CONSUMPTION OF ETHICAL PRODUCTS: A META-ANALYSIS OF THE DETERMINANTS AND BARRIERS

Abstract: The literature on ethical consumption, fair trade and eco-labels is abundant, but researchers have taken a lot of different approaches on the topic. The author conducts a meta-analysis on the determinants and barriers to ethical consumption by examining 68 studies and empirical researches (involving 21 Journals and 3 databases).

The aim of this research is first of all to make concise summary of the empirical studies, and to highlight the common factors. Depending on the preliminary results found, a cross cultural analysis could be made, if different regions show significant differences.

Keywords: meta-analysis – ethical consumption – fair trade – empirical studies
1. INTRODUCTION:

Ethical consumption, corporate social responsibility, protection of the environment… Consumers have a growing interest in the ethics of their products, services and the companies producing them. As Newholm and Shaw observed (2007), the rise of the trend can be explained by the “increased media coverage”, “increased levels of information” and the “greater availability of ‘alternatives’” (p 254).

Consumers are under the pressure of consuming products and services that answer to care, solidarity and collective concern (Lewis & Potter, 2011). But as Lewis and Potter note in their book on ethical consumption, the trend of ethical consumers do not share politics or values, it isn’t a set of practices but rather “a convenient catch-all phrase for a range of tendencies within contemporary consumer culture today” (2011). They also explain that ethics aren’t a stable external framework but rather “a pluralized and privatized moral universe” (p 10).

Ethical consumption translate into the purchase of products which have a label certifying that the product was made under fair working conditions and/or with higher environmental standards (Loureiro & Lotabe, 2005). It was first very popular for farmers harvesting coffee and bananas, under the label of Fair Trade, a federation founded in 1994 (Loureiro & Lotabe, 2005).

Fair Trade has seen last year a downfall in its sales for the first time in the UK, dropping by 4%. While the British newspaper explain this by the rise of discount supermarkets such as Lidl and Aldi, who now own 10% of the market, the academic research shows a variety of determinants and barriers to ethical consumption. This paper aims at making a comparison of these studies.
2. LITERATURE REVIEW:

Ethical consumption, a literature review:

Bray, Johns and Kilburn point out that although consumers take into account ethics in their purchase decision nowadays, there is still an important difference between their intention to consumer ethical products or services and their actual purchasing behavior (2011). This gap between consumer’s expressed values and purchasing intentions and the position of ethical product on the market is the start point of this paper.

A clear “Ethical Purchasing Gap” exists (p597), as the study by Cowe and Williams demonstrate (As quoted by Bray, Johns & Kilburn, 2011). Their study, for the co-operative bank, showed that a third of British consumers consider themselves as ethical consumers, yet Fair Trade products only had 1 to 3% of market shares at that point. They named that the “the 30:3 phenomenon” (P597), where 30% of consumers express their interest and care in ethical standards, but only 3% actually translate it into a purchase.

Ethical behavior, ethical retailing and ethical consumption are difficult to define, Bray, Johns and Kilburn point out (2011), but the common practices are Fair Trade, organically grown and processed food and materials, working practices in developing nations and the protection of natural resources.

From their qualitative research, the authors observed numerous reasons that stop people from consuming ethically, such as purchasing habits that wouldn’t let the consumer consider new products or services, personal constraints, perceived negative image of the quality, a negation of social responsibility or finally the feeling that one’s action won’t change anything (Bray, Johns & Kilburn, 2011). They have also identified seven key factors that intervene between the consumers’ attitudes and intentions and their actual behavior: price sensitivity, personal experience, ethical obligation, quality, lack of information, quality, inertia and cynicism. These factors imply a purchasing behavior that will lead an ethical purchase, a boycott or self-interest leading to post consumption guilt.
The theory of planned behavior by Ajzen (1991) is often used to model ethical consumption. This model supposes that consumers behave according to their attitudes and subjective norms while considering the barriers to successfully achieve that behavior. Shaw and Clarke (1999, as quoted by Newholm and Shaw, 2007) applied this model in an ethical context and found that the barriers were information, choice and availability. Several authors took the same model to study ethical consumption following this work, adding the dimensions of ethical obligation and self-identity to the model (Shaw et al., 2000, as quoted by Newholm and Shaw, 2007). Moreover, Shaw et al. found out in a study that desire and plan can also be precursors as valid as intention (2006).

Consumers can also choose ethical products for the political gesture it represents; Newholm and Shaw (2007), argue that in our “affluent societies” (p 254), consumers are freed of their basic needs and therefore become responsible for their behavior, and therefore responsible for their purchase behavior. The authors take as justification a study from Brooker and the pyramid of Maslow that linked socially conscious people with a high score on the self-actualization dimension (1976). They also quote the study of Mintel (1994), in which the author reports the “willingness” of consumers to modify their buying patterns under the influence of ethical issues such as “oppressive regimes, human rights, labor relations, land rights, the environment, irresponsible marketing, fair trade, nuclear power, armaments, animal testing, factory farming and political donations” (p 255). Lewis and Potter (2011), point out that political consumerism isn’t the same, as political consumption takes the forms of activism, boycott or consumer organizations.
3. RESEARCH OBJECTIVES AND METHODOLOGY:

As the discussion of the literature review shows, researchers have presented their results on the determinants and the barriers to ethical consumption in several ways. The following analysis will follow the approach of Card and his book of Applied Meta-analysis for Social Science Research (2012). Card defines a meta-analysis as a statistical analysis of effect sizes of a research synthesis of literature’s research results.

The software that will be used will be Microsoft Office Excel, as Card defines it as a “good spreadsheet program” (p13), and the author doesn’t recommend using specific software for the “beginning meta-analyst” (p14) as they may “encourage erroneous use when [one isn’t] adequately familiar with the techniques” (p14).

The objectives of this review are multiple. First – as in any review – it seeks to give an overview of existing literature on the topic (RO1) and we will attempt to highlight the common determinants and barriers researched by the authors (RO2). The third objective consists in the examination of whether the statistical results show regional differences in the two variables (RO3) that will be therefore emphasized in a final conclusion.

It is to be noted that no meta-analysis on this topic has been found on the databases chosen for the literature search. The only similar analyses found talked about CSR and financial performances, and the structure of this review is inspired by these studies.

Searching the literature:

The methodology of Card was followed to choose the studies to be included in the meta-analysis. The search strategy was initially organized two sets of key words, “ethical consumption” and “Fairtrade”. Once the first research done, several keywords were added to be sure to include all the literature existent: “Ethics Labels” – “Fair Labels”, but these keywords did not result in new articles. The keyword “Eco-label” was successful and added another 11 articles to the study.
Three databases were chosen based on their notorious reliability; Web of Science – Business Source Premier Ebsco Host – Google Scholar.

Only empirical contributions made to academic journals were taken into considerations. Several studies were taken into consideration:

- Studies on the consumer’s ethical or green purchasing attitude or intention of purchase (including personality – motivation – values – emotion – awareness);
- Studies on which contextual factors influence consumer’s purchasing attitude or intention of purchase;
- Studies on the characteristics of green products that appeal to consumers;
- Studies on the characteristics of ethical/organic/green/eco labels that influence consumer’s purchasing attitude or intention of purchase;
- Cross-cultural studies on the topic;
- Studies of the influence of green marketing and advertisement on consumer’s purchasing attitude or intention of purchase

The initial research gave 495 results, and the secondary another 93 results, which gives a total of 588 articles that were reviewed. The research gave great attention to pick studies made in different regions, and particularly in developing or emerging markets. It must be noted that only English papers were considered, because other meta-analysis explained that “in order to avoid any bias towards the countries whose language the author of this paper is capable of understanding, it was decided to include solely publications in the international lingua franca of science, namely English.” (Fifka, 2015, p5).

To finish, it has to be said that this study doesn’t pretend to include all existing studies on the studied topic, considering the great number of existing studies.

**Final list of articles:**

Out of the 588 results that the initial research proposed, 68 empirical studies relevant to the topic were found. The source of the articles was checked on the base of the SRJ SCImago ranking:
The SRJ SCImago ranking provides a ranking of academic journals based on the quality of published papers and the number of published papers. According to Bornmann and Moya Anegón (2013) and Jacsó (2009), it is a reliable tool to use to classify papers for university students.
Conceptual framework:

Authors who have researched ethical consumption and purchasing of Fairtrade products have approached the topic from different perspectives. This gives the impression of confusion and bewilderment to the general consensus on the theme. The meta-analysis aims at reconciling the issues and synthetizing the research.

Figure 1 below shows the conceptual framework of this research, summarizing the different approaches of the studies to understand the topic and the characteristics of the models in the researches:

1) the identity of consumer and the influence on their purchasing habits. How do individual factors, such as the wage or education, or cultural values affect the consumption of ethical products?

2) the personality of consumers. How do ethical values or other dimensions such as a sense of obligation towards the world, the perception of the time horizon, or a feeling of guilt affect consumer’s purchasing behavior of ethical products?

3) the environment of consumers and how contextual factors such as the social circle, the circumstantial influences or the general ethical awareness of the location of the consumer affect their purchasing behavior.

The other dimension of the meta-analysis is the translation of all studies’ statistics to be able to compare them. This include 4) the different type of measures in the chosen articles, including for example measure of consumer's motivation, purchasing habits and level of involvement in ethical issues on one side, but also measure of which product feature is most attractive on the other hand.
Figure 1 – Conceptual framework

1) Identity of consumers
   - Individual factors
   - Cultural values

2) Personality of consumers
   - Ethical values
   - Various other dimensions

3) Environment of consumers
   - Contextual factors
   - Product features

4) Types of measures in the studies
   - Values or motivation
   - Purchasing behavior
   - Product features
   - Consumer involvement

5) Model characteristics
   - Endogeneity
   - Heterogeneity
   - Different models of consumer behaviors
## 4. TIMELINE

<table>
<thead>
<tr>
<th>Date</th>
<th>Task</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 20&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Final choice of topic</td>
</tr>
<tr>
<td>October 27&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Draft of choice of articles for meta-analysis</td>
</tr>
<tr>
<td>November 3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>Final choice of articles for meta-analysis</td>
</tr>
<tr>
<td></td>
<td>Handing the Exposé</td>
</tr>
<tr>
<td>November 10&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Finish the literature review</td>
</tr>
<tr>
<td>November 17&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Finish the methodology presentation</td>
</tr>
<tr>
<td></td>
<td>50% of data translation</td>
</tr>
<tr>
<td>November 24&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Finish data translation</td>
</tr>
<tr>
<td>December 1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>50% analysis</td>
</tr>
<tr>
<td>December 8&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Finish analysis</td>
</tr>
<tr>
<td>December 15&lt;sup&gt;th&lt;/sup&gt;</td>
<td>50% writing results</td>
</tr>
<tr>
<td>January 4&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Finish draft of final thesis</td>
</tr>
<tr>
<td>January 11&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Final thesis</td>
</tr>
<tr>
<td>January 12&lt;sup&gt;th&lt;/sup&gt; – 26&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Preparation of oral defense</td>
</tr>
</tbody>
</table>
5. OVERVIEW OF CHAPTERS

Abstract

Table of contents

Table of figures

Table of abbreviations

I. Introduction
II. Literature review
III. Research objectives and methodology
IV. Presentation of results
V. Scientific and managerial implications
VI. Conclusion and limitations

Bibliography

Appendix
6. REFERENCES

Excluding articles selected for the meta-analysis


