

2021 Consumer Insights



Our certification helps brands and retailers transform their business by meeting their sustainable sourcing commitments, improving product traceability, and building credibility with consumers. More than 1,400 companies have chosen fair trade certification to meet sustainability goals, increase brand value, and reach more shoppers.

"With fair trade, customers start to realize, 'I can make a big difference, I can effectively change the world by purchasing this product.' We are really going to lean into Fair Trade Certified™ products. Our Brands is how we differentiate."

- Our Brands, Kroger

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Why Fair Trade?

Sustainable shopping sector is still on the rise



Consumers spend a combined \$300 billion per year on ethical products, a figure that is growing by 10% year-over-year. 1 in 3 rank sustainability as top 3 purchasing criteria.



Products carrying a sustainability claim have continued growing during the COVID-19 pandemic, capturing a 17% market share during the first half of 2020.



Sustainability-marketed goods saw a 56% increase in dollar sales during the first quarter of 2020 when CPG sales peaked due to pantry stocking.



"Third-party certifications of sustainability are increasingly prevalent, outpacing those without third-party certification for their sustainability claims." 5

Consumers Know and Trust Fair Trade

Who they are and why they choose Fair Trade Certified brands and products

SHOPPER PROFILE: 6.7

AGE 25-74

% of Household Purchase: 57% Millenials & Gen X 35% Baby Boomers

> Over Indexes: Millenials & Gen X

53%

3-5+ Household Size 80% of Household has children

> Over Indexes: Over 5+ HH

50%

\$74K or less Household Income

Over Indexes: \$100k

Least Price Sensitive

Organic shoppers are 3X more likely to purchase Fair Trade products

1 IN 3

Consumers are willing to pay 20% more for products that are Fair Trade Certified

They Recognize Us

63% of consumers recognize the Fair Trade Certified seal.8

As consumers become more educated and conscious of their purchases, they increasingly show a preference for brands that prioritize safety, ethics, and sustainability—showing the value and prevalence of third-party certifications and labels.

We are one of the most widely recognized seals in the U.S. The impact and purchase influence of the Fair Trade Certified seal is comparable to some of the other recognizable labels.



With Millenials having the highest recognition of the Fair Trade Certified seal at 69%.



They Trust Us

79% of consumers put their trust in the Fair Trade Certified seal 10

The more shoppers understand fair trade, the more trustworthy they find the Fair Trade Certified seal.

65% indicate they would trust a product more if it were certified by Fair Trade USA. ¹¹

"At Wholesome, we are dedicated to supporting communities, not commodities, and believe that responsibly sourced ingredients create the highest quality and better tasting products. Our consumers do, too."

Consumers Care About Impact

Today's marketplace is now trending towards authenticity, wellbeing, sustainability, and social purpose. Consumers now seek low-touch ways to live out their values.

They care about people

1 in 3 consumers feel fair trade certification is essential to their purchase decisions¹²

Through fair trade, consumers can align their purchases and values by directly investing in the supply chain.

The Fair Trade Certified seal represents: 13

☑ Income Stability

☑ Environmental Stewardship





81% contributes to community's economy



% of consumers that value the following factors when deciding to purchase a product 14



They care about the planet

79% of consumers seek out environmentally responsible products15

Sustainability is in high demand across genders and generations. Consumers strongly believe that companies should help improve and protect the environment.

"Consumers believe themselves to be on a journey. They're not looking for the companies they buy from to be perfect either. What they're looking for are metrics, measurements, milestones, criteria by which they can judge how these companies are doing."

This sentiment led to a 5% increase in 2019 in consumers' motivation and interest in purchasing Fair Trade Certified products.



Impact of Fair Trade Certification

Fair trade isn't just a way to do good - it's a way to transform your business and meet your sustainability goals



By putting our seal on goods made responsibly, fairly, and sustainably, we make it easier for consumers to choose products and brands that align with their values.

Fair Trade USA works closely on the ground with producers and verifies transactions between companies and their suppliers to ensure that the people making Fair Trade Certified goods work in safe conditions, protect the environment, build sustainable livelihoods, and earn additional money to empower and uplift their communities.



\$830M in financial impact to farmers and workers since 1998

975K+ farmers and workers impacted in 2019

700+ Social, economic, and environmental protections

63 countries and counting

Fair Trade USA increased the flexibility of Community Development Funds when the COVID-19 pandemic hit to enable beneficiaries to use them swiftly to address critical needs.

77% of the Certificate Holders who had Community
Development Funds utilized or planned to utilize their emergency
funds for critical needs in these categories:



49% Food Items



45% Cash Distributions



20% Medical Supplies or Attention



18% Personal Protective Equipment

Transform your businesses by making responsible decisions the most rewarding. Become part of a movement that's getting attention from millions of people worldwide and begin your partnership with Fair Trade USA today.

SOURCES

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2 "How will Covid-19 change the consumer? Data-driven insights into consumer behavior" Accenture, August 2020

3-5 "Sustainability is surviving COVID-19, IRI says" Food Business News, July 2020

6 84,51 National Shopper Card Data, Febuary 2020 - January 2021

7-12 "Sustainability Consumer Trends Database". Natural Marketing Institute, January 2021

13 "Fair Trade Certified Awareness Brand Preception Report", Qualtrics, December 2019

14 Cone Communications, 2013

15 Cone Communications, 2017