and it seems to lessen consumer confusion (Ding et al., 2015). Furthermore, higher trust has also been linked to higher loyalty and strong consumer-producer relationships (Hartmann et al., 2015). Additional evidence supports the important role of trust in situations where information can not be verified, as for the case of so-called "credence goods". In this manner, trust is believed to partially account for the incomplete understanding of these uncertainties and is believed to affect actual behavior significantly (Grebitus, Steiner, & Veeman, 2015). This being the case, and in light of the previously discussed evidence the following hypothesis was developed:

H7: Trust is believed to have a positive direct effect on Fairtrade coffee purchases. In this way, higher trust levels are expected to positively influence the observed Fairtrade coffee buying behavior.

### **3.6.6 Price**

Generally, consumers are believed to consider various product attributes while deciding between different product alternatives (e.g. price, quality, taste, convenience, brand, environmental performance, and ethical features) (Ferran & Grunert, 2007). In this sense, research has shown that the importance given to different attributes might vary across individuals and situations (Boulstridge and Carrigan 2000). Relevant research addressing the intention-behavior gap phenomenon has highlighted the importance of the price variable as a potential explanatory variable for the observed discrepancy in intentions and actual behaviors (Joshi & Rahman, 2015). In this way, the price of a product is considered as one relevant attribute among other competing factors such as quality, taste and convenience (Szmigin, Carrigan, & McEachern, 2009). Hence, depending on the utility derived from a given product and the value obtained from its attributes consumers might exhibit a higher or lower willingness to pay for that specific good (Andorfer & Liebe, 2015).

In this context, Fairtrade products are said to possess additional product features due to their socially inclusive, environmental-friendly and fair production standards. Thereafter, such products tend to be more expensive than conventional ones. These higher prices are based on financial contributions made to farmers in developing countries and allow for better working conditions for producers in the third world (De Pelsmacker, Driesen et al., 2005). According to the literature, these so-called "price premiums" might affect people's willingness to engage into ethical consumption and are said to contribute to the intention-behavior gap (Connell, 2010). As result, due to considerable price pressures, stated intentions to buy Fairtrade products might not always be implemented at the purchase situation. According to Hughes in 1997 only few

consumers are willing to accept higher prices at the expense of gaining ethical credentials through ethical consumption. This being the case, there is the general belief that only those consumers that derive utility from the ethical features provided by Fairtrade consumption are the ones willing to accept these higher prices (Andorfer & Liebe, 2015). In consequence, the price premium of Fairtrade coffee is believed to act as a hurdle to the implementation of stated intentions (Bray et al., 2011). This proposes the idea that consumers might deviate from their intended ethical behavior as a result of too high prices. In line with these assumptions, the price variable can indeed be a potential explanation for the observed low market share and low demand of Fairtrade products in most global markets (De Pelsmacker et al., 2005). In fact, support has been found for the idea that higher prices outweigh the ethical valuation of Fairtrade product features and might widen the observed intention-behavior gap (Vermeir and Verbeke, 2006). As such, a negative effect between price and Fairtrade buying behavior has been stated (Castaldo et al., 2008).

In this sense, price modifications and strategies are key to the development of a stable and flourishing Fairtrade market and are fundamental in order to increase its market share at a global scale. Generally speaking, lower prices are linked to positive demand effects, whereas the opposite can be expected for high prices (Andorfer & Liebe, 2015). As such, the extent to which prices might affect final consumption of Fairtrade products greatly depends on consumers' price elasticity for these goods. Some studies support the fact that low elasticities for green products among environmental aware consumers positively affected their consumption (Aertsens et al., 2011). On the contrary, high elasticities have been linked to a negative impact in purchase behavior of Fairtrade and green goods. As such, there is evidence to assume a negative influence of price on the adoption and consumption of Fairtrade products (Campbell, Heinrich & Schoenmüller, 2015). Notwithstanding, some goods do not always fall under this demand pattern. For many types of products (e.g. organic, biologic, environmentally friendly and Fairtrade) price increases and premiums have been linked to substantial demand increases (Andorfer & Liebe, 2015). This atypical and unexpected trend has been observed in the demand of some goods and has been referred to in the literature as "conspicuous consumption" (Trigg, 2001). Thereby, the higher prices paid for such products can act as a symbol for consumers to signal a higher status and achieve social recognition (Veblen & Hobson, 2004).

In this regard, evidence from natural field experiments shows mixed and contradicting results on the effect of price premiums on sustainable consumption. As such, the results of a choice model experiment on Fairtrade coffee revealed lower price elasticities among Fairtrade coffee

consumers, when compared to conventional coffee drinkers. Accordingly, Fairtrade consumers were less prone to switching behavior due to price increases (Arnot et al. 2006). In this line of thought, further support has been found for consumers' general preferences and a higher willingness to pay for Fairtrade products than for organic labelled ones (Loureiro & Lotade, 2005). Moreover, and according to Winterich and Barone in 2011, this increased willingness to devote financial resources to buying Fairtrade products seems to be related to the so-called "warm glow effect". Thereby, consumers experience the feeling to contribute to a good cause and therefore, are more likely to accept the charged price premiums as a contribution to coffee producers in developing countries.

In this sense, in an experimental research performed by Campbell, Heinrich & Schoenmüller in 2015, results showed that consumers perceive price premiums from Fairtrade products as rather fair and report higher tolerance to price increases for Fairtrade certified products. As such, participants in their sample were less price elastic and were willing to pay higher prices when these related to Fairtrade premiums. In this way, the Fairtrade nature of the coffee used in the experiment justified the higher prices charged and did not elicit any negative effect on consumer Fairtrade coffee consumption. In light of this evidence, further authors support the idea that Fairtrade certifications and the ethical nature of the Fairtrade products serve as excellent features to sustain high price ranges and even justify price increases (de Pelsmacker et al., 2006).

All this being said, the body of available literature has clearly shown that consumers differ in their coffee preferences as well as in their willingness to pay for different Fairtrade products (de Pelsmacker et al., 2006). In this line of thought, the previously discussed studies provide very contradictory arguments on the role of price within the intention-behavior gap dilemma. The majority of articles support a strong negative effect of price on Fairtrade buying behavior. (Joshi & Rahman, 2015). This has been linked to consumers limited financial resources, their constraint buying decisions and price sensitivity (Tanner & Kast, 2003). Nonetheless, Fairtrade consumers have also been linked to a higher willingness to pay, when compared to other ethical products such as biologic, organic or environmentally friendly goods (Loureiro & Lotade, 2005). In this sense, support has been found for the idea that loyal green consumers are less likely to switch to non-environmental products and seem to exhibit lower price elasticities when it comes to ethical products (Aertsens et al., 2011).

All this being said and given the important role of price as an inhibiting barrier in ethical consumption, two price related constructs were incorporated to the price analysis of this study. Overall, both concepts relate to Fairtrade price premiums but cover different levels of the price dimension. This being said, these variables are: Perceived value for money (VFM) and perceived price fairness (PF). At first sight, these factors might seem to capture the one and same thing, nevertheless the conceptual differences of each one of them allow to gain additional insights in different levels of the price dimension and support their inclusion in the model.

In this sense, the following subsection will introduce the reader to the price constructs developed for this study and the price-related hypothesis will be explained.

### **Value for Money**

Generally, commonly used price measures provide valuable information on the extent to which consumers consider products' prices to be low, acceptable or high. In this way, some consumers might support the idea that Fairtrade coffee premiums are exaggerated, whereas some others might perceive them as rather reasonable and fair. This being the case, given the nature of Fairtrade coffee as a credence good and the difficulty to quantify its perceived utility by the public, it would be interesting to assess the value perception of Fairtrade coffee among Austrian consumers. As such, a better understanding of price Fairtrade premiums and their evaluation can be gained. In this way, and in order to identify the perceived value for Fairtrade coffee among Austrian consumers a further the variable "Value for money" was included. The inclusion of this variable will enable to grasp another dimension of the pricing concept. In this way, it will not only be possible to compare the price sensitivity of Fairtrade premiums among different consumers but further insights on the value and utility ascribed to Fairtrade coffee can be extracted.

According to Zeithaml in 1988 consumers perceived product value refers to the relationship between the obtained utility from the acquired product and the costs of its purchase. In this context, some authors have argued the importance of the perceived ratio between quality and price in the value perception constellation (Chain Store Age, 1985). This being the case, different conceptualisations of consumer value have been proposed. According to the literature consumers can derive value from products in several ways. Along these lines, a dedicated research on consumer value has presented four dimensions along which value can be categorized. These being, emotional, social, price and functional value. The emotional dimension refers to valuation of affective components of the product, whereas the social

dimension addresses product's ability to improve the social perception of the individual among reference groups. Furthermore, price value or value for money, refers to the extent to which products are perceived to be reasonably priced for what they offer and have a good price-performance ratio. Lastly, functional value focuses on the quality component of the product and its actual functional performance (Sweeney & Soutar, 2001).

In this way, given the major role of price in the intention-behavior discussion the paper at hand will solely address the price dimension of the value concept proposed by Sweeney & Soutar in 2001. As such, this dimension has been defined as the value derived out of the relationship between what is given and what is received of a product's consumption (Zeithaml, 1988). This being the case, in the specific context of this research the value for money dimension will, relate to consumers' derived value out of Fairtrade coffee as a result of incurring the financial costs of its acquisition. In this way, the proposed and pre-tested scale on "value for money" utilized in Sweeney & Soutar's research was adapted and aims to capture the perceived value for money for Fairtrade coffee among Austrian nationals. All this being said, and according to the literature it seems logical to expect a positive relationship between Fairtrade coffee perceived value for money and Fairtrade coffee purchases in the market place. Thus, in light of this arguments the following hypothesis was incorporated.

H8: Perceived value for money is expected to have a positive and significant effect on Fairtrade coffee buying behavior.

### **Price Fairness**

According to a study by Bolton and his colleagues in 2003 the price fairness concept relates to consumers' recognition of prices as being reasonable, just and adequate. In this context, the concept has been related to fair, just, correct and legitimate price perceptions (Campbell, 2007). Moreover, the perceived fairness or unfairness of a product's price is believed to significantly impact consumers' buying behavior and their stated product preferences (Etzioni, 1988). Further literature suggests that fairness judgements can also affect consumers' attitudes, purchase intentions and firm-related evaluations (Andorfer & Liebe, 2015). This being the case, price justifications are believed to play a key role in the development of positive product attitudes (Campbell, 2007). In this way, firms' should have credible arguments to justify and fundament their higher price premiums and elicit price fairness evaluations in their target groups. Higher prices can be sustained by building on several product features (e.g. higher quality, better performance, environmental and ethical features) (Campbell, Heinrich &

Schoenmüller, 2015). Particularly in the Fairtrade context price-premiums are usually linked to the ethical nature of Fairtrade certified products. In this way, such premiums are believed to lead to social improvements in the global south through a large number of projects and collaborations. As such, they serve as a mean to contribute to farmers in developing countries and provide them with fair and more advantageous remunerations than would be the case under free market conditions (Ruben & Fort, 2012). This being the case, the ethical nature of Fairtrade products is believed to have a positive impact on price perceptions among consuming individuals (Campbell, 1999a). This relates to the belief that Fairtrade imposed premiums might elicit some positive or "warm-glow" effect which can serve as a viable tool to justify the higher nature of prices when compared to conventional coffee options (Campbell, Heinrich & Schoenmüller, 2015). Along these lines, in a study performed by Campbell et al in 2015 the fairness of several price increases was evaluated. In this way, upon conduction of a real world experiment the authors concluded that Fairtrade related price increases were still perceived as fair, unlike tax-related and profit-related price increments. This being said, assuming that consumers understand and believe in the ethical nature of Fairtrade products, and link them to contributions in developing countries, utility gains at the consumer side through the payment of price premiums can be expected. Unfortunately, the literature on Fairtrade pricing effects does not account for fairness perceptions and thus, the fairness pricing issue remains largely unaddressed. Previous studies in the Fairtrade context have been focused on Fairtrade price increases and subsequent fairness perceptions. However, to the best of my knowledge the perceived fairness of Fairtrade coffee premiums has not yet been studied within the Austrian coffee market. In this way, and in light of the high penetration potential and the favourable reputation of Fairtrade in the Austrian market, it would be interesting to assess the level of perceived price fairness of Fairtrade coffee premiums among Austrian consumers. In this sense, and according to the literature positive links between perceived price fairness and buying behavior can be expected (Campbell, Heinrich & Schoenmüller, 2015). All this being said, it seems likely that fairer price perceptions might lead to an increased adoption of Fairtrade coffee among Austrian consumers. Thus, and in light of the previous arguments, the following hypothesis was formulated:

H9: A positive and significant direct effect of perceived price fairness on Fairtrade coffee buying behavior can be expected.

### 3.6.7 Perceived Behavioral Control

The TPB incorporates the construct "Perceived Behavioral Control" (PBC) as an extension of the initial theory of reasoned action (TRA). Essentially the TRA proposes that behaviors are directly linked to two factors, namely, individuals' attitudes towards the behavior and the role of social norms (Fishbein and Ajzen, 1980). Later on, in 1986 Ajzen and Madden added the construct PBC to the theory and formulated the widely applied TPB. In this way, as previously mentioned this theory tries to predict behavior by taking into account additional factors that act beyond individuals 'volitional control. This being the case, by the inclusion of the PBC construct the theory takes into account that some behaviors do not fully depend on the individual and might be affected by uncontrollable third variables (Joshi & Rahman, 2015).

In a broader sense PBC relates to individuals' ability and possibility to carry out a given behavior. In the intention-behavior gap framework it relates to the extent to which performing a specific behavior is perceived to be as feasible, easy or difficult (Vermeir & Verbeke, 2006). In this way, and in line with the literature the PBC construct seems to affect final behavior in a direct and indirect way (Vermeir & Verbeke, 2008). As such, despite of existent motivations and intentions to perform a given behavior it might become impossible to actually do so due to presence of external factors that inhibit the implementation of the intended behavior (Hanss and Böhm, 2010). In a narrow sense the literature has subdivided the concept of PBC in two resulting sub-constructs, namely, "perceived availability" (PA) and "perceived consumer effectiveness" (PCE). The first one relates to the extent to which the particular product is available for purchase, whereas the second one is linked to the perceived contribution a person believes to have through his/her behavior (Vermeir & Verbeke, 2008).

Further research has confirmed the role of individual-dependent, as well as external or contextual variables as components of the PBC concept (Sparks et al. 1997). In this way, both variables PA and PCE as dimensions of PBC have directly been linked to intentions and purchase behavior (Vermeir & Verbeke, 2006). This being the case, high levels of consumer perceived availability of a certain product, as well as perceived effectiveness through consumption of a product have been significantly linked to increased buying behavior (Robinson, Smith, 2002).

On the contrary, and according to Sparks and Shepherd in 1992, the lack of availability of a certain product can act as a barrier to its final consumption. In the same line of thought, Robberts conducted a study in 1996 stating the inhibiting role of poor consumer effectiveness on

environmental behavior. As such, his study proposes that individuals need to be convinced of the actual added value of their contributions and believe in their effectiveness to be motivated to engage in environmental conscious behaviors. Moreover, consumers might end up not buying ethical products because of the mere belief of lacking availability of such products. Moreover, the incomplete understanding of individual contributions through ethical consumption might act as a barrier to the implementation of ethical behaviors (Vermeir and Verbeke, 2006). Thus, if people do not believe their contribution is effective and adds to the problem solution, ethical behaviors are less likely to manifest (Roberts, 1996). Therefore, and according to Berger and Corbin in 1992 a high PCE is believed to be key for people's attitudes and intentions to translate into actions. In this regard, PCE is believed to be domain-specific, rather than generally applicable (Rothbaum et al., 1982). In consequence, the concept refers to the achievement of one specific goal or the solution of a specific problem. As such, intentions and actions might be affected by the degree to which the performer believes s/he can make a difference and contribute to attaining the specific goal in question (Vermeir and Verbeke, 2006). In the environmental context, consumers who trust and believe in the effectiveness of their environmental contributions tend to hold more positive attitudes and behavioral intentions to act upon their concerns. Therefore, they tend to exhibit a higher environmental purchase behavior than people that do not believe in the effectiveness of environmental mitigating activities (Roberts, 1996).

Along these lines, a related survey-based study utilized a sample of 387 participants to explore the role of PCE beliefs in the implementation of several environmentally and ethically sound behaviors. The results of this research support a positive and strong link of the PCE construct on various types of behaviors, namely: The purchase of environmental-friendly goods, newspapers, aluminium and glass recycling practices, and participants' attendance to public events on environmental relevant topics (Ellen et al., 1991).

In light of the evidence previously provided, it seems that higher levels of PCE with regards to the attainment of one specific goal or behavior are likely to lead to a higher willingness of individuals to sacrifice themselves at the expense of contributing to the achievement of their stated goal. As such, the previous study highlights the importance of enhancing individuals' effectiveness perceptions of their ethical behavior. This would entail making consumers aware that their environmental conservation attempts are effective and indeed contribute to their stated purpose. In this way, these matching and favourable perceptions and behaviors might help

increase people's willingness to engage into environmentally sound consumption and living practices (Ellen et al., 1991).

In the context of Fairtrade coffee within the Austrian market recent studies suggest a very high product availability, quality perception and familiarity of Fairtrade products by Austrian consumers<sup>17</sup>. Nevertheless, in order to be able to develop objective and meaningful recommendations both constructs PA and PCE in the Fairtrade coffee intention-behavior gap should be studied. In this way, it would be key to analyse as to what extent Austrians perceive Fairtrade price premiums to contribute to the Fairtrade organization's stated commitments in developing countries. That is, to what extent Austrians believe that their financial contributions benefit farmers under Fairtrade certification programs. Furthermore, and given the potential role of lacking availability of ethical goods as barrier to ethical consumption, it makes sense to question the extent to which Austrians perceive Fairtrade coffee to be available for purchase in conventional supermarkets and specialty stores. All this being said, and as a result of the previous discussion the following two hypotheses were formulated:

H10: A positive link between perceived consumer effectiveness and Fairtrade buying behavior is expected. This being the case, lower levels of PCE are expected to be linked to lower Fairtrade coffee consumption, whereas the opposite can be expected for higher levels of this measure.

Regarding the perceived Fairtrade coffee availability in Austria a further hypothesis was formulated.

H11: A positive relationship between perceived coffee availability and perceived coffee consumption is expected.

<sup>&</sup>lt;sup>17</sup> FAIRTRADE Österreich (2018). Zahlen und Fakten 2017.

## **Chapter 4: Methodology**

## 4.1 Research Design

The study at hand included three different types of analysis. Accordingly, a combination of qualitative research methods, a cross-sectional survey and an experimental game were developed for data collection purposes. As such, the qualitative method applied consisted of a focus group discussion out of which a detailed questionnaire was developed. In this attempt, it was aimed at providing a snapshot of the current Fairtrade coffee market and the hypothesized intention-behavior relationship in the Austrian context. Furthermore, an experiment modelling Fairtrade coffee buying behavior was developed. As such, participants were exposed to a similar coffee buying situation and could freely choose among 25 different coffee options as if they were at the supermarket. Thereby, budget constraints were modelled by providing participants with a fictitious budget of 100 Euros out of which coffee could be bought. This being the case, the experimental game provided the possibility to corroborate the disclosed past buying behavior and served as an alternative measure of buying behavior other than self-reported statements. In this attempt, and by combining all three methods a more accurate and comprehensive analysis was aimed and thus, more conclusive recommendations can be expected.

# 4.2 Exploratory Analysis and Focus Group

Upon an extensive literature review, a master list of potential variables for analysis was developed. Initially the list consisted of 24 variables subdivided in three main categories among which individual, social and situational factors were identified. Consequently, and due to time constraints, a narrower selection of factors had to be generated. To this extent, a focus group consisting of six Austrian coffee consumers and a moderator was conducted. Thereby, and under the direction of the moderator participants were able to discuss and share ideas with regards to Fairtrade coffee and the Austrian coffee market. By doing this, it was aimed to identify variables with current relevance in the Austrian culture, and thus, a better representation of the Austrian coffee market in 2018 can be expected. In this manner, this exploratory research technique allowed to screen important factors to consider in the generation of the conceptual model applied for this paper. Accordingly, the variables were rated in terms of their relevance and consequently, a final list of eight factors was obtained. Thereby, the

following variables were chosen: Habitual consumption, Fairtrade knowledge, Fairtrade understanding, Fairtrade trust, value for money, perceived price fairness, perceived consumer effectiveness, perceived availability and lastly intentions. In sum, and together with intentions a final list of nine independent variables was included in the conceptual model. In this way, individual and joint effects could be tested and a better understanding of the intention-behavior gap in the Austrian Fairtrade coffee context was possible.

## 4.3 Pre-test

Prior to the data collection stage, a group of Master students at the University of Vienna completed and evaluated the preliminary version of the questionnaire and provided their opinion on the different items and scales of analysis. Later on, and after completion of the questionnaire a brain storm took place by which the scales of study were discussed and rated. Moreover, and after correction and adaptation of the questionnaire a further version was sent to the Fairtrade team for further confirmation and input generation. As such, and by reviewing the questionnaire along with knowledgeable business and economics students, as well as with Fairtrade co-workers and experts, research and practical insights to the improvement of the survey could be gained. In this attempt, the accuracy, reliability and applicability of the questionnaire to the Austrian coffee market could be more objectively judged and better performing measuring tools could be generated. In consequence, and after culmination of the evaluation stage the recommendations to the questionnaire were implemented and the final modifications were added.

## 4.4 Cross-Sectional Survey

The following subsection will shed some light on the developed questionnaire and the constructs used for the data collection process. Based on the literature review and the performed focus group discussion a list of nine relevant independent variables for the Austrian coffee market was developed. As such and referring to the previous section the following independent variables were included: Habitual consumption, Fairtrade knowledge, Fairtrade understanding, Fairtrade trust, VFM, PF, PCE, PA and intentions. In order to capture the above standing constructs, related literature was used and pretested scales were selected. Nonetheless, given the specific nature of some of the variables included in the analysis, new research-specific scales had to be developed. In this regard, validity, reliability and factor analysis were applied to verify the applicability of the developed scales for this study.

Moreover, the developed questionnaire was translated into German to avoid any misunderstandings due to different levels of English proficiency among respondents. As such, the online survey was developed by using the online platform Qualtrics and was administered to a final sample of 334 Austrian consumers. Furthermore, participation in the study was not limited to Austrian nationals as the Austrian citizenship was not a precondition for filling in the questionnaire. In this way, the sample included consumers with high German language skills and that have been living in Austria for at least 5 consecutive years. This procedure was based upon the high multicultural nature of the Austrian market place, including consumers from other European and more distant countries. As such, taking into account further country nationals in the analysis might provide a more accurate representation of the actual Austrian coffee market and enhance the objectivity of the yielded results.

### **4.4.1 Operationalization of Constructs**

The following subsection will shed some light on the specific items and scales used for data collection purposes. In this way, the nine different independent variables of study will be addressed separately and their respective scales and coding systems will be discussed. In a concluding step, the outcome variable Fairtrade buying behavior will also be introduced and further information on its measurement scales and dimensions will be provided.

### **Independent Variables**

The variables listed below, are the ones extracted from the focus group and literature review and serve as tools to further analyze the nature of the intention-behavior gap in the Austrian Fairtrade coffee market.

### **Habits**

According to previous studies habit measurements usually consist of self-reported scales referring to past behaviors (Ouellette & Wood, 1998). In this way, habits have been consistently measured in terms of how frequent a behavior has been performed in the past and how salient these actions have been for individuals (Ji & Wood, 2007). In this sense, in a related study by Verplanken and Orbell in 2003 a self-reported index for measuring habit's strength was proposed. As such, this index aims at capturing how frequently, automatic, effortful, typical and recurrent behaviors seem to be, and to what extent the performance of the specific action is believed to be part of the person's daily live or routine (Wood & Neal, 2009). In this way, the proposed index extents over a variety of behaviors and addresses different behavioral patterns related to eating habits, music preferences and watching TV (Verplanken and Orbell,

2003). Unfortunately, in the specific Fairtrade coffee context no concrete habits measurement scales could be found. This being the case, due to the lack of available scales on Fairtrade habits, the paper at hand utilized a self-developed tool to the quantification of habitual consumption behavior. To this extent, the conceptualization and items provided by the index of habit strength previously introduced were considered and implemented at the scale construction stage (Verplanken and Orbell, 2003). All this being said, and in order to be able to capture participants' habitual coffee consumption patterns the "Habitual consumption" variable was developed. As such, this variable was composed by a set of items aiming at recognizing respondents with clearly identifiable coffee preferences and repeated coffee buying behavior (e.g. Fairtrade/vs non-Fairtrade). In this attempt, consumers were required to disclose whether they consecutively buy a specific type of coffee, and more precisely, whether their coffee of choice was either Fairtrade, non-Fairtrade or unknown. In this way, the sample could be subdivided in four groups. The first group included frequent Fairtrade coffee buyers, the second was composed of frequent non-Fairtrade coffee buyers, the third category included participants with a consistent buying behavior of coffee, yet not knowing whether their coffee of choice was Fairtrade or not. And lastly a remaining group consisting of individuals without any particular coffee preference. In this sense, respondents in the last category did not report repeated buying behavior of any specific type of coffee (neither Fairtrade nor non-Fairtrade).

As such, the groups in the above standing order were named as follows: Fairtrade habitual coffee consumers, non-Fairtrade habitual coffee consumers, uncertain habitual coffee consumers and lastly undecided consumers or potential switchers lacking habitual coffee consumption patterns. To allow for a better understanding of first set of questions, the asked items were provided below:

### Coffee Habitual consumption:

- 1. Most of the time I buy the exact same coffee
  - 1. This coffee I buy is Fairtrade
  - 2. This coffee I buy is not Fairtrade
  - 3. I am not sure whether the coffee I buy is Fairtrade or not

The clear differentiation in groups according to habitual consumption patterns will allow to analyse the extent to which habitual coffee consumption (Fairtrade vs. Non- Fairtrade) directly

impacts Fairtrade coffee buying behavior. At this point, it is worth mentioning that by adding the "I don't know" option to identify "uncertain habitual coffee consumers" a reference group to compare Fairtrade and non-Fairtrade habitual coffee consumers could be obtained.

## Fairtrade Knowledge

As previously mentioned in the model discussion this construct is fully conceptual and aims at capturing the general knowledge level of participants of the Fairtrade core-concept. To this extent related scales used in past research could be found and were taken into account for the scale construction and specification. As such, for the Fairtrade knowledge measure previous studies have predominantly utilized self-reported Likert scales stating the social benefits of Fairtrade and its contributions to farmers in third world countries (Kelley, 2013). This being the case, the majority of these tools have consistently stressed Fairtrade's attempts to reduce poverty, increase equality, equitable trade, providing farmers with more opportunities and enhance the environmental performance of their projects (Bird and Hughes 1997). In this line of thought, most studies have reported high knowledge levels among participants suggesting a very high awareness and understanding of the Fairtrade concept among individuals. Nevertheless, while considering the way the measuring scales were constructed it seems likely that these tools could have allowed participants to inflate their self-reported scores and led to the high values observed. This being the case, it becomes key to the analysis to identify whether participants' responses were indeed biased and if so, the derived conclusions should be interpreted with caution. In light of these considerable risks, the providence of valid and objective scales is key to ensure that the reported scores do not manifest as a matter of statistical artifacts.

In this way, the scale utilized by Kelley's study at the Ohio State University in 2013 has been criticized. Thus, even though this measurement was based upon valid statements on Fairtrade activities as proposed by Littrell, Ma, & Halepete in 2005 potential for improvement could be identified. As such, all the items included in this measurement reflected actual activities that resonate well with the Fairtrade core-concept. In this way, knowledge levels were computed as a function of participant's self-reported judgements of the provided statements on a 5-point Likert scale. In this regard, it seems likely that participants could have overstated their actual knowledge scores and artificially inflated them due to compliance with pressures of the social desirability bias. Thus, high scores on this measure could easily be obtained by simply clustering responses on the right end of the scale spectrum, without these necessarily matching participants' actual knowledge of Fairtrade activities. As such, the applied method creates room

for biased responses and could partially explain the high self-reported Fairtrade knowledge levels observed by this study.

In this way, it becomes critical to the accuracy of this analysis to decrease the bias potential and develop scales that indeed represent participant's actual knowledge levels. This being the case, and to overcome the previously mentioned shortcomings of conventional measurement tools, a different scale for knowledge was developed for this paper. In this way, 15 different items were included from which only five actually matched the narrow conceptual definition of Fairtrade provided by the literature review. The remaining 10 items relate to ethical practices that are not necessarily linked to Fairtrade direct activities and core areas. As such, these alternatives, served to confound consumers and provide a mean to test their Fairtrade knowledge levels in a more objective way. As such, participants were required to select five items out of a total list of 15 potential answers. In doing so participants should aim at selecting those five options that in their opinion more closely match the Fairtrade concept and goals. Only right answers will attribute points to participants with a maximal amount of five points to be reached. In this way, every right answer will grant one point, whereas wrong ones will not lead to any increase in knowledge scores. By developing this scale, a more objective measurement of Fairtrade knowledge can be provided and potential bias from "socially desirable" responses can be at least partially accounted for. To allow for a better understating of the developed scale a list with the actual 15 items included was inserted further below. In this way, for the selection of correct items only those were selected that consistently represented Fairtrade 's core dimensions as defined by the literature. On the other hand, the confounding alternatives were developed by the inclusion of ethical, yet unrelated statements to the Fairtrade 's narrow definition.

In your opinion the Fairtrade organization primarily aims at:

### Correct items:

- 1. Providing opportunities for disadvantaged coffee producers
- 2. Fair payments to farmers in the third world
- 3. Providing good working conditions for farmers in developing countries
- 4. Building infrastructure in the cooperating farming communities
- 5. Excluding exploitative child labor

#### Incorrect items:

- 1. Strengthening the competitive position of big corporations
- 2. Producing organic products
- 3. Reducing deforestation levels in developing countries
- 4. Helping local farmers in Austria
- 5. Producing and selling fairly developed products
- 6. Reducing poverty in Europe
- 7. Mainly focuses on preservation of the environment
- 8. Works against drugs consumption in developing countries
- 9. Collects money for charity in Austria
- 10. Fighting against corruption in developing countries

#### **Fairtrade Trust**

Regarding the trust measure an available scale proposed by Smith et al. in 2010 was selected and adapted to match the context of this study. In this sense, the present scale included items implemented by Wong and Sohal in 2002, as well as Kennedy and colleagues in 2001. Consequently, through the inclusion and aggregation of three items perceived trust levels were quantified. This being the case, this construct addresses several dimensions of the trust concept. More precisely, it tries to collect information on the trustworthiness of the Fairtrade organization as a whole, its certification process, financial contributions and its money transparency. Also, in this case the respective items for the construct development were included. For consistency reasons as defined for other constructs, the scale for this variable was coded in a 5-point Likert manner, ranging from 1=strongly disagree to 5=strongly agree.

- 1. I trust in Fairtrade contributions to farmers in developing countries
- 2. I trust in Fairtrade money transparency
- 3. Overall, I trust in the Fairtrade concept

### **Fairtrade Understanding**

As previously mentioned, this variable is an outcome-based one and aims at capturing a further dimension of the Fairtrade knowledge concept. As such, it refers to a deeper level of understanding of Fairtrade activities and their actual added value for farmers in developing countries. In this way, there is a chance that even though participants might generally know what Fairtrade is about, they might still lack deeper understanding on its actual contributions. In this line of thought, and according to a related study, general knowledge is believed to act as a weak or passive motivator to behavioral changes, whereas a deeper understanding is believed to play a more active role in consumers' persuasion process (Hudson et al., 2013). Therefore, by including the understanding construct, predominantly focused on the Fairtrade's impact in the world, the active role of knowledge can be captured and additional information on consumer's knowledge levels can be gained. In this way, due to the lack of available measuring tools for this specific construct, a dedicated scale had to be created. This being said, the included items aim at highlighting Fairtrade activities, their benefits, added value and try to capture individuals' awareness of them. To allow for a more comprehensive understanding of this variable, the list of items for construct aggregation was included below. As such, the items were coded in a 5-point Likert scale, ranging from 1=strongly disagree to 5=strongly agree.

- 1. I am aware of how farmers in developing countries are supported
- 2. I am familiar with Fairtrade development projects
- 3. I am aware of how financial contributions to farmers are made
- 4. I am aware of the positive implications and impact of Fairtrade contributions for farming communities

#### **Price**

Due to the consistent negative effects of price on Fairtrade buying behavior and ethical consumption identified in the literature, the contradictory nature of the pricing issue within the Austrian coffee context will be addressed. As such, two different price measures were included. This was done as a mean to gain a more comprehensive and far-reaching understanding of the role of price in the "Intention-Behavior" relationship. In this way, the dimensions: Value for money (VFM) and perceived price fairness (PF) were considered. As such, the aim in this differentiation was rooted in the conceptual definition of every variable. This being the case, items for each concept were either found or created and finally aggregated to form two related,

yet distinct constructs. As stated in the model specification section each construct captures a different level of the price dimension and together they allow for a more extensive analysis of the price issue in the Fairtrade coffee context.

## Value for Money

As explained in the literature review section, value for money refers to consumers perceived utility and derived value from a particular product given its costs. In this way, it suggests a relationship or ratio between gains and loses (Zeithaml, 1988). In the ethical consumption context Fairtrade goods have been continuously defined as credence goods (Vermeir & Verbeke, 2006). This being the case, due to the ethical nature of these products and the emerging information asymmetries linked to their acquisition, it becomes difficult to quantify the value people attribute to their consumption. Thus, by including this variable not only information about the absolute price dimension can be gained but the perceived valuation of Fairtrade products in relationship to their price can be explored. This being said, this construct will aim at capturing the utility-price ratio reported among Austrian Fairtrade coffee buyers. To this extent the existent scale utilized by Sweeney & Soutar in 2001 was implemented and adapted to the match this research's setting. In this manner, the scale included four items to capture consumers perceived price-performance ratio. Furthermore, as for the case of previous variables the items were coded in a 5-point Likert scale ranging from 1=strongly disagree to 5=strongly agree and were adapted to the Fairtrade context. For illustrative purposes the list of aggregated items for the scale construction was provided below.

- 1. Fairtrade coffee is reasonably priced
- 2. Fairtrade coffee offers value for money
- 3. Fairtrade coffee is a good product for the price
- 4. Fairtrade coffee would be economical

### **Price Fairness**

This variable addresses in a similar manner the Fairtrade pricing issue. Nevertheless, and unlike the previous price dimension it covers the fairness perception of Fairtrade coffee premiums. In this way, the fairness variable does not focus on consumers' price evaluation in a general sense, or their price-performance ratio but rather on how fair Fairtrade premiums are perceived to be, in light of the ethical nature of Fairtrade products. As such, Fairtrade coffee will serve as reference product category to assess the price fairness perceptions among Austrian consumers.

This being the case, and in light of the potential for biased responses a pre-tested and reliable scale was used for the analysis. This measurement is composed by three items developed by Kimes in 1994 and Campbell in 1999 and 2007. Furthermore, additional studies confirmed the applicability of these statements and reported high Cronbach alpha coefficients of 0,92 (Wirtz & Kimes, 2007). In this way, the scale included four statements coded in a semantic differential way ranging from zero to five and was adapted to the purpose of this study. This being said, this scale aimed at uncovering the extent to which Fairtrade coffee premiums are regarded as fair, ethical and acceptable. In consequence, additional insights o the pricing dimension can be expected. Also, in this case the relevant items utilized for this scale were provided further below.

I consider the Fairtrade coffee pricing policy as:

- 1. Very unfair very fair
- 2. Very unjust very just
- 3. Very unacceptable very acceptable

#### **Perceived Behavioral Control**

As defined by the literature in a wider sense this concept refers to individual's feasibility and ability to implement a given behavior (Vermeir & Verbeke, 2006). As such in the contextual framework of the TPB, PBC exerts a direct effect on behavior and accounts for factors that are beyond the actor's volitional control (Ajzen & Madden,1986). That is, situations by which third variables might come into play and eventually inhibit the intended behavior to translate into actions. Moreover, the concept of PBC has been said to always be object-specific. Thus, it addresses the performance of one particular and distinctive behavior. This being the case, in the conceptual model developed for this study the behavioral control variable will be directly linked to participants' Fairtrade coffee buying behavior. In this way, and according to the applied conceptualization of PBC by Vermeir & Verbeke in 2006 this construct was subdivided in two subordinated variables, namely perceived availability (PA) and perceived consumer effectiveness (PCE). In this line of thought, the scales and measurements for both of these constructs will be shortly discussed.

### **Perceived Consumer Effectiveness**

This variable relates to consumer's perceived contribution to the solution of a specific problem. In this way, in the specific conceptual setting for this paper, it relates to the extent consumer

contributions through Fairtrade coffee acquisition are believed to actually benefit farmers in developing countries. This would entail that consumers believe the financial means raised by Fairtrade programs actually benefit coffee farmers in their home countries. In other words, this suggest that Fairtrade financial contributions are perceived as effective in combating poverty and help provide better life standards for coffee producers in developing countries. In this way, this construct directly links Fairtrade consumers and the perceived added value of Fairtrade activities in farming communities. In this regard, given the specificity of this variable and the lack of related studies on this issue within the Fairtrade coffee field, a dedicated measure for the data collection had to be created. To this extent, a similar scale on PCE utilized by a study on Fairtrade clothing was used as reference for this measure (Ferrell, 2011). In this regard, the tool implemented for this construct relates to the contextual definition of PCE by Kinnear and his colleagues in 1994 and uses Fairtrade coffee as a reference product category. As such, six measuring items were developed. In this manner, the effectiveness of Fairtrade programs, financial contributions and price premiums with regards to Fairtrade's core activities (e.g. reducing inequality, poverty, providing better working conditions and life standards) was measured. The below standing items provide an overview of this variable and the issues addressed by it. In this sense, all six items were aggregated to form the final construct "perceived consumer effectiveness" of Fairtrade coffee contributions. Moreover, for consistency matters the scale was coded by using a 5-point Likert scale ranging from 1=strongly disagree to 5=strongly agree

- 1. I believe my contribution through Fairtrade coffee has positive implications for coffee farmers in developing countries
- 2. I believe to help farmers in developing countries through the Fairtrade price premiums I pay
- 3. I believe the extra money I spend on Fairtrade provides better life standards for coffee farmers
- 4. I believe through my Fairtrade coffee consumption I make better working conditions for farmers possible.
- 5. I believe to help reduce inequality in the world through Fairtrade coffee consumption
- 6. I believe to help reduce poverty through Fairtrade coffee consumption

### **Perceived Availability**

This variable represents a further dimension of the PBC construct included in the TPB (Vermeir & Verbeke, 2006). In this way, by measuring the degree to which consumers believe Fairtrade coffee to be available further information can be gained. In this way, by capturing the perceived availability of Fairtrade coffee in the Austrian market it becomes possible to identify whether perceived lacking availability serves as a hurdle to Fairtrade coffee consumption. On the contrary, if consumers believe Fairtrade coffee to be largely available for sale one can assume that deviating buying behavior should manifest as a consequence of a factor other than lacking availability. That is, if consumers would want to purchase Fairtrade coffee they could easily do so and this would not impede Fairtrade coffee buying behavior to take place. In this line of thought a pre-tested scale was used and adapted to the nature of this research (Ma, 2007). The bellow-standing statements represent the items used to form the construct "perceived availability". Also, in this case the relevant and adapted scale used a 5-point Likert range from 1=strongly disagree to 5=strongly agree.

- 1. In case I would like to purchase Fairtrade coffee, it will be easy to obtain it
- 2. If I would like to purchase Fairtrade coffee, it will be simple and convenient to buy it
- 3. Fairtrade coffee is available to purchase in most supermarkets I know.
- 4. It is not hard to find Fairtrade coffee for purchase

### **Purchase Intention of Fairtrade Coffee**

According to the TPB, and referring to the literature review, purchase intention is believed to be the most direct predecessor of actual behavior and the best proxy to anticipate subsequent actions (Ajzen & Madden,1986). In this way, this measurement aims at assessing the extent to which individuals have a clear intent or plan to perform a given behavior. Thus, in the specific context of this research it refers to individuals future intention to purchase Fairtrade coffee. This would entail for instance, elaborating a clear plan to the achievement of the intended goal, switching from non-Fairtrade coffee options to Fairtrade coffee, and making clear attempts to actually acquire Fairtrade coffee. This being the case, a pre-tested and reliable scale provided by previous studies in the green consumerism field was implemented and adapted to the Fairtrade coffee context (Taylor & Todd, 1995). Moreover, the scale utilized included a 5-point

Likert range anchored at 1= very unlikely vs. 5=very likely that Fairtrade coffee would be acquired. As for all previous variables, the exact scale items were included.

- 1. In the near future, I intend to buy Fairtrade coffee
- 2. In the near future, I will consider switching to Fairtrade coffee if I am not already consuming it
- 3. In the near future, I will try to buy a Fairtrade coffee version

### 4.4.2 Dependent Variable

### **Fairtrade Buying Behavior**

As previously stated, the developed model will be based on the "intention-behavior" gap, a similar but distinct phenomenon than the "attitude-behavior" relationship. This being the case, for simplification purposes the framework developed for this paper will draw on the assumed direct relationship between behavioral intentions and behaviors (Ajzen, 1985). In this way, the predecessors of intentions as framed by TPB model were excluded from the analysis. All this being said, the main dependent variable of interest will be Fairtrade coffee buying behavior. Nevertheless, and referring to the model, it is worth mentioning that additional relationships between interacting variables will also be tested. In this sense, Fairtrade coffee buying behavior represented the final outcome variable in the conceptual model developed for this study. As such, this concept will be captured by means of four dimensions. The first dimension addressed the amount of money spent on Fairtrade coffee within the previous month to participation in the survey. The second and third dimensions represented the self-reported past and simulated Fairtrade coffee buying behavior by participants. To this purpose, an experimental game was created as motivation for the study and served as an alternative measurement for Fairtrade coffee buying behavior. The remaining and last dimension addressed the frequency of purchase of Fairtrade coffee among respondents.

In this way, all nine introduced variables were jointly as well as individually regressed on every dimension of Fairtrade buying behavior so that the hypothesized effects can be tested. In this regard, and referring to the first dimension, "Fairtrade expenses" will be captured in Euros and allowed participants to disclose their Fairtrade coffee related expenses in the relevant time window. The second dimension aimed at capturing the absolute and past buying behavior of Fairtrade coffee among participants. This means, whether participants have acquired Fairtrade

coffee at the end of the day or not. Thereby, nothing but actual actions were considered. As such, a single-item scale was introduced to assess the extent to which Fairtrade coffee had been bought within the previous three months to participation in the survey. In this case, the item adopted a binomial coding system with only 1=yes and 0= no options. In case participants state not having bought Fairtrade coffee before a list of potential explanations for this behavior was displayed. As such, the provided options will utilize a nominal scale out of which justification for non-Fairtrade coffee purchases will become possible. These justification options will be directly related to the constructs previously introduced and will allow to classify the reasons that prevent Fairtrade coffee to be purchased (e.g. price, habits, availability, PCE, trust, knowledge, understanding, taste). In this sense, a string option will also be made available for consumers to state other reasons than the ones available on the list. Moreover, and in order to further asses Fairtrade coffee buying behavior an experimental game simulating a coffee buying situation was implemented. As such, the experimental setting and similarity of the conditions to an actual buying situation provide a more objective mean to judge Fairtrade buying behavior other than the data provided by self-reported scales. This being said, and to allow for a better understanding of the experiment's dynamic a more detailed explanation will be provided in the next section.

Lastly and referring to Chan's study in 2001 the frequency of purchase was addressed. Thereby, a single-item scale, coded in an ordinal way was introduced. This question was aimed at indicating the frequency of Fairtrade coffee purchase behavior within the three months prior to the data collection. In this way, it was framed by a 5-point self-reported Likert scale including different options. Thereby, the question asked participants to disclose how often they had bought Fairtrade coffee within the indicated time-frame. Furthermore, it provided respondents with five different alternatives to reflect their buying behavior. These were: 1=never, 2=once 3=twice 4=three times and 5=more than 3 times. Thereby a monthly consumption of one package (500 gr.) of Fairtrade coffee was assumed.

In light of the four dimensions identified for this study, separate regressions on each dimension were be performed (e.g. Fairtrade expenses, absolute buying behavior, experimental buying behavior and frequency of purchase). To this purpose, several statistical tools were applied (e.g. multiple regression, binary logistic regressions, ordinal regressions, person correlations, etc.) in order to analyze different types of effects on all four dimensions of buying behavior mentioned. In this attempt, and by allowing for several behavioral measurements through the respective dimensions, a more comprehensive understanding of effects on Fairtrade coffee

adoption within the Austrian market becomes possible, and more diverse recommendations can be formulated.

## **4.5 Shortcomings of Self-Reported Measures**

Unfortunately, given the impossibility of obtaining actual panel data from supermarkets and specialty coffee stores, the study at hand will mainly utilize self-reported scales to measure Fairtrade coffee buying behavior. In this way, it can be argued that due to respondents' compliance and the social desirability bias, participants might inflate their reported levels on different variables (e.g. absolute buying behavior, frequency, and expense) to appear more ethical while filling in the questionnaire. As such, participants might overstate their self-reported Fairtrade coffee purchase behavior, and this could compromise the derived conclusions and recommendations of the study. This being the case, in an attempt to overcome this problem an additional and alternative measure for of Fairtrade coffee buying behavior was developed. Accordingly, the experimental game previously mentioned aimed to simulate consumer buying behavior and served as mean reduce the risk of self-reported bias.

## 4.6 Experimental Game

In light, of the eminent threat of consumer biased responses in disclosing their buying behavior, the present game should act as a more objective tool to evaluate participants' self-reported buying behavior. In this way, the game will aim at emulating consumer's purchase behavior and simulates a coffee shopping situation in real life. Along these lines, the dynamics of the planned experiment will be thoroughly explained. As such, in the beginning of the questionnaire and prior to the data collection participants had the opportunity to take part of a winning game as a motivating factor to completing the questionnaire. In this manner, they were granted the possibility to win 12 packages of a coffee of their choice and a resulting and final pay-off in Euros. As such, the potential sum to be earned was conditional on participants' specific choice of coffee and its price. In this way, participants will be granted with a budget of 100 Euros out of which they will be able to buy their "simulated" coffee consumption for a year. In this way, the experiment attributes one package of coffee (500 gr.) per month of the year resulting in 12 packages being granted to the winning participant. In this way, the interactive game displayed a picture in which the shelf of a well assorted supermarket in Austria became visible. In this manner, different coffee types were shown, as well as their prices and further product information. In the simulation, participants were able to zoom in and get more insights on the

coffee attributes (e.g. brand, type of coffee, intensity, price, Fairtrade information, etc.). This feature of the game allowed participants to read and analyze the product packages of different coffee options themselves as if they were at the supermarket. As such, different coffee types differing in their origins, price ranges, flavour intensity and Fairtrade vs non- Fairtrade features were made available for participants. In the end, after participation in the game respondents had the chance to choose one coffee type and their pay-off was then calculated. Since the winner will obtain 12 packages of coffee, the final amount to be delivered will be calculated by multiplying the price of the coffee of choice by a factor of 12 and this will be deducted from the available budget of 100 Euros. Moreover, for the case that participants happen to prefer a particular coffee that is not provided in the shelf, they were given the opportunity to introduce the name, type and further specifications of this coffee and finally select it as an alternative. Also, in this case the pay-off will be dependent on the coffee price and will be automatically calculated after verification of the respective price. In the end after random selection of the winner, s/he will receive a voucher for 12 packages of his/her selected coffee and the costs of his/her choice will be deducted from the available budget. To allow for a more comprehensive understanding of the game's dynamic the following example was provided. Suppose a participant selected a coffee that costs: 6 Euros per 500 grams. This will make a total of 72 (6\*12) Euros, equivalent to 12 coffee packages and a remaining pay-off of 28 Euros to be granted to the winning participant. As such, the final payoff will always depend on the specific price and choice of coffee consumers make. All this being said, even though the game does not allow to account for actual purchase behavior in a real life, it is believed to deliver further information given the similarity of its experimental setting to an actual buying situation. As such, several variables also included in the conceptual model of this study will be covered by the game. In this way, consumer's budget constraints will be represented in the pay-off equation undermining consumers' final remuneration. Price perceptions, value for money and fairness are likely to be taken into account due to the providence of actual prices to be consider in the coffee selection process. Product availability will also be addressed as further coffee types than the ones available can be indicated. Habitual consumption will be accounted for by consumers' flexibility to freely choose their preferred coffee even in case of lacking availability in the displayed picture. Trust, knowledge and understanding will be linked to the information provided in the different packages and the extent to which consumers actually believe in the applicability of their claims. Unfortunately, the game does not explicitly account for PCE of Fairtrade coffees even though it is arguable that an eventual Fairtrade coffee selection could be linked to a positive PCE valuation of Fairtrade coffee by consumers. In this way, and by

developing this alternative measure of buying behavior, complementary information to the one delivered by self-reported statements can be gained. In this attempt, it is believed that the modelled experimental buying behavior can add to the subsequent the discussion and statistical analysis of this paper. All this being said, a binomial scale (1= Fairtrade coffee, 0= Non-Fairtrade coffee) was developed to register whether participants selected a Fairtrade or non-Fairtrade coffee option. In this way, a direct correspondence between respondents' choices in the game, their intentions and reported past buying behavior can be observed.

## 4.7 Sample

The following section will provide information on the sampling plan, sampling frame, the unit of analysis used for this research, the sampling procedure and finally the sample size. As a first step, the geographical region of interest was defined. Thereafter, and given the fact that Austria was selected as test market for the intention-behavior gap hypothesis, only Austrian residents were considered in the sample frame. In this way, the population of interest was defined as Austrian coffee drinkers and buyers from both urban areas and the country side. In this way, and due to the fact that no premade sample frame of coffee consumers could be obtained, convenience sampling was applied for data collection purposes. As such, the unit of analysis consisted of Austrian coffee consumers, regardless of their sex and starting at an age of 18 years old. Moreover, two non-probabilistic sampling techniques were applied to the selection of respondents. Firstly, and due to the lacking availability of sampling frames, convenience sampling was implemented. Subsequently, and to increase the number of respondents a snowball sampling technique was applied. As such, an initial pool of participants was defined and then asked to spread the questionnaire within their social groups.

The next step was to define the sample size to be used for the study. Therefore, and due to the nature of some variables, the participants minimum set for the analysis was 300. In this way, the developed cross-sectional questionnaire was made available through an online generated link and was accessible for participants within a period or 30 consecutive days. As such, after the expiration of the survey's link a final sample of 334 participants could be extracted. Accordingly, out of all 334 respondents 239 stated to be coffee buyers, 89 reported not to buy coffee either at supermarkets or specialty stores and the remaining 6 participants did not respond to this question. Interestingly out of the 239 coffee drinking respondents 68,6% reported to consistently buy the same type of coffee, whereas the remaining 31,4% were identified as potential coffee switchers or undecided consumers. The presented data provides strong

evidence to assume the existence of strong habitual preferences in this product category and highlights the role of strong coffee habits among participants. All in all, and given the presence of missing values with regards to some variables the number of respondents used for each analysis was not always the same. Nevertheless, for the majority of the regressions performed the relevant sample for which data was available included between 224 and 229 participants.

## **Chapter 5: Data Analysis**

The data analysis was performed in several steps. As such, a preliminary evaluation followed by a hypothesis testing section were developed. The preliminary stage consisted of data processing and cleaning, an exploratory and bivariate analysis with frequencies, visual representations, and correlations between constructs. Later on, and to test the construct validity of the relevant variables, a confirmatory factor analysis was conducted. The internal construct consistency was evaluated by means of Cronbach alpha coefficients (Cronbach, 1951). Thereby, the applicability and reliability of the adapted and developed scales for the study could be tested and confirmed. At a later stage, and for hypothesis testing two sets of analyses were performed. This being the case, individual and more complex regressions were conducted. Thereby, four different dimensions of buying behavior were evaluated. These being: (a) the amount of money spent in Fairtrade coffee in the previous month to questionnaire completion, (b) the selfreported past buying behavior of Fairtrade coffee in the previous three months, (c) The experimental Fairtrade buying behavior modelled through the winning game, and finally (d) the frequency of purchase of Fairtrade coffee in the three months prior to participation in the survey. The different levels or dimensions of buying behavior previously mentioned were coded accordingly to the nature of the specific variable being evaluated and therefore, linear, multiple, binary logistic and ordinal regressions were applied. Firstly, and prior to model testing the individual variables proposed by the conceptual model were regressed separately on all four dimensions of buying behavior. As such, the proposed hypotheses on different variables were tested and their individual effects were considered. Thereby, only one predictor at a time was used and, thus effects were tested in isolation of other variables proposed by the conceptual model. Later on, and after uncovering individual effects, the variables were jointly regressed on each dimension of Fairtrade buying behavior and the robustness of previously uncovered individual effects was tested.

Originally the enlarged model included nine predictors and buying behavior as outcome variable. Nevertheless, and due to problems presented by some variables the model had to be reduced and only included six independent variables. This being said, the variables knowledge, availability and habitual consumption had to be removed from the joint regressions and therefore, only trust, Fairtrade understanding, PCE, VFM, PF and intentions remained.

## **5.1 Preliminary Analysis**

## 5.1.1 Missing Values and Measures of Central Tendency and Dispersion

In a first step the data set was cautiously inspected and missing values were identified. As such, problematic values were addressed and erroneous responses were removed. Visual representations helped exclude the threat of influential data points that could potentially bias the subsequent analyses. The measurements used for all constructs followed a 5-point Likert scale anchored at 1=strongly disagree and 5= strongly agree. As such, the following means for the independent variables of analysis could be obtained. For knowledge and trust moderate mean values of 3,74 and 3,61 could be observed, whereas for Fairtrade understanding and PCE rather low means of 3,33 and 2,84 were computed. Therefore, and in light of the reported means, respondents' knowledge and trust levels appeared to be neither particularly high or low and thus, a general understanding of the Fairtrade concept and moderate trust levels could be assumed. As for understanding and PCE the means were generally lower and suggest weaker notions of the actual added value of Fairtrade programs in farming communities and a poorer understanding of Fairtrade cooperation programs and activities. PF and availability were among the highest means achieved and scored 4.08 and 4,35 respectively. As such, these higher scores suggest rather fair price perceptions by individuals and rather high levels of Fairtrade coffee perceived availability in Austria. As for intentions and VFM moderate mean values of 3,73 and 3,76 could be identified. This being the case, it appears likely that consumers could buy Fairtrade coffee in the near future. Moreover, and given the moderate VFM mean score achieved, favourable price-performance ratios for Fairtrade coffee options are arguable. As such, and in light of the evidence, Fairtrade coffee and their charged premiums do not seem to be perceived as unjustifiable or arbitrary. The dispersion, kurtosis and skewness for all mentioned variables were also considered and provided a preliminary overview and understanding of the constructs of study.

This being the case, and as supported by the literature the skewness metric is normally used to evaluate the symmetry of a variable's distribution around its mean. Thereby, skewness coefficients greater than 1 or smaller than -1 signal highly skewed distributions (Groeneveld & Meeden, 1984). This being said, almost all variables of study lie within these boundaries and therefore, their distributions appeared to be symmetric. The only factor that differed and exceeded the recommended threshold was Fairtrade availability. In consequence, the skewness levels reported, provided evidence to assume a normal distribution for most variables included

in this study except for the case of PA. Moreover, and regarding kurtosis metrics the shape of the variables' distribution was evaluated taking as reference the form of a normal distributed variable. Thereby, the kurtosis should be approximately 0 for the distribution to be normal (Groeneveld & Meeden, 1984). In this regard, and while analyzing the kurtosis of the variables of study for most of them only minor deviations from the ideal reference value could be observed. Also in this case, the only problematic factor was Fairtrade availability. As such, the absolute skewness and kurtosis levels for this variable were considerably higher than the remaining ones which suggests considerable deviations from a symmetric and mesokurtic distribution.

As for the different Fairtrade buying behavior dimensions the following values were obtained. On average consumers reported to have spent around 5.18 Euros for Fairtrade coffee in the previous month to questionnaire completion. Moreover, with regards to Fairtrade past buying behavior around 69% of the sample stated having bought Fairtrade certified coffee in the previous three months to their participation in the survey. Similarly, and referring to the experimental game and the third dimension of study around 46% of participants in the game ended up selecting Fairtrade options as their coffee of choice. Lastly and with regards to the frequency dimension from the available responses 25% of participants reported to have bought Fairtrade coffee once in three months, 37,5% twice, around 19% three times and finally around 17% more than three times in the relevant time-frame.

#### **Statistics**

	FTknow- ledge	FTTrust	FTUnderst	PFairness	PCE	Availability	Int	VFM_new	HabitualC
Valid	231	229	229	228	225	226	224	228	161
N Missing	103	105	105	106	109	108	110	106	173
Mean	3.7359	3.6157	2.8406	4.0687	3.3333	4.3473	3.7336	3.7573	3.7671
Median	4.0000	3.6667	2.7500	4.0000	3.5000	4.7500	4.0000	4.0000	4.0000
Mode	4.00	4.00	2.50	5.00	3.50	5.00	5.00	4.00	4.00
Std. Deviation	.89173	.91969	.88588	.82345	.92099	.83195	1.12275	.91358	.94873
Variance	.795	.846	.785	.678	.848	.692	1.261	.835	.900
Skewness	568	597	.023	729	202	-1.577	509	552	693
Kurtosis	.181	.223	158	.046	380	2.526	724	.017	066

## **5.1.2** Correlation Analysis between Variables

In a further step and after analysing all constructs separately bivariate correlations between every pair of variables were computed. As such and referring to the literature all continuous variables present in the model were included. Accordingly, eight out of nine independent variables were considered in the Pearson correlation matrix. The variable habitual consumption ought its exclusion to the fact that it was coded in a nominal manner and therefore, Pearson correlations could not be applied.

As for most variables included positive and highly significant coefficients could be observed. As such, the independent variables: intentions, VFM, trust, understanding, PF and PCE consistently displayed positive and significant correlations in every bivariate combination. Interestingly, however, in the case of Fairtrade knowledge and availability lacking correlations with most other constructs could be observed. This being the case, the knowledge variable only appeared to be significantly correlated with the VFM, trust and availability variables and not with any other construct included in the model. Lastly the only continuous dimension of

Fairtrade buying behavior, namely, Fairtrade coffee expenses was evaluated. As such, this dimension exhibited positive and highly significant correlations with all variables except for the case of Fairtrade coffee availability and knowledge. As such, potential arguments for lacking relationships between these variables and this dimension of Fairtrade buying behavior seem likely and thus, further testing becomes critical.

### **5.1.3 Factor Analysis**

Prior to the hypothesis testing stage, the developed constructs were analysed. As such, a confirmatory factor analysis was performed to corroborate the item loadings and the final number of factors to be included in the study. Furthermore, to allow for clearer results a varimax rotation was implemented. Consequently, the correlation matrix was used and the directionality and significance of the observed relationships were checked. In this attempt, the threat of singularity was excluded as no extreme correlations between variables could be observed. This being the case, no multicollinearity issues among variables could be identified and thus, no item had to be removed at this stage of the analysis. In a further step, the sphericity condition was tested. This was done by checking the Kaiser-Meyer-Olkin (KMO) statistic. In this way, and according to the literature higher values on this measure would mean that the correlations observed are compact and therefore, clear and consistent factors can be formed (Mauchly, 1940). In this way, the obtained KMO coefficient was highly significant (p=0.000) and reported a high value of 0,844. Overall this indicates an excellent model performance and confirms the applicability of factor analysis to the specific data set used for the study. As such, due to the high significance of the test, the null hypothesis of the sphericity analysis could be rejected and substantial correlations between the included items could be supported.

Furthermore, to concretize the number of constructs to be extracted, the factors' eigenvalues were computed. In this way, eight different factors with eigenvalues exceeding the 1 threshold emerged. Along these lines the applicability of the items obtained out of the focus group discussion and the literature review was confirmed. These being the, case and referring to the previous section, the following factors were defined: Fairtrade trust, Fairtrade understanding, VFM, PF, PA, PCE and finally Fairtrade coffee purchase intention.

Interestingly enough, one of the items included in the "value for money" scale seemed to present problems. In this way, although significant, the correlations of one of the items of this scale with the remaining ones were surprisingly low. Moreover, the low item loadings with the "value for money" factor suggested by the analysis provide further support for the uncovered

anomalies and call for further inspection on this construct. To this extent, internal reliability checks were included to test the internal consistency of the multi-item scales included in the analysis. Unfortunately, the remaining independent variable Fairtrade knowledge could not be included in the factor analysis due to its coding system. In this regard, for this variable an alternative measure was developed for which factor analysis could not be applied. This was done by means of a quiz which allowed to gather more objective information on participant's knowledge of the Fairtrade core-concept. Furthermore, and regarding the dependent variable of analysis, stand-alone items were included for each behavioral dimension and therefore, factor analysis could not be applied.

## 5.1.4 Construct Validity and Reliability Checks

In light of the observed problems uncovered for the "value for money" scale, reliability checks for all aggregated variables were performed. Consequently, the Cronbach alpha coefficients for all scales were computed. Overall, the internal reliability coefficients ranged from good to excellent. As such, the smallest Cronbach alpha was observed in the scale for "habitual consumption" (0,75) and the highest was seen in the case of PCE effectiveness (0,92). The remaining coefficients were within these boundaries which provides evidence for internally consistent measures. Only in the case of "value for money" scale improvements could be identified. In this regard, and in line with the misleading correlations and factor loadings previously identified through factor analysis, the Cronbach alpha coefficient of this scale could be improved. As such, by removing the last statement of this multi-item scale the alpha value improved from 0,81 to 0,89. This being said, it is believed that by deleting this problematic item the resulting scales could gain in construct accuracy and become more parsimonious.

## 5.1.5 Descriptive Statistics and Sample Characteristics

The following section will provide a brief overview of the sample used for the analysis and key aspects on participants' socio-demographic profiles.

In this way, around one third of respondents (33%) were male and thus, the majority of the sample was composed by female consumers (66%). In terms of age the mean was 36 years and the standard deviation was around 17 years. The majority of respondents was of Austrian nationality, followed by Germans and nationals from neighbouring European countries. (e.g. Slovakia, Italy, Switzerland Hungary and the Check republic). Further nationalities of non-EU countries such as Venezuela, Colombia, Serbia and the USA were also present in the sample,

but only represented a minor share of participants. This being the case, all respondents considered for the study reported having lived in Austria for at least five years and a high proficiency in the German language. Moreover, around 35% of respondents indicated to be married, whereas the vast majority of around 63% reported to be single. The rest was either widowed or decided not to disclose this information. With regards to participant's domicile around 87% stated to live in urban areas and the rest stated to live in the country side. Concerning participants' education level six different categories present in the Austrian system were provided. As such, the majority of respondents stated having completed either high school (29,8%) a master's (28,5%) or bachelor's degree (26,9%). Only 4,2% reported only having completed the compulsory school requirements, 6,8% carried out apprenticeships, and only around 4% indicated having obtained a PhD degree. As for income distributions six different categories were possible. As such, the majority of participants (21.9%) reported earning between 500-999 Euros a Month, followed by (21,6%) 1500-1999 and (15,6%) 1000-1499. Only 12% of respondents reported to earn less than 500 Euros a month. Moreover, and referring to higher income categories approximately 14% indicated earning between 2000-2499 and finally, a similar share of 15% reported earning more than 2500 every month.

# **5.2 Hypotheses Testing**

The following subsection will aim to test the 11 hypotheses previously presented. To this extent individual and joint effects will be addressed and subsequently managerial implications out of these analyses will be formulated. As such, the effects proposed by the literature on each dimension of Fairtrade buying behavior will be sequentially quantified and empirically tested. Given the nature of the data, and the complexity of the first hypothesis of study it will be addressed at the very end of the statistical analysis. In consequence, and due to the fact that H2 through H11 suggest individual effects, these will be covered first in isolation of other variables. Later on, while addressing H1 multiple regressions with several independent variables will be conducted and thus, the nature of previously uncovered individual effects can be confirmed or challenged.

#### **5.2.1 Habits**

In the following section the hypothesis H2 and H3 will be tested. In this way, the arguments behind H2a and H2b support positive links between Fairtrade coffee habitual consumption and intentions, and similar positive effects between Fairtrade coffee habitual consumption and

Fairtrade coffee buying behavior. Conversely, H3a and H3b suggest negative effects on Fairtrade coffee intentions and consumption from habitual non-Fairtrade purchasing patterns. Moreover, and referring to the previous sections, four groups for this analysis could be formed. These being: Fairtrade consumers, non-Fairtrade consumers, uncertain consumers and lastly undecided participants or potential switchers. As such, it was expected that people consistently exhibiting Fairtrade buying behavior would display higher purchase intentions than non-Fairtrade coffee consumers. Furthermore, and for the case of uncertain consumers, intentions to buy Fairtrade coffee were expected to lie somewhere in between. And lastly, for the case of undecided consumers, moderate intentions similar to the ones presented by uncertain coffee consumers were expected.

In order to test the first set of hypotheses, the intentions to purchase Fairtrade coffee between different groups were compared. In this way, and referring to the literature, a One-way ANOVA analysis was performed. By doing this, the mean intentions of all groups were compared and differentiated. Firstly, and prior to the output interpretation the ANOVA assumptions were controlled. As such, normality in the residuals' distribution and homogeneity of variance were expected. For the normality condition the Shaphiro Wilk test of residuals was conducted and histograms for all groups were plotted. Unfortunately, the normality condition was not met as the distribution of two groups was found to be non-normal. Nevertheless, and based on the literature, the results of parametric tests such as ANOVA can still be robust if the sample size is large enough, and the deviation from the normal distribution is not too drastic (Keppel, 1982). In this way, groups should include at least 15 participants for the normality condition to become less relevant. Accordingly, the subgroups formed for this test ranged between 40-60 participants making analysis less sensitive to normality issues. In a further step, the homogeneity of variance was tested. This was done by means of a Lavene's test assuming equal variances. As such, the non-significant results of this test (p=0,109) led to conclude equal variances across groups and therefore, the One-way ANOVA test could be applied. Accordingly, the reported F-statistic of mean differences was achieved a coefficient of F=24,51 and reported high significance (p=0,000). This being the case, this coefficient provided evidence for substantial differences in group means. Later on, and to better judge between subject mean differences, the multiple comparisons matrix was inspected. In this attempt, highly significant mean differences in intentions for all groups could be identified. This being said, and in line with the hypothesized predictions the highest intentions to buy Fairtrade coffee were observed among Fairtrade habitual coffee consumers with a high score of 4,39 on a 5-point scale. Conversely, and as expected, non-Fairtrade habitual coffee consumers reported the lowest intentions of 3.05 which reflects a decreased willingness to engage in Fairtrade consumption by individuals in this group. For uncertain habitual coffee consumers, moderate intentions of 3,66 were identified and finally for undecided consumers, similar moderate intentions of 3,61 could be observed. These preliminary results state clear preferences and either high or low intentions among habitual consumers of Fairtrade and Non-Fairtrade coffee, as well as moderate intentions for uncertain and undecided consumers. Nevertheless, to actually test the first set of hypotheses further analyses and formal tests are needed.

In this manner, the outputs obtained through the ANOVA analysis uncovered significant and substantial differences in intentions to buy Fairtrade coffee between subgroups. Accordingly, the Bonferroni mean differences suggest that on average habitual Fairtrade coffee consumers will have 1,33 (p=0,000) higher intentions to buy Fairtrade than non-habitual Fairtrade consumers on a 5-point scale. In a similar way, habitual consumers of Fairtrade coffee exhibited on average 0,73 (p=0,000) higher intentions than uncertain habitual coffee drinkers. This being said, the presented coefficients provide evidence to confirm the first hypothesis H2a and support the positive effects of habitual Fairtrade coffee consumption on purchase intention. On the other hand, when comparing habitual non-Fairtrade consumers with the remaining two groups, significant differences in intentions could be observed. As such, people consistently purchasing non-Fairtrade coffee reported on average 0,60 (p=0,007) lower intentions to engage into Fairtrade buying behavior than in the case of uncertain habitual coffee consumers and 1,33 (p=0,000) lower intentions when compared to habitual Fairtrade coffee consumers. These relationships provide evidence to confirm the hypothesis H3a by which negative and significant effects of non-Fairtrade habitual coffee consumption on intentions are inferred. All this being said, and in light of the presented results it seems that exhibiting habitual Fairtrade coffee consumption behavior will have a positive impact on intentions to buy Fairtrade coffee. On the other hand, and as suggested by H3a consistent preference for non-Fairtrade coffee is likely lead to significantly lower intentions to buy Fairtrade than for the case of both other groups.

Table 2: Intention differences by habitual consumption pattern

	Kaufverhalten	Kaufverhalten	Mean Difference (I-J)	Std. Error	Sig.
	FAIRTRADE.	FAIRTRADE.	1.33000 <sup>*</sup>	.19320	.000
	TAINTRADE.	I don't know	.72912 <sup>*</sup>	.17465	.000
LSD	Non- FAIRTRADE.	FAIRTRADE.	-1.33000*	.19320	.000
LSD		I don't know	60089 <sup>*</sup>	.19525	.002
		FAIRTRADE.	72912 <sup>*</sup>	.17465	.000
	1 don't know	Non- FAIRTRADE.	.60089*	.19525	.002
	FAIRTRADE.	Non- FAIRTRADE.	1.33000 <sup>*</sup>	.19320	.000
	TAINTNADE.	I don't know.	.72912 <sup>*</sup>	.17465	.000
Bonferroni	Non-	FAIRTRADE.	-1.33000 <sup>*</sup>	.19320	.000
Bornerioni	FAIRTRADE	I don't know.	60089*	.19525	.007
	I don't know.	Non- FAIRTRADE.	72912 <sup>*</sup>	.17465	.000
	I don t know.		.60089*	.19525	.007

In a further step, the hypothesis H2b and H3b were addressed. In this way, and in order to test the applicability of these hypotheses on Fairtrade coffee buying behavior four different analysis were performed. Overall, each test provided insights on one of the four different levels or dimensions of Fairtrade coffee buying behavior considered by this study. Accordingly, the first analysis addressed the amount of money spent on Fairtrade coffee by different groups. In this case the differences in groups for the amount spent on Fairtrade coffee were quantified and compared. This procedure also consisted of a One-way ANOVA analysis by which Fairtrade expenditure was set as dependent variable, and the habitual consumption differentiation as independent factor. Unfortunately, in this case both assumption for the test were violated. Nonetheless, based on the literature, in presence of larger sample sizes the ANOVA can easily deal with non-normal data. This is particularly the case, if the deviations from normality are not too drastic (Keppel, 1982). In this way, Q-Q graphs for all groups were plotted and only minor to moderate deviations from the expected pattern could be observed. Therefore, the lacking normality as proposed by the Shaphiro Wilk test for most groups did not serve as obstacle to

continue with the analysis. Moreover, and in light of the significant results of the Lavene's Test (p=0,000), the homogeneity of variance condition among groups could not be met. Therefore, and to account for the violation of conditions and prevent the providence of biased significance levels and coefficients, bootstrapping corrections with 1000 iterations were implemented. In consequence, the test uncovered substantial and highly significant differences in the amount of money spent on Fairtrade coffee by different groups. Accordingly, the mean for habitual Fairtrade coffee buyers was the highest reporting a sum of 13,71 Euros. Moreover, as expected habitual non-Fairtrade consumers reported the lowest mean of 1,56 Euros, whereas a moderate amount of 8,16 Euros could be identified among uncertain habitual coffee consumers. As for undecided consumers the mean expenditure on Fairtrade coffee was 5,76 Euros. As expected, in all cases highly significant differences in the amount of money spent between groups could be identified. As such, and by using the third group as the reference category (uncertain coffee consumers), the habitual consumption differentiation seemed to have substantial effects on the amount of money spent on Fairtrade coffee. In consequence, on average Fairtrade coffee consumers spent 6,52 (p=0,001) Euros more than uncertain coffee drinkers. Similarly, the expenditure of Fairtrade consumers was on average 12,15 (p=0,000) Euros higher than the one of participants in the non-Fairtrade consumption group. This being the case, it becomes clear that loyal Fairtrade coffee consumers have significantly higher expenditures when compared to the remaining two other groups. These findings provide evidence to support H2b and the suggested positive effects of Fairtrade habitual consumption on the expenditure dimension of buying behavior. Conversely, a strong negative and significant effect on Fairtrade coffee expenditure was observed among non-Fairtrade coffee consumers. Thus, on average participants displaying this habitual coffee behavior spent 5,63 (p=0,012) Euros less than participants in the reference category. Moreover, non-Fairtrade coffee consumers reported lower expenditures than habitual Fairtrade consumers by a factor of 12,15 Euros (p=0,000). As such, the valence and significance of the previous coefficients provided support for the positive and negative effects proposed by H2b and H3b on the amount of money spent on Fairtrade coffee. This being the case, evidence to confirm both hypotheses H2b and H3b on this dimension of Fairtrade buying behavior could be found through this analysis.

Table 3: Differences is Fairtrade expenses by habitual consumption

	Kaufverhalten	(Kaufverhalten	Mean Difference (I-J)	Sig.
	FAIRTRADE.	Non-FAIRTRADE.	12.151*	.000
	FAIRTRADE.	I don't know	6.525 <sup>*</sup>	.001
LSD	Non-FAIRTRADE.	FAIRTRADE.	-12.151*	.000
LSD	NOIF AIRTRADE.	I don't know	-5.625 <sup>*</sup>	.012
	I don't know.	FAIRTRADE.	-6.525 <sup>*</sup>	.001
	I don't know.	Non-FAIRTRADE.	5.625 <sup>*</sup>	.012

In a further step to test these relationships in a more comprehensive way, additional dimensions of Fairtrade coffee buying behavior were considered. Thereafter, the second analysis addressed the past buying behavior of Fairtrade captured by the online questionnaire. In this attempt, a binary logistic regression displaying log odds and the resulting odds was performed. Fortunately, all the assumptions required for this analysis were met and no corrections needed to be undertaken. Furthermore, the obtained Nagelkerke coefficient (0,32) usually interpreted as the R<sup>2</sup> in linear regression signalled a good model performance. Moreover, the significant  $X^2=36,1$  (p=0,000) supported the inclusion of the independent variable "habitual consumption" in the analysis and provided support to continue with further hypothesis testing. To control for the accuracy of the model's predictions, the Hosmer-Lemeshow test was conducted. As such, the non-significance of this test suggests a good model fit and a good match between observed and modelled data points. Thereby, three different groups were compared, and subsequently their effects were highlighted. In this way, the following notation was used to label different group participants. Accordingly, Q2(1) referred to the first group of Fairtrade coffee consumers. The second level Q2(2) referred to individuals in the non-Fairtrade coffee consumption group and lastly Q2(3) addressed uncertain coffee consumers. As for the output tables only Q2(1) and Q2(2) were displayed as the third group was used as reference category and its effects were captured by the output's intercept.

All this being said, the results from the binary logistic regression uncovered substantial and significant effects between groups. As such, the chance that someone will have bought Fairtrade in the previous three months if that person is habitual Fairtrade coffee consumer was 7,19

(p=0,000) times higher than it would be the case for the reference category of uncertain habitual consumers. These findings provide support for the ideas behind H2b and confirm the significant and positive effects of Fairtrade habitual consumption on Fairtrade coffee buying behavior. For the second group of habitual non-Fairtrade coffee drinkers, however, negative and significant effects could be stated (p=0,023). Hence, the chance that someone will have bought Fairtrade coffee in the previous three months was only 0,34 the chance of Fairtrade buying behavior from uncertain habitual consumers. This means that participants displaying habitual consumption patterns of non-Fairtrade coffee had bought Fairtrade to a significantly lesser extent than uncertain habitual consumers. In this way, and according to the data, it is believed that habitual non-Fairtrade consumers will have a significantly lower probability of having bought Fairtrade in the past, when compared to the reference group. In light of the evidence and consistently with the previous test, these findings provide further support for the H3b and confirm negative effects of habitual consumption of non-Fairtrade coffee on Fairtrade buying behavior. Summing up, the data supports a higher self-reported Fairtrade coffee buying behavior among habitual Fairtrade consumers than it was the case for uncertain habitual consumers" and non-Fairtrade consumers. Conversely and as can be expected, the least likely buying behavior of Fairtrade coffee was observed among non-Fairtrade consumers. In this sense, this group presented significantly lower odds to buy Fairtrade coffee than the remaining two other groups.

Table 4: Binary logistic regression on Fairtrade past buying behavior

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	Q2			26.304	2	.000	
	Q2(1)	1.973	.554	12.672	1	.000	7.193
	Q2(2)	-1.081	.474	5.199	1	.023	.339
	Constant	.388	.297	1.702	1	.192	1.474

a. Variable(s) entered on step 1: Q2.

To corroborate the previously presented trends a different, yet related dimension of Fairtrade consumption was considered. As such, the outcome variable this time was not the past self-reported Fairtrade buying behavior but instead the one captured through the experimental game.

As such, the dependent variable used in the analysis was Fairtrade coffee consumption and adopted 1 if a Fairtrade coffee was chosen during the game and 0 otherwise. In this manner, the dynamic of the experiment allowed to capture the extent to which different participants selected Fairtrade vs. non-Fairtrade options during participation in the game. Similarly, as in the previous analysis a further binary logistic regression was performed and again uncertain coffee consumers were fixed as the reference category.

Also, in this case the same notation was used to differentiate participants across groups. Accordingly, Q2(1) referred to the first group of Fairtrade coffee consumers, whereas Q2(2) represented individuals in the non-Fairtrade coffee consumption group. Moreover, and due to the fact that uncertain coffee consumers were set as reference category the Q2(3) label was not included in the output table for this analysis. Consequently, and after evaluating all prerequisites for this analysis all conditions could be satisfied. Furthermore, the Nagelkerke coefficient of 0.40, the  $X^2 = 50.90$  (p=0.000) and the non-significance of the Hosmer-Lemeshow supported a good model fit and performance. Thereafter, and according to the yielded results significance was only obtained for the case of Fairtrade coffee consumers. In this way, the odds extracted from the analysis suggest that it is 19,50 (p=0,000) times more likely that habitual coffee consumers would choose Fairtrade coffee during the game when compared to uncertain coffee consumers. As such, given the similarity of the experimental setting with a real buying situation it is assumed that habitual Fairtrade coffee consumers will have 19,50 higher chances of selecting Fairtrade coffee when compared to the reference category. In this way, the results provide evidence for the H2b and confirm the previously performed analysis on this dimension of Fairtrade buying behavior. As for the statements made by H3b, no support could be found through this analysis. In this manner, the lacking significance of the obtained coefficient did not lead to assume negative effects of non-Fairtrade coffee consumption on Fairtrade coffee purchases when compared to the reference category.

Table 5: Binary logistic regression on Fairtrade experimental buying behavior

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	Q2			40.264	2	.000	
	Q2(1)	2.969	.498	35.580	1	.000	19.465
	Q2(2)	.592	.531	1.243	1	.265	1.808
	Constant	-1.653	.364	20.638	1	.000	.191

a. Variable(s) entered on step 1: Q2.

In a more practical sense, the implications of this analysis provide strong statistical evidence to believe that habitual coffee consumers are about 20 time more likely to select Fairtrade coffee than uncertain coffee consumers. This would suggest a very high probability of loyal Fairtrade individuals to select Fairtrade coffee when given the opportunity. All in all, this test provided strong arguments to further confirm H2b on the experimental dimension developed for this study. Unfortunately, the lacking significance of the Q2(2) coefficient did not allow to confirm applicability of H3b on this dimension of buying behavior and therefore, no support for this hypothesis could be found through this analysis.

Interestingly, while comparing both binary logistic regressions the uncovered effects were higher for the experimental buying behavior than it was the case while considering self-reported previous behavior. This can be sustained in the higher odds of habitual consumption uncovered by the game (odds=19,50, p=0,000) when compared to the ones obtained from self-reported measures (odds=7,19, p=0,000). As such, the results from both binary logistic regressions provide support to believe that habitual Fairtrade consumers consistently buy Fairtrade when given the opportunity and they do not only seem to do it when reporting their previous buying behavior.

For the fourth and last dimension of Fairtrade buying behavior partial support for the hypothesis H2b and H3b could be found. In this way, and in order to test the applicability of these hypotheses an ordinal regression on the frequency of Fairtrade coffee buying behavior was performed. For consistency matters, as for other analysis the third group of uncertain coffee consumers was used as reference category. In this way, only support for the H2b could be found.

For this regression the highly significant  $X^2 = 17,32$  (p=0,000) allowed to assume a good model fit and the moderate Nagelkerke coefficient suggests that 18% of the variability in the dependent variable was explained by the habitual consumption differentiation. Accordingly, the notation used for this analysis was slightly different as the one presented by previous binary logistic regressions. As such, and unlike previous analyses the group of Fairtrade coffee consumers was represented by the following symbol Q2=1. In a similar way, non-Fairtrade coffee consumers were labelled with the Q2=2 sign and the reference category of uncertain coffee consumers adopted the Q2=3 label. In consequence, the computed coefficients uncovered only significant and positive effects for the case of Fairtrade consumers (Q2=1). According to the data it seems that exhibiting habitual coffee behavior of Fairtrade coffee will increase the log odds of more frequent buying behavior by a factor of 1.49, ceteris paribus (p=0,001). This significant coefficient would result in a 4,05 increase in the odds of more frequent Fairtrade buying behavior when compared to so-called uncertain habitual coffee consumers. In a more practical sense, the results suggest that Fairtrade coffee consumers will have 4,05 higher chances to report a more frequent Fairtrade buying behavior than the reference category. As such it is more likely that, people with habitual consumption patterns of Fairtrade will increase their buying behavior and move forward up in the frequency scale developed for this measure. These findings provide further evidence for the H2b and confirms the uncovered patterns shown in previous analyses. Unfortunately, for the case of non-Fairtrade habitual consumers (Q2=2), no significance could be attained and therefore, no support for the negative effect of this group on the frequency of Fairtrade buying behavior could be found.

Table 6: Ordinal regression on Fairtrade frequency of buying

		Estimate	Wald	df	Sig.
	[Q18_1 = 1]	-4.048	15.102	1	.000
Threshold	[Q18_1 = 7]	606	2.724	1	.099
Tillesiloid	[Q18_1 = 8]	1.225	9.797	1	.002
	[Q18_1 = 9]	2.372	28.592	1	.000
	[Q2=1]	1.495	10.796	1	.001
Location	[Q2=2]	525	.623	1	.430
	[Q2=3]	0 <sup>a</sup>	•	0	

Overall, the previous four tests allowed to gain a general understanding on the effects of habitual consumption on Fairtrade coffee buying behavior and provide evidence to fully support H2b and partially support H3b. As such, it seems that habitual Fairtrade coffee consumption consistently elicited positive effects on Fairtrade coffee purchase behavior, irrespective of the dimension being measured. On the other hand, however, partial support for negative effects of habitual consumption of non-Fairtrade coffee on Fairtrade coffee buying behavior could be found. Unfortunately, the hypothesized negative effects did not manifest in all dimensions of Fairtrade coffee buying behavior and do not allow to fully confirm the applicability of H3b. Accordingly, significant negative effects, where observed while taking into account the amount of money spent on Fairtrade coffee, as well as previous self-reported buying behavior but not when considering the frequency of Fairtrade coffee purchases, nor the selection of Fairtrade coffee as simulated by the experimental game.

All in all, the previous tests on H2b and H3b suggest strong and recurrent behavioral patterns by consumers in their coffee choices. Thus, the data consistently showed significant and positive effect of habitual Fairtrade coffee consumption on Fairtrade buying behavior in all dimensions considered. Moreover, even though H3b could not be fully confirmed, two of the tests conducted reported significant and negative effects of habitual non-Fairtrade consumption on Fairtrade buying behavior and therefore partial support was provided.

In a further step H4 was tested. In this way, this hypothesis referred to a distinct group than the ones previously analysed, namely, the one of undecided coffee consumers. In this way, participants in this category did not report any consistent coffee buying behavior, as they did not seem to buy the same type coffee over time. This being the case, it becomes interesting to evaluate as to what extent these participants' intentions translate into actual buying behavior. That is, as to what extent the self-reported intentions to buy Fairtrade coffee on their own actually lead to Fairtrade coffee consumption. Consequently, the intentions of this group were computed. Accordingly, the mean intentions of about 3,61 in a 5-point Likert scale suggest a moderate score, similar to the one displayed by uncertain habitual consumers.

Although the habitual consumption analysis appears self-explanatory at first sight, further insides from it could be gained. As such, it is believed that by differentiating undecided consumers from habitual coffee drinkers in their Fairtrade intentions an interesting target group for Fairtrade could be analysed.

Moreover, and as supported by the data, habitual consumers displayed significantly high intentions whereas habitual non-Fairtrade consumers substantially lower mean intentions. Thereby, by allowing this differentiation it is believed that extreme positive and negative effects elicited by habitual consumption patterns for Fairtrade or non-Fairtrade coffee options can be partially accounted for, and the actual effects from intentions on behaviors can be uncovered. Moreover, given the fact that participants in this group did not state to have specific coffee preferences the chance of Fairtrade coffee adoption by this group could be higher. Therefore, and in order to better understand the intention-behavior dynamic by undecided individuals further statistical tests on this subsample were conducted.

In this attempt, and consistent with the previous analysis, buying behavior was captured in four distinct, yet related dimensions. These being: Fairtrade coffee expense, self-reported past buying behavior, the experimental buying behavior and finally the Fairtrade coffee frequency of purchase. More precisely, the subsequent analysis will solely address the cluster of undecided consumers and will only use intentions as independent variable.

For the first dimension a linear regression analysis on the Fairtrade coffee expense dimension was performed. Thereafter, the normality, linearity and homoscedasticity preconditions for linear regression were considered. To test the normality, condition a P-P plot of standardized residuals for undecided consumers was developed. As such, the pattern depicted followed the normal trend expected and no major deviations from the normality line could be observed. Furthermore, for the homoscedasticity condition the respective scatterplot was inspected. Thereby, no systematic pattern could be identified which provides support for the lack of heteroscedasticity in the data. Since no other independent variables were included in this test the multicollinearity condition did not need to be addressed. Overall, for the group of undecided consumers a positive and significant effect of intentions on the amount of money spent on Fairtrade coffee could be identified. In this way, the test provided a highly significant Fstatistic= 15,61 (p=0,000) supporting the presence of statistically relevant effects between the independent and dependent variables. More precisely, the yielded coefficient supports a 2,61 (p=0,000) Euros increase in the amount spent in Fairtrade coffee with every unit increase in intentions, all else being equal. These findings allow to assume a higher willingness to spend on Fairtrade coffee by undecided consumers as their intentions to buy strengthen. Nonetheless, despite the presence of positive effects the relatively small adjusted R<sup>2</sup>=0,182 coefficient suggests a low percentage variability of Fairtrade expenditures explained by intentions on their own. In consequence, while considering the expenditure dimension a considerable gap for the case of undecided coffee consumers could be identified. This being the case, the weak model performance of the regression model provides valid evidence to confirm H4 on this dimension of buying behavior.

Table 7: Linear regression analysis of intentions on Fairtrade expenses for undecided consumers

#### Coefficients<sup>a</sup>

	Model	Unstandardized Coefficients  B Std. Error		Standardized Coefficients	t	Sig.
				Beta		
1	(Constant)	-3.403	2.508		-1.357	.179
	Int	2.601	2.601 .658		3.952	.000

a. Dependent Variable: Geben Sie an, wie viel Geld (in Euro) Sie für FAIRTRADE-Kaffee im letzten Monat im Supermarkt oder Weltladen ausgegeben haben!.

Furthermore, the past buying behavior of Fairtrade coffee for the group of undecided coffee consumers was analysed. This was done by means of a binary logistic regression for which past Fairtrade coffee consumption was coded as 1 and non-Fairtrade coffee consumption as 0. Consequently, the significant  $X^2=10,29$  (p=0,001), the Nagelkerke performance coefficient of 0,217 and the non-significant results from the Hosmer and Lemeshow test suggest the presence of significant effects and a good performing model. Furthermore, the results from the regression support positive effects between intentions and Fairtrade coffee buying behavior. Accordingly, marginal increases in intentions were linked to increasing odds of Fairtrade coffee adoption by a factor of 2,19 (p=0,003), all else being equal. In other words, for this specific group with every unit increase in intentions the odds of buying Fairtrade coffee become 2,19 times higher than not doing so. That is, a higher likelihood of Fairtrade buying behavior is expected as intentions increase. Nonetheless, the moderate model performance as supported by the Nagelkerke coefficient provides support for the arguments behind H4 on this behavioral dimension and allow to further confirm the gap among undecided consumers.

Table 8: Binary logistic regression analysis of intentions on Fairtrade past buying behavior for undecided consumers

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1ª	Int	.783	.265	8.755	1	.003	2.189
	Constant	-1.704	.922	3.415	1	.065	.182

a. Variable(s) entered on step 1: Int.

In a further step, the experimental buying behavior of Fairtrade coffee was analysed for the group of undecided consumers in particular. In this case, the dependent variable was the Fairtrade buying behavior as displayed by the experimental game and the independent variable was intention. As such, the outcome variable was framed within a binary system by which Fairtrade coffee selection in the game was coded as 1 and the choice of any other non-Fairtrade coffee as 0. Moreover, the computed  $X^2=7.84$  (p=0.005), the Nagelkerke performance coefficient of 0,152 and the non-significance of the Hosmer and Lemeshow test suggest the presence of significant effects and a good fitted model. All this being said, the results from the analysis sustain positive and significant links between intentions and Fairtrade coffee buying behavior. Thereby, marginal increases in intentions were linked to increments in the odds of Fairtrade coffee buying behavior by a factor of 1,86 (p=0,008), ceteris paribus. This would mean that a one-unit increase in intentions will make it 1,86 times more likely for participants in this group to buy Fairtrade coffee than engaging into alternative coffee consumption. Nonetheless, despite of positive effects and higher odds expected the percentage of variability explained through this model seemed low. As such, only 15% of the variability in behaviors could be explained and therefore, the applicability of the "intention-behavior" gap could also be assumed on this behavioral dimension.

Table 9: Binary logistic regression analysis of intentions on Fairtrade experimental buying behavior for undecided consumers

#### Variables in the Equation

	В	S.E.	Wald	df	Sig.	Exp(B)
Step 1ª Int	.618	.233	7.010	1	.008	1.855
Constant	-1.795	.872	4.243	1	.039	.166

a. Variable(s) entered on step 1: Int.

Lastly, and in order to test H4 on the fourth dimension of buying behavior an ordinal regression was performed. This time the outcome variable aimed at capturing the frequency of Fairtrade coffee purchases within the previous three months to questionnaire completion. In this attempt, the ordinal levels of the dependent variable were coded in such a way so that participants could state their Fairtrade coffee frequency of purchase. As such, the alternatives included five different options (never, once, twice, three times or more than three times in the relevant timeframe). In consequence, and given the surprisingly low model performance observed, support for H4 could be found through this test. In this regard, the model seemed to be considerably weaker than previous ones as it only accounted for around 2,9% of the variability in Fairtrade buying behavior and presented a relatively bad fit to the data. As a consequence, marginal increases in intentions could not be linked to significant increases in the odds of Fairtrade buying behavior and therefore, no conclusive statement on the frequency of purchase of Fairtrade coffee could be made. In this sense, the lacking significance of this test did not lead to assume a greater frequency of Fairtrade coffee with increasing intentions and puts into question the predictive role of intentions on this dimension of Fairtrade coffee buying behavior. This being the case, the positive effects stated by H4 could not be fully supported. Nevertheless, the weak model performance and the large amount of unexplained variability suggest the existence of a considerable gap on this dimension of buying behavior.

Accordingly, the results from the previous tests provide evidence to partially support H4. In this way, three of the tests performed uncovered positive and significant coefficients linking intentions and Fairtrade purchase behavior. Unlike these, the last regression did not achieve significance and questions the role of intentions in predicting the frequency of Fairtrade buying behavior. As such, the results led to infer the contributing role of intentions when taking into account the amount of money spent and the absolute and experimental choice of Fairtrade coffee consumption but not when the frequency of Fairtrade buying behavior was being evaluated. Furthermore, given the small to moderate percentage of variability explained by intentions on their own, the hypothesized gap between intentions and behaviors seems likely. As such, the low explanatory power observed falls in line with Sutton's critic on the TPB and questions the implications of the previous binary, linear and ordinal regressions. This being the case, the reported adjusted R<sup>2</sup> and Nagelkerke coefficients ranged from 0,029 to 0,21 and leave room for substantial improvements in the models. Thus, and especially in light of the modest results in the variability explained, intentions on their own do not seem to always accurately predict buying behavior. In this way, it is believed that by considering additional variables the

adjusted R<sup>2</sup> and the model predictability could improve. In this sense, and referring to the literature review chapter, the following subsections will try to shed some light on individual effects of further potential explanatory variables believed to contribute to explain the intention-behavior gap in the Austrian Fairtrade coffee context.

Unfortunately, and due to the relatively small sample size of the undecided group only the effects of intentions on buying behavior were considered for this cluster. As such, and due to sampling constraints the effects of the remaining variables included in the model could not be analysed for this group in particular. In this way, the preliminary analysis on undecided consumers served as first attempt to explore the gap and provided valid arguments to believe in its applicability within the Austrian coffee context. This being the case, and for formal testing of the gap H1a and H1b will be addressed later on within the conclusive statistical analysis of this paper. For these tests the whole sample will be considered and therefore, the effects of additional independent variables beyond the ones of intentions will be addressed.

## 5.2.2 Knowledge

To analyse the direct role of knowledge on Fairtrade coffee buying behavior four different regressions were performed. As such, each analysis addressed a different level of Fairtrade coffee buying behavior. These being: Fairtrade coffee expenses, past buying behavior, the experimental buying behavior and the Fairtrade coffee frequency of purchase. In this way, the following subsection will aim at testing the knowledge-related hypothesis and its believed effects on Fairtrade buying behavior.

For the expenditure dimension a simple OLS regression was conducted. Since the dependent and independent variables were captured in a continuous way, a preliminary bivariate correlation analysis was performed. In this way, an incredibly low and non-significant Pearson correlation of 0.077 (p= 0,243) between Fairtrade coffee expenses and Fairtrade knowledge was identified. As such, the evidence from this analysis suggest a non-linear relationship between both variables and thus, the linearity condition for simple regression analysis could not be met. The scatterplot developed for this test provides evidence to assume a monotonic non-linear pattern in the data and therefore, non-parametric correlation analysis was applied. To this extent, Spearman correlations were computed. By doing this, significant and positive correlations of 0,153 between both variables could be observed (p=0,020). For this reason, since the linearity condition for simple regression was not given, a non-linear quadratic regression model to test H5 was conducted. By doing this, the quadratic variable transformation in the

independent variable was expected to allow for a better model fit to the data and lead to more accurate predictions. Unfortunately, the lacking significance of the coefficients B1=-6,86 and B2=1,12 (p=0,117) obtained and the opposing valence to the effects suggested by H5 did not lead to the confirmation of the fifth hypothesis by this test. As such, no support for the positive relationship between increasing levels of Fairtrade knowledge and higher Fairtrade expenditures could be found.

In a further step the second dimension of Fairtrade buying behavior was analysed. This time a binary logistic regression was conducted. Thereby, the past Fairtrade buying behavior was coded as 1 and non-Fairtrade coffee purchases as 0. In this way, the dependent variable was the self-reported buying behavior of Fairtrade coffee and the independent one was the knowledge score provided by the questionnaire. Although binary logistic models do not have as many assumptions as other regression tests, the linearity between continuous predictors and the log odds is assumed. To this purpose, and according to the literature the Box- Tidwell Test can be applied (Tidwell, 1962). In this way, the natural logarithm of the predictor variable was incorporated and the interaction between the predictor and its logarithmic transformation was included. Consequently, non-significant interactions should be expected for the linearity condition not to be violated. Fortunately, the interaction reported by the analysis was nonsignificant and thus, the linearity assumption between the independent variable and the logit was met. Furthermore, the non-significance of the Hosmer & Lemeshow test (p=0,89) suggested a great model fit and allowed to continue with the analysis. Notwithstanding, despite the presence of the given conditions, the results from the output displayed negative and nonsignificant log-odds of -4,68 (p=0,068) for knowledge increases and thus, no support for the applicability of H5 on this dimension of Fairtrade buying behavior could be found. To inspect the validity of H5 in the developed game, a similar binary logistic regression was conducted. This time however, the outcome variable did not refer to participants' past self-reported Fairtrade buying behavior, but to their actual coffee choice in the experimental game (Fairtrade vs. non-Fairtrade). To test for the linearity condition a logarithmic transformation and interaction for the model was performed. Also, in this case, the logit linearity was given, and no significant effects could be uncovered. Regarding the Hosmer & Lemeshow test for good fit the non-significance (p=0,859) reported led to the assumption of a well fitted model to the observations. Consequently, and consistently with the previous logistic analysis Fairtrade knowledge did not seem to have any significant effects on the selection of Fairtrade coffee in the experimental setting. As such, the analysis proposed non-significant odd increases to buy

Fairtrade by a factor of 1,38 (p=0,877). This being the case, the results from both binary logistic regressions suggest lacking effects and do not allow to confirm H5 on neither of these dimensions.

Lastly, an ordinal regression for this hypothesis was conducted. To this purpose the dependent variable was the Fairtrade coffee Frequency of buying defined as the amount of time people had bought Fairtrade coffee in the previous three months to participation in the survey, and the independent variable was again Fairtrade knowledge. Prior to the analysis the test of parallel lines was applied to verify whether the independent variable had similar effects for different category thresholds. As such, the non-significance (p=0,098) of this test made it possible to continue with the analysis and led to the output interpretation. Consequently, and consistently with the three other dimensions previously analysed, Fairtrade knowledge did not prove to be contributing when considering this level of Fairtrade buying behavior. As such, negative and non-significant log odds of -0,052 (p=0,754) were extracted. This being the case, the results from the previous analysis did not support the presence of positive effects in any of the behavioral dimensions considered by this study. As such, the lacking significance provided strong empirical evidence to confirm the arguments behind H5 and suggest the passive role of mere factual knowledge as proposed by Devinney and his colleagues in 2010. All in all, the results from the previous tests consistently showed the lacking predictability of Fairtrade knowledge on all four different dimensions of Fairtrade buying behavior and thus, no positive relationships between Fairtrade coffee buying behavior and increased knowledge levels could be stated. Accordingly, and referring to the lacking significance observed in all dimensions of study, the role of knowledge as passive variable seems likely. As such, support for the weak persuasive power of factual knowledge in buying situations suggested by the literature could be found (Devinney et al, 2010).

### 5.2.3 Understanding

For this variable H6 proposes significant and positive effects on all four levels of Fairtrade buying behavior. Thus, the following section will aim at uncovering potential effects and will use Fairtrade buying behavior as dependent and the aggregated Fairtrade understanding construct as independent variable. In this way, the first analysis addressed Fairtrade coffee expenses. To this extent, and as a preliminary analysis Pearson correlations were computed. Consequently, a significant, however rather weak linear relationship of 0,262 (p=0,000) could be identified. Despite the moderate correlation, the high significance level supports the presence

of potential linear relationships between both continuous variables. In this way, and to formally test for effects a simple regression analysis was conducted and the required preconditions were evaluated. This being the case, and referring to the histograms and P-P plots generated the linearity assumption could be confirmed. The scatterplot however, suggested the presence of heteroscedasticity in the data and therefore, a confirmatory Lavene's test was performed. Accordingly, and as proposed by the residual plots and the high significance of the Lavene's test (p=0,000), the homoscedasticity condition could not be met. To correct for this model violation, bootstrapping was performed and thus, more robust and reliable significance levels out of this procedure could be expected. According to the regression analysis, every one-unit increase in Fairtrade understanding was linked to 3,15 Euro (p=0,0001) higher Fairtrade coffee expenditures, all else being equal. The high significance of the reported coefficient suggests the presence of strong positive effects and provides evidence to confirm H6 on the Fairtrade coffee expenditure dimension. As such, it is believed that by increasing the level of understanding potential increases in the amount of money spent on Fairtrade coffee could arise.

Table 10: Linear regression of Fairtrade understanding on Fairtrade coffee expenses

# **Bootstrap for Coefficients**

				Bootstrapa	
	Model	В	Bias	Std. Error	Sig. (2-tailed)
1	(Constant)	-1.409	045	1.956	.462
	FTUnderst	3.154	.011	.778	.001

a. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples

Furthermore, the second dimension of Fairtrade buying behavior was addressed. For this analysis a binary logistic regression was conducted. Thereby, the Fairtrade coffee self-reported buying behavior was coded as 1 and non-Fairtrade coffee consumption was coded as 0. The regression's output for this analysis suggested positive and significant effects and supports odds increases with every unit increase in understanding scores. This being the case, the odds to buy Fairtrade coffee are expected to improve by a factor of 1,54 (p=0,017) with every marginal

increase in understanding scores. As for the third dimension and similarly to the previous test a binary logistic regression was conducted. By doing this, the outcome variable modelled the Fairtrade coffee selection through the game and was coded as 1 if Fairtrade coffee was chosen and 0 otherwise. In this test, a positive however, marginal non-significant coefficient for Fairtrade understanding was observed. This being said, the obtained value implied odd increases by a factor of 1,32 (p=0,084) with every marginal increase in understanding levels, ceteris paribus. Unfortunately, the marginal non-significance of this parameter did not allow to fully corroborate the hypothesized positive effects and therefore, no full support for H6 could be found through this test.

Table 11: Binary logistic regression of Fairtrade understanding on Fairtrade coffee past buying behavior

## Variables in the Equation

	В	S.E.	Wald	df	Sig.	Exp(B)
Step 1ª FTUnderst	.432	.181	5.669	1	.017	1.540
Constant	442	.525	.708	1	.400	.643

a. Variable(s) entered on step 1: FTUnderst.

Table 12: Binary logistic regression of Fairtrade understanding on Fairtrade coffee experimental buying behavior

## Variables in the Equation

	В	S.E.	Wald	df	Sig.	Exp(B)
Step 1ª FTUnderst	.281	.163	2.981	1	.084	1.324
Constant	872	.481	3.278	1	.070	.418

a. Variable(s) entered on step 1: FTUnderst.

The final test regarding H6 implied an ordinal regression analysis by which the frequency of Fairtrade buying behavior was set as dependent and participants' understanding levels as independent variable. This being the case, the outcome variable included five options coded in an ordinal way. As such, the different alternatives referred to the extent to which participants reported to have bought Fairtrade coffee within the three months prior to questionnaire

completion. The first analysis addressed the model fit and suggested a very small and non-significant  $X^2$ =0,003 (p=0,95). As such, the inclusion of understanding as predictive variable, did not seem to improve the model's performance, when compared to a reference empty model with no predictors. Moreover, the goodness of fit was evaluated through another test. In fact, the model seemed to greatly fit the data, based on the evidence provided by the second and non-significant  $X^2$ =49,90 (p=0,795). This being the case, the  $H_0$  proposed by this test could not be rejected and thus, a great correspondence between predicted and observed values could be assumed. Furthermore, the test of parallel lines provided a non-significant  $X^2$ =3,59 (p=0,309) and therefore, similar effects of Fairtrade understanding on the different ordinal categories can be expected. Despite some favourable aspects of the model, the output uncovered non-significant log-odds of 0,012 (p=0,95) by which no concrete effects could be claimed. Thus, and in light of the lacking effects, no support for H6 on the Frequency of Fairtrade coffee buying behavior could be found.

Accordingly, the insights from the previous section do not allow to fully confirm the applicability of H6 on all dimensions of Fairtrade coffee buying behavior. As such, it seems that understanding plays a predicting role while evaluating the amount of money spent in Fairtrade coffee and the past Fairtrade coffee buying behavior but not in the setting applied by the experimental game, nor when evaluating the frequency of Fairtrade coffee buying behavior. Nevertheless, the marginal non-significance of understanding in the binary logistic regression performed on the experimental game does not completely rule out the possibility of potential effects of this variable on the third dimension of buying behavior. All this being said, and referring to the literature, partial support for the active role of Fairtrade understanding while influencing purchase buying behavior could be found through this analysis (Joshi & Rahman, 2015).

### **5.2.4 Trust**

In a further step the trust variable was introduced. As such, and in light of H7, positive effects from trust on Fairtrade buying behavior were suggested. For consistency purposes the same four levels of Fairtrade buying behavior used for other tests were considered in this analysis.

Accordingly, the first dimension was tested through a simple linear regression analysis. In this way, the first test addressing Fairtrade coffee expenses and trust consisted of a bivariate correlation analysis to explore potential linear relationships between both variables. The resulting Person correlation coefficient was 0,175 and displayed high significance (p=0,008).

Thus, a potential linear relationship between both continuous variables could be assumed. Prior to the analysis the normality, linearity and homoscedasticity preconditions were inspected. As such the P-P, scatter plots and histograms were controlled and no anomalies in these conditions could be identified. In consequence, trust has been positively linked to higher Fairtrade coffee expenses and reported a factor of 2,04 (p=0,008). Thus, the output suggests that participants might increase their Fairtrade coffee related expenses by 2,04 Euros with every unit increase in Fairtrade trust scores, all else being equal. In this way, the previous analysis provides strong arguments to believe in the positive hypothesized relationship between trust and Fairtrade expenses and serves as a mean to confirm H7 on this dimension of Fairtrade buying behavior.

Table 13: Linear regression of trust on Fairtrade coffee expenses

#### Coefficientsa

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta		
1 (Constant)	.187	2.830		.066	.947
FTTrust	2.037	.759	.175	2.685	.008

a. Dependent Variable: Geben Sie an, wie viel Geld (in Euro) Sie für FAIRTRADE-Kaffee im letzten Monat im Supermarkt oder Weltladen ausgegeben haben!.

Binary logistic regressions were utilized to test as to what extent trust might influence the selection of Fairtrade coffee among other available options. In this way, two binary logistic regressions were performed. The first one included past self-reported Fairtrade buying behavior, while the second addressed the Fairtrade buying behavior captured by the game. For practical reasons the first binary regression was identified as M1 and the second one as M2. As such, for both models the assumptions were checked and no violation for neither of the tests could be identified. In consequence, both models seemed to have improved after the inclusion of the independent variable and reported significant and highly significant coefficients (M1:  $X^2=10,77$  p=0,001, Nagelkerke: 0,074) (M2:  $X^2=21,74$  p=0,000, Nagelkerke: 0,142). Furthermore, the Hosmer and Lemeshow tests for both regressions reported non-significance coefficients and led to assume a good model fit to the data. In consequence, the results of both regressions will be reported sequentially. The first logistic regression addressing past Fairtrade

buying behavior reported positive and significant odds to buy Fairtrade coffee with every unit increase in trust levels. As such, and according to this test the odds to buy Fairtrade coffee are expected to increase by a factor of 1,74 (p=0,001) with marginal increases in trust scores, all else being equal. Similarly, the second logistic regression referring to Fairtrade buying behavior in the experimental game also confirmed these positive effects. In this way, positive significant log odds were identified (p=0,000). This being the case, the output table suggested increasing odds by a factor of 2,24 with every unit increase in trust levels. This means, that a marginal increase in the trust scores will make it 2,24 times more likely that a participant will choose Fairtrade coffee when given the opportunity. Accordingly, and in light of the positive and significant effects provided by both binary logistic regressions further support for H7 could be found.

Table 14: Binary logistic regression of trust on Fairtrade coffee past buying behavior

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	FTTrust	.551	.173	10.196	1	.001	1.736
	Constant	-1.223	.636	3.698	1	.054	.294

a. Variable(s) entered on step 1: FTTrust.

Table 15: Binary logistic regression of trust on Fairtrade coffee experimental buying behavior

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	FTTrust	.807	.183	19.425	1	.000	2.242
	Constant	-3.045	.696	19.145	1	.000	.048

a. Variable(s) entered on step 1: FTTrust.

As for previous variables the last test referred to the Frequency of Fairtrade coffee buying behavior and was addressed by means of an ordinal regression analysis. In this regard, the assumptions for this test were also evaluated. Unfortunately for this analysis the situation looks less favourable as in the previous three tests. In this manner, the low and non-significant  $X^2$ =0,254 (p=0,614) suggests no improvements in the model through the inclusion of trust as independent variable. Moreover, the Nagelkerke coefficient was substantially lower than for other models (0,002) and suggests a very small proportion of the variability in the outcome variable being explained by the trust construct. The test of goodness of fit reported a high and non-significant  $X^2$ =46,00 (p=0,101), which led to assume a good model fit to the data. Unlike previous tests, the ordinal regression analysis did not uncover any significant positive effects between the outcome and predicting variable. As such, trust was not significantly (p=0,616) linked to log-odds increases and therefore, no support for H7 on the frequency dimension could be found through this test.

Overall, the previously performed analyses partially support the applicability of H7 to Fairtrade buying behavior. This being the case, consistent positive and significant effects of trust could be identified when referring to Fairtrade coffee expenses, as well as Fairtrade past and experimental buying behavior. Nonetheless, for the fourth and last dimension addressing Fairtrade coffee frequency of purchase no support of effects could be found.

## 5.2.5 Value for Money

For the next analysis the variable value for money was considered. This being the case and referring to the confirmatory factor analysis conducted at the beginning of the study, due to inconsistency matters this scale had to be modified. As such, the last item included in the scale had to be removed, due to poor correlations with similar items and the reported low loadings with the VFM factor. This being said, it is believed that by modifying this scale a higher construct reliability can be gained and a more consistent measure could be developed.

As such, as for other analyses the first test on this construct addressed Fairtrade coffee expenses and their potential relationship with consumers' value for money perceptions. To this extent, the analysis implied a Pearson correlation analysis to inspect the linearity condition for linear regression. Accordingly, the results of the bivariate test provided strong evidence to assume a linear and significant relationship between both numeric variables. This being the case, moderate correlations of 0,31 (p=0,000) between both variables could be observed. In a later stage, a regression analysis using Fairtrade expense as outcome variable and VFM as independent variable was conducted. The robustness of the model was evaluated by testing its conditions. Thereby, and referring to the P-P plots and histograms the normality and linearity assumptions could be supported. Unfortunately, the scatterplot seemed problematic and

displayed potentials threats of heteroscedasticity in the data. In consequence, a Lavene's test of homogeneity of variance was performed and it's high significance (p=0,000) confirmed the violation of the homoscedasticity condition. Accordingly, and in order to correct for these anomalies bootstrapping significance robustness tests were added. Thereby, potential bias can be reduced and therefore, more reliable significance levels and confidence intervals can be expected.

As proposed by H8, the bootstrapped regression analysis including 1000 iterations revealed positive and significant effects of VFM on Fairtrade coffee expenses. This being the case, the output table provided evidence for strong and positive effects of this variable on Fairtrade buying behavior. In this way, a one-unit increase in value for money scores was expected to lead to 3,63 (p=0,001) increases in the amount of money spent for Fairtrade coffee, all else being equal. The results from the model clearly support the arguments claimed by H8 and provide evidence to confirm its applicability on this dimension of Fairtrade buying behavior.

Table 16: Linear regression of VFM on Fairtrade coffee expenses

### Coefficients<sup>a</sup>

Model			idardized ficients	Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
1	(Constant)	-6.040	2.861		-2.111	.036
	VFM_new	3.626	.740	.310	4.900	.000

a. Dependent Variable: Geben Sie an, wie viel Geld (in Euro) Sie für FAIRTRADE-Kaffee im letzten Monat im Supermarkt oder Weltladen ausgegeben haben!.

The second and third dimensions were addressed by binary logistic regressions. Consistently with previous analyses Fairtrade coffee consumption was coded as 1 and opposing buying behavior as 0. The first binary regression adopted past and self-reported buying behavior by consumers as dependent variable, whereas the second one included the experimental buying behavior modelled by the winning game in the beginning of the survey. Prior to the analysis the preconditions for both regressions were checked. In both cases all assumptions were satisfied and improvements in the models through the addition of the VFM construct could be observed.

In this manner, for the first regression the reported and highly significant  $X^2$ =19,807 (p=0,000), the moderate Nagelkerke coefficient of about 0,14 and the non-significance of the Hosmer & Lemeshow test (p=0,89) suggest the presence of a reliable and good fitted model. Similarly, the second regression reported a  $X^2$ =26,829 coefficient (p=0,000), an even higher Nagelkerke coefficient of roughly 0,17 and a good model fit as supported by the non-significant Hosmer & Lemeshow test (p=0,78). As such, a fair percentage of the variability in the outcome variable could be explained through the VFM construct.

Accordingly, both analyses led to the confirmation of H8 and uncovered positive and highly significant effects. This being the case, the first regression uncovered higher odds to buy Fairtrade coffee with increasing value for money perceptions. More precisely, the first analysis revealed odd increases by a factor of 2,19 (p=0,000) with every unit increase in VFM scores. Similarly, the second binary regression confirmed the previously presented trends and suggested even stronger positive effects. In this regard, the data supports increments in the odds to buy Fairtrade coffee by a factor of 2,44 (p=0,000) with every marginal increase in value for money scores, all else kept constant. All this being said, it seems that perceptions of a good price-performance ratio are linked to a higher likelihood of Fairtrade coffee adoption. Interestingly, the reported effects were even stronger in the experimental setting than for the case of past buying behavior. Thus, and due to the matching nature of the experiment with an actual buying situation it is expected that these relationships could also apply in actual purchase situations.

Table 17: Binary logistic regression of VFM on Fairtrade coffee past buying

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	VFM_new	.783	.187	17.574	1	.000	2.187
	Constant	-2.133	.700	9.292	1	.002	.119

a. Variable(s) entered on step 1: VFM\_new.

Table 18: Binary logistic regression of VFM on Fairtrade coffee experimental buying behavior

### Variables in the Equation

	В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup> VFM_new	.891	.189	22.226	1	.000	2.439
Constant	-3.485	.747	21.774	1	.000	.031

a. Variable(s) entered on step 1: VFM\_new.

Lastly, for the fourth dimension, an ordinal regression for the frequency of Fairtrade purchases was conducted. For this regression the significant  $X^2=9,756$  (p=0,002) suggested model improvements through the inclusion of the independent variable VFM. The test for goodness of fit was non-significant and allowed to infer a good model fit. Unfortunately, the Nagelkerke coefficient suggested a minor share of variability explained (7,5%) on Fairtrade frequency of purchase. In light of the evidence, the model suggests positive and significant (p=0,002) effects of value for money on the frequency of Fairtrade coffee purchases. This being said, the resulting ordered log odds of 0,626 reflect odd increases by a factor of 1,70 with every unit increase in VFM scores, all else held constant. Hence, it is believed that increasing value for money perceptions could lead to a higher frequency of Fairtrade coffee purchases among Austrian consumers. The uncovered effects are believed to apply to all ordinal categories by which the scale was coded. This would mean that a one-unit increase in the VFM scale should lead to a 1,70 higher chance of being in a higher category of the Fairtrade coffee frequency of purchase scale. Thereafter, marginal increases in VFM levels are said to increase the chance of more frequent coffee consumption by 1,70. That is, marginal increases of this variable are believed to make it 1,70 times more likely that a participant increases his/her Fairtrade consumption from once to twice every three months, or that their consumption of Fairtrade certified coffee increases from twice to three times in the relevant time window. Accordingly, evidence for a higher frequency of purchase of Fairtrade coffee was found through this test and thus, the arguments made by H8 could be confirmed.

Table 19: Ordinal regression of VFM on Fairtrade coffee frequency of purchase

		Estimate	Wald	df	Sig.
	[Q18_1 = 1]	-1.810	3.120	1	.077
Threshold	[Q18_1 = 7]	1.408	2.999	1	.083
THESHOL	[Q18_1 = 8]	3.092	13.268	1	.000
	[Q18_1 = 9]	4.172	22.605	1	.000
Location	VFM_new	.626	9.529	1	.002

Overall, the previous four analyses provide support to fully confirm H8 and its stated positive effects on all dimensions of Fairtrade coffee buying behavior considered by this study. As such, marginal increases in value for money scores are said to lead to increases in Fairtrade coffee expenditures. Furthermore, the second and third test uncovered higher odds to buy Fairtrade coffee. This suggests a higher likelihood of Fairtrade coffee adoption with increasing VFM perceptions. Lastly, and while considering the frequency of Fairtrade buying behavior, significant log odds could be identified, and therefore, more frequent Fairtrade buying behavior with increasing value for money perceptions can be expected. All this being said, the previous statistical analysis allowed to fully confirm the hypothesized positive effects of Fairtrade VFM perceptions and serve as evidence for its predictive role while considering Fairtrade buying behaviors.

## **5.2.6 Perceived Price Fairness**

Referring to the literature review and to provide a more comprehensive overview of the pricing concept the price fairness (PF) perceptions of Fairtrade coffee among Austrian consumers were addressed. In this regard, all four dimensions of Fairtrade buying behavior considered by this study were inspected. The preliminary analysis consisted once again of correlations between the PF variable and Fairtrade coffee expenses. Accordingly, the results uncovered positive and significant Pearson correlations of 0,18 (p=0,006) between both continuous variables. Later on, a linear regression analysis was conducted for which positive effects between PF and Fairtrade coffee expenses could be identified. In this regard, all assumptions for linearity normality and

homoscedasticity were given and therefore, no corrections had to be made to run the model. In light of the evidence, the uncovered coefficient reported positive and significant links between the independent and dependent variables. This being said, marginal increases in PF scores were linked to 2,34 (p=0,0006) increases in Fairtrade coffee mean expenditures, all else kept constant. As such, the valence and significance of the coefficient provided valid points to confirm the hypothesized effects proposed by H9 on the first dimension of study.

Table 20: Linear regression of price fairness on Fairtrade coffee expenses

#### Coefficientsa

Model		Unstand Coeffi	dardized cients	Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
1	(Constant)	-1.929	3.525		547	.585
	PFairness	2.338	.849	.180	2.753	.006

a. Dependent Variable: Geben Sie an, wie viel Geld (in Euro) Sie für FAIRTRADE-Kaffee im letzten Monat im Supermarkt oder Weltladen ausgegeben haben!.

Binary logistic regressions were conducted to further test the applicability of H9 to the following two dimensions of Fairtrade buying behavior. These regressions had the same coding system as in previous analysis and addressed on the one hand the previous self-reported past Fairtrade buying behavior and on the other, the experimental buying behavior captured by the winning game. Also, in this case, the conditions for the analysis were given and no corrections for potential model violations needed to be undertaken. In this way, the respective coefficients for each binary logistic regression will be presented sequentially. (M1: X²=10,591 p=0,001, Nagelkerke=0,072, Hosmer & Lemeshow non-significant =0,072), (M2: X²=13,098 p=0,000, Nagelkerke=0,083, Hosmer & Lemeshow non-significant =0,969). Accordingly, and in both cases positive and significant effects could be identified. As such, the first model stated positive and significant odd increases by a factor of 1,86 (p=0,001). That is, marginal increases in PF scores are said to lead to 1,86 higher chances of Fairtrade coffee adoption when compared to other coffee alternatives. Similarly, the second binary regression supported odd increase of 1,97 with every unit increase in PF scores, all else kept constant. This being the case, and as

supported by both tests, it seems likely that increasing individuals price fairness perceptions could increase the chance of Fairtrade coffee consumption among Austrian coffee consumers. Thus, the contributing role of PF on two further Fairtrade coffee behavioral dimensions could be supported.

Table 21: Binary logistic regression of price fairness on Fairtrade coffee past buying behavior

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	PFairness	.618	.194	10.140	1	.001	1.856
	Constant	-1.729	.793	4.757	1	.029	.178

a. Variable(s) entered on step 1: PFairness.

Table 22: Binary logistic regression of price fairness on Fairtrade coffee experimental buying behavior

# Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	PFairness	.679	.196	11.991	1	.001	1.972
	Constant	-2.877	.829	12.053	1	.001	.056

a. Variable(s) entered on step 1: PFairness.

The last dimension addressed the frequency of Fairtrade purchases among participants. This time and referring to pervious sections an ordinal regression was conducted. For this analysis, the model performance and fit were substantially lower as for the three other tests on perceived price fairness. As such, a non-significant  $X^2$ =2,595 coefficient (p=0,107), a low Nagelkerke index 0,02 and a marginal non-significant test for goodness of fit (p=0,054) provide very weak preconditions to assume potential effects. Thereafter, and according to the evidence, non-significant log-odds of 0,346 (p=0,10) were identified. This being the case, the lacking significance of this test and the relatively small proportion in the variability explained on the Fairtrade frequency of buying did not lead to the confirmation of H9 on this final dimension of Fairtrade coffee buying behavior.

This being said, the evidence obtained from the previous analyses provide arguments to partially support H9. As such, it seems that marginal increases in PF scores can be linked to higher expenditures of Fairtrade coffee among Austrian consumers. Moreover, odd increases to engage into Fairtrade coffee consumption when analyzing the second and third behavioral dimensions were stated. Unfortunately, for the Fairtrade coffee frequency of purchase no effects could be supported. Accordingly, the tests conducted allowed to confirm H9 on the first three dimensions of Fairtrade coffee buying behavior but not on the last dimension of analysis.

## **5.2.7 Perceived Consumer Effectiveness**

In a further step, the perceived consumer effectiveness (PCE) variable was analysed. As such, H10 proposes positive effects between higher levels of PCE and Fairtrade coffee consumption. As for other constructs the same set of analyses was performed for this variable.

The first procedure consisted of a linear regression to test the presence of potential positive effects between PCE and Fairtrade coffee expenditures. Thereby, Fairtrade coffee expenses were used as dependent and PCE as independent variable. Firstly, and as mean to test the linearity of their relationships Pearson correlations between both variables were calculated. Consequently, positive and significant (p=0,020) correlation coefficients of 0,155 could be observed. Thus, and in light of this evidence, the linearity condition for regression analysis was met. Furthermore, residual plots were developed and the threat of non-normality was excluded. Regarding the homogeneity of variance, the respective scatter plot seemed to present problems and therefore, a confirmatory Lavene's Test was conducted. In this way, the significance in the test (p=0,002) suggested the presence of heteroscedasticity in the data. Therefore, in an attempt to correct for the lacking homoscedasticity in the variance of the error terms bootstrapping techniques were applied. Through this practice, it is believed that more reliable confidence intervals can be attained and more trustable significance levels can be achieved. Thus, the output table from this analysis supported the statements proposed by H10 and suggested positive and significant effects of PCE on this dimension of Fairtrade buying behavior. Accordingly, marginal increases in PCE levels are expected to lead to significant (p=0,014) increases of 1,80 Euros in the amount of money spent on Fairtrade coffee, all else being equal. In consequence, it seems that higher believes of effectiveness through Fairtrade consumption could lead to increasing expenditures on Fairtrade coffee among Austrian consumers. In this way, the data clearly supports the presence of positive effects between both variables and serves as evidence to confirm the arguments provided by H10 on the first dimension of analysis.

Table 23: Linear regression of PCE on Fairtrade coffee expenses

## **Bootstrap for Coefficients**

			Bootstrap <sup>a</sup>							
Model		В	Bias	Std. Error	Sig. (2- tailed)	95% Confidence Interval				
	25.50.50				13 5 d)	Lower	Upper			
1	(Constant)	1.687	013	2.326	.458	-2.775	6.246			
	PCE	1.799	.003	.714	.014	.395	3.235			

a. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples

Furthermore, the past buying behavior of Fairtrade coffee was analysed. To this extent a binary logistic regression including Fairtrade buying behavior as dependent and PCE as independent variable was conducted. In a similar manner, an additional binary logistic regression was used to test whether PCE has some sort of effect on participants' choice of coffee while in a similar purchase situation as the one presented by the experimental game. In both cases the preconditions for the analysis were given resulting in the following coefficients (M1:  $X^2=7.87$ p=0,005, Nagelkerke=0,055, Hosmer & Lemeshow non-significant =0,172) (M2: X<sup>2</sup>=14,771 p=0,000, Nagelkerke=0,094, Hosmer & Lemeshow non-significant =0,426). Accordingly, the evidence suggested a good model fit, a small amount of variability in Fairtrade buying behavior being explained, and potential improvements to the model through the inclusion of the PCE variable. In line with H10, both tests uncovered significant and positive effects of PCE on buying behavior. Thereafter, the first regression suggested significant odd increases to buy Fairtrade coffee by a factor of 1,62 (p=0,006), all else being equal. This implies that marginal increases in PCE scores are likely to lead to higher chances of Fairtrade coffee adoption. Thus, the reported odds suggest that with every unit increase in PCE it becomes 1,62 times more likely that Fairtrade coffee will be selected as opposed to non-Fairtrade options. Similarly, the output from the second binary regression further supports H10 and suggests even stronger odd increases by a factor of 1,85 (p=0,000), ceteris paribus. As such, the evidence suggests significantly higher chances to purchase Fairtrade coffee as a result of increasing PCE perceptions.

Table 24: Binary logistic regression of PCE on Fairtrade coffee past buying behavior

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	PCE	.485	.177	7.536	1	.006	1.624
	Constant	818	.596	1.883	1	.170	.441

a. Variable(s) entered on step 1: PCE.

Table 25: Binary logistic regression of PCE on Fairtrade coffee experimental buying behavior

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	PCE	.614	.168	13.455	1	.000	1.849
	Constant	-2.149	.586	13.469	1	.000	.117

a. Variable(s) entered on step 1: PCE.

The last dimension of Fairtrade purchase behavior was addressed through ordinal regression analysis. In this way, the preconditions to run the test were met but the model reported a weak performance when compared to previous tests. Accordingly, the non-significance of the  $X^2=1,929$  (p=0,165), the low Nagelkerke coefficient of 0,014, and the significance of the test of parallel lines provide strong arguments to criticize the reliability and accuracy of this model. Accordingly, non-significant log odds of 0,252 were observed (p=0,174) and thus, no support for H10 on this dimension of Fairtrade buying behavior could be found.

All in all, partial support for the hypothesized effects of PCE on buying behavior could be found. As such, the regression analysis provided strong evidence to sustain positive effects on the first three dimensions analysed (Fairtrade expenses, absolute and experimental buying behavior). More precisely, marginal increases in consumers' PCE perceptions are believed to lead to higher Fairtrade expenditures and higher chances to adopt Fairtrade coffee as suggested by odd increases for the second and third dimensions of this study. Unfortunately, no conclusive

statement could be made when evaluating the frequency of Fairtrade purchase as no direct effects of PCE on this dimension could be supported.

### **5.2.8 Perceived Availability**

In this section the perceived availability (PA) variable will be addressed. In this way, H11 proposes the presence of positive effects of increased availability of Fairtrade coffee on Fairtrade buying behavior by Austrian consumers. As such, the first attempt to test this hypothesis referred to the first dimension of study. In this way, Pearson correlations were computed. Accordingly, and due to the lacking significance of the observed Pearson's correlation coefficient 0,098 (p=0,141) no support for linearity could be found. In this way and referring to the scatterplot a monotonic non-linear relationship seemed likely and therefore, non-parametric correlational tests were considered. This being the case, spearman correlations were computed to identify the presence of potential non-linear relationships between both variables. Also, in this case the correlation coefficient turned out to be non-significant and thus, no evidence to assume relationships between these variables could be found. Consequently, the lack of association between both variables served as obstacle to conduct regression analysis and acted as argument to reject the positive links proposed by H11 on this dimension of Fairtrade coffee buying behavior.

The second and third dimensions of buying behavior were tested through binary logistic regressions and coded in the exact same way as in previous analyses. As such, the derived model coefficients were as follows: (M1:  $X^2$ =2,116 p=0,146, Nagelkerke=0,015, Hosmer & Lemeshow non-significant p=0,186) (M2:  $X^2$ =12,027 p=0,001, Nagelkerke=0,077, Hosmer & Lemeshow marginal non-significant p=0,053). Surprisingly, unlike previous tests the binary regression coefficients for model one and two did not seem to suggest similar effects. In fact, this time the models pointed in totally different directions. As such, the first model on Fairtrade coffee past behavior did not support any significant effects of availability on the adoption of Fairtrade coffee. On the other hand, however, the second binary regression proposed the presence of positive and highly significant effects between perceived availability and Fairtrade buying behavior in the experimental game. This being the case, the regression output suggested potential odd increases to buy Fairtrade coffee by a factor of 1,95 (p=0,001) with every unit increase in perceived availability scores, all else kept constant. As such, this analysis provides arguments to believe that the more easily available Fairtrade coffee is perceived to be, the more likely its adoption will be. Unfortunately, the contradictory nature of both analyses does not

lead to formally confirm H11 and therefore no conclusive statements on this regard could be made.

Table 26: Binary logistic regression of availability on Fairtrade coffee experimental buying behavior

## Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	Availability	.668	.209	10.188	1	.001	1.951
	Constant	-3.015	.944	10.205	1	.001	.049

a. Variable(s) entered on step 1: Availability.

The last step concerned the frequency of Fairtrade coffee buying behavior. Thereby, an ordinal regression was performed and the following coefficients were obtained:  $X^2$ =0.837 (p=0,360), and Nagelkerke value of 0,007. Furthermore, the test of parallel lines reported a high significance level (p=0,000) which seems problematic while interpreting effects in the different ordinal categories. This being the case, the model showed a rather bad performance due to the small amount of variability explained in the outcome variable and the poor goodness of fit observed. Accordingly, the results did not provide any evidence for significant effects of availability on the frequency of Fairtrade coffee buying behavior and thus, no support for H11 on this dimension could be found.

All in all, the results consistently supported lacking effects between availability and most behavioral dimensions considered by this study. Only while considering the experimental buying behavior significant and positive effects could be supported. This being the case, and due to predominance of non-significant links between the dependent and independent variables H11 could not be formally confirmed.

#### 5.2.9 Intentions

The conclusive analysis consisted of evaluating the hypothesized effects of intentions on all dimensions of Fairtrade coffee buying behavior. In this way, H1a and H1b were addressed. To this purpose and unlike the case of H4 the whole sample was used for the statistical analysis and the relationships between intentions and behaviors in all dimensions were inspected.

As such, and consistently with previous tests the first dimension evaluated was Fairtrade coffee expenses. As such, since both variables were numerical in nature parametric Pearson correlations were applied. This being the case, the results suggested moderate and highly significant correlations of 0.39 (p=0,000) and thus, linear relationships between both variables could be assumed.

In a later stage and to more formally test for the applicability of the stated effects on this dimension of Fairtrade buying behavior a regression analysis was performed. Thereby, the model conditions for this test were checked and no violations could be identified. As such, the data was found to be normally distributed and due to significant correlations linear relationships could be supported. Nonetheless, the generated scatter plot suggested heteroscedasticity in the data and therefore, a confirmatory Lavene's test was conducted. Thereby, the high significance of the test (p=0,000) provided support for funneling in the variance of residuals and therefore, potential bias in the coefficients and significance levels was identified. In this way, and to correct for the presented anomalies bootstrapping on 1000 subsamples was implemented.

As such, the regression output suggested positive and highly significant effects of intentions on the amount of money spent on Fairtrade coffee. Accordingly, marginal increases in intentions are said to lead to higher expenditures of around 3,78 (p=0,001) Euros, all else being equal. The provided evidence confirms the arguments proposed by H1a and led to conclude the presence of positive effects of intentions on the first dimension of Fairtrade buying behavior. Moreover, and referring to the adjusted R<sup>2</sup> of this analysis a coefficient of 0,156 was reported. This being the case, the small amount of variability explained suggests a weak model performance and thus, the presence of the hypothesized gap on this behavioral dimension seems likely.

Table 27: Linear regression of intentions on Fairtrade coffee expenses

# **Bootstrap for Coefficients**

	В	Bootstrap <sup>a</sup>						
Model		Bias	Std. Error	Sig. (2- tailed)	95% Confidence Interval			
					Lower	Upper		
1 (Constant)	-6.390	180	1.750	.001	-10.160	-3.272		
Int	3.779	.047	.539	.001	2.790	4.889		

a. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples

In a further step, the second and third dimensions were addressed. In this attempt, it was aimed to uncover whether intentions would lead to potential increases in the likelihood of Fairtrade coffee purchases among Austrian consumers. As such, two binary logistic regressions were conducted. The first one included past buying behavior as outcome variable and the last one the experimental Fairtrade coffee buying behavior provided by the game. In this way, the conditions for running both models were satisfied and the following coefficients emerged. (M1: X<sup>2</sup>=33,543 p=0,000, Nagelkerke=0,216, Hosmer & Lemeshow non-significant p=0,972) (M2: X<sup>2</sup>=30,158 p=0,000, Nagelkerke=0,186, Hosmer & Lemeshow marginal non-significant p=0,052). All this being said, the previous coefficients suggest the presence of well fitted and reliable models and provide support to continue with the analysis. Overall, both models reflected positive and significant effects of intentions on Fairtrade coffee buying behavior. In this way the models one and two reported highly significant odd increases by factors of 2,30 (p=0,000) and 2,16 (p=0,000) respectively. This being the case, the data supported the idea that increasing intentions are likely to lead to higher chances of Fairtrade coffee adoption. More precisely, the positive odds suggest higher chances of 2,30 by model 1 and 2,16 by model 2 to buy of Fairtrade coffee when compared to non-Fairtrade coffee arising from marginal increases in intentions. Thus, support for H1a on both, the past and experimental Fairtrade behavioral dimensions could be found.

Table 28: Binary logistic regression of intentions of Fairtrade coffee past buying behavior

# Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	Int	.834	.157	28.199	1	.000	2.302
	Constant	-2.302	.589	15.289	1	.000	.100

a. Variable(s) entered on step 1: Int.

Table 29: Binary logistic regression of intentions of Fairtrade coffee experimental buying behavior

# Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	Int	.769	.153	25.145	1	.000	2.158
	Constant	-3.011	.615	23.936	1	.000	.049

a. Variable(s) entered on step 1: Int.

Further on, and in a concluding step the last dimension of Fairtrade buying behavior was inspected. This time the frequency of Fairtrade coffee purchases was set as dependent and intentions as independent variable. In this way, an ordinal regression with five different ordinal outcomes was conducted. Also, in this case, the preconditions for the analysis were given. Moreover, the coefficients included supported the presence of a well fitted and good performing model ( $X^2$ =13,504 p=0,052) Nagelkerke: 0,101, Goodness of fit  $X^2$ =48,712 (p=0,254). Furthermore, the non-significance of the test of parallel lines suggested similar effects across the different ordinal categories adopted by the outcome variable and served as evidence to assume the robustness of the model. Consistently with all three previous dimensions analysed, intentions were found to be positively and significantly influence Fairtrade frequency of purchase. As such, further support for the applicability of H1a could be found. In fact, and referring to the statistical results, positive and significant ordered log-odds of 0,60 (p=0,001) in Fairtrade buying behavior from marginal increases in intentions could be identified. As such, the exponential transformation revealed odd increases by a factor of 1,63 from every unit increase in intentions, all else held constant.

Table 30: Ordinal regression of intentions on Fairtrade coffee frequency of purchase

		Estimate	Wald	df	Sig.
	[Q18_1 = 1]	-1.857	3.830	1	.050
Threshold	[Q18_1 = 7]	1.381	3.630	1	.057
Tilleshold	[Q18_1 = 8]	3.093	16.275	1	.000
	[Q18_1 = 9]	4.179	27.574	1	.000
Location	Int	.601	11.862	1	.001

In this manner, and in light of the evidence it seems that increments in intentions should lead to a higher frequency of Fairtrade coffee buying behavior. In more practical terms, the output suggests that ascending from one ordinal category to the next level becomes 1,63 more likely with every unit increase in intentions. This would imply going from buying Fairtrade coffee only once to twice every three months or increasing the frequency of purchase from twice to three times in the three-month interval used for this analysis. As such, the results suggest increasing frequency of Fairtrade coffee purchases as intentions to buy increase.

## **5.2.10 Enlarged Model**

All this being said, and referring to the previous section, the role of intentions in predicting buying behavior appears to be robust. This being the case, the consistent and unanimous results from the performed analysis provide evidence to fully support H1a on all dimensions of Fairtrade buying behavior considered by this study. Nonetheless, despite the confirmation of this hypothesis the models' performance as indicated by the R<sup>2</sup> and Nagelkerke coefficients ranged between moderate and low. As such, only between 10 and 21% of the variability in Fairtrade buying behavior could be explained by intentions on their own and therefore, improvements in the model's performance seem likely. In this sense, and due to the weak model performance previously mentioned, support for the arguments proposed by H1b could be found.

In consequence, the low variability explained by intentions on their own suggested the exclusion of relevant factors that could help better explain the relationship between intentions and Fairtrade coffee buying behaviors in the Austrian coffee market. Thus, and to account for this unexplained share of variability, a more complete multiple regression with additional independent variables was performed. In this attempt, and due to sample constraints the habitual consumption variable had to be excluded from the analysis. This was decided as the different subgroups (Fairtrade consumers, non-Fairtrade consumers, uncertain consumers and undecided individuals) only contained between 40 and 75 participants each and thus, the recommended minimum of 10 observations per predictor would not be satisfied. In this manner, it is believed that by considering all groups jointly a more accurate representation of Austrians' perceptions with respect to Fairtrade can be gained, and thus, merging different groups did not seem problematic. Furthermore, due to lacking correlations and linearity conditions two further variables presented problems. As such, Fairtrade availability and knowledge reported non-significant correlations with most other variables and therefore, critical assumptions for further statistical testing could not be met. Therefore, and to avoid misleading recommendations it was

decided to exclude both variables from the analysis. In consequence, the enlarged regressions included all four dimensions of Fairtrade buying behavior as dependent and six different independent variables. These being: Trust, understanding, value for money, perceived price fairness, perceived consumer effectiveness and lastly intentions. Accordingly, the statistical tests were conducted on a final sample of 223 participants for which relevant data could be obtained. To this purpose, multiple regressions, binary logistic regressions and a final ordinal regression represented the main tools of analysis. For illustrative purposes the final conceptual model applied for this study will be depicted hereunder.

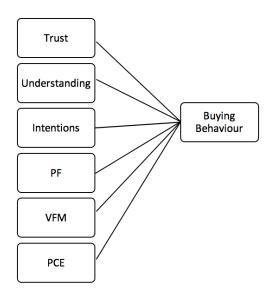


Figure 3: Final Conceptual Model

## **Fairtrade Coffee Expenses**

In a first step a multiple regression was performed. This test addressed Fairtrade expenditures as dependent variable and regressed the effects of the six selected independent variables on this dimension of Fairtrade buying behavior. The preliminary stage to this analysis consisted of a correlation matrix addressing linear relationships among the six included variables. Accordingly, and given the high significance observed for all coefficients the linearity assumption between all independent variables and the first dimension of Fairtrade buying behavior was satisfied. Furthermore, the correlation matrix uncovered moderate and significant Pearson coefficients among all constructs which implies the lack of multicollinearity in the data. Furthermore, and to rule out the threat of multicolinearity among predictors the tolerance and VIF coefficients were inspected. In this way, all tolerance values were above the 0,1 threshold and all VIF scores below the maximal value of 10. The normality precondition was tested by inspecting the P-P plots generated in this analysis. As such, the residuals followed the modelled

trend and no major deviations from the expected pattern could be identified. Moreover, the Durbin Watson coefficient of 2,13 fell within the recommended boundary of 1-3 and therefore, independence in the residuals could be assumed. Outliers seemed not to be a problem since none of the observations reported values higher than 1 in the Cook's distance estimations. Unfortunately, the scatterplot revealed the threat for funnelling in the variance of residuals and therefore, the condition of homoscedasticity could not be satisfied. Therefore, and in order to correct for this violation in the model robust standard errors were computed. In this attempt and referring to the literature heteroscesdasticity-consistent standard errors (HC3) were implemented to account for the threat of heteroscesdasticity in the reliability of significance levels (Hayes & Cai, 2007). This being the case, and in light of the suitability of the data for multiple regression analysis the following results could be extracted. Accordingly, out of the six independent variables included in the analysis only three seemed to elicit significant and positive effects on the amount of money spent for Fairtrade coffee. These being: Intentions, value for money and Fairtrade understanding. As for the other three variables no significant effects could be supported and surprisingly unexpected negative coefficients could be observed. Among the three significant predictors the highest effect was provided by intentions with a high significance level (p=0,000). As such the observed coefficient suggests increments of 3,38 Euros in the amount spent for Fairtrade coffee with every unit increase in intentions, all else kept constant. Similarly, marginal increases in Fairtrade understanding levels were significantly linked to higher expenditures of 2,68 (p=0,0008) Euros, all other variables held constant. Lastly, the VFM variable reported a significant and positive effect of 2,24 Euros (p=0,0348) expected to arise from marginal increases in VFM perceptions, ceteris paribus.

Table 31: Multiple linear regression including 6 variables on Fairtrade coffee expenses

	Model		dardized iicients	Standardized Coefficients	t	Sig.
		В	Std. Error	Beta		
1	(Constant)	-9.810	3.770		-2.602	.010
	Int	3.375	.752	.353	4.485	.000
	FTTrust	696	.971	060	717	.474
	FTUnderst	2.680	.793	.221	3.377	.001
	PFairness	-1.016	1.012	077	-1.004	.317
	PCE	-1.308	.979	112	-1.336	.183
	VFM_new	2.235	1.032	.190	2.166	.031

As such, and in light of these results it seems that the effects suggested by intentions, understanding and value for money hold above and beyond the presence of other predictors in the model. These findings serve as evidence to reconfirm the individual effects proposed by H6, H8 and H1a and provide valuable insights in the intention-behavior relationship. Unfortunately, the lacking significance and the contradictory valence exhibited by Fairtrade trust, PF and PCE questions the results obtained in the respective simple regressions. This being the case, the previously uncovered effects supported by H7, H9 and H10 did not manifest in the enlarged model.

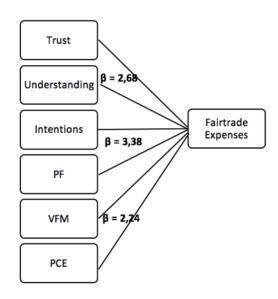


Figure 4: Multiple regression on Fairtrade expenses

Moreover, despite of significant and positive effects of some predictors, the model's performance did not seem to improve significantly after inclusion of additional variables other than intentions. As such, in the enlarged model the adjusted R<sup>2</sup> only reached a coefficient of 0,197. This suggests a minor to moderate amount of variance explained on this dimension of Fairtrade buying behavior and a rather weak model performance. For this reason, it seems, that the gap usually observed between intentions and behaviors remained sizeable even after accounting for further culturally-relevant predictors. In consequence, intentions, value for money, understanding, trust, perceived price fairness and perceived consumer effectiveness jointly only explained around 20% in the variability in Fairtrade coffee expenses. This being the case, a substantial amount of variability was left unexplained and thus, the large size of the hypothesized gap is believed to remain.

The previously discussed points become even more salient when comparing the adjusted R<sup>2</sup> coefficients for the traditional model provided by the Theory of Planned Behavior and the enlarged model considering five additional independent variables. As such, the model only including intentions provided an adjusted R<sup>2</sup> of 0,156 while the enlarged model reported an adjusted R<sup>2</sup> coefficient of 0,197. Thereafter, the inclusion of further variables seemed to have only marginally improved the variability explained on this dimension of buying behavior and therefore, the importance of the added variables to the model appears to be limited. In this sense, it is believed that intentions on their own represent the most important variable in the analysis, given the fact that it accounts for the highest share of variability for this dimension of Fairtrade coffee buying behavior. Nonetheless, in spite of the limited effect of further variables on the statistical power to predict Fairtrade buying behaviors, interesting insights and additional

positive effects on Fairtrade coffee buying behavior could be gained. As such, the traditional notion of significant and positive effects between intentions and behaviors was enlarged by the identification of two other contributing factors, these being, Fairtrade understanding and VFM.

# Fairtrade Past and Experimental Buying Behavior

In a further step the second and third dimensions of Fairtrade buying behavior were inspected. As such, the enlarged model was also applied in this context and thus, two binary logistic regressions with six predictors each were conducted. Consistently with previous sections the first binary regression utilized Fairtrade coffee past buying behavior as dependent variable and the second one modelled the experimental buying behavior captured through the experimental game. In this way, both outcome variables were coded in a binary system with 1 in case Fairtrade coffee had been consumed or selected and 0 otherwise. Prior to running the analysis, the preconditions for binary regression were tested. Overall, the model assumptions were met and the non-significant coefficients from Hosmer & Lemeshow tests for both models (M1:  $X^2=7,589$ , p=0,475) (M2:  $X^2=15,076$ , p=0,058) allowed to infer a good model fit to the data. As such, the model performance metrics for model one and two will be presented sequentially. (M1:  $X^2=36,054$  p=0,000, Nagelkerke=0,233) (M2:  $X^2=43,402$  p=0,000, Nagelkerke=0,260). In this regard, the coefficients observed allowed to infer the presence of significant effects and suggest a higher amount of variability explained in Fairtrade buying behavior when compared to the previous analysis. Furthermore, and according to model one when considering pastbuying behavior only intentions seemed to be contributing while predicting buying behavior. As such, only in this case significant and positive log odds of 0,715 could be uncovered (p=0,000). This being said, it appears that marginal increases in intentions are likely to lead to 2,05 higher odds of Fairtrade coffee buying behavior. As such, with every unit increase in intentions the chances of Fairtrade coffee being adopted becomes around twice as large of those of consuming non-Fairtrade coffee, all else kept constant. These findings clearly suggest a higher likelihood of Fairtrade coffee adoption from increases in consumers' intention levels.

Table 32: Binary logistic regression of 6 variables of Fairtrade coffee past buying behavior  ${\it Sim}$ 

# Variables in the Equation

		В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup>	Int	.715	.197	13.233	1	.000	2.045
	FTTrust	.098	.256	.148	1	.701	1.103
	FTUnderst	.257	.214	1.437	1	.231	1.293
	PFairness	044	.276	.026	1	.873	.957
	PCE	109	.257	.181	1	.670	.896
	VFM_new	.206	.283	.532	1	.466	1.229
	Constant	-3.164	1.019	9.636	1	.002	.042

a. Variable(s) entered on step 1: Int, FTTrust, FTUnderst, PFairness, PCE, VFM\_new.

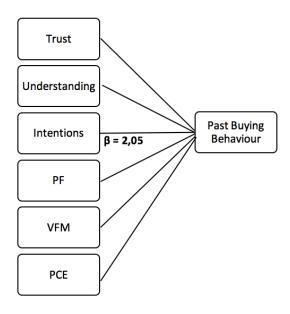


Figure 5: Binary logistic regression on Fairtrade past buying behavior

The second model also supported the previous relationship and displayed significant and positive odd increases by a factor of 1,68 (p=0,005), ceteris paribus. That implies that with every marginal increase in intentions the odds of Fairtrade coffee being selected should increase

by 1,68 when compared to non-Fairtrade coffee, all else kept constant. Interestingly, and unlike model one the second binary regression provided evidence to assume positive and significant relationships between Fairtrade trust and this dimension of Fairtrade buying behavior. In this way, the output table suggested increases in the odds to select Fairtrade coffee by a factor of 1,75 (p=0,025) with every unit increase in trust scores, all else being equal. These findings challenge the evidence provided by model 1 and suggest the importance of trust as a further relevant factor while predicting Fairtrade coffee buying behavior.

Table 33: Binary logistic regression of 6 variables of Fairtrade coffee experimental buying behavior

# Variables in the Equation

	В	S.E.	Wald	df	Sig.	Exp(B)
Step 1 <sup>a</sup> Int	.517	.185	7.804	1	.005	1.676
FTTrust	.559	.250	5.002	1	.025	1.749
FTUnderst	139	.202	.471	1	.492	.870
PFairness	.002	.281	.000	1	.994	1.002
PCE	114	.244	.217	1	.641	.892
VFM_new	.445	.275	2.616	1	.106	1.561
Constant	-5.071	1.139	19.840	1	.000	.006

a. Variable(s) entered on step 1: Int, FTTrust, FTUnderst, PFairness, PCE, VFM\_new.

This being the case, and in light of the similarity of the winning game to an actual buying situation it is believed that the effects uncovered by this analysis could correspond to those expected in real life. Therefore, and due to the significance in the trust coefficient, the role of this variable should not be overlooked. In consequence, and referring to model two not only intentions but also Fairtrade trust are believed to encourage consumers to select Fairtrade coffee when given the opportunity.

All in all, both tests uncovered significant increases in the likelihood of Fairtrade coffee adoption as intentions increase. Furthermore, additional positive effects of Fairtrade trust could

be supported. As such, the higher odds reported led to the assumption of more salient Fairtrade buying behavior and higher probabilities of Fairtrade coffee consumption from increases in trust and intention levels.

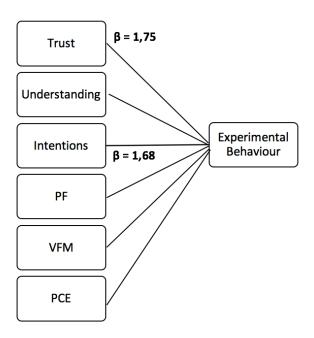


Figure 6: Binary logistic regression on Fairtrade coffee experimental buying behavior

In a further step, the explanatory power of the models was compared to the one of simpler binary regressions only including intentions as predictor. In this way, only marginal increases of the Nagelkerke coefficients could be attained. As such, in model one the variability in past buying behavior increased from 0,22 to 0,23 after inclusion of additional predictors. Similarly, when considering the experimental game in model two, the variance explained only increased from 0,19 to 0,26. In consequence, and for both tests out of all variables of analysis intentions on their own were considered to be the most important factor to predict buying behavior. This is believed as only minor improvements in the statistical power of the models could be achieved after considering additional independent variables.

## **Fairtrade Coffee Frequency of Purchase**

Lastly a final ordinal regression was conducted. This analysis addressed the frequency of Fairtrade buying behavior in the three months prior to questionnaire completion. In this manner, the effects of the six relevant independent variables previously mentioned were jointly regressed on this dimension of Fairtrade buying behavior. In this way, the assumptions for this test were also met and the non-significant test of parallel lines  $X^2=15,777$  (p=0,608) corroborated the precondition of proportional odds between ordinal categories. Moreover, the

model fitting table reported a significant  $X^2=18,063$  (p=0,006) and provided support for model improvements after inclusion of the additional independent variables. Furthermore, the goodness of fit analysis suggested an excellent model fit, supported by the achievement of a non-significant  $X^2=451,723$  coefficient (p=0,994). Unfortunately, despite of this positive outlook, the Nagelkerke coefficient suggested a relatively low percentage (13,5%) of variability explained on this dimension of buying behavior. This being the case, the low percentage of variance explained raised concerns with regards to the model's performance. Consequently, and referring to the final output, the only predictor that seemed to be significant on this dimension of Fairtrade buying behavior was again intentions. As such, the regression table reported highly significant log-odds of 0,517 (p=0,014) for this variable. This coefficient suggests odds increases by a factor of 1,40 with every marginal increase in intentions, ceteris paribus. Accordingly, as intentions rise, a higher frequency of Fairtrade coffee buying behavior can be expected.

Table 34: Ordinal regression of 6 variables on Fairtrade coffee frequency of purchase

		Estimate	Wald	df	Sig.
	[Q18_1 = 1]	-2.948	3.766	1	.052
Threshold	[Q18_1 = 7]	.972	.654	1	.419
Tillesilolu	[Q18_1 = 8]	2.746	5.025	1	.025
	[Q18_1 = 9]	3.875	9.718	1	.002
	Int	.517	6.075	1	.014
	StartDate	0 <sup>a</sup>		0	
	FTTrust	490	3.562	1	.059
Location	FTUnderst	103	.231	1	.631
	PFairness	136	.279	1	.597
	PCE	.248	1.038	1	.308
	VFM_new	.479	3.087	1	.079

In light of the evidence, the output supports higher chances of 1,40 to ascend from one category of the ordinal scale to the next level resulting from marginal increases in intentions. That is for instance, going from buying Fairtrade coffee once every three months to twice becomes 1,40 times more likely as marginal intention increases manifest. The same applies to further categories, these being going from twice to three times in the relevant time window or even from three times to even more frequent Fairtrade coffee buying behavior. Unfortunately, for the remaining variables no statistically significant effects on this dimension could be identified. As such, it seems that intention was the only factor to present consistent effects holding above and beyond those of other variables in this analysis.

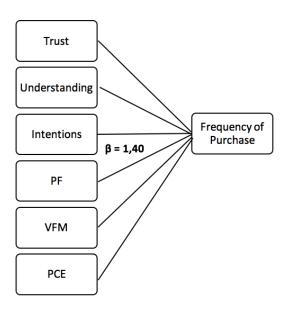


Figure 7: Ordinal regression on Fairtrade coffee frequency of purchase

With regards to the explanatory power of this model a weak performance was stated. In this way, it seems that by adding further variables to the traditional framework proposed by the "Theory of Planned Behavior" only marginal improvements in the variability explained could be reached. As such, by including further predictors the Nagelkerke coefficient on this dimension only increased from 0,101 to 0,135. In this manner, the weak explanatory power achieved through this model alteration suggests the existence of a substantial gap even after accounting for additional relevant factors in the Austrian coffee context. In this sense, and especially while comparing both models the role of intentions in this relationship becomes more salient. Accordingly, this variable on its own accounted for most of the variability explained on this dimension of Fairtrade buying behavior and thus, of all predictors considered it was said to be the one with highest relevance.

Overall, the intention variable was the only one to consistently report positive effects on buying behavior irrespective of the dimension being measured. As for other variables, depending on the type and specific analysis evaluated, additional positive effects could be supported. For instance, while considering Fairtrade coffee expenses not only intentions but also VFM and Fairtrade understanding appeared to be key in predicting buying behavior. Regarding past buying behavior only intentions were observed to exert positive effects and predict past behaviors. Similarly, when regressing all variables on the experimental coffee buying behavior only intentions and trust seemed to exhibit positive effects on this dimension of buying behavior. Thereafter, the uncovered effects of understanding, VFM, Price fairness and PCE proposed by previous tests on this dimension have been challenged.

Lastly and consistently with most of the individual models for the frequency dimension only intentions were seen to exert positive and significant effects on this behavioral dimension. This corresponded to most of the results obtained in the individual regressions but questioned the previously identified positive effects of the VFM variable on this dimension. As such, the positive relationship of VFM on the outcome variable seemed to have faded away after introducing further predictors in the analysis. Moreover, and due to the disappearance of individual effects potential mediation becomes arguable. As such, in all dimensions, the lacking significance of some coefficients while regressing all variables jointly suggest the possibility of internal dynamics between variables and potential mediation of effects.

# 5.3 Managerial Implications and Discussion

The following subsection will lay its focus on analysing the presented results in a more concrete and practical way. Moreover, it will aim at providing advice to the Fairtrade organization in an attempt to increase the Fairtrade coffee buying behavior within the Austrian coffee market. As such, this chapter will be subdivided in three subsections, and will address every Fairtrade buying behavior dimension included by this study. Subsequently, managerial recommendations derived from the statistical analysis will be formulated and added at the end of every section.

Originally and referring to the literature review nine different independent variables were proposed, these being: Habitual consumption, Fairtrade knowledge, Fairtrade understanding, Fairtrade trust, value for money, perceived price fairness, perceived consumer effectiveness, perceived availability and intentions. Nonetheless, due to problems in the data the variables habitual consumption, Fairtrade knowledge and availability had to be excluded from the

conceptual model. In this way, due to nature of the habitual consumption variable, the sample was split in four subgroups and therefore, the amount of observations included in every category dropped significantly. This subdivision limited the possibility of performing more complex regressions on the individual habitual consumption subgroups and led to the exclusion of this variable from the analysis. As for knowledge the individual simple regressions revealed lacking effects on buying behavior and thus, its non-significance served as argument to exclude it from the enlarged model. Moreover, further aspects such as lacking linearity and correlations between knowledge and buying behavior, as well as most independent variables were identified. In consequence, and in light of these problems, further support for its exclusion was found. Finally, and with respect to Fairtrade availability, similar issues could be observed. Accordingly, most of the hypotheses on this variable could not be confirmed, and predominantly non-significant results were yielded. Moreover, the lacking linearity of Fairtrade availability with buying behavior and its misleading correlations with other variables further supported its exclusion from the analysis. Accordingly, and in light of the discussed points, the final model had to be reduced and only included the remaining six independent variables previously mentioned. In this way, the following section will address all Fairtrade coffee behavioral dimensions and will provide a dedicated set of recommendations based on the results of the previous statistical analysis.

### **5.3.1 Fairtrade Coffee Expenses**

As shown by the previous statistical tests, two sets of analyses on this dimension of Fairtrade buying behavior were conducted. On the one hand, simple regressions with only one independent variable and Fairtrade coffee expense as dependent variable were performed. Additionally, a more complex multiple regression including six different independent variables was included. All this being said, a contrast between the individual models and the enlarged regression will be provided hereunder. On the one hand, the independent regressions highlight the importance of the variables: Understanding, trust, VFM, PF, PCE and intentions as potential proxies to predict Fairtrade coffee expenses. On the other hand, however, the multiple regression suggested differences in the relationships previously observed and provide support for potential mediating effects on this dimension of Fairtrade buying behavior. In this way, some of the direct effects supported by the individual regressions disappeared while including further predictors to the model. Consequently, only direct effects for the case of intentions, VFM and Fairtrade understanding could be sustained. The disappearing nature of the previously reported relationships provides arguments to suggest the mediating role of one of the three

significant predictors in this analysis and calls for further investigation. Thereby, and given the higher predictive power of intentions on this dimension of buying behavior its role as potential mediating variable becomes likely. Nonetheless, as mediating effects were not hypothesized by this study, no confirmatory mediation analysis was performed.

Referring to the three significant variables previously mentioned the following effects could be identified. For the intention variable highly significant and positive effects of 3,38 Euros (p=0,000) could be identified. As such, it is believed that marginal increases in intentions might lead to higher Fairtrade coffee expenditures by factor of 3,38, all else being equal. Similarly, for the case of Fairtrade understanding positive effects could be found. This being the case, the data supports higher Fairtrade coffee related expenditures of 2,68 (p=0,0008) Euros resulting from marginal increases in understanding levels, ceteris paribus. Lastly, perceived value for money was identified to exert similar positive effects. Accordingly, and all else held constant, with every unit increase in VFM scores, increases in Fairtrade coffee expenses by a factor of 2,24 (p=0,0348) Euros can be expected. As previously mentioned the remaining three independent variables did not achieve significance and therefore, no specific effects could be claimed.

Overall, and in light of the evidence it seems that increasing intentions, VFM perceptions and understanding levels positively influence the amount of money spent on this type of coffee. Thus, and according to the statistical analysis, the higher these perceptions are, the higher Fairtrade coffee related expenditures are likely to be. As for indirect effects no specific tests for mediation were conducted and thus, no conclusive statement could be made.

### **Recommendations I**

The respective recommendations for the first dimension of analysis (Fairtrade coffee expenses) will be provided hereunder. As supported by the data, intentions, VFM and understanding could be directly related to higher Fairtrade coffee purchases. As such, it is believed that by developing a deeper understanding on these constructs the Fairtrade organization could develop viable strategies to increase the amount of money spent on their certified coffee.

As such, initiatives to positively influence consumers' intentions, value for money perceptions, and understanding should be undertaken. Accordingly, and in an attempt to strengthen consumers' intentions, the Fairtrade organization could make use of insights provided by the "Theory of Planned Behavior" to positively influence the development of behavioral intentions towards Fairtrade certified coffee. As such, the organization could address the three main

predecessors of intentions proposed by the literature these being: Attitudes, subjective norms and perceived behavioral control (Ajzen, 1985). In consequence, the development of more favorable attitudes towards Fairtrade coffee could be supported. This being the case, specially the quality, price and taste of Fairtrade coffee should be addressed. In fact, the data from the survey suggested the role of these aspects as potential barriers leading some participants not to buy Fairtrade coffee. In this way, initiatives should be developed to change the seemingly bad reputation of Fairtrade coffee with regards to its taste and quality. Moreover, and according to the experimental game in Austria, Fairtrade coffee was found to be only marginally more expensive than conventional coffee options. Accordingly, evidence has been found stating that Fairtrade products are not necessarily more expensive than conventional non-Fairtrade options<sup>18</sup>. Therefore, the belief that Fairtrade coffee is overprized should also be addressed. Furthermore, and referring to the literature review, social norms capture the influence of relevant social groups and their judgement of the behavior being evaluated. In this way, consumers' most immediate social environment is believed to play an important role while developing behavioral intentions towards Fairtrade coffee. As such, active cooperation with lead users and influencers relevant to Fairtrade's target market should be aimed (Schreier, Oberhauser & Prügl, 2007). Such initiatives are key to the expansion of Fairtrade coffee in the Austrian market and could allow to change quality, taste and pricing misconceptions related to Fairtrade coffee and its consumption. As such, by cooperating with potential partners, bloggers and influencers in social channels and online media better Fairtrade perceptions among reference groups could be supported. Finally, and by addressing the perceived behavioral control concept, further support for intentions could be delivered. As such, PBC addresses the extent to which individuals believe to be able to perform a given behavior. In practical terms, this concept relates to individual's ability and possibility of performing a certain action. Consequently, in the research context of this paper this would concern participant's ability and possibility of buying Fairtrade coffee. As such, by making consumers aware of their contributions and their ability and possibility to help people in need, potential intention increases could manifest. This realization might motivate consumers to remain loyal to their ethical concerns and reinforce their moral commitments so that their intentions can translate into actual Fairtrade coffee purchases. In this manner, and according to relevant studies on the TPB tailored-made communication strategies that encourage ethical buying behavior should be implemented. In this attempt, marketing campaigns encouraging consumers to try something

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<sup>&</sup>lt;sup>18</sup> Fairtrade Deutschland. Fairtrade-Mythen.

new, helping others through consumption, doing the right thing and choosing wisely could be used to trigger the aimed effects. In consequence, the combination of the previously proposed suggestions is believed to positively influence the development of positive behavioral intentions towards Fairtrade coffee and potentially lead to its adoption by Austrian coffee consumers. At this point, however, and due to the high percentage of unexplained variability observed, the actual effect of intentions while influencing consumer decision making was found to be limited. This being the case, despite the fact that intentions might indeed contribute to the adoption of Fairtrade coffee, its overall and rather weak predictive power does not lead to assume strong contributions of behavioral intentions towards Fairtrade coffee on its actual adoption by Austrian consumers.

Moreover, and in order for Fairtrade to build more favourable VFM perceptions among consumers the ethical nature of Fairtrade coffee and the social component of its production could be highlighted. Moreover, further attributes such as product-related country of origin (COO) effects and product typicality aspects could be used to increase the perceived utility by Fairtrade coffee consumers (Piron, 2000). As such, a better price performance ratio could be supported and more advantageous value for money perceptions could develop. Thus, it is believed that the more salient these features become, the more likely consumption is likely to be (Carrington, Neville & Whitwell, 2014). Thereby, it is believed that such attributes could help partially justify the higher Fairtrade price premiums charged and encourage consumers to engage into Fairtrade coffee buying behavior.

Moreover, and when compared to other coffee alternatives Fairtrade related premiums are not perceived to lie drastically above conventional coffee prices. In fact, in many cases Fairtrade coffee is even cheaper than some specialty coffee options (Andorfer & Liebe, 2015). Generally, such non-Fairtrade alternatives build on country of origin (COO) features and product typicality aspects to leverage their offerings and position them as authentic and high-quality alternatives (Teuber, 2010). As such, by making use of such claims and taking advantage of typicality and COO arguments Fairtrade could potentially increase value for money and quality perceptions and address the previously suggested misconceptions. More obvious and aggressive communication strategies would entail making product-related comparisons and clearly stating how much of the Fairtrade price premiums is granted to farmers when compared to non-Fairtrade options. In this way, a clearer link between the organization and its contributions in the global south could be made and additional information could be provided. By doing this, the ethical nature of Fairtrade coffee is likely to become more salient and accessible to the

public and lead to a higher awareness of Fairtrade effects in developing countries (Nicholls & Opal, 2005). In this manner, and by combining these strategies, it is believed that more favourable VFM perceptions could result and considerable utility gains among consumers could develop.

Regarding the last significant variable Fairtrade understanding, the scale provided items related to the actual benefit and contributions for farmers in developing countries. This being the case, and in order to increase individual's understanding levels a clearer overview of the organization's activities should be provided. As such, Fairtrade should aim at: Educating consumers about the aid provided to farmers, the variety of projects and programs Fairtrade has, its financial contributions and their added value for cooperating communities. Thereby, the implications of Fairtrade's contributions in terms of education, health, local infrastructure and capacity building in the global south should be highlighted (Hudson et al., 2013). As such, by increasing the information on these issues, and bringing the positive aspects of Fairtrade into light increases in Fairtrade coffee-related expenditures should be expected. Consequently, and by combining the previously presented strategies higher intentions, VFM perceptions and understanding levels become likely and thus, higher expenditures should be observed.

Nonetheless, and despite the uncovered positive effects, the proposed model only allowed to account for a moderate proportion of 20% in the variability of Fairtrade expenditure as suggested by the adjusted  $R^2$  coefficient. This being said, the data supports the applicability of the hypothesised gap between intentions and behaviors and suggests a high amount of unexplained variability even after accounting for relevant variables in the Austrian coffee context. As for the remaining three non-significant variables Trust, PF and PCE, no conclusive statements could be made and thus, no specific recommendations were formulated. Nonetheless, their highly significant and positive effects uncovered by the simple linear regressions provide strong arguments to assume potential indirect links between these variables and Fairtrade coffee expenses. Moreover, robustness checks of effects supported minor increases in the percentage of variability explained by means of the enlarged model. As such, while considering only the three significant predictors, namely, intentions, VFM and Fairtrade understanding an adjusted R<sup>2</sup> coefficient of 0,188 was obtained. Interestingly, despite their lacking significance the model's performance reported a slightly better adjusted  $R^2$  of 0,197 after including Trust, PF and PCE to the analysis. Therefore, this higher coefficient provides evidence for a higher amount of variability explained and supports their inclusion in the analysis. In this way, and in light of potential mediating effects, the organization could not only

benefit from influencing intentions VFM and Fairtrade understanding levels but also by increasing people's Trust, PF and PCE perceptions to indirectly increase Fairtrade buying behavior. Accordingly, in the online survey trust referred to Fairtrade's operations, projects, its money transparency and financial contributions. Therefore, it is believed that by providing information on these issues consumers' trust levels could increase. Regarding PF, given the highly subjective nature of this construct it becomes difficult to actually influence fairness perceptions among individuals. Nonetheless, by exposing consumers to statements that motivate their fairness believes, potential increases could be triggered. In this way, the organization could implement marketing strategies to increase fairness ideas by consumers and launch communication campaigns to support this effect. Lastly, and referring to the PCE construct definition it relates to Fairtrade's actual effect and the believed contribution consumers perceive to be making through Fairtrade coffee consumption. As such, and in order to increase PCE levels, the Fairtrade organization should aim at informing consumers about the effectiveness of Fairtrade-related financial contributions, and more importantly, how these translate into actual benefits for farming communities. In this way, activities could be developed to grant further information on how every extra Euro spent on Fairtrade coffee benefits people in Asia, Africa and Latin America (Nicholls & Opal, 2005). This could be done, by directly linking financial expenditures to actual projects being conducted and their positive implications for health, education and the infrastructure development of Fairtrade-cooperating communities.

## 5.3.2 Past and Experimental Buying Behavior

In this regard, and due to the fact that the second and third dimensions addressed related phenomena (either past buying behavior or the experimental buying behavior modelled through the game) the recommendations for both analyses were made jointly. As such, the evidence from individual regressions provided support in both cases for positive and significant effects of trust, VFM, PF, PCE and intentions on these two dimensions of Fairtrade buying behavior. In this manner, and in order to verify the previously mentioned effects two additional binary logistic regressions were conducted. The first one included Fairtrade coffee self-reported buying behavior as dependent and the second addressed the experimental buying behavior modelled through the game.

In this way, the contrast between the simple binary logistic regressions including only one predictor and the enlarged model with six independent variables will be provided hereunder. As for model 1, the individual binary regressions and the enlarged regression uncovered

different effects. In this way, while testing the enlarged conceptual model on this dimension only intentions seemed to exert significant effects on behaviors. As such, the previously observed direct effects of trust, VFM, PF, PCE did not manifest when regressed jointly on past Fairtrade buying behavior. Therefore, and in light of the disappearing nature of effects, the mediating role of intentions seems plausible. This being said, the specific and significant effects of model one suggested odd increases to buy Fairtrade coffee by a factor of 2,045 with marginal increases in intentions, all else kept constant. Similarly, while considering model two and the experimental Fairtrade buying behavior only intentions and trust were identified to exhibit effects. As for the other variables non-significant relationships were identified and, therefore meditation of effects seems also likely on this dimension. As such, and referring to model two, intentions were significantly linked to odd increases of Fairtrade coffee by a factor of 1,68. In the same manner, increases in trust levels were linked to odd increases of 1,75, all else being equal. Thereafter, it seems that increasing intentions and trust could directly impact the choice of Fairtrade coffee among Austrian consumers and therefore, actions on this matter should be taken. Interestingly, even though both dimensions included by model one and two addressed very similar phenomena, differing results were observed. Nonetheless, for both dimensions, intentions consistently influenced buying behavior and led to increases in the likelihood of Fairtrade coffee being purchased.

### **Recommendations II**

As such, and referring to the recommendations previously formulated, intentions can be strengthened by incentivizing consumers to act upon their social concerns and ethical values. Moreover, and by influencing consumers' social environment and helping them become aware of their ability and possibility to actually contribute to a noble cause through consumption, the aimed positive effects on intentions could manifest. This could be facilitated by the development of communication strategies that encourage ethical behavior and support Fairtrade coffee adoption. Such activities become particularly interesting while considering the group of undecided coffee consumers. In this way, and given the fact that these participants did not state to consistently buy a specific type of coffee, their role as potential target market becomes likely. In this way, and referring to the analysis only addressing this subsample, intentions were also seen to exert similar positive effects as the ones presented in the enlarged model. In consequence, tailor-made communications to incentivize undecided consumers to engage into Fairtrade coffee consumption should be supported. Thereby, the ethical nature of Fairtrade

could be used as potential attribute to persuade undecided consumers to try new types of coffee and lean more towards Fairtrade coffee alternatives.

Furthermore, and as shown by model two trust was also linked to positive and significant higher effects on Fairtrade buying behavior and therefore, its active role in consumer's coffee selection process should be considered. This being the case, it is advisable to develop marketing campaigns by which the transparency and correctness of the Fairtrade organization are supported. As such, higher levels of trust could develop and a greater tendency towards Fairtrade coffee selection could be favored. In light of the lacking direct effects of the remaining variables, no conclusive recommendations for these predictors could be formulated. Nevertheless, and due to their individual direct effects on both dimensions of Fairtrade buying behavior and the presence potential mediation of effects, further clarification on this matter is needed. In this way, it could very well be that by increasing consumers' VFM, PF and PCE perceptions potential indirect effects on Fairtrade buying behavior could manifest. Moreover, and regarding the intention-behavior gap relationship further support for this phenomenon could be obtained on both dimensions. As such, the robustness tests suggested minor improvements in the variability explained by the inclusion of further variables to the model. Accordingly, the adjusted R<sup>2</sup> while including only significant predictors in the regression was compared to the adjusted R<sup>2</sup> of the conceptual model with all six independent variables. In consequence, the variability explained by model one increased from 21% to 23% and from 23% to 26% in model two. Notwithstanding, the data supports only minor improvements in the predictive power of the enlarged model and thus, the applicability of the gap on these dimensions can be supported. This being the case, the gap between intentions and behaviors seems to have remained sizeable, even after accounting for further variables believed to be influential in the decision to buy Fairtrade coffee.

## **5.3.3 Frequency of Purchase**

The last dimension of Fairtrade buying behavior relates to the frequency of Fairtrade coffee purchases among Austrian consumers. Similarly, as for the other three dimensions of buying behavior simple and multiple ordinal regressions were performed. As such, in a first attempt individual regressions including only one independent variable at a time and frequency of purchase as dependent variable were conducted. Later on, a joint ordinal regression including six different independents and frequency as dependent variable was conducted. Accordingly, the individual regressions performed on this dimension uncovered effects only in the case of

VFM and intentions. For the remaining independent variables, no direct relationship on frequency of purchase could be supported. Interestingly, and referring to previous analyses, the nature of effects seemed to have changed after further variables were added to the enlarged model. As such, and as observed in previous multiple regressions the positive and significant effects of VFM were rendered non-significant and, thus mediating effects on this dimension are arguable. All this being said, it seems that increasing intentions could be linked to a higher frequency of Fairtrade coffee purchases. In consequence, marginal increases in intention levels were linked to odd increases in the frequency of Fairtrade coffee purchases by a factor of 1,40, all else being equal. Furthermore, and in light of the disappearing direct effects of VFM observed in the simple regression analysis, indirect links could be assumed. Therefore, and in case mediation applies, increasing consumers VFM perceptions could facilitate the development of intentions and in turn indirectly translate into more frequent buying behavior.

#### **Recommendations III**

Referring to the previous recommendations and with regards to intentions, the same initiatives could be applied for this dimension. As such, and by strengthening consumer intention levels more frequent buying behavior should be expected. As for the VFM construct and given the potential mediation of effects, managerial recommendations for this variable were also formulated. In this sense, it would be advisable to encourage consumers to acknowledge the added value of Fairtrade coffee and recognize it's nature as socially responsible and ethical good. This awareness could provide individuals with "warm glow" effects that could potentially justify the higher Fairtrade price premiums charged to consumers (Lilley & Slonim, 2014). Furthermore, and by building on the coffee's authenticity, the production expertise of farmers in developing countries, and COO cues, further arguments for the development of favourable VFM perceptions could be provided (Vijaranakorn & Shannon, 2017). As such, all these product related assets could increase consumers' utility gains from Fairtrade coffee consumption and lead to the development of more favourable VFM perceptions. Overall, and by combining these strategies a greater frequency of Fairtrade coffee purchases should be expected.

Unfortunately, the enlarged model applied for this dimension only accounted for a small amount of around 14% of the variability in Fairtrade buying behavior. In this way, and in order to test the robustness of effects additional regressions were conducted. Consequently, the results suggested minor improvements in the adjusted R<sup>2</sup> coefficient from 10% to 14% after considering the five remaining variables to the single model only including intentions. This

being the case, it seems that by adding further variables only modest improvements in the predictive power of the model could be achieved. Thus, and given the low predictability of the ordinal regression, support for the hypothesized intention-behavior gap on this dimension could be found.

All in all, and referring to the previous set of analyses support for the applicability of H1a and H1b could be found. As such, the evidence from the statistical discussion suggested the presence of significant positive links between intentions and Fairtrade buying behavior across all dimensions measured. Moreover, and referring to H1b a sizeable gap in the Fairtrade coffee context could be observed. This was the case even after accounting for additional context-relevant variables other the ones considered by "Theory of Planned Behavior". These arguments provide solid evidence to confirm the main arguments behind H1b and suggest a substantial amount of uncaptured variability in all dimensions of buying behavior considered by this study.

## **5.4 Conclusive remarks**

Overall, in all dimensions of behavior considered for this study significant and consistent positive effects of intentions on buying behavior could be identified. Nevertheless, and unlike expected, the inclusion of further relevant variables believed to play a role in the coffee buying decision process did not lead to substantial improvements in the models performance. Accordingly, for all dimensions of study the regressions only explained a minor to moderate proportion of the observed variance in buying behavior. This being the case, the findings provide support for the applicability of the hypothesized gap between intentions and behaviors in the Austrian Fairtrade coffee context. Moreover, and despite its limited statistical power and predictability, as proposed by the TPB the results uncovered and confirmed the active role of intentions in influencing subsequent behaviors. In this way, the statistical analysis support effects of additional variables involved in the intention-behavior relationship. This being said, not only intentions but VFM and Fairtrade understanding seemed to be contributing while predicting Fairtrade coffee expenditures. Similarly, intentions and trust were perceived to play an important role while predicting Fairtrade coffee buying behavior by means of the experimental game. Therefore, and given the similarity of the experimental setting with an actual buying situation, the active role of intentions and trust in consumers' persuasion process to buy Fairtrade coffee becomes likely.

As for predicting past buying behavior and the frequency of purchase of Fairtrade coffee only intentions seemed to be contributing and no other effects could be claimed. Interestingly, in all dimensions of buying behavior mediating effects were suggested. As such, individual effects identified by the individual regression analyses disappeared after conducting more comprehensive multiple regressions. As such, and due to significantly high correlations, it seemed likely that intentions on their own might have explained the effects of trust, VFM, PF and PCE previously observed on past buying behavior. In a similar manner, while considering Fairtrade frequency of buying, a potential mediation of VFM effects through intentions was suggested. Moreover, in the experimental setting VFM, PF and PCE lost their significance when regressed jointly with other variables in the model and therefore, potential mediation of effects could also be argued in this relationship. As for Fairtrade-related expenses, and in light of the disappearing positive effects of trust, PF and PCE in the enlarged model, similar mediation effects could be suggested.

In consequence, the nature of the uncovered effects supports the role of intentions and other variables as potential mediators in the intention-behavior relationship. This being the case, and due to the fact that mediation analysis was not explicitly part of the study, further clarification on this regard is needed. Thereafter, future research should aim at exploring the mediation role of intentions and other variables in the intentions-behavior relationship. Thereby, complementay insights on the internal mechanisms between the included variables could be gained and additional suggestions to positively influence and increase Fairtrade coffee buying behavior could be developed.

## 5.5 Limitations

Although statistically significant effects could be achieved and support for most hypotheses could be found, several points of criticism still exist. In this way, and due to the nature of the data collection process, the statistical analysis had to based on self-reported statements. This was the case, due to lacking availability of panel data by supermarkets and Fairtrade coffee specialty stores. In this way, and specially in light of the nature of the data collected, the role of the social desirability bias becomes salient. As such, most items of study required participants to disclose information on their ethical buying behavior and evaluate ethical Fairtrade coffee features. In this attempt, it seems likely that pressures to comply with social expectations might have influenced participants and led to biased responses. Moreover, the highly subjective nature of some constructs and the unavailability of predefined scales for some measures further

complicated the data collection process. Moreover, and referring to the exploratory focus group discussion, only a narrow selection of variables was included in the final analysis. As such, the exclusion of potential, yet unaddressed factors by the conceptual model of study seemed likely. Unfortunately, and given the limited time and access to consumer panels the sample size of study remained relatively small. Therefore, the generalizability of results to the overall Austrian market could be questioned. Moreover, and due to sample constraints some tests could not be conducted for different consumer groups. As such, the relatively small subsample of undecided consumers did not allow for multiple regression analysis for this group in particular. This being the case, for this cluster only intentions could be considered. Accordingly, and given the fact that these participants did not report to have any habitual coffee consumption patterns, their role as potential Fairtrade target market becomes key to Fairtrade coffee's expansion within the Austrian market. In this way, and in presence of larger samples of undecided consumers it would be advisable to regress the effects of further variables other than intentions on Fairtrade coffee buying behavior. In this manner, valuable insights for the Fairtrade organization could be obtained and a clearer overview on the intention-behavior relationship for this subsample could be gained. Furthermore, and referring to the last section of the statistical analysis, only moderate adjusted R<sup>2</sup> coefficients could be observed. Accordingly, for all dimensions of Fairtrade buying behavior a great amount of unexplained variance in Fairtrade buying behavior was stated. In this sense, and given the modest performance of the enlarged models designed for this study, the implementation of further modifications could be beneficial in order to improve the model's predictability of Fairtrade coffee buying behavior.

In light of the previous shortcomings, further research providing larger samples, and a more exhaustive set of variables should be conducted. Moreover, the potential mediating effects of intentions and other variables in the intention-behavior relationship should be more thoroughly inspected. As such, not only direct but also indirect effects on behaviors could be identified and more conclusive recommendations could be generated.

# **Appendix A: Focus Group: Discussion and Protocol**

#### Introduction

Welcome everybody and thank you for having taken part of this discussion. My name is Luis Guillermo Fleming Hernandez and I will be the moderator for today's session. I am a Master student at the University of Vienna and I am currently working on my final research thesis to be hand in the beginning of 2019. In the following hour the main topic of discussion will be Fairtrade, more specifically Fairtrade coffee. This being the case, I would like to remind you that the observations and the information you provide will be handled in an anonymous way. As such, no names or personal information other than socio-demographics will be collected for this study and therefore, you do not need to worry about confidentiality issues. Moreover, it is important to mention that the yielded results from this discussion will exclusively be used for empirical purposes and will mainly serve to develop a questionnaire for data collection.

Thereby, we are particularly interested in your opinion and concerns about Fairtrade coffee in a general way. In this regard, we would like to collect Fairtrade-related insights from your side. Since you are all familiar with Fairtrade products and you all have had experience with Fairtrade coffee, we would kindly ask you to start off by writing down what Fairtrade means to you and what your experience with Fairtrade products in particular Fairtrade coffee has been in the past.

Later on, we would like to open the floor for discussion and allow you to freely share your views in a voluntary way. Be aware that there are no correct or wrongs answers and we are only interested in your opinion. This being said, feel free to openly discuss any good or bad aspects that come to your mind when thinking of Fairtrade coffee. Since this is a research project, you will not be invited to buy anything, nor to spend any money on coffee or other Fairtrade products. Thank you again for your participation and the help provided for my research project and enjoy the discussion.

#### **Discussion Points**

What does Fairtrade mean to you?

What are positive and negative buying experiences you have had with Fairtrade coffee?

How do people in your environment (friends, acquaintances and relatives) see Fairtrade coffee?

How do you find the taste, price and quality of Fairtrade products?

Would you say Fairtrade coffee is considerably more expensive than other non-Fairtrade options?

What about financial contributions?

Do you believe in the actual added value of Fairtrade in developing countries?

Have you heard of any project in particular benefiting coffee farmers in Fairtrade-cooperating regions?

What about trust?

What about availability?

What about coffee habits?

What about Fairtrade coffee's reputation?

What about its price performance-ratio?

If you are convinced of Fairtrade coffee, please kindly name three reasons that motivate you to buy this type of coffee.

If you do not buy Fairtrade coffee, we would like to know what the main reasons for buying other coffee types are.

# Rating of Variables

From the following list of variables and referring to the previous discussion select the eight most relevant variables in your opinion that inhibit consumers to actually buy Fairtrade coffee.

Individual Factors
Emotions
Emotions
Habits & consumption routines
Perceived behavioral control
Perceived consumer effectiveness
Values
Trust in firm's environmental performance
Low- vs high involvement / personal relevance
Personal knowledge of environmental related
issues
Socioeconomic characteristics
(Income/education/age)
Knowledge factual vs actional
Personal norms

	Social F	actors	
Social Norms			
Social enviror	nment		
Culture			
Subjective	norm	and	reference
groups/norm	ative influ	uence	

Situational Factors
Price
Product availability
Product attributes and cues
Store related attributes/ environment
Occasion
Eco-labelling (trust/credence and
certainty/ lack of transparency)
Product information (too much/too little)
Alternative options
Fairness perceptions

### **Conclusive Remarks**

Before ending the session, I would like to thank you all again for your kind help and support. At this point I would also like you to summarize in a very brief way what you could take out of this discussion and what the most relevant aspects for you were. Moreover, it would be also important for me to know if there was anything new for you and if having discussed about all these points changed the way you see and perceive Fairtrade coffee altogether.

Thank you again! And have a nice day and week, if you are interested in the results of the study you could contact me after its publication and I could send you the final version in the way that is most convenient to you.

# **Appendix B: Web Questionnaire**

Q0 Die nachfolgende Studie beinhaltet einen **Fragebogen**, der für wissenschaftliche Zwecke vom Lehrstuhl für Energie und Umwelt der Universität Wien analysiert wird. Außerdem haben Sie durch das Ausfüllen die Möglichkeit, eine **Jahresration Ihres Lieblingskaffes zuzüglich eines kleinen Geldbetrags zu gewinnen**. Wir danken Ihnen bereits im Voraus für die 10 – 12 Minuten, die Sie zum Ausfüllen des Fragebogens investieren werden.

#### Informationen zum Fragebogen:

Alle von Ihnen angegebenen Informationen werden anonym behandelt. Es ist wichtig, dass Sie sich die Fragen genau durchlesen und den Angaben genau folgen. Es gibt keine falschen oder richtigen Antworten, wichtig ist lediglich, dass Sie Ihre ehrliche Meinung angeben. Es gibt kein Zeitlimit für diesen Fragebogen. Nehmen Sie sich also genügend Zeit beim Ausfüllen.

#### Informationen zum Gewinnspiel:

Wir laden Sie ein auf ein kleines Gedankenexperiment. Dabei können Sie mit ein wenig Glück 12 Packungen (je 500g) Ihres Lieblingskaffees gewinnen, wobei die Gesamtkosten dieser 12 Packungen 100 Euro nicht überschreiten dürfen. Wir zahlen Ihnen weiters die Differenz des Preises dieser Packungen auf 100 Euro als Geldbetrag aus. (Bsp.: Ihr gewünschter Kaffee kostet 7.49 Euro pro Packung. Die gewonnene Jahresration Kaffee hat dann einen Wert von  $12 \times 7.49 = 89.88$ . Sie bekommen demnach zusätzlich einen Geldbetrag von 100 - 89.88 = 10.12 Euro ausbezahlt. Natürlich vorausgesetzt, Sie sind der\*die Glückliche, die wir nach dem Ende der Umfrage aus allen Teilnehmenden losen.)

Aber lassen Sie uns beginnen!

Stellen Sie vor, Sie gehen in den Supermarkt, um Kaffee zu kaufen. Folglich gehen Sie zum Kaffeeregal und stellen fest, dass folgende, auf dem Bild ersichtliche Kaffeealternativen im Sortiment erhältlich sind. Dabei unterscheiden sich die verschiedenen Kaffees in ihren Preisen, Marken, in der Intensität, der Herkunft und

in weiteren Produkteigenschaften wie biologisch oder Fairtrade. Falls Sie einen bestimmten Kaffee bevorzugen, der nicht auf dem Bild ersichtlich ist, und Sie die genauen Angaben dazu kennen, geben Sie dessen Namen im unteren Feld an. Auch in diesem Fall errechnet sich die Höhe Ihrer Belohnung aus der Differenz des Kaffeepreises und Ihrem Budget. (Alle Preise beziehen sich auf 500g-Packungen.)

#### Q50



Q Wählen Sie jetzt den Kaffee, der Ihnen am meisten zuspricht und den Sie *in* einer ähnlichen Kaufsituation erwerben würden!

Viel Effolg beim Spiel und herzlichen Dank für Ihre Teilnahme.
Wählen Sie bitte Ihren Kaffee!

Q84 Der Kaffee, den ich gerne haben wollen würde, heißt...

Geben Sie dabei bitte genauere Angaben dazu, damit wir Ihnen den richtigen Kaffee zukommen lassen können.

loo r	Caufen Sie Kaffee im Supermarkt?
	Ja
)	Nein
)1 <b>K</b> a	nffeekonsum: Normalerweise kaufe ich den gleichen Kaffee
$\bigcirc$	Ja
$\bigcirc$	Nein
	ählen Sie die Optionen aus, die Ihrem Kaufverhalten am ehesten rechen!
	rechen!  Der Kaffee, den ich regelmäßig kaufe, ist FAIRTRADE.
	rechen!

# Q3 Inwiefern stimmen Sie den folgenden Aussagen zu?

	1 Kein Zustimm	-	3	4 Zı	5 Absolute ustimmung
Ich kaufe immer den gleichen Kaffee, obwohl ich andere Kaffeealternativen hätte	0	0	0	0	0
Ich treffe die Entscheidung, diesen Kaffee zu kaufen, eher schnell	0	0	0	0	0
Ich treffe die Entscheidung, diesen Kaffee zu kaufen, eher automatisch	0	0	0	0	0
Ich habe schon seit langem starke Vorlieben für diesen Kaffee	0	0	0	0	0



Q4 Kreuzen sie die *fünf* Argumente an, die nach Ihrem Empfinden am ehesten dem Fairtrade-Konzept entsprechen!

Beachten Sie: Kreuzen Sie bitte nur fünf der folgenden Kästchen an!	Q5 Inwiefern stimmen Sie den folgenden Aussagen zu?								
in Ziel der FAIRTRADE-Organisation ist es, benachteiligten Bauern mehr Möglichkeiten zu bieten.		1 Kei Zustim	ne	2 3	4	5 Absolute Zustimmung			
benachtenigten bauem meni Moglichkeiten zu bieten.		Zustim	inung			Zustimmung			
selbst faire Produkte herzustellen und zu verkaufen	Ich vertraue der Arbeit von Fairtrade in								
die Arbeitsbedingungen der anbauenden Bauern zu verbessern.	Afrika, Asien und		$\bigcirc$	$\bigcirc$	$\bigcirc$	O			
Die lokale Infrastruktur in anbauenden Regionen weiterzuentwickeln.	Lateinamerika								
die Entwaldung in Entwicklungsländern zu verringern.	lch vertraue darauf, dass der FAIRTRADE								
isterreichische Bauern zu unterstützen.	Mindestpreis bei		$\bigcirc$	$\bigcirc$	$\circ$	$\bigcirc$			
sich primär mit globalen Umweltproblemen zu befassen.	kleinbäuerlichen								
gegen Korruption in Entwicklungsländern anzukämpfen.	Familien landet Im Allgemeinen								
die Armut in Europa zu vermindern.	vertraue ich dem FAIRTRADE-	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$			
eine faire Bezahlung für Produzent*innen in der "dritten Welt"	Siegel								
sicherzustellen.		1							
biologische Produkte zu entwickeln.									
	Q6 Inwiefern stin	nmen Sie	den toige		sagen zu 4	1 <b>?</b> 5			
☐ ausbeuterische Kinderarbeit auszuschließen		Keine	)	. 3	7	Absolute			
den Drogenkonsum in Entwicklungsländern zu bekämpfen.		Zustimm	ung			Zustimmung			
Geldmittel für gemeinnützige Zwecke in Österreich zu sammeln.	Mir ist bekannt, wie Kaffeebauern								
die Wettbewerbsfähigkeit kaffeeexportierender Konzerne zu stärken.	in Afrika, Asien und	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$			
	Lateinamerika von FAIRTRADE								

unterstützt werden						Q7 Inwiefern s	unininen c	ne dell loif	Jenuen Au	ıssayen	Zu:
							1 Keir Zustimr		3	4	5 Absolute Zustimmung
Mir ist die Wirkung von FAIRTRADE Projekten bekannt	0	0	0	0	0	Kaffees mit FAIRTRADE- Siegel haben einen vernünftigen Preis	0	0	0	0	0
Mir ist bekannt, wie bei AIRTRADE- Projekten finanzielle eistungen an	0	0	0	0	0	Kaffees mit FAIRTRADE- Siegel haben ein gutes Preis- Leistungs- Verhältnis	0	0	0	0	0
die affeebauern übermittelt werden  Vir sind die positiven uswirkungen						Kaffees mit FAIRTRADE- Siegel sind für ihren Preis ein gutes Produkt	0	0	0	0	0
von FAIRTRADE für die (affeebauern bewusst	0	0	0	0	0	Kaffees mit FAIRTRADE- Siegel sind preiswert	0	$\circ$	$\bigcirc$	0	$\circ$

Q8 Ich empfi Siegel als		Preise i	m Supe	ermarkt	für Ka	ffee mit FAIRTRADE-	Q11 Inwiefern stimme	n Sie de	n folger	nden	Aussaç	jen zu?
	1	2	3	4	5			1 Kei Zustim		2	3	4
sehr unfair nicht		0	0	0	0	sehr fair	lch glaube, dass mein durch den Kauf von		- 3			
gerechtfertig		0	0	0	0	gerechtfertigt akzeptabel	FAIRTRADE-Kaffee geleisteter Beitrag sich positiv für Kaffeebauern in Afrika, Asien und	0	0		0	0
makzeptabe						anzeptabei	Lateinamerika auswirkt Ich glaube,					
Q9 Im Allgen	neinen fi	inde ich eher billig		RADE <b>-2</b> eisgünst	<sub>ia</sub> e	erten Kaffee im Supermar her zu teuer euer	Kaffeebauern in Afrika, Asien und <b>kt</b> Lateinamerika durch FAIRTRADE- Preisaufschläge zu helfen	0	0		0	0
1 (		0	(	<u> </u>	C		Ich glaube, dass das extra Geld, das ich für FAIRTRADE- Kaffee bezahle, Kaffeebauern bessere	0	0		$\circ$	0
wären.	le mehr	Kaffees	mit FA	AIRTRA	DE-Sie	gel kaufen, wenn Sie billi	Lebensbedingungen					
O ja												

5 Absolute Zustimmung

						ich, FAIRTRADE-	0	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\bigcirc$
Zustim	mung				Zustimmung	Demnächst beabsichtige					
1		2	3	4	5 Absolute						Absolute Zustimmung
timmen S	Sie den	folgeno	den Aussa	igen zu?		<u> </u>	1	2		4	5
						Q13 Inwiefern st	immen Si	e den folge	enden Aus	sagen zu	?
I											
he ht						finden					
ein an	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\circ$	$\circ$	FAIRTRADE- Siegel zu					
es E-						Es ist nicht schwer, Kaffees mit					
ass						erhältlich					
, ale elt zu						Supermärkten,					
en E- (	$\bigcirc$	$\bigcirc$	$\circ$	$\circ$	$\circ$	FAIRTRADE- Siegel sind in					
						Kaffees mit					
rn in ndern						bequem und praktisch, ihn					
	$\bigcirc$	$\bigcirc$	$\bigcirc$	$\circ$	$\circ$	wollen würde, wäre es	0	$\bigcirc$	$\bigcirc$	$\circ$	$\bigcirc$
en E -						FAIRTRADE-					
	indern in helfe en elt zu ess es es es en he helfe en ten en en ten en en ten en en ten en en ten en	nelfe, ngen rrn in ndern n helfe en E- , die elt zu  ass es E- ein an he nt  timmen Sie den Zustimmung	indern no helfe en elt zu ess es	indeffe, angen rrn in andern an	ingen rn in in indern in	timmen Sie den folgenden Aussagen zu?  1 2 3 4 5 Keine Zustimmung  Keine Zustimmung  Keine Zustimmung  Keine Zustimmung  Keine Zustimmung	FAIRTRADE-Siegel kaufen wollen würde, wäre es bequem und praktisch, ihn zu kaufen  Kaffees mit FAIRTRADE-Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Es ist nicht schwer, Kaffees mit FAIRTRADE-Siegel zu finden  timmen Sie den folgenden Aussagen zu?  1 2 3 4 5 Keine Zustimmung  RABSINGER  Siegel kaufen  Kaffees mit FAIRTRADE-Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Es ist nicht schwer, Kaffees mit FAIRTRADE-Siegel zu finden  Q13 Inwiefern st  timmen Sie den folgenden Aussagen zu?  Demnächst beabsichtige ich, FAIRTRADE-Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Es ist nicht schwer, Kaffees mit FAIRTRADE-Siegel zu finden	FAIRTRADE- Siegel kaufen wollen würde, wäre es bequem und praktisch, ihn zu kaufen  Kaffees mit FAIRTRADE- Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Es ist nicht schwer, Kaffees mit FAIRTRADE- Siegel zu finden  Gass  Bes E- Lein Lein Lein Lein Lein Lein Lein Lein	FAIRTRADE- Siegel kaufen wollen würde, wäre es bequem und praktisch, ihn zu kaufen  Kaffees mit FAIRTRADE- Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Es ist nicht schwer, Kaffees mit FAIRTRADE- Siegel zu finden  Q13 Inwiefern stimmen Sie den folge  timmen Sie den folgenden Aussagen zu?  1 2 3 4 5 Keine Zustimmung  Q13 Inwiefern stimmen Sie den folge Zustimmung  Demnächst beabsichtige ich, FAIRTRADE- Siegel zu finden	reife, neife, ne	FAIRTADE- Siegel kaufen wollen würde, wäre es bequem und praktisch, ihn zu kaufen  Kaffees mit FAIRTADE- Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Es ist niicht schwert, Kaffees mit FAIRTRADE- Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  FAIRTRADE- Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  FAIRTRADE- Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich  Superm

Ich ziehe in						Q93 Warum nicht?
Erwägung, in naher Zukunft FAIRTRADE-	0	$\circ$	$\circ$	$\circ$	$\bigcirc$	Er ist zu teuer.
Kaffee auszuprobieren						Ich habe bereits einen bevorzugten Kaffee; dieser ist nicht FAIRTRADE.
In naher						Er ist nicht in meinem Supermarkt erhältlich.
Zukunft werde ich versuchen, FAIRTRADE- Kaffee zu	0	$\circ$	$\circ$	$\circ$	$\circ$	Ich glaube nicht, dass das Geld, welches ich für FAIRTRADE ausgebe, tatsächlich den Kaffeebauern zugutekommt.
kaufen						☐ Ich vertraue der FAIRTRADE-Organisation nicht.
						Ich mag den Geschmack von FAIRTRADE-Kaffee nicht.
Q14 Haben Sie je	emals FAIF	RTRADE-K	affee geka	uft?		☐ Ich möchte nichts Neues ausprobieren.
O Ja						Es ist nicht meine Aufgabe, die Armut in sogenannten Entwicklungsländern
Nein						zu bekämpfen/Die Armut in sogenannten Entwicklungsländern betrifft mich nich
*						Q94 Ich habe andere Gründe, nämlich
						Q15 Haben Sie in den letzten 3 Monaten FAIRTRADE-Kaffee gekauft?
						O Ja
						Nein
						*

Q16 Warum	nioht?							
	st zu teuer.							Geben Sie an, wie viel Geld (in Euro) Sie für FAIRTRADE-Kaffee <i>im letzten</i>
☐ Ich ł	nabe bereit	s einen be	evorzugten	Kaffee; die	eser ist nicht F	AIRTRADE.	Mona	t im Supermarkt oder Weltladen ausgegeben haben!
Er is	st nicht in m	neinem Su	ıpermarkt e	erhältlich.			Q22 <b>G</b>	Geschlecht
•					ir FAIRTRADE	E ausgebe,	$\bigcirc$	männlich
	ch den Kaff		· ·		L.		$\bigcirc$	weiblich
	vertraue de mag den G						$\circ$	Anderes
	möchte nich				noo mone.			
Es is	st nicht mei	ine Aufgal	oe, die Arm	ut in soger	nannten Entwic	cklungsländern	Q23 <b>A</b>	llter
zu bekär	mpfen/Die /	Armut in s	ogenannte	n Entwicklu	ıngsländern be	etrifft mich nicht.		
Q17 Ich habe	ondoro Ci	ründə nör	mlich				Q95 <b>S</b>	Staatsbürgerschaft 
							Q24 <b>F</b>	amilienstand
Q18 <b>Geben S</b> Supermarkt					n den letzten	3 Monaten im	$\bigcirc$	verheiratet/verpartnert
Supermarkt	nie	1x	2x	3x	Mehr als 3x		$\bigcirc$	ledig
							$\bigcirc$	verwitwet
Häufigkeit	0	$\bigcirc$	$\bigcirc$	$\circ$	$\bigcirc$			

Q25 <b>V</b>	ohnort	Q27 <b>N</b>	Ionatliches Netto-Einkommen
$\bigcirc$	Stadt	$\bigcirc$	0-499
$\bigcirc$	Ländlicher Raum	$\bigcirc$	500-999
		$\bigcirc$	1000-1499
Q96 <b>W</b>	lie lange leben Sie schon in Österreich? (in Jahren)	$\bigcirc$	1500-1999
Q26 <b>H</b>	öchste abgeschlossene Ausbildung	$\bigcirc$	2000-2499
$\bigcirc$	Pflichtschule	$\bigcirc$	>2500
$\bigcirc$	Matura		
$\bigcirc$	Lehre		
$\bigcirc$	Bachelor		
$\bigcirc$	Master/Diplom		
$\bigcirc$	PHD/Doktor		

# **Appendix C: SPSS Output tables**

# **Correlation Analysis**

#### Correlations

		Expense	FTknowledge	FTTrust	FTUnderst	PFaimess	PCE	Availability	Int	VFM_new
Expense	Pearson Correlation	1	.069	.170 <sup>*</sup>	.273**	.187**	.153 <sup>*</sup>	.099	.394**	.324**
Exp	Sig. (2-tailed)	$\times$	.303	.011	.000	.005	.022	.140	.000	.000
FTknowledge	Pearson Correlation	.069	1	.265**	009	.116	.121	.354**	.090	.206**
FTkno	Sig. (2-tailed)	.303	$\times$	.000	.891	.084	.071	.000	.179	.002
FTTrust	Pearson Correlation	.170 <sup>*</sup>	.265**	1	.366**	.369 <sup>**</sup>	.650**	.301**	.434**	.515 <sup>**</sup>
E	Sig. (2-tailed)	.011	.000	$\times$	.000	.000	.000	.000	.000	.000
FTUnderst	Pearson Correlation	.273**	009	.366**	1	.163 <sup>*</sup>	.344**	.057	.205**	.275**
FTUr	Sig. (2-tailed)	.000	.891	.000	$\times$	.015	.000	.400	.002	.000
PFairness	Pearson Correlation	.187**	.116	.369**	.163 <sup>*</sup>	1	.384**	.173**	.514 <sup>**</sup>	.589 <sup>**</sup>
PFai	Sig. (2-tailed)	.005	.084	.000	.015	$\times$	.000	.010	.000	.000
PCE	Pearson Correlation	.153 <sup>*</sup>	.121	.650**	.344**	.384**	1	.198**	.451 <sup>**</sup>	.525**
P(	Sig. (2-tailed)	.022	.071	.000	.000	.000	$\times$	.003	.000	.000
Availability	Pearson Correlation	.099	.354**	.301**	.057	.173**	.198**	1	.220**	.381**
Avail	Sig. (2-tailed)	.140	.000	.000	.400	.010	.003	$\times$	.001	.000
nt	Pearson Correlation	.394**	.090	.434**	.205**	.514 <sup>**</sup>	.451 <sup>**</sup>	.220**	1	.590**
_=	Sig. (2-tailed)	.000	.179	.000	.002	.000	.000	.001		.000
VFM_new	Pearson Correlation	.324**	.206**	.515 <sup>**</sup>	.275**	.589**	.525**	.381**	.590**	1
VFM	Sig. (2-tailed)	.000	.002	.000	.000	.000	.000	.000	.000	

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

c. Unless otherwise noted, bootstrap results are based on 1000 bootstrap samples

# **Factor analysis**

### **KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure	.844	
	Approx. Chi-Square	3118.745
Bartlett's Test of Sphericity	df	465
	Sig.	.000

# Component Matrix<sup>a</sup>

		Component						
	1	2	3	4	5	6	7	8
Ich kaufe immer den gleichen Kaffee, obwohl ich andere Kaffeealternativen hätte	.240	.410	.339	.186	.462	.180	082	068
Ich treffe die Entscheidung, diesen Kaffee zu kaufen, eher schnell	.221	.368	.325	.156	.575	044	.053	114
Ich treffe die Entscheidung, diesen Kaffee zu kaufen, eher automatisch	.187	.309	.493	.130	.553	.082	.089	.015
Ich habe schon seit langem starke Vorlieben für diesen Kaffee	.074	.176	.326	.169	.368	.418	168	080
Ich vertraue der Arbeit von FAIRTRADE in Afrika, Asien und Lateinamerika	.664	175	234	.066	.156	177	307	340
Ich vertraue darauf, dass der FAIRTRADE Mindestpreis bei kleinbäuerlichen Familien landet	.717	103	217	.050	.110	276	316	248
Im Allgemeinen vertraue ich dem FAIRTRADE-Siegel	.708	098	205	063	.189	177	248	388

Mir ist bekannt, wie Kaffeebauern in Afrika, Asien und Lateinamerika von FAIRTRADE unterstützt werden	.241	234	.244	.725	180	137	109	.089
Mir ist die Wirkung von FAIRTRADE Projekten bekannt	.415	304	.214	.668	131	.002	.130	.030
Mir ist bekannt, wie bei FAIRTRADE-Projekten finanzielle Leistungen an die Kaffeebauern übermittelt werden	.244	359	.257	.664	201	.073	.012	.185
Mir sind die positiven Auswirkungen von FAIRTRADE für die Kaffeebauern bewusst	.478	364	020	.458	059	172	057	061
Kaffees mit FAIRTRADE-Siegel haben einen vernünftigen Preis	.708	.206	.083	107	214	027	.328	132
Kaffees mit FAIRTRADE-Siegel haben ein gutes Preis-Leistungs- Verhältnis	.751	.138	.078	027	222	026	.326	240
Kaffees mit FAIRTRADE-Siegel sind für ihren Preis ein gutes Produkt	.681	.131	.094	.016	201	007	.342	273
Kaffees mit FAIRTRADE-Siegel sind preiswert	.272	090	.154	069	229	.453	.405	376
Ich empfinde die Preise im Supermarkt für Kaffee mit FAIRTRADE-Siegel als sehr unfair: sehr fair	.558	.257	.400	233	.021	378	.073	.208
Ich empfinde die Preise im Supermarkt für Kaffee mit FAIRTRADE-Siegel als nicht gerechtfertigt: gerechtfertigt	.617	.172	.379	250	102	361	.035	.224

Ich empfinde die Preise im Supermarkt für Kaffee mit FAIRTRADE-Siegel als inakzeptabel: akzeptabel	.611	.177	.400	188	093	294	006	.220
Ich glaube, dass mein durch den Kauf von FAIRTRADE-Kaffee geleisteter Beitrag sich positiv für Kaffeebauern in Afrika, Asien und Lateinamerika auswirkt	.766	179	202	040	.142	.072	.033	.074
Ich glaube, Kaffeebauern in Afrika, Asien und Lateinamerika durch FAIRTRADE-Preisaufschläge zu helfen	.693	271	100	132	.247	.197	.024	.166
Ich glaube, dass das extra Geld, das ich für FAIRTRADE-Kaffee bezahle, Kaffeebauern bessere Lebensbedingungen in ihren Heimatländern ermöglicht	.731	273	302	105	.215	.129	.050	.199
Ich glaube, dass ich durch meinen FAIRTRADE -Kaffeekonsum helfe, bessere Arbeitsbedingungen für Kaffeebauern in Entwicklungsländern zu schaffen	.674	305	305	097	.259	.102	.113	.180
Ich glaube, ich helfe durch meinen FAIRTRADE-Kaffeekonsum, die Armut in der Welt zu reduzieren	.536	413	177	069	.213	.256	.169	.238
Ich glaube, dass vom Preis des FAIRTRADE-Kaffees im Supermarkt ein fairer Anteil an kleinbäuerliche Familien geht	.773	214	200	127	.157	084	.164	.140
Kaffees mit FAIRTRADE-Siegel sind einfach zu erhalten	.338	.644	428	.304	026	023	.023	.070
Falls ich Kaffees mit FAIRTRADE- Siegel kaufen wollen würde, wäre es bequem und praktisch, ihn zu kaufen	.327	.607	452	.263	074	106	.076	.016

Kaffees mit FAIRTRADE-Siegel sind in den meisten Supermärkten, die ich kenne, erhältlich	.315	.700	353	.173	145	.095	015	.118
Es ist nicht schwer, Kaffees mit FAIRTRADE-Siegel zu finden	.220	.579	378	.253	111	.242	095	.199
Demnächst beabsichtige ich, FAIRTRADE-Kaffee zu kaufen	.594	.054	.256	110	372	.316	339	.009
lch ziehe in Erwägung, in naher Zukunft FAIRTRADE-Kaffee auszuprobieren	.654	.106	.277	233	296	.231	357	.003
In naher Zukunft werde ich versuchen, FAIRTRADE-Kaffee zu kaufen	.677	.048	.167	242	317	.274	320	.081

Extraction Method: Principal Component Analysis.

a. 8 components extracted.

# **Construct Validity and Reliability Checks**

#### 1. Habits

**Reliability Statistics** 

	Cronbach's Alpha Based					
	on					
Cronbach's	Standardized					
Alpha	Items	N of Items				
.748	.748	4				

# 2. Trust:

**Reliability Statistics** 

	Cronbach's Alpha Based	
	on	
Cronbach's	Standardized	
Alpha	Items	N of Items
.899	.900	3

# 3. Understanding

**Reliability Statistics** 

rtenasinty Gtationes							
	Cronbach's Alpha Based						
	on						
Cronbach's	Standardized						
Alpha	Items	N of Items					
.816	.817	4					

# 4. Value for Money

**Reliability Statistics** 

Reliability Statistics					
	Cronbach's Alpha Based				
	on				
Cronbach's	Standardized				
Alpha	Items	N of Items			
.807	.807	4			

#### 5. Price Fairness:

#### **Reliability Statistics**

	Cronbach's Alpha Based			
	on			
Cronbach's	Standardized			
Alpha	Items	N of Items		
.886	.887	3		

#### Reliability Statistics

6. Perceived Consumer Effectiveness

Renability Statistics				
	Cronbach's Alpha Based			
	on			
Cronbach's	Standardized			
Alpha	Items	N of Items		
.917	.919	6		

#### 7. Perceived Availability

#### **Reliability Statistics**

rionalinity chances				
	Cronbach's Alpha Based			
	on			
Cronbach's	Standardized			
Alpha	Items	N of Items		
.896	.898	4		

#### 8. Intention

#### **Reliability Statistics**

Trendshity Statistics				
	Cronbach's Alpha Based			
	on			
Cronbach's	Standardized			
Alpha	Items	N of Items		
.901	.903	3		

### **One-way ANOVA**

### 1. Normality assumption for Fairtrade, non-Fairtrade and uncertain coffee consumers

		Kolmogorov-Smirnov <sup>a</sup>		Shapiro-Wilk			
	Kaufverhalten	Statistic	df	Sig.	Statistic	df	Sig.
Int	FAIRTRADE.	.304	59	.000	.715	59	.000
	Non- FAIRTRADE.	.150	39	.028	.954	39	.110
	I don't know	.170	56	.000	.932	56	.004

a. Lilliefors Significance Correction

### 2. Intention differences for Fairtrade, non-Fairtrade and uncertain coffee consumers

			Mean Difference (I-		
	Kaufverhalten	Kaufverhalten	J)	Std. Error	Sig.
LSD	FAIRTRADE.	FAIRTRADE.	1.33000*	.19320	.000
		I don't know	.72912*	.17465	.000
	Non-	FAIRTRADE.	-1.33000 <sup>*</sup>	.19320	.000
	FAIRTRADE.	I don't know	60089 <sup>*</sup>	.19525	.002
	I don't know	FAIRTRADE.	72912 <sup>*</sup>	.17465	.000
		Non- FAIRTRADE.	.60089*	.19525	.002

# 3. Fairtrade expenses descriptives for Fairtrade, non-Fairtrade and uncertain coffee consumers

		Statistic
FAIRTRADE.	N	59
	Mean	13.71
	Std. Deviation	13.195
	Std. Error	1.718
Non-FAIRTRADE.	N	41
	Mean	1.56
	Std. Deviation	4.031
	Std. Error	.630
I don't know	N	59
	Mean	7.19
	Std. Deviation	11.436
	Std. Error	1.489

# 4. Mean differences in expenses for Fairtrade, non-Fairtrade and uncertain coffee consumers

			Mean Difference	
	Kaufverhalten	(Kaufverhalten	(I-J)	Sig.
LSD	FAIRTRADE.	Non- FAIRTRADE.	12.151*	.000
		I don't know	6.525*	.001
	Non-FAIRTRADE.	FAIRTRADE.	-12.151 <sup>*</sup>	.000
		I don't know	-5.625 <sup>*</sup>	.012
	I don't know.	FAIRTRADE.	-6.525*	.001
		Non- FAIRTRADE.	5.625 <sup>*</sup>	.012

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### **Abstract (English)**

The study at hand focuses on the widely discussed intention-behavior gap and utilized the so-called "Theory of Planned Behavior" (TPB) as a framework to predict Fairtrade coffee buying behavior among Austrian consumers. As such, and in light of the low predictability achieved by the traditional model proposed by this theory, further variables were considered in the conceptual model developed for this study. In this way, upon conduction of a focus group, nine independent variables believed to be of importance to the Austrian coffee market were selected. These being: Habitual consumption, Fairtrade knowledge, Fairtrade understanding, Fairtrade trust, value for money, perceived price fairness, perceive consumer effectiveness, perceived availability and intentions. Accordingly, a conceptual model was defined and subsequently a cross-sectional survey was developed and administered to a final sample of 334 respondents. Moreover, the statistical analysis addressed four different dimensions of Fairtrade buying behavior these being: Fairtrade expenses, the Fairtrade past and experimental buying behavior and, lastly the Fairtrade coffee frequency of purchase. In this sense, the experimental setting consisted of an interactive game and aimed at simulating participants' coffee buying behavior.

Further on, and upon data collection the statistical analysis was conducted. This being said, factor analysis, simple and multiple regressions, as well as binary logistic and ordinal

regressions were used as main tools of analysis. In consequence, the statistical outputs uncovered the crucial role of intentions irrespective of the behavioral dimension being analyzed. As such, the arguments proposed by the TPB suggesting the role of intentions as proxy to predict buying behavior could be confirmed. Consequently, intentions seemed to be the most important and contributing factor in predicting buying behavior which serves as evidence for the applicability of the TPB to the Fairtrade coffee context. Furthermore, while analyzing the remaining predictors individual effects for almost all constructs of study could be identified. Nonetheless, the nature of effects changed when regressing the variables jointly. In this way, only for two behavioral dimensions, additional effects other than the ones exerted by intentions could be supported. In consequence, not only intentions but also value for money and understanding seemed to positively influence the amount of money spent on Fairtrade coffee. Similarly, while considering the experimental dimension of Fairtrade buying behavior the predictive role of trust seemed likely. As for the remaining two behavioral dimensions only intentions appeared to be relevant, due to the fact that none of the remaining variables achieved statistical significance. Unfortunately, and despite the identification of effects the intentionbehavior gap remained sizeable even after including additional independent variables believed to play a key role in the Austrian coffee context. This being the case, the substantial share of unexplained variability reported by the models allowed to confirm the hypothesized gap and suggested potential improvements in the predictive power of the conceptual framework designed for this study.

# **Abstract (Deutsch)**

Die vorliegende Studie beschäftigt sich mit der Diskrepanz zwischen der von Konsument\*innen geäußerten Kaufabsicht und dem tatsächlichen, beobachtbaren Kaufverhalten (der sog. Intention-Behavior Gap). Dabei wurde die "Theory of Planned Behavior" (TPB) als Werkzeug genutzt, um das Kaufverhalten bezüglich Fairtrade-Kaffees in Österreich zu analysieren und vorherzusagen. In diesem Sinne und angesichts der eher niedrigen statistischen Aussagekraft der genannten Theorie, wurden zusätzliche Variablen zur Erweiterung des traditionellen Modells beachtet. So wurden, nach der Durchführung einer Fokusgruppendiskussion, neun unabhängige Variablen mit scheinbar hoher Relevanz im Hinblick auf den Kaffeekonsum in Österreich ausgewählt. Dabei handelt es sich um das Gewohnheitskaufverhalten, das Wissen um Fairtrade, das tatsächliche Verständnis betreffend der Fairtrade-Organisation, das Vertrauen

in die Marke, das Preis-Leistungs-Verhältnis, die empfundene Preisfairness, wahrgenommene Konsumeffektivität, die wahrgenommene Erhältlichkeit sowie selbstgeäußerte Absicht, Fairtrade-Kaffee zu kaufen. Anhand dieser Variablen wurde ein konzeptionelles Modell entwickelt und anschließend eine Querschnittsumfrage mit 334 Teilnehmenden durchgeführt. Die anschließende statistische Analyse der Daten umfasste vier verschiedene Dimensionen des Kaufverhaltens bzgl. Fairtrade-Kaffees: Ausgabenhöhe, vergangenes und versuchsweises Kaufverhalten sowie Häufigkeit des Kaufs von Fairtrade-Kaffee. Für die Analyse wurden zum einen Faktoranalysen, zum anderen einfache, mehrfache sowie binäre logistische und ordinale Regressionen als Auswertungstools implementiert. Auf diese Weise konnte im Rahmen der Studie die wichtige Rolle der Kaufabsichten in allen Dimensionen des Fairtrade-Kaufverhaltens gezeigt werden. Dadurch wurden Haupterkenntnisse der TPB verifiziert und die Anwendbarkeit dieser Theorie zur Prognose des Kaufverhaltens bzgl. Fairtrade-Kaffees bestärkt. Darüber hinaus konnten durch die vorliegende Analyse weitere individuelle Effekte der einzelnen Variablen beobachtet werden. Nichtsdestotrotz waren diese bei Berücksichtigung mehrerer unabhängiger Variablen in den jeweiligen Regressionen nicht immer gleichbleibend. In diesem Sinne konnten außer den Kaufabsichten lediglich in zwei Dimensionen des Kaufverhaltens zusätzliche Effekte identifiziert werden: sowohl das Preis-Leistungs-Verhältnis als auch das Verständnis bzgl. der Fairtrade-Organisation hatten positive Einflüsse auf die Höhe der Ausgaben für Fairtrade-Kaffee. Die Kaufabsichten und das Fairtrade-Vertrauen zeigten in der Analyse des experimentellen Kaufverhaltens ähnlich positive Effekte. Aufgrund der mangelnden statistischen Signifikanz bestimmter Koeffizienten konnten in den beiden anderen Kaufverhaltensdimensionen keine relevanten Effekte beobachtet werden, die unabhängig von den Kaufabsichten auftraten.

Trotz der Identifikation unterschiedlicher Beziehungen blieb die Intention-Behavior Gap jedoch selbst nach Berücksichtigung weiterer Variablen, die im Kontext österreichischen Kaffeekonsums relevant erscheinen, weiterhin beträchtlich. Angesichts der immer noch zu großen Teilen nicht erklärbaren Variabilität im Kaufverhalten diente das für die Studie entwickelte Modell als Evidenz zur Unterstützung des vermuteten Intention-Behavior-Phänomens und zeigt Räume zur potentiellen Verbesserung des konzeptuellen Rahmens im Hinblick auf die Voraussagekraft auf.