

## **Fairtrade flows against economic tide**

A global survey released today demonstrates that support for Fairtrade is on the rise. Ahead of World Fair Trade Day on 9 May, this first ever global consumer survey on Fairtrade shows that shoppers increasingly expect companies to be more accountable and fair in dealing with producers in developing countries. The survey by GlobeScan was commissioned by Fairtrade Labelling Organizations International (FLO) with a sample size of 14,500 in 15 countries. Among those surveyed, almost three quarters of shoppers believe it is not enough for companies to do no harm, but that they should actively support community development in developing countries.

Consumers are calling for a new model in trade in which justice and equity are integral parts of the transaction. 'Active ethical consumers' make up more than half the population (55%) in the countries surveyed. These shoppers have higher expectations of companies' social, economic and environmental responsibilities. Their shopping habits and decisions tend to reward (or punish) companies that meet (or do not meet) their expectations, and they influence others with their opinions.

These attitudes are fuelling support for Fairtrade as more consumers identify with its values. Half of the public (50%) in the fifteen countries surveyed are now familiar with the FAIRTRADE Certification Mark, or in North America the Fair Trade Certified™ label. Of these people, nine out of ten (91%) trust the label. 64% of all consumers believe that Fairtrade has strict standards, a quality that also closely correlates to consumer trust. Almost three quarters of shoppers (72%) believe independent certification is the best way to verify a product's ethical claims.

These levels of awareness and trust are consistent with people's action, as sales indicators show more people are shopping for Fairtrade. Sales were up in 2008 (as compared with 2007) by 24% in Austria, by 40% in Denmark, by 57% in Finland, by 22% in France, by 75% in Sweden, by 43% in the UK , 10% in USA and up 30% here in Ireland.

Even where the rate of growth has slowed, sales have not fallen back in any country. In these tough economic times, the vast range of Fairtrade certified goods and wider availability means that consumers can still remain loyal to Fairtrade even while switching to other brands. As solid support continues to come from world shops, faith-based groups and campaign organizations, Fairtrade certified products are now widely available in mainstream outlets, major supermarkets and transnational coffee chains.

'With the devastating impacts of the global recession and the credit crunch, producers need Fairtrade now more than ever,' says Rob Cameron, CEO of Fairtrade Labelling Organizations International, the international umbrella organization for Fairtrade. 'It is very encouraging that consumer commitment to Fairtrade remains strong in these challenging times. We are indebted to the grassroots movement who have built up solid support for Fairtrade. As a result of their efforts, global brands see Fairtrade as an important part of their strategy for the future. We are working with both the grassroots movement and companies to increase the market, so that more producers will benefit from the better deal that Fairtrade offers.'

An important basis for Fairtrade's success is revealed by the survey. Alongside conventional promotion activities, its unique marketing strength comes from its loyal, dependable and global grassroots' supporter base. 32% of people learn about Fairtrade through family, friends and work colleagues, whilst 16% hear about it through education, community and faith groups. Broadcast and news media account for how 33% people learn about Fairtrade. People learn about new products and concepts from their own social groups and contacts – a key ripple effect for Fairtrade.

Binod Mohan, Chairman of the Network of Asian Producers and member of the FLO Board says, 'We in Asia have faith in the consumer and their loyalty to buying Fairtrade products. For the shopper these are staple products; for the farmer in the developing world the purchase of Fairtrade makes a big difference and we know consumers realize this.'

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