

What do you think of fair trade?  
Focusing on young Korean consumers in an emerging fair trade market

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Fair trade sales worldwide reached about \$6.6 billion in 2014, a 10% increase from the previous year (Fairtrade International, 2015). In Korea, an emerging fair trade market, the concept of fair trade was introduced in early 2000, and Fairtrade Korea was established in 2011 (Seo, 2011). Since then, a significant increase in sales has been observed: 92% sales growth in 2013 and 10% in 2014 (Fairtrade International, 2015). More than half of Korean consumers (58%) is willing to pay a premium if the selling companies contribute to society and the environment, approximately a 12% increase in such willingness from 2014 (The Nielsen Company, 2015). The extant empirical fair trade studies regarding the Korean market and consumers have mostly focused on consumers' awareness and purchase intention regarding fair trade products (e.g., Kim & Kim, 2013) and attitudes and purchase behaviors (e.g., Hong, 2014). However, there is a scarcity of qualitative studies on the current stage of Korean consumers' understanding of fair trade and fair trade products. Considering the growing market size in Korea and considerable attention on Millennials as a target consumer group for fair trade products (The Nielsen Company, 2015), it is critical to conduct research that can help deepen our understanding of Millennials' thinking concerning fair trade. Therefore, the purpose of this study was to explore public expectations regarding the concept of fair trade, focusing on higher education student consumers in South Korea and using a qualitative approach.

The data were collected from college students enrolled in a general education class in a university located in Seoul, Korea. Utilizing a survey-type interview technique, a convenience sample of 71 students answered questions asking about (a) a word describing fair trade, (b) their own definition of fair trade, and (c) a product that comes to mind when they think of fair trade. Furthermore, a few more questions collected information about their general experience with fair trade and demographics. The mean age of respondents was 19.4 years old, ranging from 18 to 23. Half was female (50.7%) and the other half was male (42.3%), with 7% missing data. The majority had heard of fair trade before the study (90.1%) and about 37% had visited a fair trade store. The qualitative data were analyzed through content analysis by organizing the raw data into categories through a series of coding processes.

One hundred and seven terms appeared in the answers to the first question. The definitions and descriptions of fair trade from Fairtrade Korea and the World Fairtrade Organization were used in analyzing the data. Six themes emerged: (a) Products (26/107, 24.3%), (b) the South (15/107, 14.0%), (c) rights of producers and workers (14/107, 13.1%), (d) seeking greater equity in

international trade (12/107, 11.2%), (e) offering better trading conditions (10/107, 9.3%), and (f) dialogue, transparency, and respect (6/107, 5.6%). In addition, high price, pressure to buy, and difficulty in implementing fair trade were mentioned. Ten principles of fair trade (WFTO, 2013) were compared to analyze the second question, the definitions from the respondents. Among the 10, only 5 principles were discussed in the responses. Payment of a fair price was addressed the most (52/95, 54.7%), followed by ensuring no child labor or forced labor (16/95, 16.8%), transparency and accountability (10/95, 10.5%), creating opportunities for economically disadvantaged producers (3/95, 3.2%), and respect for the environment (3/95, 3.2%). Interestingly, about 6% of the respondents mentioned democracy (6/95, 6.3%), which was listed in the fair trade standards from Fairtrade Korea. Additional definitions related to direct trade and fair trade being meaningful, but difficult to implement. The responses to the last question about fair trade products were largely categorized into five groups. Food was the fair trade product addressed most by the respondents (69/90, 76.7%), including coffee (45/90, 50.0%), chocolate (22/90, 24.4%), bananas (1/90, 1.1%), and rice (1/90, 1.1%). Second was retailers who carry fair trade products in Korea (6/90, 6.7%), followed by apparel (4/90, 4.4%) and soccer balls (2/90, 2.2%).

As shown in the findings, college student consumers in Korea appear to understand the fair trade mission of fairness in international trade, transparent and respectful partnerships with producers and workers, ensuring no child or forced labor, and providing healthy work conditions. However, the study suggested the need for education on other fair trade principles such as promoting gender equity and empowering women, providing capacity building, and raising awareness of fair trade. These research findings provide useful information for fair trade businesses in developing marketing strategies to reach out to this particular consumer cohort and meaningful suggestions for educators in developing a well-balanced curriculum specifically on fair trade.

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