Predicting the Consumption of Fair Trade Sports Apparel

A Theoretical Conceptual Approach

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Abstract

The purpose of this thesis was to understand and predict the behavioral intention to purchase fair trade sports apparel. The motivation to investigate this phenomenon stemmed from the conviction that fair trade principles will become increasingly important in the sports apparel industry. This belief was substantiated by a wide range of indicators such as the emergence of new organizations aiming to disrupt and improve the precarious working conditions for countless factory workers around the globe. Moreover, further approaches to apply the fair trade principles to the industry were expounded. In order to make those approaches more tangible, a few real-life examples were presented.

Since fair trade sports apparel is a widely inexistent phenomenon, there is virtually no existing research investigating this subject. Therefore, the author chose a methodological approach that can be understood as a combination of delineation and integration. The main result was an overarching framework that accommodates previous findings and sets them into relation. The theoretical foundation of the developed model was Ajzen's Theory of Planned Behavior, which was enriched by further theories and extended by additional variables that are believed to be relevant for explaining the consumption of fair trade sports apparel. Therefore, the extended model is expected to possess higher predictive capabilities than the original model for the given case. The six identified predictors are the attitude towards the fair trade movement, the product-specific attitude, past fair trade purchases, moral norms, subjective norms and the perceived behavioral control. Beyond that, the author offered an overview over the forces that influence and determine those six predictors. Based on the model, strategies were derived, which aim to favorably influence specific variables and thus to increase the likelihood of a successful conversion from intention to actual behavior. However, due to the predefined scope of this thesis, the author refrained from conducting empirical research. Yet, detailed instructions were given on how certain variables can be measured and how the model as a whole can be validated through future research.

Eventually, the model is believed to be a very helpful guideline to holistically analyze why people may or may not choose to purchase fair trade sports apparel, even in its current, untested form.

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1. Introduction

The fair trade (FT) movement has gradually gained significance and popularity throughout the last years and decades. By now, fair trade certified products have found their way into mainstream consumption across several industries. However, the popularity of FT products seems to be limited to predominantly agricultural products, even though it seems rewarding to spread the underlying ideals of FT even further. Notably the textile industry, where child labor and worker's rights constitute pertinent issues, remains under-developed in terms of FT and ethical clothing. This seems especially surprising in the context of sports apparel as the idea of fair play is deeply embedded in the world of sports. Yet, the bad working conditions for countless workers around the world seem to contradict this very conception of fairness fundamentally. This begs the question why there has not been any significant upswing of fair trade sports apparel (FTSA), while in other industries a remarkable share of the products is already FT certified.

It shall be mentioned that this topic will not be illuminated from an ethical but rather from a business-related perspective by answering the question how fairer production processes may spark the revenues of sports apparel companies. To be more specific, this thesis will focus on investigating why people purchase FT products and how this knowledge can be used to promote a FT approach in the sports industry.

To build a solid foundation, the thesis will start off by outlining the chosen research questions and by illustrating the corresponding methodological approach. The ensuing chapter will deal with a thorough depiction of the FT movement including definitions, the history and the current market volume. Subsequently, the impact and limitations of different FT labels and organization as well as the motivation to purchase FT products will be investigated. Those insights will then be accumulated in a comprehensive yet intuitive framework. Subsequently, strategies will be derived from this framework that aim to increase the likelihood of a FTSA consumption among the relevant target group. Eventually, managerial implications will be formulated before the thesis will be finalized by summarizing the most important aspects in the conclusion.

Before the focus will shift towards explaining the need for a new conceptual model and the model itself, the motivation to write about this topic will be outlined. Further, the purpose and the aimed target group of this paper will be described.

1.1 Interest in this Topic

The idea for this topic emerged when I visited a clothing factory in Bolivia. Even though I knew that the workers would not work under the most employee-friendly conditions, I was still shocked by how bad the conditions actually were. This made me wonder, why people still have to work under such conditions and what it would take to change this. In fact, I believed that a lot had already changed until I found out it actually had not. This fostered a long and interesting discussion with the people who were there with me. The core of this discussion was the question why FT is so popular when it comes to food but not when it comes to clothes? Would customers, at least those in wealthier countries, not be willing to spend a marginal higher amount to enable those people to make a proper living of their work? Especially in the sports apparel industry it seems like such an obvious step as sports has been known to connect people from all classes around the world and offer a chance for many underprivileged people to live a better life. Investigating this question has been the main motivation to address this issue from a scientific level.

1.2 Relevance and Purpose of this Topic

The reason why this thesis is relevant is quite simple: If there turns out to be a market gap for FTSA, numerous companies will be interested in seizing the arising opportunities this market gap promises. However, due to limited research efforts it is still widely unknown why people may opt to purchase FTSA instead of regular sports apparel. In this context, it will not only be illuminated why individuals purchase existing FTSA products but also why they might buy future products, that have not been developed yet. Or in other words: how might an integration of FT principles into the business processes of existing companies could change the consumer behavior in terms of the behavioral intention to purchase the company’s products. Therefore, this thesis also aims at predicting the potential future purchase behavior for FTSA products. This approach may help existing companies to implement FT principles successfully by gaining an understanding as to what elements customers pay attention to. Only then, a suitable and holistic marketing strategy can be developed that will help to place such a new product line successfully in the market. Understanding the customer and developing tailored marketing campaigns based on that, can be considered the core learning of my master’s degree in “Brand and Communications Management”. Therefore, this thesis is to be considered fully in line with the key learning objective of my Master’s program.

Conclusively, the purpose of this thesis is not to investigate how production processes can be better controlled to ensure better working conditions. Rather, it will focus on why companies should be interested to act more responsibly themselves. After all, many experts believe that sustainable change only comes from an intrinsic incentive to change. Therefore, the concept of FT is not considered from an ethical perspective but from a business perspective. Or in other words: Why would it be economically rewarding for sports companies to integrate a more social approach to their production processes? In order to answer this question, it is imperative to understand why people (would) purchase FTSA.

1.3 Target Group of this Thesis

The target groups of this master thesis can be divided into two groups: Firstly, it is addressed to an academic audience that may be willing to further research on this topic. Since I chose a purely conceptual approach, as will be outlined in the next chapter, the model still needs to be empirically tested. In this process, it would be likely that some aspects of the model would require to be adapted. Potentially, a future PHD student could follow a similar approach and will have the resources in terms of time, scope and manpower to assess the model through empirical research.

Secondly, this paper could be interesting for any real-life company that produces any kind of sports apparel or considers the option of doing so. This could comprise newly created companies, established big corporations or even companies in the start-up process. By reading through this thesis and reflecting on the model as well as the managerial implications, the people in charge may find a helpful guideline for developing appropriate marketing strategies. Even in the current, “untested” form, the model could serve as inspiration and hint in a direction of what influences may be important to consider. Some of those influences are presumably not quite obvious and could therefore easily be neglected, even though they may impose a considerable impact.

1.4 Research Question and Sub Questions

In order to guide the reader through this paper, the underlying research questions as well as the sub questions will be presented. They can be considered as “guiding threat” throughout the individual stages of this work. The initial step addressed the understanding of the general idea that sparked the interest in this thesis.

This overall idea can be phrased as the overarching research question:

How can sports companies utilize the "boom" in fair trade consumption?

In order to answer this question, a number of sub questions need to be answered. The most pressing one can be phrased as:

Is there a demand for fair trade products in the sports apparel industry?

Before this question can be answered, the FT movement will be described in depth, including the history, the way it works and the current market volume across different industries. Based on the gathered data, the alleged boom in FT consumption will be demonstrated and ultimately proven. Further, the potential for FT products in the sports apparel industry will be assessed. In this context, it will also be addressed why companies are just starting to take decisive action in addressing the issue of FT or ethical clothing. In this context, the following question will be addressed:

What are the main principles of fair trade and how can they be applied to sports apparel?

In this context, the term fair trade sports apparel will be defined as sports apparel that is produced under production processes that pay special attention to the basic principle of the FT movement, which is ensuring adequate rights for all workers throughout the supply chain, including a fair compensation. Further, they should focus on a sustainable production in terms of environmental aspects and ideally also pursue social activities such as operating a charitable foundation. However, in the end, the decisive criteria is what potential consumers consider FT and which products they subsume under the term. The respective insights will be accumulated in the aforementioned framework which is then expected to help understanding the consumer behavior in the FTSA industry. This part is considered the main contribution of this thesis as it will address the central question

How can the consumption of fair trade sports apparel be explained and predicted?

This question is of elementary importance for answering how companies can benefit from the boom in FT consumption. After all, it is imperative to understand why people purchase FT products, in order to successfully place new products in the market that follow those guidelines. The corresponding insights will be gathered in an ordering framework. Subsequently, the following question will be answered:

What marketing strategies can be derived from this framework?

This will be done by theoretically deriving strategies from the conceptual model, that aim to favorable influence the behavioral intention to purchase the products and thereby leverage sales.

The methodological approach in answering the above-mentioned questions will be elucidated in the next chapter.

2. Methodology

The underlying assumption of this thesis is that to understand the complexity of the numerous interactions taking place in the process of (potentially) purchasing FTSA, the research design needs to be founded on a meta-theoretical level that precedes the qualitative and quantitative research. Such a process requires the act of conceptualization (Macinnis, 2011).

Conceptualization can be understood as an action of abstract thinking that implies a mental representation of a thought or an idea. It thus describes the process of understanding a particular phenomenon on an abstract level by identifying connections or patterns. Such thinking may include inductive, deductive or abductive or logical reasoning. If conceptualization is conducted in academic articles it is often devoid of data, otherwise it is referred to as empirical articles (Macinnis, 2011). Conceptualization is often regarded as the foundation of academic advancement and yet, some authors criticize that research in the field of marketing has gotten to a point that empirical research seems to be valued over the conceptual (Kerin, 1996). Of course, this shall not diminish the importance of empirical research but unless they are based on interesting and valuable ideas, its value is reduced. In some cases, those ideas are simply too complex to address with an accompanying empirical part in the space of an article or thesis (Macinnis, 2011). This scenario was also encountered in the paper at hand.

The objective of such a theoretical conceptual study is to condense or criticize existing literature or to identify gaps or shortcomings and contribute with a new theoretical approach (Hackley, 2003). Macinnis (2011) used four major terms to describe the different approaches to conceptually contribute to the field of marketing, namely envisioning, explicating, relating and debating. This master thesis will follow a mixed approach of explicating and relating. More specifically, those two terms can be further distinguished. Within the approach of explicating, one can further differentiate between summarizing and delineating and within the approach of relating, the approaches of integrating and differentiating can be subsumed. The chosen approach for this thesis can be considered a blend between delineating and integrating as will be elaborated as follows.

Papers based on delineation entail the act of articulating, describing, charting or elucidating an entity. The aim is to illustrate what the entity under study is, how it relates to the conceptual world around it, why it needs to be studied and how this study can change the processes of how this issue is usually addressed (MacInnis & Mello, 2005). It may rely on additional constructs that are used to extent existing frameworks. Those additional constructs might include new variables of all sort, whether dependent, independent, mediating or moderating. Such papers are also expected to describe which external factors may have an influence on the subject under study and eventually bundle all those forces in some sort of pictorial model to facilitate the understanding (Macinnis, 2011). Therefore, the approach of delineating usually contributes through new conceptual frameworks. A conceptual framework depicts the researcher's synthesis of the examined literature on how to make sense of a specific phenomenon. It illustrates how the variables, that are deemed relevant, are connected and how they can collectively explain the phenomenon under scrutiny. Thus, the conceptual framework can be understood as "manual" or "map" to reproduce and understand the researcher's thoughts (McGaghie, Bordage, & Shea, 2001). The act of mapping is considered especially useful in the context of emerging phenomena such as FTSA consumption (cf. Fischer & Otnes, 2006).

However, as mentioned before, this thesis also inherits traits from the technique of integration. Integration describes seeing something in a novel way while keeping a holistic view. It involves "what is known" but extrapolates it to something new. It draws connections between entities that had been separated and thereby achieves synthesis. Integration thus describes the creation of an overarching perspective that can accommodate previous findings and set them into relation to each other. It thereby helps to eliminate barriers of excessive complexity by resolving contradictions and integrate findings that facilitate the understanding. Therefore, the developed frameworks are often labelled "integrative frameworks" (Macinnis, 2011).

Elements from both of the aforementioned approaches can be spotted in this thesis. The approach of delineation was chosen by deploying an already exiting theory (Theory of Planned Behavior) and adding complementary variables and constructs, in order to meaningfully extrapolate it to a new field (consumption of FTSA) where it had not been used before. Since the behavior of purchasing FTSA is deemed very complex, it seemed plausible to develop a quite extensive conceptual framework. Otherwise, important elements would be missing and thus the explanatory and predictive potential of the model may be compromised. Within this process, also variables from other fields were identified as relevant, such as moral norms or the individual's sports affection. Hence, the act of including those variables rather follows the theoretical approach of integration. In the end, a quite complex model was developed that resulted from deploying theoretical approaches of both integrating and delineating.

Therefore, the author refrained from conducting further empirical research to test the developed model as its conduction would have exceeded the frame of this master thesis. Instead the author put all emphasis on the entirety of the conceptual model. Given the limitations in time, scope and manpower, a theoretical conceptual study is considered the best possible approach to the given research question. As discussed above, this reasoning is in line with Macinnis's recommendation to limit one's work to the core of it, if necessary. Since the necessary empirical research to test this models was not conducted in the frame of this theses, a "roadmap" for future research will be given at the end of this paper. This "roadmap" includes how the single predictors can be assessed and how the overall model could be validated in the future.

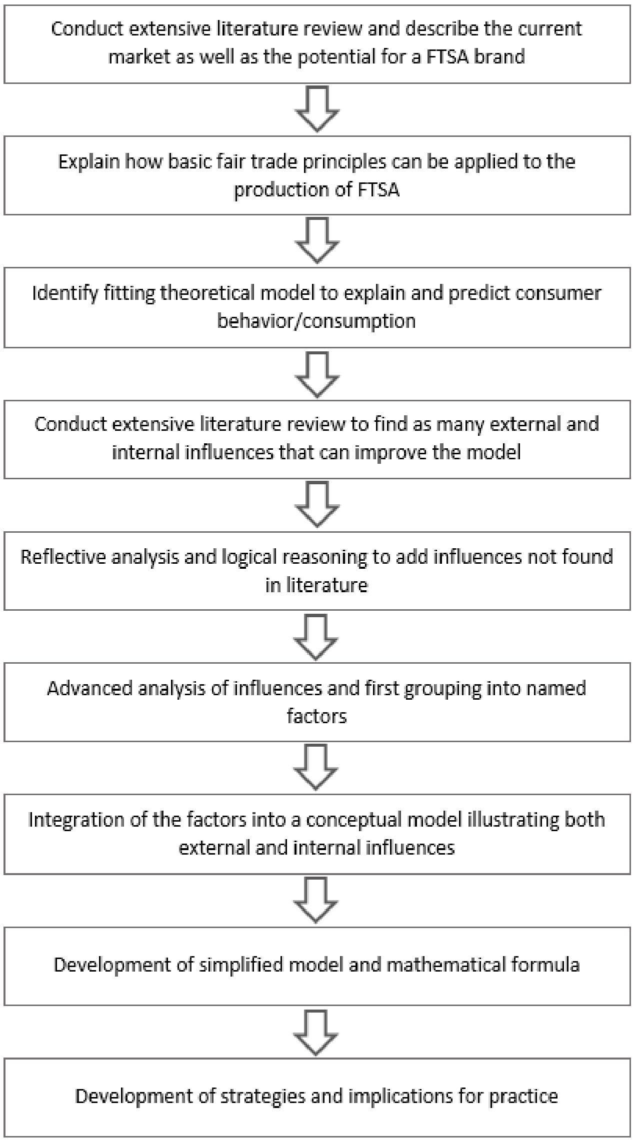
A further reason, why the author did not choose to follow a purely deductive or inductive approach arises from the chosen overarching research philosophy, which can be denoted a hypothetico-deductive reasoning method. This term can be subsumed under the philosophy of hermeneutics. Hermeneutics as a methodology deals with the interpretation of problems that arise when dealing with meaningful human interactions. Sometimes it is phrased the "hermeneutic cycle" This hermeneutic cycle implies a "dilemma of methodological nature" which can be described as follows:

In order to understand the whole, it is necessary to understand all individual parts and their contribution. In order to do so, hypotheses should be specified based on theory regarding the respective issue right at the beginning. It is then necessary to "create interpretative hypotheses, and it is during this activity that one gets confronted with the problem of the meaningful whole and its elements." (Stanford University, 2016). If applied to this case, this means that the individual elements can reasonably be expected to have a certain impact on the FTSA purchase decision. Yet, how those individual elements act in concert and can explain the developed construct in its entirety needs to be assessed through further, more excessive research. Therefore, this thesis is neither fully deductive nor inductive as the empirical analysis is lacking to verify or falsify the implicit hypotheses (cf. ibid). Following this reason, this thesis shall be understood as an attempt to conceptualize the buying behavior of (potential) FTSA consumers by explicating single measures that are believed to have an impact and grouping them together in a construct that allows tentative conclusions about the phenomenon.

Yet, even though a purely conceptional approach was chosen to write this thesis, the author nonetheless conducted a quantitative survey. However, the survey's sole purpose was to investigate whether the main assumptions of this thesis hold true. The questions in this survey aimed at examining whether the basic presumptions about the awareness of FT in general and FTSA were found to be true. This was answered affirmatively (for any details about the survey cf. appendix 1-4). Further, the author deployed a few real-life examples to make some of his claims more tangible. Apart from that, all information used for this thesis were gathered through an extensive desk research. In doing so, the author followed the concept of the "snowball sampling" were sources guided the author towards further sources, which eventually lead to a thorough understanding of the subject in question (Bryman & Bell, 2015). In this process, only peer-reviewed articles and books were used, unless the peculiarity of the sought-for information required another source.

In order to provide a pictorial depiction of the chosen methodology, a flow chart was developed to guide the reader through this paper. This flowchart basically captures the overall approach in developing the conceptual framework.

Figure 1: Methodological Approach to develop the Conceptual Framework



As can be seen in the flowchart, the first step is to provide background information on the FT movement and the FTSA market. This will be done in the next chapter.

3. The Fair Trade Movement

The term fair trade has gotten increasingly widespread, especially throughout the last few years. However, the term has also gotten diluted to some degree as it is often mistaken or confused for related but different terms. Therefore, it is crucial to clearly distinguish the term FT from closely related terms in order to enable a precise discussion.

This chapter serves to define and distinguish the terms fair tradde and Fairtrade as well as those from the term ethical trading. Moreover, the current FTSA market as well as its potential will be estimated. Besides that, a brief historical background of the development of the FT movement is provided.

3.1 Definition of Fair Trade

The term "fair trade" refers to a movement that follows the endeavor of improving the conditions for numerous workers in developing countries by ensuring a reasonable price for mostly agricultural commodities (Levi, 2003). The underlying belief is that the global trading system is placing the world's poor at a disadvantage by paying the lowest possible price. Thus, those people can be economically empowered by paying more than strictly necessary. This approach is considered more efficient than merely providing financial means in form of donations (ibid). The FT organization defines FT as "a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South" (WTFO, 2017). Currently, the four main FT networks are considered to be Fairtrade International, World Fair Trade Organization, Network of European World Shops and the European Fair Trade Association (ibid). However, the term FT needs to be strictly distinguished from the trademark "fairtrade". Whereas the term FT refers to the social movement as a whole, the latter simply denotes the "certification and labelling system governed by Fairtrade International" (Fairtrade international, 2017, A).

3.2 Fair Trade vs. Ethical Trading

Fair trade also needs to be distinguished from the term ethical trading. Unlike fair trade, ethical trading comprises self-imposed concessions regarding the workers' rights throughout the entire supply chain. In other words: whereas fair trade describes the movement that attempts to empower producers in developing countries by making sure they receive a "fair" price for their products, ethical trading deals with the behavior of companies and how they guarantee that all involved parties throughout the supply chain (incl. retailers and suppliers) respect the workers' rights. This also means, that there is no such thing as a "price premiums" or minimum prices in ethical trading as their means of power is not the final price of the product. A further major difference is that the FT movement addresses the final customer by informing him or her about the trade conditions through a FT label. Ethical trading on the other hand, does not rely on consumer awareness and thus does not provide any standardized label yet. Rather, it is a code of conduct a company choses to live by. However, this does not necessarily exclude an ulterior motive of improving their image and thereby foster sales. Also in the case of ethical trading, there are various companies overseeing the ethical trading processes such as the Ethical Trading Initiative (ETI) or the Fair Labor Association (FLA) (Dine, 2008; Ethical Trading Initiative, 2017).

3.3 How Fair Trade works

When put into practice, FT business transactions usually imply a pre-defined, guaranteed FT minimum price which, by implication, should be higher than the prevailing average price for a comparable business activity in this geographical area. Often (depending on the FT certificate), FT transactions also imply an additional price premium which is usually borne by the final customer. This price premium is then either transferred to the producer or into a communal fund, which serves to support social projects among the producer's community (Fairtrade international, 2017, B; Ruben, 2008). In some cases, the minimum price is set to be the open market commercial price and is just increased by the additional price premium. Those measures are supposed to enable the farmers or respective stakeholders to develop their businesses sustainably (ibid). Further, in some cases it also aims at helping the producer's community. Therefore, FT is sometimes denoted as the ethical need to offset or balance market deficiencies by trying to ensure more justice when distributing wealth through trade (Dragusanu, Giovannucci, & Nunn, 2014).

3.4 History of Fair Trade

Reportedly, first FT initiatives date back as far as the 1950s. Those initiatives constituted a partnership between non-profit importers, development charities and producers to tackle the problem of poverty in poorer countries. It had gotten apparent that some small-scale producers were struggling to make a living out of their trading activities due to low market prices and a high dependence on different intermediaries (Fairtrade International, 2017, C). Other sources claim, that first FT activities could already be observed in the 1940s when a Mennonite church group returned parts of their profits to the workers who had produced the necessary components. Allegedly, the final products were sold by volunteers in "ethical shops" and often contained an indication that a donation had been made (Hockerts, 2006).

First forms of the modern FT movement presumably were formed in the 1960s, predominantly in Europe. During this period, FT activities were often understood as political statements against the neo-imperialism. Numerous movements, often initiated by students, started targeting multinational and global corporations for their supposedly flawed and unethical business practices. Over the course of this movement, the free market economic model in general was repeatedly criticized and people began to demand more ethical business ideals. Those were often based on the post Keynesian economic model which implies that the price is inextricably linked to the real production costs, including reasonable and fair wages (Redfern & Snedker, 2002). The slogan which became synonymous with that movement was "Trade not aid" as it was picked up by the United Nations Conference on Trade and Development in 1968 (Jakupec & Kelly, 2015). However, the movement only became more tangible in 1965 with the emergence of the first alternative trading organization (ATO), the British NGO Oxfam. Their program comprised selling imported handicrafts in Oxfam stores across the UK (and the Netherlands from 1969) and through mail orders with an accumulated circulation of roughly 100,000 pieces. The ulterior aim was to support small enterprises in the developing world. This program was considered highly successful (Fair world project, 2010; Redfern & Snedker, 2002). Fueled by Oxfam's impact and success, more ATOs arose in numerous countries. Many of those ATOs played a crucial role in the development of the FT movement as people know it today. Though, sales of FT products only became significant with the first FT labelling efforts. The endeavor of introducing a standardized label stemmed from the intention to expand the distribution of FT products to mainstream retailers. The first noteworthy label was invented by the Dutch ATO Solidaridad and was called Max Havelaar. It guaranteed that the labelled coffee was purchased directly from small-farmer cooperatives at a reasonable price that covered the production costs and allowed for enough money to make a living (Nicholls & Opal, 2005; Redfern & Snedker, 2002; Dragusanu, Giovannucci, & Nunn, 2014).

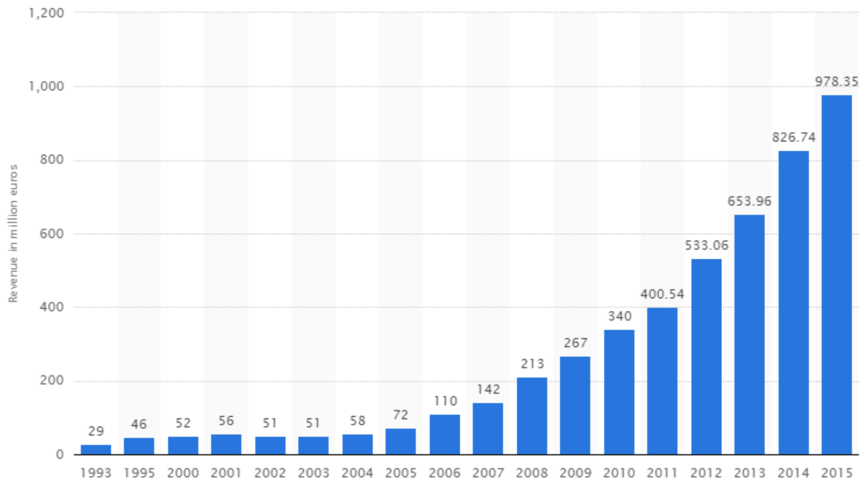
The success of the Max Havelaar certificate induced other companies to follow this example and to launch their own campaigns and certification marks, yet still independently. Those unrelated companies where then gradually converged under a single umbrella organization called the Fairtrade Labelling Organizations International (FLO, established in 1997). Their mission statement was to set "Fairtrade Standards, to support, inspect and certify producers, as well as to harmonize the Fairtrade message across the movement" (Fairtrade Labelling Organizations International, 2007; Ruben, 2008). Later, in 2002, the FLO launched a new standardized certification mark to simplify and improve the visibility of FT products to facilitate their trade and consumption. The introduction of this mark can be denoted the beginning of the modern FT movement, which focuses on public awareness and transparency through campaigns and certificates. The ultimate goal of this measure is to become significant on a more commercial scale (Dragusanu, Giovannucci, & Nunn, 2014).

Currently, around 30 FT organizations are members of the FLO and there are countless more organizations trying to improve conditions for workers around the world. Many of them also try to limit the negative externalities which the production and trade impose on the environment. However, at present the majority of those organizations predominantly or sometimes only focus on agricultural primary produces. Those include fruit, vegetables, coffee, tea, sugar, honey etc. The only bigger-scale exceptions from those food produces are footballs and cotton (Dragusanu, Giovannucci, & Nunn, 2014; Fairtrade International, 2017). The next paragraph will provide an overview of the market volume of FT products in the respective industries.

3.5 The underdeveloped Market for Fair Trade Textiles and Apparel

In the recent past, sales of FT products in general have been rising rapidly and by now FT products have become a quite considerable industry in terms of size. However, this thesis is especially concerned about FTSA. Hence, the current FT cotton market volume will be examined and set into relation to the overall FT market. The German market was chosen as the author is most familiar with it and as it is expected to be representative for many industrial countries. As can be seen in figure 2, revenues of FT products in Germany have risen significantly on a yearly basis in every single year since 2003.

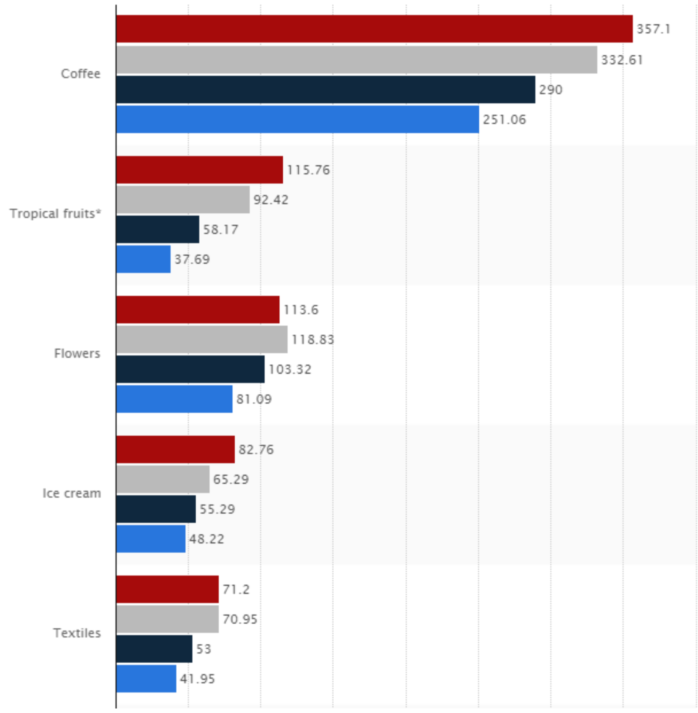
Figure 2: Revenues from FT Products in Germany from 1993 to 2015



Source: (Statista, 2017 A)

In the time span of 22 years (1993-2015), the revenues made from FT products have risen from 29 to 978,35 million euros. This equals an increase of 3300%. And the growth does not show any signs of slowing down. The revenues from FT products in the German market rose by roughly 18,4% from 2014 to 2015. This statistic is a viable indicator for the supposedly high and increasing demand for FT and ethical products in the German market, that has been mentioned by numerous sources (Focus, 2014; Zukunftsinstitut, 2016; Tagesspiegel, 2015). Those numbers may be partly explained by the fact that many customers seek to support socially responsible companies as claimed by numerous authors (Shaw, Hogg, Wilson, Shiu, & Hassan, 2006; Dine, 2008). However, this trend does not seem to affect all product groups in the same manner. In fact, there is a clear emphasis on agricultural products such as coffee fruits and flowers as can be seen in figure 3.

Figure 3: Revenues (in million euros) from FT Products in Germany from 2012 [light blue] to 2015 [red]

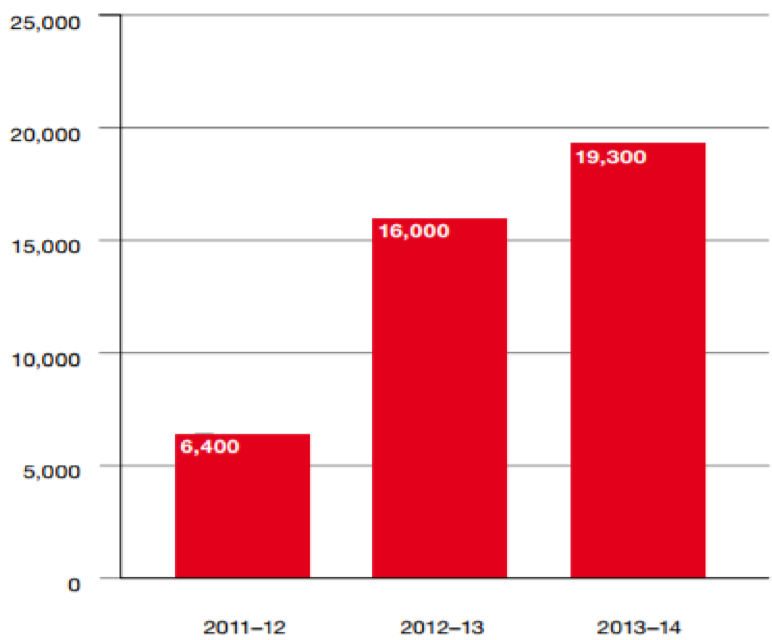


Source: Statista, 2017 B

The focus on agricultural products becomes even more evident if one compares the aggregated revenues of all edible FT agricultural products to the revenues made from FT textiles. The former mount up to 815 million euros a year (Calculation 1, see appendix 5) in comparison to 71,2 million euros made from textiles. If one sets textiles in relation to the overall FT revenues in 2015, they only account for roughly 7,3% as can be inferred from the figures 2 and 3. Within this context, it shall be stated that textiles are not quite the same as apparel. In many cases, textiles often represent the virgin material for apparel but textiles may also be used for a variety of products such as cloths, blankets or furniture. Bearing this is mind, the share of FT apparel or at least FT textile in apparel is even more marginal in comparison to the overall FT revenues. If one breaks down the share to only sports apparel, this number becomes decisively smaller. Due to the lack of literature, however, these sections deal with the FT textile industry in general and not just with the FTSA industry.

This relatively small share (7,3% of total FT sales) begs the question why the textile industry does not constitute a more significant share of the FT revenues. There may be various approaches to explain this as will be done in the next chapter. Yet, despite the relatively small share of FT textiles, there is still a very clear upswing in the global production of FT cotton. If one takes the output of FT cotton from arguably the most influential organization, Fairtrade International, the increasing demand becomes quite apparent.

Figure 4: Volumes of sold Fairtrade Cotton Items in Mega Tons (globally)



Source: Fairtrade International (2015)

As can be seen in figure 4, the global output of Fairtrade cotton has increased substantially between the years of 2011 and 2014. In fact, the output more than tripled in this time frame. This development, among other things, clearly indicates an increasing demand for FT textiles in the near future. Nevertheless, the market for FT textiles is still lacking behind and the reasons for that are manifold. Potential explanations will be given in the next chapter.

3.6 Fair trade actions from companies and independent organizations

Starting with the independent institutions: Some labelling organizations refrain from labelling textiles due to an overwhelmingly high effort to ensure sufficient measures to guarantee the compliance with the imposed requirements. Other organizations do award labels for textiles – yet, many of those just emerged recently and are not quite eligible to safeguard fair production and trading processes or to do this on a bigger scale (Shaw, Hogg, Wilson, Shiu, & Hassan, 2006; Fairtrade International, 2017 B). Another possible explanation for the disparity of the allegedly high demand and insufficient supply may be that the demand is often not an actual demand but rather a desire which does not develop into real action due to a conglomerate of factors. Or in other words: many authors have presented reasons why potential customers eventually refrain from purchasing FT apparel, even though they would like to support the production of more ethical clothing. Those potential inhibitors will be presented later on.

Further, several companies have tried to take action themselves and increasingly attempted to comply with ethical standards. However, many experts, authorities and the media have recurrently expressed their concern over the failure of many companies to encourage a fairer production process (Scamardella, 2014; The Guardian, 2014; Coakley & Kates, 2013; Powell & Zwolinski, 2012). Consequently, many authors have called for action to set a new external authority in place or to enhance the guidelines and supervision capabilities of current labeling organizations to oversee and certify the current FT practices in the textile and/or apparel industry (Beard, 2015; Shaw et al., 2006; Bair, Miller, & Dickson, 2013).

However, there is only little doubt that many corporations could have already acted more proactively and introduce their own extensive and compelling FT labels. Or at least they could have pushed the development further ahead. Therefore, the question remains why there is no sweeping FT label in the sport industry yet. The answer to that may be quite plain. It simply does not seem to pay off in the company's eyes yet. They are for-profit companies after all and in that respect, they have had little to worry about recently. The big companies such as Nike, Adidas or Under Armour have announced one record year after another in the young past (cf. Statista, 2017). So why would any of those companies go through the trouble and try to establish a FT label that is also associated with some risks? By stressing fairer wages of workers' rights, a company may divert attention to the topic of their production processes in general. A topic they may not have performed in so well. Moreover, if only a FT line is introduced, it may be misunderstood in a way that all other lines are not fairly produced. Thus, by trying to ensure an entirely fair production process, the companies would not only have to invest large sums to make this happen and to keep track of it. They would also take a high risk that their business practices come under more scrutiny with an unfavorable outcome. Moreover, they would offer more opportunities to criticize them in case any of their measures do not work out. In this case, it may simply backfire.

However, even though there are risks associated with a FT label and the current business success of the big companies does not suggest the need to establish fairer production, they eventually will consider adapting their production processes to make them “fairer”. It seems to be only a matter of time until public awareness about production processes in the sports apparel industry reaches a point where more critical questions will be asked (again) and higher standards will be demanded. As soon as this point is reached, the current measures will most likely not suffice to satisfy the critics and the potential consumers. As one report stated, “over the past decade, under considerable public pressure, these companies have developed standards on workers’ conditions for their supplier factories. Despite this, there is still a considerable gap between sportswear companies’ policies and the actual conditions inside factories” (Gardener, 2012). Other reports show that the leading companies are shifting their facilities from countries were wages have risen significantly (e.g. China) to lower-wage countries like Vietnam, Indonesia, Myanmar, India or Pakistan. By doing so, they have often exposed themselves to major breaches in labor standards such as unpaid overtime, unpaid vacation, discrimination and obstructions to organized labor (cleanclothes organization, 2016). Those practices may not have compromised the success of the leading sports apparel companies yet, but it may very well do in the near future, especially if one player emerges that can promise a fair and ethical production. As Lobel (2006) points out, companies need to focus on a triple bottom line that comprises financial, social and environmental performance to succeed in the long run.

A certificate proving an ethical conduct of manufacturing and doing business in general might also be a potential source of a competitive advantage (Volkmann, Tokarski, & Grünhagen, 2010). This would be a crucial step as it becomes increasingly important to find sources of differentiation, especially in a highly competitive industry such as the sports apparel industry (Husted & Allen, 2011). In the long run, though, it may not even be a source of differentiation but rather necessary to survive as many authors have claimed that CSR becomes increasingly important (Michelon & Rodrigue, 2015).

Following the reasoning that fairer production standards may become a source of differentiation, it shall be stated that a FT label may not simply be a good CSR measure but may also pay off economically by increasing sales. If a company manages to create a FT label or line that is well accepted among the potential customers, it may give them the edge over their competitors. How this may be achieved is subject to the following chapters. More specifically, it will be discussed how FT practices can be applied to the sports apparel industry and what potential benefits it may trigger.

3.7 Current Market for Fair Trade Sports Apparel

When researching on FTSA companies, it immediately becomes apparent that there are barely any suppliers. The only considerably successful FTSA company seems to be Patagonia. Patagonia specializes in outdoor and sports apparel that is sustainably produced. Sustainability in this case means that being sustainable is a central element of their mission statement, which is "Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis (Patagonia, 2015). More specifically, this means that at least 1% for their revenues is donated to environmental organizations, recycled polyester is used in many processes and that many workers are paid above minimum wage (ibid).

Not surprisingly, Patagonia was also the only real FTSA company that was mentioned in the quantitative survey the author conducted to assess the current awareness of FTSA brands. Out of 194 respondents, only ten claimed to know any FTSA company. Out of those ten, seven mentioned Patagonia (cf. appendix 6-7). This substantiates the previously stated claim that FTSA companies are generally not well-known and that Patagonia represents the only significant one. If set into relation to FT in general, 97,4 % were aware of the movement itself (cf. appendix 8). Patagonia itself enjoys an increasing popularity with an average double-digit growth over the past years (The Telegraph, 2017).

However, throughout the last decade some independent organizations that aim to improve the conditions for workers in the textile industry have been founded. For instance, the Better-Cotton-Initiative (BCI) was founded in 2005 and specializes in certifying fairly produced cotton. They are considered the most influential company in doing so. This status was sustained by globally communicated co-operations such as the one with Adidas (Better Cotton Initiative, 2017). Another organization that seems noteworthy is the Fair Wear Foundation (FWF). The FWF has worked on improving the working conditions for workers and by now has over fifty member companies (FWF, 2017). Further organizations include the Fair Labour Organization (FLA) and the Ethical Trading Initiative (ETI). However, their impact, even accumulated, seems to be quite limited.

Recent studies such as the one from Gardetti and Torres (2013) or Huq et al. (2016) clearly underline this finding by claiming that the share of fairly produced clothing is virtually insignificant. Further, Huq et al. claim that most companies focus on ecological aspects, if they at all decide to address the issue of sustainability. Fairtrade International, one of the main FT organizations clearly concurs as can be seen by a recent press release, in which they published the following statement: "Almost three years after the deadly collapse of the Rana Plaza textile factory in Bangladesh, little has changed for the workers themselves. The tragedy, which killed more than 1100 and injured 2500, sparked demands for better protection - but many garment workers still have to endure dangerous conditions and low pay." (Fairtrade International, 2016). This is why the organization will introduce the new Textile Standard, which was specially designed to tackle the challenging problems in the textile industry.

Conclusively, one can establish the notion that the supply and demand for FTSA will increase over the next years and decades. This notion is based on five main indicators:

1. Many specialized FT textile organizations have emerged in recent years
2. Fairtrade International extends their core competencies to textiles
3. The global output of FT cotton has more than tripled in recent years
4. This topic is more frequently debated in public and many authorities demand action
5. The only relevant FTSA company Patagonia is vastly successful.

However, it has not been answered yet, how companies can benefit from integrating FT principles into their business practices. In the best case scenario, a newly developed FT brand would ultimately reach the status of a "main stream" FT label. How promising this can be, will be outlined in the next chapter.

3.8 Impact, Limitations and Criticism of Fair Trade and ethical Mainstreaming

One prime example for ethical mainstreaming is Krombacher's (German beer brand) "Regenwald campaign" that promised to save one square meter of the tropical forest for every sold crate of beer. This case shows how powerful a well-crafted ethical campaign can be: the company's sales numbers had been stagnating in the prior years but with the heavily supported "Regenwald campaign" came the change. In the very same year of the campaign, the company was able to increase sales by 8,1% and outperform the competition by a factor of 8 in terms of growth. However, while it is hardly debatable that the campaign was a real success in terms of revenues, it also triggered a lot of criticism. Eventually, the campaign was banned as the company allegedly did not follow up on their promises and used misleading claims. It was basically denoted as a pure "greenwashing" campaign. The same pertains to many FT organizations and labels, which have been criticized multiple times. It has been criticized that the producers allegedly do not receive the minimum wages or were even paid below that (Financial Times, 2006), that FT labels have been unethically exploited by roasters and retailers (Dragusanu, Giovannucci, & Nunn, 2014), and above all, that the entire FT movement has not sustainably improve the livelihoods of the people it was ought to help (Haight & Henderson, 2010). Consequently, those measures need to be applied very cautiously.

It shall be mentioned that those criticisms are taken into account and that FT is not considered a "magic cure" for economic imbalances. It simply cannot be, as fundamental change would require a more disruptive change to the business practices. Therefore, all proposed strategies within this thesis shall be understood in view of that. Still, despite the criticism, a well-crafted, integrated FT strategy can still trigger a wide range of benefits. How this can be done will be subject to the following chapters.

4. Applying Fair Trade Practices to the Sports Apparel Industry

Increasing the revenues through a newly created FTSA label or line is surely no easy task, especially since the phenomenon of a "FT label fatigue" seems to be on the rise. According to Nicholls and Opal (2015) there is a real threat that customers become indifferent towards the FT movement as there are simply too many labels and since it becomes increasingly demanding to distinguish among them. This is why it is eminently important to offer a somewhat novel angle when promoting a new product line. However, it should be mentioned that the suggested approach does not require to denote the products as "fair trade". Perhaps companies come up with an own name or subsume it under other terms such as ethical trading or the like.

Throughout the following chapter, ways of applying FT standards to the FTSA industry will be depicted. This chapter is believed to be important as one of the potential target group of this thesis has been denoted to be companies. Therefore, it seems prudent to depict potential ways of becoming “fairer”. Further, it serves to enhance the reader’s understanding of what could be considered FTSA.

Given the fact that there is no omnipresent label yet that sets the standards for FT or ethical trading in the textile industry, let alone the sports apparel industry, there is some sort of vacuum to be filled. In the end, it may be occupied through an independent institution whose sole purpose it is to oversee the production of companies and award them a label in case a company abides by the organization’s guidelines. Another option may be that companies develop their own guidelines to make sure their production process is in line with certain standards. Those standards would need to be defined diligently and they could be concerned with various aspects. If one takes the agreement for FT agricultural products of the arguably most influential FT organizations, one can break down their actions in three categories: Firstly, minimum prices for the farmers’ products. Secondly, price premiums that are used for charitable purposes. Thirdly, a more sustainable / eco-friendly production. However, for obvious reasons those categories cannot be transferred par for par to the production of sports apparel. Instead, they would need to be adapted to the special circumstances. In this thesis, the requirement to consider products as FT is that the company fulfills the basic requirement of the FT movement, namely ensuring adequate workers’ rights as well as a fair compensation for all workers throughout the supply chain. Further, a company may implement concepts that focus on a sustainable production. Thirdly, they may also have initiatives in place that pursue a specific social cause.

Generally, one can distinguish between two approaches of tackling any of the respective three elements. Either, a company puts its own measures in place or starts a co-operation with an organization specializing in the respective issue. Both approaches imply certain advantages as well as disadvantages. Putting own measures in place is most likely more expensive but also offers more control over the measures. Moreover, an individual approach can rather serve as a further source of differentiation if pursued properly. On the other hand, it makes the company also more susceptible to scandals. Besides, it may be more demanding to create awareness for own measures instead of working with a well-known organization. However, ultimately both approaches can be fruitful if implemented properly (Laszlo & Zhexembayeva, 2011).

The following sections provide possible approaches to transfer the principles from FT agricultural products to FTSA. In this context, real-life examples are given of how companies recently have tried to follow the respective approach. Subsequently, the chapter will conclude with illustrating how the main stakeholders could benefit from a change towards a fairer production.

4.1 Applying the Concept of adequate Workers' Rights and Minimum Prices

First and foremost, the basic concept of charging a price premium for the final product to support local producers needs to be revised. After all, a sports apparel companies are not dependent on financial aids from their customers. Rather, the corporation itself would need to ensure that all workers throughout the supply chain are paid adequately. Hence, the company would serve as mediator so to speak. The decision whether this increase in wage is then passed on to the final customer would require a diligent analysis and may depend on the specific case. In some circumstances, it may prove to be more promising if the company bears the extra cost themselves. The potential costs of such measures will be calculated and outlined in chapter 4.5.1. The effect of paying all workers appropriately and potentially above-average wages may have similar effects as the price premiums for agricultural products, namely empowering people through indirect financial help. In this case, though, the effect may be spread more widely as the number of employed people is quite significant in many factories. For instance, Nike alone employs more than one million workers in their factories around the world. The majority of those factories are located in low-wage countries (cf. Nike manufacturing map, Nike, 2017). So how could companies address the issue of a fair compensation?

A company could simply review whether they respect the workers' rights and whether their compensations across countries are "fair" and adapt them if necessary. Estimations of fair wages and standards for workers' rights for various countries can be obtained from the OECD databases, the International Labour Office (2007) or the International Labour Organization (2017). The need or benefit to communicate that factory workers receive a fair compensation has also been detected by many companies lately. For example, Adidas presents "three pillars" that constitute their approach to offering fair wages to their factory workers. They call the according pillars "respect", "remedy" and "promote" (Adidas Group, 2016). However, if examined more thoroughly, no real numbers and ways of supervising those promises are presented. It shows nonetheless that Adidas as a company has understood the need to address the issue of workers' rights and wages to live up to the demands from the public and their consumers. This is also reflected in their co-operation with the "Better Cotton Initiative" (BTI).

Adidas's cooperation with the BTI aims to "reduce the use of pesticides, it also promotes efficient water use, crop rotation and fair working conditions". The Adidas Group is committed to using 100% Better Cotton by 2018 (Adidas Group, 2011). This approach reflects one possibility of working hand in hand with external organizations. However, also in this case, it shines through that the issue of sustainability and FT have gotten more relevant only recently as this partnership was only formed in 2012.

Yet, a company may not just focus on their workers' wages and rights. Other pressing issues such as ecological factors or charitable causes may be relevant.

4.2 Applying the Concept of ecological Factors

There seems to be no doubt that in times of global warming and natural catastrophes, ecological factors have increasingly gained public awareness. Sustainability seems to be of particular interest for sports apparel companies, as conventional textile production has been denoted the second most polluting industry on the planet, second only to oil (Alternet, 2015). This becomes obvious when observing the last "eco-campaigns" from global companies such as Nike or Adidas. For instance, Adidas started a partnership with "Parley for the Oceans" in 2015. Together they produce apparel out of plastic garbage that was collected from the oceans. It became a buzzing topic across numerous channels, especially online. In this context, Adidas also replaced the plastic bags they used in their retail stores with paper bags from recycled materials (Adidas Group, 2016). Such a focus on an ecological production is assumed to be a pivotal factor in becoming a successful mainstream FT label. After all, being relatively ecofriendly would presumably prevent a fair share of negative press. Also in this case, it seems fair to presume that Adidas is not solely concerned about the environment but also intends to give themselves a competitive edge over their competitors.

The last main theme of the FT movement is the concept of distributing the additional price premium. The next paragraph will deal with a potential approach of applying this concept to FTSA.

4.3 Applying the Concept of a Price Premium

Technically, the procedure of charging a price premium and distributing it afterwards among the community could be copied – yet, in this case it may be more promising to set up a foundation as some companies have already exemplified.

Setting up a Foundation

In this case, there would be different options on how to fund the foundation, e.g. transferring a certain part of the revenues into the foundation. The New Balance and Under Armour foundations constitute real-life examples. The New Balance Foundation (cf. New Balance, 2015) aims at improving the health, well-being and self-esteem of children and Under Armour's foundation "power in pink" (cf. Under Armour, 2017) intends to raise awareness about breast health and more specifically breast cancer. In those cases, the companies donate money to their own foundations and develop sports apparel for the campaign, which can be bought to raise more awareness and support the campaign also financially.

Without a doubt, those campaigns are honorable and they focus on important topics. Yet, however honorable those campaigns may be, the connection to the companies' core competencies, sports apparel, seems rather vague or even non-existent. Besides, there are countless organizations, that already focus on the same problems and many of them such as UNICEF or Save the Children are far more reputable and well-known in this field. Consequently, economically it may be more rewarding to devote their caritative actions to less competitive areas. In the end, also foundations have to compete for awareness and donations (Sargeant & Jay, 2004). This also pertains to foundations initiated by sports apparel companies. Thus, it makes more sense to be as perceptible as possible to improve the awareness and enhance positive associations with the foundation and eventually with the company itself (Frynas, 2005). Therefore, the supported case should be eligible to raise more awareness and tip the customers' attitude towards the company in a more favorable direction.

Fit of Foundation

The most decisive factor as to whether the supported cause may be effective in helping the company to reach their CSR goals may be the fit between the company and the supported cause. This claim is based on a theory that emanates from the sponsorship theories. According to leading researchers, a successful sponsorship highly depends on the perceived fit between the sponsored property and the sponsor, which is usually a company. The higher the similarity between the property and the sponsor, the better the recall and awareness values of the sponsor (Dardis, 2009; Crimmins & Horn, 1996). If the fit is perceived to be high, it may even contribute to a positive perceptual change towards the company in the audiences' mind (Erdogan & Kitchen, 1998). This transmission of perceptions is enshrined in the human nature and it might even work, if the company itself has a bad image as people tend to seek putting their beliefs into balance (Crimmins & Horn, 1996). If one assumes, for instance, that a car company wants potential customers to think of their cars as sporty and juvenile, it would make sense to sponsor a young, athletic sports team. This reasoning holds true for countless examples. Generally, drawing similarities between a foundation and a sponsorship seems plausible as those two practices share common traits. In both cases, entities external to the company are "funded". Moreover, in both cases, it implies the acquisition of rights to affiliate or directly associate with the sponsored or funded entity, e.g. bearing the company's name (Mullin, Hardy, & Sutton, 2014). When it comes to sports and philanthropy, the fit can also be detected on a more basic level. For many people the idea of fair play is of fundamental importance within the context of sports. Fair play in this case could simply be transferred to the supply chain and all people involved. Therefore, fair play would entail fair wages and respecting workers' rights.

Following this line of reasoning, would it not make more sense to create a foundation that, at least to some extent, is associated with sports? After all, the company's customers tend to have a strong affinity to sports and most likely know a fair deal about it. Thus, a foundation involved in sports-related matters would probably come more easily to their attention and would most likely prove to be more appealing. Additionally, the "market" for sports-related foundations may not be quite as competitive as for children's rights or terminal diseases. Therefore, the company would also have to compete less for awareness and there is a decent chance that the foundation generally becomes more relevant in this context. A potential cause for a sports apparel company could be financing sports facilities and equipment in underdeveloped countries. Needless to say, the equipment should be produced fairly itself. This would both represent a good fit to the company and it would be in line with the idea of FT, namely empowering underprivileged people. In this case the empowerment would take place by giving them an opportunity to do sports, which can be a powerful facilitator for the quality of life. Especially in underdeveloped countries or neighborhoods, sport has been known to have a wide range of tremendous benefits. They range from improving health conditions, increasing the physical and mental capabilities to even significantly reduce the youth crime rates (Rodríguez, Késenne, & Humphreys, 2011; Nichols, 2010). On top of that, such a foundation could trigger even more positive effects as will be outlined in the following paragraph.

4.3.1 Potential positive Effects from a Foundation

The benefits of having a sports-related foundation may reach even further than improving the company's CSR ratings. In the following sections, three further potential benefits of operating a sports-related foundation will be outlined.

Direct Impact on Employment in the respective Countries

Assuming that the foundation's funds were used to build sports facilities in underdeveloped countries, it would, by implication, also facilitate employment in those countries. After all, the facilities need to be built and for both economic and consistency reasons, it would make most sense to hire local workers. By employing local workers, the foundation generates a second layer of beneficiaries. This effect of reaching different layers, also some which were not primarily addressed through the initial investment, is often referred to as trickle-down-effect. This effect is an important driver for sustainable growth in developing countries as it helps to distribute wealth more evenly across social classes (Thompson C. B., 2014).

Motivational Spillovers

A further potential benefit of a sports-related foundation would affect the workers' motivation. Even though it may seem a little far-fetched, sources claim that the incentive of helping the community one lives in may function as strong motivator (D'Iribarne & Phillipe, 2002). Hence, factory workers may be additionally motivated by the fact that they can accumulate money through the clothes they produce, which is eventually used to build sports facilities in their communities. Thereby, they can improve their community's life in a way they could never afford themselves.

Marketing Potential

Finally, there is a chance that building sports facilities will eventually lead to a powerful marketing story. The pure fact that a sports apparel company provides underprivileged people with the possibility to do sports already offers material for an effective and emotional communication. In the hypothetical case that a future athlete is "made" on one of those pitches or with some of the sponsored equipment, the potential would be manifold. Even the aforementioned trickle-down effects may constitute good communication material. In this case, the company could leverage and exploit this story on many levels and through various channels. However, as already mentioned this case is rather hypothetical and should thus be treated with caution.

4.4 Potential Benefits for the Company

Of course, the above-mentioned approaches merely constitute ideas and do not necessarily depict the best possible approaches. However, it is believed to be vitally important for a sports company to choose a suitable approach for the social endeavor they purse. This is believed to have a direct impact on the financial success that may or may not come with integrating fair business practices.

If leveraged appropriately, the aforementioned approaches can serve as additional source of differentiation and ideally lead to a competitive advantage. As claimed by Laszlo and Zhexembayeva (2011), sustainability that is embedded into the business processes of a company will be the main source of competitive advantages across industries in the near future. Ashta (2015) predicates the same for social innovation. She claims that social innovation will be one of the main motivations for future start-ups or disruptive changes in the way companies make business. Such claims illustrate that being more concerned about social or environmental aspects can be very lucrative, also from a business perspective. After all a (further) competitive advantage can elevate brand preference, brand loyalty, sales and eventually business success (Mathews, 2013). Further, by pursuing something new, one may benefit from blue-ocean strategies as one may evade a direct competition (for blue-ocean strategies cf. Kim & Mauborgne, 2015).

In the best case scenario, the newly developed FT brand would ultimately reach the status of a “main stream” FT label. Principal pioneers may already be able to satisfy their demand by choosing highly specialized products. However, there seems to be a huge untapped potential of “swing buyers”. Those are potential customers that are likely to choose an “ethical brand” if presented with an accessible option that meets their demands in terms of fashion and quality but who would not actively seek such an option. This, at least, was the finding of a study conducted for the Kenco coffee brand. According to this study, there were 8% of “active choosers” and further 66% of people could be denoted “swing-buyers”. Only 26% of the target group were identified as “too hard to convince” (Percy & Rosenbaum-Elliott, 2016). If those numbers can even be remotely transferred to the FT apparel case, the potential would be tremendous. If the potential of swing buyers could be realized, the FT line could quickly become a mass market label. This comes with huge benefits but also with some risks.

Ethical mainstreaming enjoys the benefits of a wide market access and promising revenue potential. On the other hand, it is a very delicate marketing strategy to pursue as it may evoke the impression that ethical concerns are instrumentalized in the name of fostering sales. Thus, ethical mainstreaming requires an even more diligent and sensitive communication than regular marketing campaigns (Shaw, Hogg, Wilson, Shiu, & Hassan, 2006).

By including all three elements in a potential label, more potential customers may feel addressed. Hence, it may seem appealing to all people who support at least one of those causes. The fact that the potential label could focus on different elements is also important from a company's perspective. If they only focused on fair wages, there would be an inherent risk that all other clothing from this company appear in a different light. After all, the subliminal message would be that only the new line puts emphasis on fair wages. The existing ones, on the other hand, would seem to be produced under subpar working conditions. Consequently, the company's image could be diluted or even damaged entirely. On the contrary, if a potential FT label addresses more factors, such as the ones proposed, the company could claim that the new line focuses on factors apart from fair wages. Hence, they could also claim that they have always been focusing of fair production processes but now they simply extent their actions to more aspects.

The previous chapters have illuminated the phenomenon of the FT movement from a rather theoretical standpoint. However, so far it has not been mentioned what producing under fair conditions actually means in terms of financial aspects. Therefore, the next chapter serves to investigate how perceptible an increase in the final price due to FT measures would be.

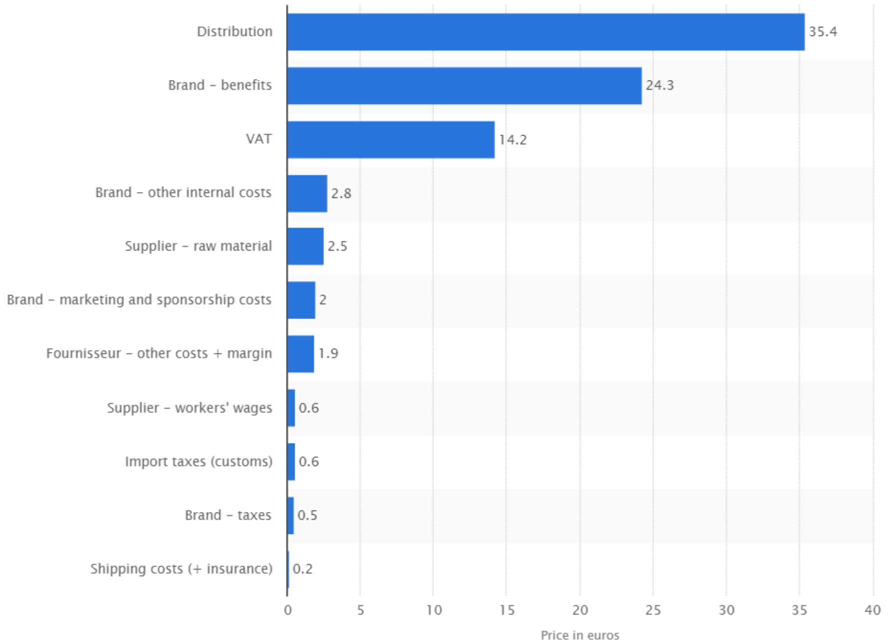
4.5 Effects on Cost Structure

As mentioned before, the newly created FT label would focus on up to three elements, namely workers' rights including fair wages, an eco-friendly production and supporting a charitable foundation. The additional costs of those elements will be discussed in the following sections. However, the price increase due to extra costs such as supervision, labelling and additional marketing expenditures will be neglected in this case.

4.5.1 Price Increase through higher Wages

The ensuing chart (figure 5) depicts the price breakdowns of a representative branded sports jersey by one of the leading companies (Adidas). The only element which would be affected in the case of a "fairer" production would be the "suppliers' workers' wages". As can be easily extracted from the graph, those mount up to 0,6 euros out of ca. 85€, equaling 0,7% of the final retail price. So what would happen, if the workers' wages increased by a common FT price premium from other product categories such as coffee?

Figure 5: Breakdown of Retail Price of a National Team Football Jersey 2015 (in Euros)



Source: (Statista, 2017 C)

In the context of FT coffee, the usual rate is a 15% price premium (Fairtrade International, 2017). Even if this premium was increased to 20%, the price increase would be limited to 12 eurocents (20% of 60 eurocents). Those 12 eurocents, in turn, would mean an increase of 0,14% in cost if compared to the face value of a manufacturer's suggested retail price (MSRP) of 85 €. This increase seems rather marginal. Those numbers also hold up if one applies the same reasoning to the production of cheaper textiles in different countries. The share of wage costs of the final MSRP range from 0.7% to 1.6% in the conducted calculations (cf. appendix 9; calculation 2)

However, it may mount up to a higher amount in case a company decides to improve ecological factors and perhaps include a caritative element. Thus, this poses the question how those factors may influence the price. Since ecological factors are very versatile due to the complex externalities textile production can pose on the environment, they will be neglected in this case. Ultimately, there are simply endless way to tackle the issue of improving the eco-ratings.

4.5.2 Increase through Foundation

The increase in price through the foundation naturally depends on how big the contribution is set to be. Naturally, more financial support would also mean more impact for the foundation. The positive results, in turn, could be utilized on different marketing levels. However, if the contribution is set too high and thus the price increase is well perceptible, it may hinder sales. Therefore, it may be prudent to make a quite substantial initial contribution on the part of the company to ensure sufficient funds to start the first projects without increasing the price too rapidly. In any case, the contribution that is transferred into the foundation ideally matches the customers' willingness to pay (WTP) and is yet effective for this kind of purpose. Those numbers would need to be explored through different means of market research.

The interaction of the prices and the willingness to pay will be discussed in more depth within the extended TPB model. Further, pricing strategies on how to implement the new products will be presented at the end of this thesis. Before that, the focus will shift towards the consumer behavior in the context of FTSA. This part will include an overview over current research and the inherent lack to predict FTSA consumption. Further, it will be expounded why the Theory of Planned Behavior (TPB) was deemed the best foundation on which to build a new model.

5. Consumer Behavior in Fair Trade Sports Apparel Consumption

In order to leverage the potential of a new approach to introduce a new FT label to the market, it is imperative to gain an understanding of why or why people may not purchase such products. The foundation of doing so is receiving an overall understanding of the decision making process when it comes to purchasing FTSA products. However, as will be elaborated in the following chapter, there is evidentially a lack of fitting theories that can elevate this process. Consequently, it is necessary to divert a theory from another field and adapt it to the given case. This is, as explained in the introduction, a common approach in conceptualizing and is considered to follow a combination of delineation and integration. The best suitable model for this purpose is believed to be Ajzen's Theory of Planned Behavior (TPB), which emanates from the field of psychology. This theory serves as an outline and will be enriched by further elements that ought to explain the behavior of purchasing FTSA in a holistic manner.

5.1 Selection of Model

The TPB was deemed fitting as it has been applied to similar cases of explaining consumer behavior. For example, the author found revised models of the TPB designed to predict caritative giving (van der Linden, 2011), fast food consumption (Padgett, Kim, Goh, & Huffman, 2013) and the consumption of organic food products (Sparks & Shepherd, 1992). However, even those revised and extended models were not considered to be transferable to the case of FTSA consumption for manifold reasons. Either the author did not fully agree with the concept of those models and the chosen variables or important factors were left out that are believed to be of elementary importance in predicting FTSA consumption. This does not come as a surprise, as FT clothing and especially FTSA is a relatively new phenomenon. Consequently, there is hardly any research, let alone conceptual models trying to explain and predict its consumption.

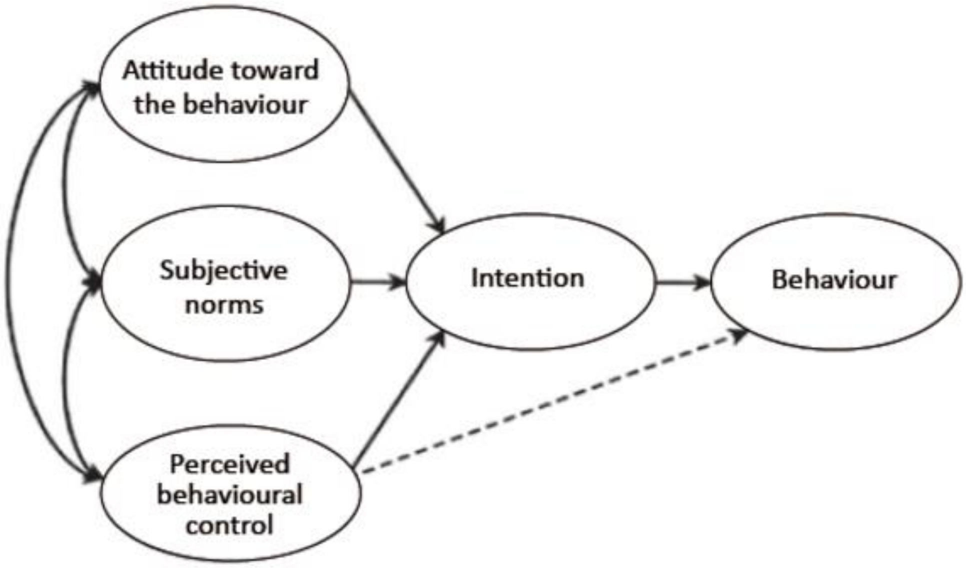
Nevertheless, the TPB has proven its value to explain and predict consumer behavior in numerous cases. Yet, it is of a quite general nature as it aims at predicting behavior on a very general level. Thus, if this model was to deployed in real life to predict behavior in a very specific case such as FTSA consumption, it will be quickly stretched to its limits. Or the person using this model would have to do an extensive research himself on what factors may influence the three main determinants of the model. Therefore, it seems more promising to develop a more complex yet comprehensible model, that will help to consider all relevant factors in the specific case. In order to walk the reader through the process of crafting this model, the original TPB model will be explained more thoroughly. Subsequently, it will be elucidated why this model in its original form may not be effective in predicting FTSA consumption and which variables thus need to be added to enhance the fit of the model. In the next paragraph, the original model as well as its single components will be elucidated.

5.2 Theory of Planned Behavior

The Theory of Planned Behavior (TPB) is a model that aims to explain human behavior. It evolved from the theory of reasoned action (TRA) that had been constructed in its initial form by Ajzen and Fishbein in 1967. However, it was constantly developed further and was extended to the Theory of Planned Behavior in 1985 by Ajzen. The main difference between those two models is that the theory of planned behavior not only takes the volitional aspects of performing a behavior into account but also the non-volitional aspects. Volitional means that people perform a behavior, if they intend to and vice versa. This is one of the premises of the TRA. However, in real-life situations there may be personal deficiencies or external obstacles that may prevent people from behaving as they wish. Consequently, the successful performance of a behavior also depends on an individual’s capability of overcoming non-volitional constraints.

This is why the TRA was further developed into the TPB as it includes the construct of perceived behavioral control. This, in turn, can be denoted as the perceived ease of difficulty of performing a specific behavior (Ajzen I. , 2005). The TPB model overall predicates that intentions are a function of three determinants, namely attitude towards the behavior, the subjective norms and the perceived behavioral control. Those three determinants are, in turn, dependent on three different sets of beliefs, which are behavioral, normative and control beliefs. Ultimately, the resulting intention is assumed to be the immediate antecedent of the individual's actual behavior. The relative importance of each determinant depends on the intention and individual under consideration, though (Ajzen I. , 2005). The model itself is illustrated in figure 6.

Figure 6: Theory of Planned Behavior



Source: (Ajzen I. , 2005)

In the next section each of those determinants will be explained in depth.

5.2.1 Attitude

According to Ajzen and Fishbein (1980), the attitude towards the behavior is defined by the behavioral beliefs. Those are dependent on two types of influences: the salient beliefs about the behavior as well as the outcome-expectancy and its evaluation. Thus, they are composed of the beliefs about the consequences of the behavior and the subjective probability that the expected consequences will actually occur when the behavior is performed. The assessment of the probability is called the belief strength. Hence, an individual's attitude is the aggregation of all salient beliefs, the corresponding subjective probabilities and the relative importance of the separate beliefs. Naturally, all three elements are always subject to the individual person and circumstances.

5.2.2. Subjective Norms

Subjective norms are dependent on reference group influences and normative beliefs. Normative beliefs describe the beliefs about the normative expectations of relevant other people and the motivation to comply with those. It is the individual's sensation of social pressure so to speak. A reference group is any person or group that serves as a point of comparison (or reference) for an individual in forming either general or specific values, attitudes or behavior" (Schiffman, Kanuk, & Hansen, 2008, p.330). Also in this case, the strength of the subjective norms is dependent on the individual, the environment and the subject in question. It shall be mentioned, though, that the influences of different reference groups can occur simultaneously and that they can even have a contradicting impact (Schiffman, Kanuk, & Hansen, 2008). Therefore, the overall strength of the influence imposed by the subjective norms is the sum over the influences imposed by the separate groups (Ajzen I. , 2005). A more thorough differentiation of the different reference groups will be offered within the extended model.

5.2.3 Perceived behavioral Control

Lastly, the perceived behavioral control describes the individual's assessment of his or her ability to perform the behavior in question. Therefore, this determinant represents the control beliefs, that is, the beliefs about the presence of factors that may facilitate or impede performance of the behavior as well as the perceived importance of these factors. Control is considered a continuous concept that operates within easily executed behavior and highly demanding behaviors in terms of resources, opportunities or skills (Eagly, 1993). Behaviors that require a high level of resources, opportunities or skills are more likely to cause obstacles and thus need to be predicted more carefully. As with attitude and subjective norms, the overall PBC can be understood as sum of all individual factors influencing the PBC (Ajzen I. , 1991).

Conclusively, all three elements (attitude, subjective norms and the perceived behavioral control) influence each other and, in aggregation, determine the intention. The likelihood that this intention is transformed into an actual behavior increases with a higher PBC and vice versa. In some cases, though, the intention will not result in the intended behavior. This phenomenon is called the behavior intention gap.

Behavior Intention Gap

A gap between the intention and behavior can be caused by different circumstances. A likely cause is a misjudgement regarding the actual control on the part of the individual. This is especially likely when excessive skills or much effort is required (Ajzen I. , 2005). Further, the circumstances or requirements of the behavior in question may have changed. Those can be related to contingency variables such as availability of a product, the disposable budget or time constraints (Blackwell, Szeinbach, Barnes, Garner, & Bush, 1999). The behavior-intention gap can also be explained on a data-based level. A meta-review detected that the TPB is able to explain 40% to 60% of the variance in intention (Sutton, 1998).

5.3 Limitations of the TPB Model to explain FTSA consumption

Since the TPB model is quite general, one could probably somehow predict the consumption of FTSA as one could find all relevant criteria at least indirectly in the existing model. However, as mentioned before, the basic idea of a conceptual model is to elevate the understanding of a subject as much as possible. In this case, adding all variables that are believed to be relevant in the case of FTSA consumption is likely to achieve a better understanding. Therefore, the next chapter addresses which variables are missing and how they can be grouped together in a holistic and comprehensive model. The model is called the extended TPB model to explain the consumptions of FTSA consumption.

6. The extended TPB Model

As explained before, this chapter serves to integrate variables into the existing TPB model that are believed to be important to predict FTSA consumption. This is expected to increase the predictive power of the model and is considered a valid approach. Even Ajzen, the founder of the TPB model itself, stated that the TPB allows the inclusion of further variables if deemed fruitful (Ajzen I. , 2005). The next section will list those variables that are believed to be missing.

However, first of all one very important distinction needs to be made between genuine FT brands and companies that regard such actions merely as CSR campaign. Former companies proclaim fairness or sustainability as their main source of differentiation. An example for such a company would be Patagonia. The company’s mission statement clearly reflects their focus on sustainability: ”Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis” (Patagonia, 2015). This statement clearly demonstrates that FT ideals are deeply embedded in their way of doing business and is reflected in their products. Those are made out of recycled materials or fairly traded cotton, state how much pollution they have caused and 1% of the revenues are transferred into a fund that supports environmental campaigns (ibid). On the other hand, global companies such as Nike or Adidas have just recently presented ways of addressing such issues. In those cases, the newly introduced measures are often considered CSR campaigns and are not necessarily expected to reflect the company's basic beliefs (Alhouti, Johnson, & Holloway, 2016).

Consequently, the extended TPB model in this thesis is deemed more relevant for the case of "real" FTSA companies such as Patagonia. However, the model can also be used to explain the purchase behavior for apparel from companies with a strong branding that is not based on FT principles. However, in this case, the product attitude is most likely the main driver and not necessarily concerns regarding the integration of FT principles. Having said this, the missing variables to predict FTSA consumption will be discussed.

6.1 Additional Variables

Generally, the missing variables can be grouped into variables that simple elevate the understanding of the model and those, which are expected to enhance the predictive power. The former category includes variables such as "Information". Information can be understood as first-level external influence. For example: That information in form of awareness is indispensable to explain a behavior goes without saying. Nevertheless, it is included to remind the reader that information is an important source of building behavioral beliefs, a purchase motivation and also has an impact on the beliefs about certain product attributes. Consequently, it does not necessarily enhance the predictive capabilities of the model but it helps to understand how certain influences arise. Other variables such as "sports affinity" are believed to explain the consumption of FTSA to a certain degree. Therefore, such variables increase the predictive power of the model. Further, the variables can be grouped into four "Impact Categories", namely external influences, personal influences, predictors and intention-realization process mediators. The premise is that those four categories function in a "bottom-up stacking principle", where the external influences represent the basic conditions and from there the other three categories build up in a consecutive way.

External influences describe very broad external influences such as information. Personal influences are influences that are personally formed but had most likely been affected by external influences. The next level constitutes the "predictors". Those represent the direct predictors of the intention to purchase FTSA such as product attributes or the subjective norms. Those are believed to be logical descendants from the personal influences. Ultimately, variables such as product alternatives or the willingness to pay determine whether the developed intention will be transformed into actual behavior. Those are denoted the "intention-realization-process mediators" or short "mediators" as they are believed to mediate the process from intention to actual behavior. They determine the significance or size of the aforementioned intention-behavior gap.

The following table gives an overview over variables that have been identified as missing and will thus be implemented into the model. As can be seen, product alternatives are considered to be an external influence, yet at the same time they play an important role in mediating between intention a behavior. This specialty will be elaborated later on.

Figure 7: Table of added Variables to the extended TPB Model

Impact Level Added Value	**External Influences**	**Personal Influences**	**Predictors**	**Mediators**
Model Understanding	Information Product Alternatives	More extensive model of reference group influences	Separation of Attitude into "FT Attitude" and "Product Attitude"	Product Alternatives
Prediction		Demographics Purchase Motivation Sports Affection Values	Past Fair Trade Purchases Moral Norms	Willingness to Pay

In the following chapters, all relevant variables of the extended TPB model will be explained as well as their relevance.

6.1.1 External Influences

Starting with the external influences. There are two main external influences that are considered important. The first one is information, as those have a strong impact on beliefs and attitudes. The second one are product alternatives as many variables in the extended TPB behavior need to be considered relative to competitor products.

6.1.1.1 Information

Information are considered to be an important external influence as they are known to directly influence awareness of specific products and the FT movement in general. Further, information are an essential part in building behavioral beliefs or to develop an attitude. (Andorfer & Liebe, 2012).

Relevant information can originate from various sources such advertisements, independent media, friends or personal experience. Generally, it seems plausible that product-related information such as advertisements influence the product attitude, whereas information about the FT movement in general have an impact on the FT attitude. By nature, the given information can have both a positive or negative affect on behavioral beliefs and attitudes. For example, a reported scandal that is connected to the FT movement is likely to deteriorate the attitude towards the FT movement as well as the outcome-expectancy, meaning the belief that supporting the movement will cause the desired effects. On the contrary, a study claiming that the FT movement is accountable for a wide range of positive developments will presumably alter the beliefs and attitudes in a favorable way (ibid). Hence, it is important to include information in the model, as changing the nature of information may turn out to be the leverage in case of negative behavioral beliefs or attitudes.

6.1.1.2 Product Alternatives

The concept of product alternatives is believed to influence many stages of the decision process as many variables of the model can always be understood as relative to alternative options. For example, the outcome-expectancy of purchasing a product may always be higher or lower in comparison to alternative options. After all, other companies may have a more or less elaborate approach to integrate the FT principles. The same pertains to the willingness to pay (WTP). The WTP is usually considered a relative construct. It is likely to raise with less alternatives and vice versa (De Magistris & Gracia, 2016). The exact impact of the product alternatives and the willingness to pay will be outlined more thoroughly in the mediator part.

From the foundation of the mentioned external influences, the personal influences arise. Those represent the personal set of influences, which is then believed to determine the strength of the predictors.

6.2 Personal Influences

The main personal influences are considered to be demographics, behavioral beliefs, the purchase motivation, the individual's sports affection, values, reference group influences, normative beliefs and control beliefs.

6.2.1 Demographics

Technically, the demographics could have been denoted external influences as they are a first-tier influence. However, as they are dependent on each individual, they were subsumed under personal influences.

The consumer's demographics are believed to be important for two main reasons. Firstly, they are believed to directly influence the individual's values, which in turn influence the individual's moral norms. Secondly, they are expected to have a strong influence on the consumer's willingness to pay (WTP) for the products in question. They may also have an impact on other variables such as sports affection or the purchase motivation. However, those influences are neglected in this case for simplicity reasons. In the following section, it will be elucidated how the demographics affect the construct of the WTP.

Even though there is no unambiguous agreement among all researchers, many of them claim that the following demographic criteria are essential influences on whether a person is likely to buy a FT product: Age, gender, education and income. Even though, they may also have an impact on the values of the respective individual, this correlation is considered too complex and ambiguous to include into the model. Further, some studies state that the political orientation or even religious beliefs have a considerable impact on the likelihood of purchasing FT products, as well. Yet, in this case, there is not sufficient evidence to support those claims. Therefore, only the impact of age, gender, education and income on the WTP is examined.

Age

There seems to be a relative strong correlation between age and the likelihood of purchasing FT products as far as the results from a few studies are concerned. In those studies, the younger the respondent was, the higher his willingness to pay for FT products. One study also provided a quite exact estimate of this correlation by stating that every year adds 0,0187$ (1,87 cents) on the willingness to pay for FT products. The age range in this study was from 13 to 91 years with an average age of 35,5 years (Taylor & Boasson, 2014). However, there are also studies which claim that there is no such correlation (e.g. Dickson, 2001).

Gender

Unlike in the case of age, there seems to be a consensus that the gender has a major influence on the likelihood of buying FT products as well as on the willingness to pay for it. For instance, according to Littrell and Dickson (1999) two thirds of the consumers in the segment prioritizing a FT label over non-label clothing are female. Taylor and Boasson (2014) concurred with their study and added that women indicated a 72 cents ($) higher willingness to pay for FT products than men, ceteris paribus.

Education

Also when it comes to education, there are studies pointing in opposite directions. Whereas Carrigan and Attalla (2001) as well as Maignan and Ferrel (2001) found a positive correlation between education and ethical consumption, Doran (2009) did not find any prove to support that claim. Still, it seems that the majority of researches point in the direction that education does matter in the willingness to purchase FT products. Generally, the assumption is that the higher the education, the more a customer may reflect on the working conditions of the worker, and thus the higher the willingness to spend money on FT labels (Taylor & Boasson, 2014). However, it shall be stressed that there is also a correlation between education and income and thus, it can be difficult to attribute certain effects to either the higher education or the higher income-level, at least in some instances.

Income

Carrigan and Attalla (2001) as well as Maignan and Ferrel (2001) also found out that a higher income positively influences the likelihood to purchase FT products. However, as in the other cases, this claim is not supported throughout all studies. Taylor and Boasson (2014) could not support this finding in their research. However, they did not refute the point that potential customers are usually not considered people with a low income. Thus, it seems likely that only people with a certain minimum income opt to support the FT movement.

Conclusively, one can state that the above-mentioned demographics are likely to have an impact on FTSA consumption. Even though this conclusion may not be fully undisputed, the overwhelming part of studies seem to point in the following direction: The “typical” FT apparel consumer is or would be female, in her 20s or 30s, relatively well-educated and has at least an average budget at their disposal.

However, the presented findings were identified for the consumption of other FT categories. Therefore, it is still somewhat questionable to which extent those findings can be transferred. This would need to be tested in a suitable study.

6.2.2 Behavioral Beliefs

Another important factor in the context of the attitude are the behavioral beliefs. Those beliefs include the outcome expectancy which may play a vital role in explaining an attitude towards FTSA. An individual's evaluation of the likely outcomes of his or her actions may be a direct part of the attitude to perform the behavior of purchasing FTSA.

For example, it has been stated that there is a perceived lack of transparency or trust in various FT labels. More specifically, customers often criticize that it is not quite transparent what certain certificates effectively require from their partners. Consequently, for those people a FT label does not add much value to a product as they do not know what it stands for, if they are not willing to research on that (Beard, 2015). Those beliefs also effect the product attitude.

For some consumers, this attitude may be intensified by the feeling that a single action does not have any impact. More specifically, some potential consumers may refrain from buying FT due to their knowledge that their individual behavior is insignificant for the overall FT movement (Doran C. , 2009). Still others may follow another approach to buy "ethically". For instance, some people may prefer to purchase local products instead of imported ones or prefer products that focus on limiting the use of chemicals, reducing waste or improving the conditions for cattle (Pedregal & Ozcaglar-Toulouse, 2011; Taylor & Boasson, 2014). A further factor may be a feeling of impuissance, or in other words: some customers have the feeling that their individual behavior does not have any impact on a bigger scale. Therefore, it simply does not matter, whether they support the movement or not. Last but not least, there is also a group of people that simply does not believe in the FT movement itself or disagrees with the way some organizations attempt to tackle the problem (Doran, 2009; Pedregal & Ozcaglar-Toulouse, 2011).

Those are all examples of behavioral beliefs that would negatively influence the attitude towards the FT movement and to some extent the attitude towards the product. Of course, there are also many people who hold a more favorable attitude towards the FT movement. By the same token, those would positively influence the attitude. For example, a study by Littrell, Ma and Halepete (2004) disclosed that many FT consumers believe that they can actively help to alleviate poverty through the consumption of FT products. Such a belief would positively influence the FT attitude, given the case that this is a desirable outcome. In the end, there is presumably a combination of somewhat negative and positive behavioral beliefs that determine the overall “score” of the behavioral beliefs.

Measurement

Ajzen (1991) proposes to construct an index in which each belief is weighted by the subjective assessment of the expected outcome. The process of assigning weights is crucial as some expected outcomes are considered more influential on the behavior. The beliefs would be investigate through a set of question for every relevant influence.

6.2.3 Purchase Motivation

Certainly, there are different ways of examining purchase motivations. One approach which has gained popularity in marketing literature is to distinguish between utilitarian and hedonic purchase motives (Childers, Carr, Peck, & Carson, 2001; Kim H.-S., 2006).

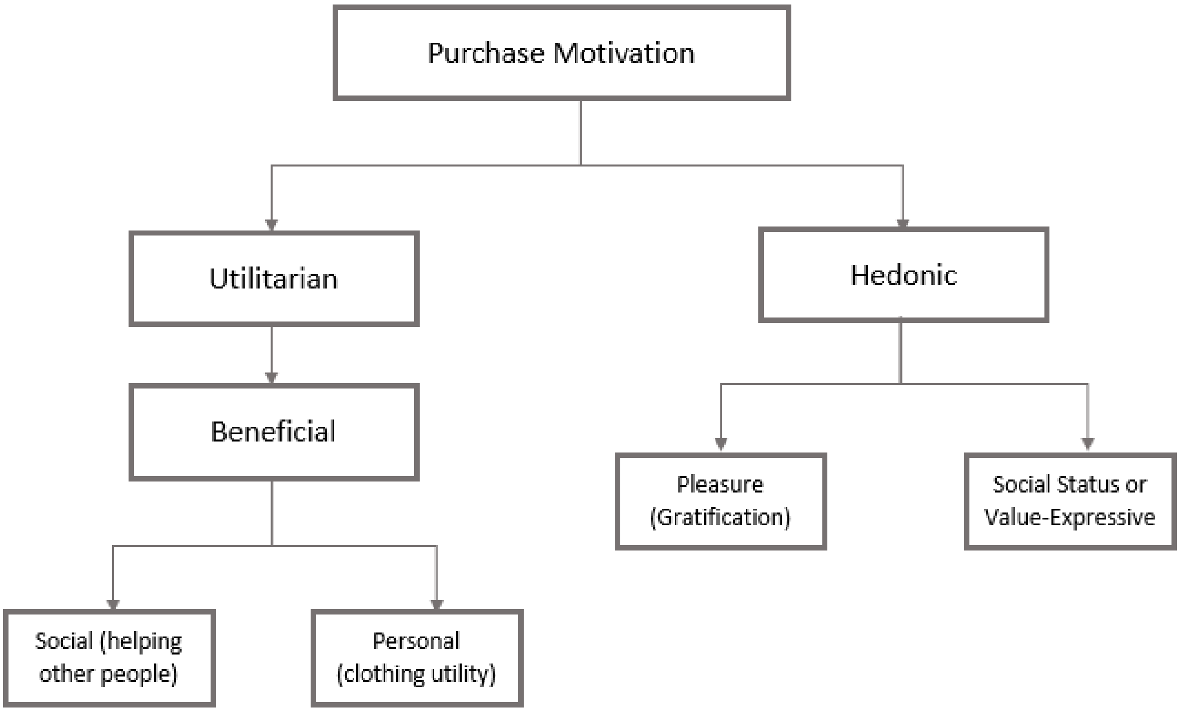
Originally, researchers have considered the act of purchasing items as a highly rational process that is predominantly driven by the need to acquire something specific (Forsythe, 1996). However, over the time many researchers deserted this view and recognized the hedonic component of purchase behavior and that people may seek pleasure through the act of purchasing and the bought items themselves. Through the corresponding research, aspects such as self-gratification, social status and expressed values have received more attention and are now considered important elements in explaining purchase behavior (Hoffman & Novak, 1996).

Though, in the context of FT consumption, utilitarian motives are still believed to be the main drivers of consumption. Individuals are viewed as problem solvers as they seek to address a social issue through consumption (Vermeir & Verbeke, 2006). This sort of motivation can be denoted as a negative purchase intention according to Percy and Rosenbaum-Elliott (2016). Yet, this only holds true if the interest in solving an underlying problem is genuine and not a construct of social influences. In this case, hedonic motives may play a role, namely gaining a certain social status or expressing one's values. Further, in the case of clothing, many consumers also put quite a lot of emphasis on fashionability, quality and functionality. This is also the reason why the attitude has been split up in attitude towards the FT movement on the one hand and the attitude towards a specific product on the other hand. The reason for that is that a strong attitude towards the FT movement is more likely to be driven by utilitarian motives. The product attitude, on the other hand, is also strongly influenced by hedonic motivations. After all, aspects such as fashion, style and quality play a role. Additionally, wearing such clothes would be the visual expression of supporting a "noble cause" and could therefore be subject to reference group influences as will be explained later.

This perception is based on various studies. Pedregal and Ozcaglar-Toulouse (2011) found out that aspects such as fashionable appeal and trendiness indeed play a role and that some customers even refrain from buying FT products, if the products to not suffice in this regard. This reasoning has been brought up several times. In many cases, it seems that quality and style are not the main criteria in FT apparel but, if one deploys Herzberg's two-factor theory, they can be denoted "hygiene factors" (Andorfer & Liebe, 2012). In contrast to motivator factors, they do not actively appeal to a customer but a certain minimum standard has to be fulfilled not to discourage a potential customer. Those are called hygiene factors (for two-factor theory cf. Ewen, Smith, & Hulin, 1966). Yet, in the case of main stream brands, the motivations may fully shift towards hedonic ones, as the branding is believed to be one of the main drivers of consumption in this case (Thompson & Coskuner-Balli, 2007). However, which aspects potential customers would eventually put most emphasis on depends on an individual case.

The main take away is certainly the following: even though many customers are driven by utilitarian motives to purchase FTSA, very many will refrain from buying the products, if they do not suffice in terms of quality, style and functionality. Therefore, both utilitarian and hedonic motivations should be taken into account. The illustration below depicts the different types of purchase motivations.

Figure 8: Utilitarian and Hedonic Purchase Motivations



Source: Own depiction based on Childers et al. (2001) and Hoffman & Novak (1996)

As can be seen, the main distinction is made between utilitarian and hedonic motivations. In this case, it is important to point out that utilitarian motivations can address the societal level or a personal level. If it addresses the societal level, it is usually about helping other people. However, it can also address the utility of the given product. The base of evaluation would be to which extent the product provides utility in terms of functionality. Hedonic motivations can be further divided into pleasure-driven motivations or motivations that stem from improving their social status or to express their values. The former would comprise the joy of purchasing and possessing new products whereas the latter is concerned with key words such as "trendiness" or "style".

A potential way of measuring by which motivation potential customers are driven is by asking that subliminally ask about their motivation to be "trendy" or their motivation to help people. Also in this case, it is important to assess those elements through several questions.

6.2.4 Sports Affection

An attitude can also be positively influenced through a favorable context or in case the attitude overlaps with the customers' general interests. In fact, Aaker and Akutsu (2009) claim that the willingness to donate positively corresponds to the degree to which a person can identify himself with the cause. If transferred to this case, this would mean, that people who exercise regularly and thus purchase sports apparel will also have a relatively high willingness to pay a price premium for sports-related causes as they are believed to share an affinity for sports. This effect is comparable to the “sponsor-asset-fit” described in chapter 4.3.2. Only in this case it is a about the fit of personality and social cause, so to speak. Yet, this would only hold, if the company chooses to support social causes connected to sports. Further, Hoyer and MacInnis (2010) found out that the level of physical activity of a person positively correlates with his or her willingness to pay for sports apparel. This study somewhat substantiates the inference of an existing correlation between physical activity and WTP for FTSA. However, no study could be found that clearly supports the hypothesis that personal sports activities positively correlates to willingness to pay for FTSA.

Presumably, the easiest way to measure a potential correlation between physical activity and the WTP for FTSA would be to ask about those two factors separately and then conduct a regression analysis to check whether a correlation can be found.

6.2.5 Values

Generally, values are considered to be of a more abstract nature than attitudes (Schwartz S. , 1992). They represent a basic belief about desirable behavior as well as the underlying goals of attitudinal and behavioral principles (Connor, 1979). Hence, they guide behavior, actions, judgements and a wide range of choices. They comprise cognitive as well as affective components and are considered the basis on which an evaluation of a behavior or event is made. As a result, values have been detected to form beliefs and attitudes (Ajzen & Fishbein, 1980). Hence, they are considered the antecedents of virtually all consumption decision explained by consumer behavior literature (Shaw, Grehan, Shiu, Hassan, & Thomson, 2005). Consequently, they shall not be neglected when pursuing to explain consumer behavior. In the given model, values are expected to directly influence the attitude towards the FT movement and the moral norms. This argument is in line with (Dickson & Littrell, 1996) who found out that consumers of “ethical food” show a pronounced interest in values such as human equality, world peace and environmental sustainability. Based on those values, the participants developed more specific concerns about the conditions for people in underdeveloped countries and eventually showed a higher interest in purchasing “ethical products”. As a result, they concluded that people with distinctive interest in topics such economic equality and global fairness were more likely to purchase FT products. A similar effect was identified when it comes to the correlation between values and moral norms. In fact, a correlation could be found between the support of global trading justice and the perceived moral obligation to donate for underprivileged people (van der Linden, 2011). Due to the similarity of the basic principle of FT and donations, this correlation can also be expected to be found in the case of FTSA consumption. Some authors even insinuate that there is a correlation between sports activity and conceptions about fairness. However, those claims were not sufficiently substantiated. Yet, it may be interesting to investigate whether conceptions about FT in sports do have an impact on the conception of fairness in other situations such as FTSA consumption.

However, regardless of what they are expected to influence, values are quite difficult to measure and assess due to their abstract nature. One potential tool of doing so is the Schwartz Value Survey (SVS). This tool is arguably the most frequently used tool to assess values. The survey itself consists of 56 value items that represent 10 individual values. Each of those values have proven to be significant (Schwartz, Fischer, Vauclair, & Fontaine, 2010). Hence, this measure may be a tool to identify and assess how values may influence the purchase behavior for FTSA.

6.2.6 Reference Group Influences

By definition, reference group influences could also be denoted external, since they are imposed from forces external to the individual. However, due to the fact that they "disembogue" on a personal level and the type and strength of the reference group influence is highly dependent on the individual person, they are subsumed under personal influences.

As already mentioned before, a more comprehensive model has been integrated to assess reference group influences, namely the model by Schiffman, Kanuk, and Hansen (2008). According to them, reference groups can be divided into four sets of subgroups based on the two variables "membership" and "attraction". Consumers can either be members or non-members of a particular reference group and this group either impose a positive or negative attraction.

A reference group is any person or group that serves as a point of comparison (or reference) for an individual in forming either general or specific values, attitudes or behavior" (Schiffman, Kanuk, & Hansen, 2008, p.330). Reference groups can be divided into four sets of subgroups based on the two variables "membership" and "attraction". Consumers can either be members or non-members of a particular reference group and this group either imposes a positive or negative attraction. Those two variables thus trigger four different potential outcomes which will be depicted in figure 9.

Figure 9: Reference Groups

		Attraction	
		Positive	**Negative**
Membership	**Member**	Contactual	Disclaimant
	Non-member	Aspirational	Avoidance

Source: Own depiction based on (Schiffman, Kanuk, & Hansen, 2008)

The avoidance group consists of a group the customer does not belong to and that evokes negative associations with him. In the context of FT products, this would mean that an individual actively pursues to disassociate himself either from people who buy suchlike products (in case the individual does not and does not like the people who do) or people who do not purchase such products (in case the individual does and holds an adverse attitude towards those, who do not). In both cases, the customer does not want to belong to the avoidance reference group. In contrast to the avoidance group, the aspirational reference group comprises a set of individuals a consumer would like to belong to (even though he does not) as he possesses positive feeling towards those individuals. Those can range from celebrities to people the customer actually interacts with and whom he admires for whatever reason.

The contactual reference group represents a group the customer voluntarily and actively belongs to. Typically, he shares a certain set of values and beliefs with this group, which is represented in his behavior. In the given context, this would be a consumer who actively decides to buy or not to buy FT apparel as he wants to be part of a certain group. Even though, the resulting attitude may seem similar to the one imposed by the avoidance group, those two stem from contradicting forces. Whereas in the case of the avoidance group influence, the customer seeks to behave a certain way to actively disengage from a certain group, the motivation emanating from the contactual reference group can be explained by the drive to belong to a certain group. Therefore, one could say that the imposed attraction from the avoidance group is negative and the one from the contactual of a positive nature.

Last but not least, the disclaimant group is one to which a customer admits belonging but has adverse feelings to. In other words, the individual performs a behavior even though he or she does hold a negative attitude to. For instance, a person may belong to the non-buyers of FT products even though he would opt to do otherwise under other circumstances. Potentially, his undesired behavior is a consequence of financial limitations (Schiffman, Kanuk, & Hansen, 2008).

Besides, the different reference groups can be distinguished by the degree of interpersonal contact. If the contact is frequent, it is considered a primary reference group and if the contact is rather infrequent, the reference group can be denoted secondary. In this context, it shall be mentioned that every single reference group can impose an equally strong influence on the customer in question and in many cases those influences can help explain a certain behavior which otherwise could hardly be described (Schiffman, Kanuk, & Hansen, 2008; Arnould, Price, & Zinkahn, 2004). Therefore, it is important to investigate whether and to which extent those influences play a vital role in the behavior of purchasing (or not purchasing) FTSA. In fact, some authors have already criticized that the factor of the subjective norm has not been sufficiently taken into account when it comes to purchasing FT, ethical or green products. For instance, a study conducted by Joshi and Rahman (2015) revealed that subjective norms turn out to be one of the main driver of "green consumption". This finding was substantiated by Smith and Paladino (2010) and Young et al. (2010). And even though those studies investigated the consumption of organic food, it seems worth investigating whether the same effects can be observed in the context of FT apparel consumption. After all, people who buy "green" are also more likely to buy FT as has been established previously.

6.2.7 Normative Beliefs

Normative beliefs describe the beliefs about the normative expectations of others and the motivation to comply with these. It is the individual's sensation of social pressure so to speak. Normative beliefs can emanate from all four reference groups described above. This variable is widely unchanged from Ajzen's conception about it, that has been outlined in the original model (cf. Ajzen I. , 1991). Some researchers have also argued to divide the concept of norms even further. In some cases, a differentiaiton between descriptive and prescriptive norms was made, where descriptive norms designate the behavior of relevant other individuals and prescriptive describes how those relevant people expect a person to behave (Smith & McSweeney, 2007). Even though this distinction is acknowledged to make sense, it is not to believed to significantly improve the proposed model in this case. In the end, the chosen model of reference groups already address those two terms implictly.

Measurement

The measurement of reference group influences and the normative beliefs may very well happen within the same construct as they are highly dependent on each other. This is not an easy task, though. To be more specific: One-dimensional approaches are most likely unable to catch the complex construct of normative beliefs, prescriptive norms and the corresponding reference groups. For example, by asking about the "perceived approval" by others, it becomes relatively likely that the importance of normative beliefs will be overstated. Therefore, the survey needs to address both the issue of prescriptive norms (what do other expect) and the normative beliefs (motivation to comply with these). Further, the source of influence, ought to be identified by asking multi-layerd questions about the relevant attraction (positive or negative) and the membership (member or non-member). If all of those isseues are suitably addressed, the researcher is likely to get a good understanding of how the social pressure arises and how strong it is. A similar approach was used to assess the same automatisms in the context of tobacco consumption (Adkison, et al., 2016).

6.2.8 Control Beliefs

As mentioned before, the control beleifs represent an individual's assessment of his or her ability to perform the behavior in question. They are beliefs about the presence of factors that may facilitate or impede performance of the behavior. They also comprise the perceived importance of these factors. In the case of FTSA consumption, four factors are believed to be relevant to an individual's control beliefs: budget, store availability, variety of the product assortment and all relevant information about FTSA. Those four factors have been identified to be relevant in a number of comparable studies (Andorfer & Liebe, 2012).

Measurement

A potential way of measuring control beliefs was suggested by Ajzen (2005). He proclaimes that control beliefs should be measured by a weighted-score matrix. In this, the scores are obtained by multiplying the measured belief strength about the salient control factors by the perceived power to influence the eventual purchase. This may be done by asking a range of questions concerning the control factors and control beliefs. In both cases, a multiple-point scale should be used. Ultimately, the belief strength is multiplied by the power of control and accumulated to a score that represents the perceived behavorial control.

6.3 Predictors

Even predictors may be denoted personal. In fact the relevance and strength of each predictor very much depend on the individual in question. However, they are simply phrased predictors as they directly influence the purchase behavior. The first predictior is adopted from the original TPB model. However, in this case the predictor "attitude" is divided into two different sets of attitudes, namely the attitude towards the FT movement in general and the attitude towards the specific product in question. This step is considered to add to both the understanding and the predictive capabilities of this model, as will be outlined throughout the next sections.

Broadly speaking, the attitude is the individual's positive or negative assessment of performing a specific behavior. Attitudes may be formed based on positive or negative personal experiences, influences by bystanders or outsiders or through a persuasive individual. In any case, attitudes are usually known to be relatively enduring. They can be defined as a "learned predisposition to proceed in favor of or opposed to a given object (Oskamp & Schultz, 2005). This definition pertains to both the general attitude towards the FT movement (FT attitude) as well as to the attitude towards the product (product attitude). However, they depend on quite different forces as will be elaborated in the following chapters.

6.3.1 Attitude towards the FT Movement

As mentioned before, the attitude towards the FT movement is expected to be composed of values, behavioral beliefs and utilitarian purchase motivations. The behavioral beliefs virtually comprise all beliefs about abut the FT movement and to which extent the personal behavior is considered to trigger a certain outcome in line with this movement. Directly linked to this are the utilitarian purchase motivations. Those describe the socio-beneficial utilitarian motivations to help underprivileged people. The individual's values influence the FT attitude on a more basic level.

Hence, the more favorable the evaluation of those three elements are, the stronger the attitude towards the FT movement and vice versa.

6.3.2 Product Attitude

As elaborated before, the product attitude is believed to be dependent on mostly hedonic purchase motivations and by the strength of the individual's sports affection. Further, it is dependent on factors attributed to the company, brand or product respectively. Those factors comprise attitude towards the company and the brand as well as to which extent the product attributes can satisfy the customer needs. Further, in case of a positive attitude towards the FT movement and a pronounced socio-beneficial utilitarian purchase motivation, it will also be important how well the product in question incorporates the FT principles. After all, if an individual is driven by the decision to support the FT movement, the purchased product will represent the medium through which his support can be accentuated. Consequently, aspects such as the transparency of the given FT label and the trust into the compliance of those measures become very important factors in such cases.

The second dimension of the product attitude concerns the hedonic motivation such as self-gratification, perceived gain in social status and being trendy. Even though "ethical customers" are believed to value aspects such as fair wages the workers' rights, it would be shortsighted to believe that they do not put any emphasis on factors such as quality, price and design. This is sometimes referred to as trade-off between altruistic and egoistic purchase motivations (Padel & Foster, 2005) and can be spotted over different FT categories, ranging from food to clothing (Jägel, Keeling, Reppel, & Gruber, 2012).

Lastly, the level of sportiness may play a role as it is believed to impose a positive influence on the WTP for FTSA. However, most likely a pronounced sportiness also increases the demand for quality and functionality of the given product. However, in this case, the focus does not lie on hedonic motivations such as social approval but rather on a genuine interest in quality and functionality as this is expected to be important for (recreational) athletes. After all, quality and functionality has been identified as one of the main sought-fair traits of sports apparel, increasing with the level of "professionalism" (Jägel, Keeling, Reppel, & Gruber, 2012; Fowler, 1999).

Therefore, the product should aim to fulfill the requirements regarding all three dimensions. In the end, the product attitude is expected to become more positive with positive evaluations of the three dimensions (FT principle incorporation, hedonic fulfillment, functionality and quality).

The resulting attitudes can then be measured again with a so-called "semantic differential scale", which means that statements about the attitude are answered by rating on a several-step-scale. Accordingly, the scores are measured and accumulated to the overall attitude score.

6.3.3 Past Fair Trade Purchases

The reason to include past FT purchases as additional predictor is that many researchers claim that there is a somewhat strong correlation between past purchases and future purchases, especially in the context of "social consumption" (Rosen & Sims, 2010). To be more specific, different researchers have argued that the frequency of a performed behavior can be used as an indicator of habit strength in the future (Ouellette, 1998). It can thus be understood as repeat behavior and this behavior is assumed to become automated under control of a certain stimulus.

Ajzen (2005), who invented the TPB model, on the other hand argues that past behavior cannot simply be considered as a predictor of future behavior as there is no direct causal link. However, he also acknowledges that the influence of habit has not sufficiently been taken into account in his original model. This very impact of habit was thus investigated by other researchers.
Van der Linden (2011), for instance, claims that past behavior is a strong predictor of future behavior in the context of charitable donations and pro-social behavior in general. Rosen & Sims (2010) also predicate that behavior is indeed linked to past behavior as they found a strong relation between pro-social behavior is adolescence and adulthood. Even researchers from the field of neurology present evidence for this relation. Allegedly, pro-social behavior activates the mesolimbic system and thereby releases dopamine. This physical reaction is comparable to the consumption of food or drugs as the body physiologically "rewards" the act of pro-social behavior, just in a mitigated form (Moll, Krueger, Pardini, & Oliveira-Souze, 2006).
Hence, the role of past behavior should not be neglected as it can be a powerful predictor for future actions (Albarracín, 2005). If all these arguments are accumulated, it seems reasonable to at least investigate this relationship, especially since the FT consumption can be declared a pro-social behavior. A further indicator that a link between general FT consumption and FTSA consumption can be assumed is a study conducted by Dickson (2001). His study revealed that

customers who bought FT clothing (jeans in this case) were also more likely to purchase FT products in other product categories. Therefore, not only past FTSA consumption but a past consumption of any FT products should increase the likelihood of acquiring FTSA.

Measurment

The measurement of past FT purchases is quite straight-forward. The easiest way would be to simply ask about it. Further measures would include asking people to document their consumption behavior (in order to reduce the risk of selective memory) or even to observe them.

6.3.4 Moral Norms

Van der Linden (2011) identified "moral norm" as a highly predictive determinant in explaining caritative giving. Due to the charitable nature of FT consumption, it seems fair to believe that the purchase of FT products is comparable to caritative giving, at least to some extent. Thus, the moral norm is expected to partially explain the behavior of buying FTSA.

Moral norms in this context are defined as an individual's internalized code of conduct (Parker, 1995). "Internalized" in this case means that some behaviors are just inherently considered right or wrong, regardless of which personal or social consequences they may entail (Manstead, 2000). The formation of moral norms can widely be explained by the values an individual incorporates. Perhaps, some customers may choose to buy FT products as they feel an inner obligation to support underprivileged people and see a way of doing so through FT consumption. However, the moral norms need to be strictly distinguished from the subjective norm. It is possible that a person's moral convictions do not concur with the expectations imposed by the social environment. Once they have gotten internalized, moral norms have the power to influence an individual's behavior isolated from any immediate social impact (ibid). Whereas the impact of social norms is widely undisputed, the measurement often cause discussions. Also whether it needs to be explicitly added to the TPB or whether it may already be sufficiently covered by the existing variables. Manstead (2000) for instance, argues that the construct of moral norms is already implicitly addressed by the attitude and thus, does not need to be explicitly added. Nevertheless, the variable "moral norm" was added to the extended model, as the author believes that this facilitates a more precise understanding of the relevant forces.

Measurement

The proposed way of measuring the term is by deploying direct measures. This could be done by providing a definition of moral norm and then by frankly asking about the perceived moral obligation to perform the behavior. Ideally, several questions would be asked to check for consistency. This approach would be in line with Ajzen's (2005) recommendations on measuring the strength of norms.

6.3.5 Subjective Norms

As elucidated before, the strength of the subjective norms depends on the type of reference group and the normative beliefs. These describe the individual's assessment of what others expect and the motivation to comply with those expectations. The question in this case is, how significant the resulting subjective norms are in the case of FTSA consumption.

A meta-study by Armitage and Conner (2001) revealed that subjective norms do not seem to constitute a strong predictor of FT consumption in many cases. However, they acknowledged that these results may have been impaired by the fact that many researchers have used single-item measures that do not fully comprehend the impact. Moreover, many studies concerned the consumption of food. In this case, subjective norms are less likely to have a strong influences as both the purchase as well as the consumption often represent private behaviors. Those are often more resistant to subjective norms (ibid).

Therefore, the subjective norms are expected to be a strong predictor in this case, at least for those mainly driven by hedonic purchase motivations. After all, people who seek "rewards" such as social recognition or being considered trendy, can only achieve this kind of gratification through their social peers. Consequently, for people driven by hedonic purchase motivations, the impact of subjective norms is expected to be stronger the more visible the behavior is and the more distinctive it is considered to be. However, this reasoning would most likely only hold for influences imposed by the contactual or aspirational group.

The same pertains to the following finding: Martin and Randal (2008) predicate that inividuals demonstrate a higher willingness to doante, if they know that others do it, as well. This effect may be transferable to the case of FT consumption as insinuated by Hudson, Hudson, and Fridell (2013). This phenomenon is sometimes referred to as „conditional giving" or „conditional cooperation". On the other hand, consumers driven by socio-beneficial utilitarian

motivites are believed to rather attach importance to facts and expert opinions as will be outlined in the strategy part later on.
Similar to the case of attitudes, the subjective norms are best captured by a semantic differential scale asking about normative belief strength and the source of reference group influence.

6.3.6 Perceived behavioral Control

As describe before, the PBC describes the individual's assessment of his or her ability to perform the behavior in question and therefore depends on the control beliefs. Those may be driven by aspects such as store availabiliy, the prodcut assortment or the informtion the individual in question has received.
Given the conducted survey, the lacking existence or awareness of FTSA companies is the first inhibiting factor to purchase FTSA. As elucidated before, only 5,2% of the respondents were aware of the existence of any FTSA company at all (cf. Appendix 6). Naturally, no customer can form a behavior intention for a product he or she does not even know about.
Further, many customers have reportedly claimed that it is very time-consuming as well as challenging to consciously purchase ethical/ FT textiles. One reason for that has been a limited store availability. The negative effect of a limited store availability on the purchase behavior of ethical products was already identified by Sparks and Shepherd in 1992. This effect has been diminishing in impact, though, as the availability of FT products has risen significantly over the last few years (Darian, Tucci, Newman, & Naylor, 2015). Yet, it seems fair to assume that the level of store availability will have an impact of FTSA consumption. A very selective distribution of FT brands may constitute a strong inhibitor and thus pose a real threat to the success of a FT sports label. If the effort of acquiring FTSA becomes excessively high, many customers may refrain from buying the products. This especially holds true for companies that may not have the capabilities and resources to offer their FTSA products ubiquitously.

Moreover, a study found that some customers struggle to transfer their behavior into real-life action due to a lack of "positive" information. Generally, many customers are under the impression that the topic of FT is sufficiently dealt with in the media. They can also identify brands that evidently failed at complying with FT standards, e.g. through the media coverage of scandals. However, they often feel a lack of knowledge about what brands do live up to FT standards. Hence, some customers miss an affirmative media coverage to be assured of what brands they can buy to support the FT movement (Nicholls & Opal, 2005; Shaw, Hogg, Wilson, Shiu, & Hassan, 2006). Therefore, an overwhelming amount of information and a lack of readily available information can also constitute a perceived barrier of selecting a product that can satisfy the personal's expectations. After all, not all people possess the same ability to gather the wished-for information to base their decisions upon. Hence, potential customers should be addressed with easy-to-digest and comprehensible information. This will be addressed more thoroughly in the strategy part.

The same pertains to the higher prices. They can represent a lack of perceived behavioral control, if the individual is under the impression that he cannot afford the price premium. Interestingly, though, Littrell and Halepete (2004) found out that roughly 30% of (potential) FT customers were under this very impression even in categories where no significant price difference between FT and non-FT products could be found. Therefore, in the context of FTSA, the price increase is not expected to be a real inhibitor but rather a perceived one (in case the price increase is only marginal). Thus, if a marginally higher price is denoted as inhibiting factor, it can be assumed that the higher price is not the real reason for refraining from choosing FT products but rather an "insufficient" attitude (De Pelsmacker, Driesen, & Rayp, 2005; Redfern & Snedker, 2002). The above-mentioned inhibitors to a high PBC (price, store distance/product availability, lack of information) were also confirmed in a study conducted by (Shaw, Hogg, Wilson, Shiu, & Hassan, 2006).

Measurement

Usually, the PBC is also measured through a range of direct measures such as asking the respondents questions such as: " The decision to purchase FTSA within the next month is entirely up to me". Subsequently, the respondents would be asked to agree or disagree to this statement on a several-step-scale (cf. Ajzen I. , 2005).

Eventually, the six elucidated main predictors, in concert, determine the strength of the behavioral intention. In theoretical studies, the behavioral intention is used as a proxy to estimate the eventual purchase behavior as the behavior itself is usually not measured (Ajzen I. , 2005). Often it is measured by asking the respondents to scale the probability to carry out the behavior (ibid). Whether this behavioral intention will then translate into action also depends on the mediators. Those will be elucidated below.

6.4 Mediators

One mediator that is expected to have a strong influence on whether the behavioral intention will translate into real behavior is the willingness to pay (WTP). Given the basic definition of willingness to pay, the behavior will only occur if the WTP matches the demanded price for the product in question. Further, the WTP is also influenced by the given product alternatives as will be pointed out later. Consequently, the price should be set carefully, also because a significant price difference in comparison to non-FT products has been identified as potential inhibitor of FT consumption. Therefore, respective price strategies will be discussed later on. Before that, ways of exploring the WTP will be presented as well as the potential influence of product alternatives.

6.4.1 Willingness to pay

First and foremost, the most important finding may be that previous studies have already detected a quite high willingness to pay for FT products. One study even researched on the willingness to pay for ethical clothing (it was referred to as “No Sweat” label clothing). According to this study, 16% of the respondents could be categorized as (active) supporters, meaning that they will put fair working conditions as most crucial factor in choosing their apparel and thus are willing to pay substantially more for this factor to be fulfilled. Further, 68,1% of the participants would prefer the “No sweat” labelled clothing over regular clothing, if the price difference is only marginal (Dickson M. A., 2001). Those numbers roughly match the numbers from the Kenco case (cf. chapter 4.4). Moreover, there is a decent chance that those numbers have risen as the study was conducted in the year 2000 and global awareness of FT / ethical trading has been increasing ever since. The opportunities to measure the WTP can be distinguished between attempts to measure the hypothetical willingness to pay (HWTP) and the actual willingness to pay (ATP).

Results for the HWTP are inferred from a hypothetical setting and not measured by real-life purchases. Measures would include questions about how much individuals would be willing to pay in a hypothetical context. Consequently, those measures may deviate from the ATP as the ATP, in contrast, is measured through observations or consumption statistics. By implication, those values represent the true WTP then as they are measured in retrospect (Hofstetter & Miller, 2009). This means that the AWTP is a more reliable measure. However, in theoretical settings such as this model, researchers are often deprived of real word data and thus need to work with the HWTP (ibid).

The main finding of this section is that many people are expected to pay at least a marginal price premium for FTSA, if it is communicated appropriately. This inference is in line with the findings of the conducted questionnaire. In this, 93,3% of the 194 respondents stated that they would be willing to pay a price premium, if the brand focused on their preferred element. Those elements comprised fair wages, ecological factors and a foundation supporting charitable causes (cf. Appendix 10). Even though this number may not be fully representative for a number of reasons, it may provide a rough hint about the general WTP for FTSA products.

6.4.2 Product Alternatives

A further mediator are product alternatives. This seems to be a logical inference as many of the presented variables are relative constructs. An attitude towards a product may be positive but this alone will most likely not induce a purchase, if the individual holds a stronger attitude towards a competitor product. Further, even if the detected willingness to pay matches the retail price, an individual may opt for another product that he perceives to have a better price-quality ratio. The same pertains to the impact of reference groups and their evaluation of the product compared to competitor products or substitutes.

In conclusion, one can state that the behavioral intention will rather lead to actual behavior for a given product or brand, if product alternatives are scarce. This especially holds true, if the attitude towards FT, the subjective norm and the moral obligation to purchase FT products are positive or strong respectively. Finally, the customer will then seek to perform the behavior with only a few options of doing so. This is presumably one of the reasons why Patagonia is so successful. After all, they do not seem to have significant competitors at the moment. By the same token, many product alternatives would decrease the likelihood of the consumption for a specific brand or product. This impact of product alternatives was also insinuated by Uusitalo and Oksanen (2004).

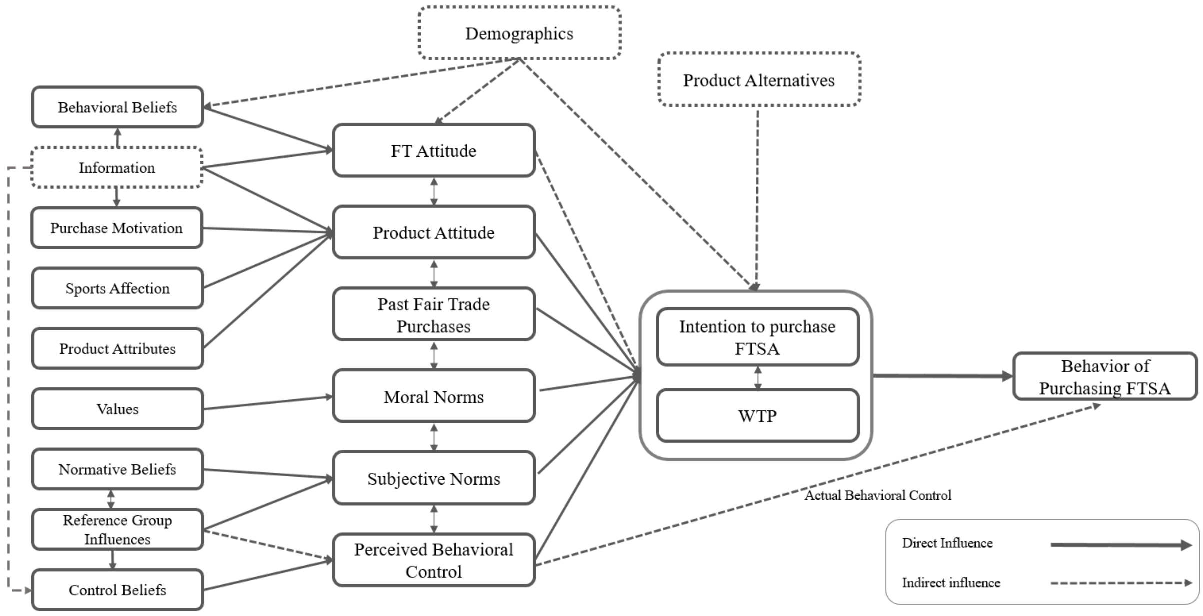
After having outlined all relevant variables, they will now be grouped together and illustrated in the extended TPB model to explain FTSA consumption. By means of the illustration, the interactions among the variables will be explained and through this the previous chapter briefly summarized.

6.5 The extended Theory of Planned Behavior Model to predict FTSA Consumption

As can be seen in figure 10, all mentioned variables were integrated. External Influences were circled by a dotted line, the remaining ones with regular lines. The same reasoning pertains to the arrows. An indirect influence is marked by a dotted line, whereas a direct influence is illustrated by a regular, closed line.

On the very left, the personal influences are illustrated. The only exception is constituted by the variable “information”, which is, as has been expounded, an external influence. This is also the reason, why it is circled by a dotted line. As indicated by the arrows, information have a direct influence on the behavioral beliefs as well as the purchase motivation, which can be hedonic or utilitarian. Information such as advertisement are expected to rather influence the conception about the products and their attributes, which would mostly address hedonic motivations. On the other hand, “independent” information such as newspaper articles will probably contribute to form a general attitude towards the FT movement, which mostly represents socio-beneficial utilitarian motives. Those connections are represented by the arrows connecting information with product attitude and FT attitude.

Figure 10: Extended TPB Model to predict FTSA Consumption



Source: Own depiction after Ajzen (1991)

Further, information have an indirect influence on the control beliefs, which in turn determine the perceived behavioral control. This connection arises from the fact that a lack of information can cause a limited feeling of control, as has been explained. Moreover, also reference groups can act as source of information and thus pose an influence on the control belief. The remaining personal influences pose direct, linear influences on the predictors. Those are also represented by arrows. The only preculiarity is the interaction between reference group influences and normative beliefs. As elucidated, those two influences are considered highly intertwinded and thus interdependent. The remaining personal influences are not expected to be strongly linked. Hence, there is no arrow connecting them.

Each of the predictors, on the other hand, is expected to influence every single other predictor, as all of them are believed to be defined by strong interactions among each other. The underlying reasoning for that can be derived from the theoretical part. Yet, two connections may not make seem to make sense straight away. The first of them is the connection between social and moral norms. It has been elaborated that moral norms shall be understood as independent entity, at least in the final stage. This reasoning still holds true. Nevertheless, Manstead (2000) emphasizes that even though moral norms are virtually autonomous in the end stage, they are indeed influenced by social norms in the emergence phase. Hence the connection between those two terms. The second slightly counterintuitive connection can be found between the perceived behavioral control and the subjective norms. The reason for that connection is two-fold. The first one is that reference groups can function as source of information. Secondly, reference groups may urge an individual to exert more efforts to acquire the product and thereby overcome perceived inhibitors.

The predictors, in aggregation, then lead to the formation of the intention to purchase FTSA. As represented in the model, this intention is expected to be strongly influenced by the individual's WTP. As explained thoroughly, the intention is only expected to become actual behavior, if the demanded price for the product does not exceed the individual's WTP. The WTP, in turn, is indirectly influenced by the given product alternatives, as the WTP is always somewhat relative to the existing alternative choices. Further, certain demographics increase the expected WTP as desscribed in chapter 6.4. Moreover, certain demographics also increase the likelihood of a positive attitude towards the FT movement.

Eventually, if the predictors are favorable and thus lead to the intention to purchase FTSA, the intention is expected to convert into actual behavior if three conditions are fullfilled:

1. The product price does not exceed the individual's WTP
2. There is no "better" product alternative immediately available to the individual
3. His actual behavioral control allows him to exert the purchase.

Conclusively, any party interested in inducing individuals to perform a FTSA purchase should make sure, that all relevant variables along the way influence the behavior favorably. If that is the case, the individual is expected to become a consumer. However, as can be seen in the model, there is a strong interaction among the different elements. Thus, it is sometimes quite difficult to clearly identify which determinant is addressed by a given situation. Nevertheless, the extended model is expected to enable a detailed discussion of the purchase intention and behavior in the context of FTSA consumption.

6.6 Implications of the extended TPB Model

The extended TPB model is believed to provide a good understanding of how the (potential) decision to purchase FTSA can be explained and even predicted. However, in order to benefit from the model as much as possible, it needs to be utilized correctly. The intended way to deploy the model is to use it as a template so to speak.

For instance, if a company such as Patagonia were dissatisfied with their sales and wanted to know how to facilitate revenues, they could conduct an extensive study based on this model. As a result, they would probably identify which predictors (and their influences) explain the customers' behavior most reliably. Ideally, also the "weak spots" would be spotted. Those could comprise insufficient information about the FT movement in general or the products, unsatisfactory product attributes or a limited PBC. Based on those findings, strategies could be derived to eliminate the weak spots or to leverage any other factor. If the research was crafted comprehensively and target-aimed, even rather subconscious predictors such as the moral or subjective norms may be identified as "improvable".

It shall be mentioned again that this model is believed to be more predictive for brands which have integrated FT principles in their underlying conviction of doing business rather than brands which use FT principles as a mere CSR measure. However, one could argue that the developed model could be used for all FT products and not just FTSA. This reasoning certainly holds true to a certain point. However, newly integrated variables such as sports affection or the distinction between FT and product attribute were integrated for the specific case of FTSA consumption. Nevertheless, this model could also be used for other FT products, if the interpretation was adapted accordingly.

In any kind of usage, suitable strategies could be derived from the gathered findings that aim to leverage the effect of the given predictor. In order to illustrate how those strategies can be derived, it seems useful to illustrate the developed model in a mathematical equation.

Figure 11: Extended TPB Model as Equation

$$Y = \beta 0 + \beta FTA + \beta PA + \beta PFTP + \beta MN + \beta SN + \beta PBC + \varepsilon$$

Y = Intention to purchase FTSA	0 = Pre-existing Intention
FTA = Fair Trade Attitude	PA = Product Attitude
PFTP = Past Fair Trade Purchases	MN = Moral Norms
SN = Subjective Norms	PBC = Perceived Behavioral Control
ε = Error Term	β= strength of predictor

As elaborated before, all six predictors of the TPB model may have a crucial impact on the likelihood of potential customers purchasing FT products. This is also represented in the equation. Since the intention of any FTSA company would be to increase the intention to purchase their FTSA products (y), the derived strategy should aim at increasing one of the predictors. To a certain extent, the same pertains to the mediators. However, they were ignored in this case to keep the formula simple.

In any case, this means that following any of the strategies described below should increase the likelihood of FTSA consumption.

1. Strengthen general attitude towards the FT movement
2. Strengthen the product attitude
3. Induce repetitive purchase
4. Leverage moral norms
5. Leverage subjective norms
6. Increase control beliefs

Further, the mediator's impact should be taken into account. Hence, the company should investigate two further aspects:

7. Check whether the WTP matches the company's pricing and adapt if necessary
8. Benchmark against competition and adapt products if necessary

To start off, the next section will focus on how to strengthen the behavioral attitude towards purchasing FT apparel.

6.6.1 Strengthen FT Attitude

First of all, it shall be mentioned that changing the overall attitude towards the FT movement is somewhat outside the company's scope. Therefore, it would make more sense to break it down to the product level, meaning to focus on how the principles of fairness can be achieved through the purchase of the product in question.

Moreover, in case it turns out that many respondents hold a (relatively) negative attitude towards the FT movement in general, it may be prudent to disassociate the new clothing line from the term "fair trade" by giving it an independent name such as "fair play" or even a name that does not relate to "fair trade" in any way. The same would pertain to the opposite finding. If the attitude towards FT products is predominantly positive, it may be rewarding to associate the new line with the existing term. In any of those cases, strategies can be formed to positively influence the attitude.

As elucidated before, the attitude towards FT in general is expected to be mainly driven by utilitarian purchase motivations. Therefore, the resulting question is how this insight can be used to strengthen the behavioral attitude? Katz (1960) predicates that an attitude can be fortified or changed when the communications message and motivational function of the recipient match. Therefore, the inherent question is what kind of message fits the utilitarian (negative) purchase motivation that was identified to be dominant in the case of FT attitude?

One approach is to distinguish the messages between "transformational" and "informational" advertising messages (Percy & Rosenbaum-Elliott, 2016). Transformational advertising is most effective for a positive purchase motivation such as sensory gratification or social approval. Informational advertising addresses negative motives such as problem solution, problem avoidance or incomplete satisfaction.

Given the fact that FT consumers are considered to be problem-solvers and hence to be negatively motivated, an informational marketing communication would be best suited. This inference is in line with Percy and Rosenbaum-Elliott (2016), who claim that social marketing communication, by its very nature, requires a high-involvement informational strategy. Social marketing is defined as an “approach used to develop activities aimed at changing or maintaining people’s behavior for the benefit of individuals and society as a whole” (The NSMC, 2016). Thus, a company should “consider consumers' wants, the company's requirements, and society's long-term interests.” (Lazer, 1969). Following those definitions, FTSA communcation can be subsumed under the term “social marketing”. But why does social marketing require a high-involvement informational strategy?

The reason for that is that positive emotions alone are not eligible to override cognitively processed considerations. This means, that a transformational advertising strategy would be ineffective, if the recipient was under the impression that something in the message did not add up. Or in other words, if the recipient has conscious doubts about the message, positive emotions are not sufficient to persuade the recipient. This reasoning makes sense in view of the fact that a lack of trust and transparency are denoted to be major inhibitors.

Consequently, a high-involvement informational strategy is the most appropriate communication strategy to address the need for information and reassurance of the social component of FT. However, it shall be emphasized that an informational strategy is believed to be best suited one to improve the overall belief towards the social approach of the company, not necessarily to market their products. In fact, a transformational advertising strategy may be more promising to communicate the product attitudes as will be explained later on.

Using an informational Strategy

In the case of dominant social-utilitarian motives, information about the company’s social approach would be even more important than actual functional benefits. The reason for that is that people who consciously buy FT products seek to solve the problem of trade injustice, poverty or the like by supporting the local producers financially through FT products (cf. ibid). Hence, a marketer may be able to influence social-utilitarian purchase motivations by using facts and statistics. Vague and irrelevant campaigns, on the other hand, are likely to be ineffective (Katz, 1960; Johar & Sirgy, 1991). However, deploying an informational strategy does not mean that no emotions are used. Further, the problem to be solved or avoided can also be implicit and does not have to be portrayed in an utterly obvious manner. By showing happy children and conveying positive emotions, the advertising strategy can still be informational.

The problem is simply portrayed in a more subtle way, yet it is conveyed. In case of a sports foundation, the implicit problem are the insufficient means to afford sports facilities or sports equipment. The problem solution would be represented by the funding through the revenue-bound donations. In the context of a high involvement-informational strategy, the message has to be accepted as true - otherwise it will be counterproductive. However, it is not even necessary to reveal the whole truth but only as much of it as necessary (Percy & Rosenbaum-Elliott, 2016).

Yet, the nature of the motivation is not the only decisive factor influencing the marketing strategy. Another important determinant is the level of involvement. Percy and Rosenbaum-Elliott (2016) define the level of involvement as reflection of risk. The higher the perceived risk for the customer, the higher his level of involvement. Hence, buying a soda is usually linked to less involvement than buying a car. Therefore, if the level of involvement for purchasing sports apparel depended on the price, it would most likely constitute a low-involvement or moderately high-involvement product. However, the risk does not necessarily have to be of financial nature. It could also be bound to psychological factors. Since it is assumed that potential FT sports clothing customers would act based on either conviction or knowledge, the level of involvement is supposedly higher than in a regular sports clothing purchase. Consequently, it can be assumed that a FTSA purchase would constitute a rather high involvement purchase.

Implementation

The most appropriate strategy to implement a high-involvement informational strategy may be a refutational strategy. Such a refutational strategy comes with its peculiarities. Usually, it relies on anxiety as the main driver. However, anxiety in this case is a double-edged sword so to speak. On the one hand, it increases the likelihood of an attitude change, which is necessary. On the other hand, it can facilitate an avoidance response and foster counter-arguing. Therefore, the communication should include the right level of anxiety to increase the likelihood of considering a behavioral change but not too much to elicit an avoidance response.
One potential way of achieving this is a “yes…but” technique (Percy & Rosenbaum-Elliott, 2016). This technique acknowledges the recipients’ objection (to avoid immediate counter-arguing) but then offers a striking argument against it.

To summarize, one can state that for a successful refutational campaign, an appropriate level of fear needs to be aroused but at the same time, the message must also effectively diminish the

fear or anxiety. Hence, the aversive stimulus needs to be linked to the undesirable behavior and subsequently it should be illustrated how the desired behavior can avoid the negative stimulus (Percy & Rosenbaum-Elliott, 2016).
However, the creative execution of the above-mentioned findings will not be addressed within the context of this thesis to stay within the scope. However, the way a message is processed by a highly involved target group will be illustrated in the next chapter by means of the Elaboration-Likelihood-Model (ELM).

Elaboration Likelihood Model

The Elaboration Likelihood Model (ELM) is based on the conception that there are two different routes through which persuasion can occur, namely the central and peripheral route. Processing through the central route implies that the audience invests cognitive effort to process the message. Or in other words, the recipients will make an effort to understand the message and reflect on the quality of it. Hence, the arguments within the chosen message which passes through the central route should be coherent and persuasive. For the central route, a functional congruity is highly important. This term denotes the fit between the presented information and what the customer is seeking for. In other words, it is important to highlight the most important information instead of naming as many as possible. The suggested strategy is quality over quantity so to speak (Johar & Sirgy, 1991). As described above, it is expected that customers will rather be highly involved and will therefore process the information through the central route. Attitudes formed through the central route are usually more resistant to change as the attitude formation requires an active reasoning (Percy & Rosenbaum-Elliott, 2016).

Since the target group of a potential FTSA line is expected to be relatively high involved, their doubts regarding the outcome-expectancy of purchasing FTSA may be successfully overcome. The prerequisite would be a compelling social marketing campaign that delivers sufficient reassurance and a compelling reason to purchase the advertised apparel.

Further, identified inhibitors such as the aforementioned impuissance may be eliminated through a striking and target-aimed communication. As expounded earlier, impuissance is the feeling that an individual's behavior does not have any impact on a bigger scale. Even though this argumentation technically holds true, it may be promising to make their contribution more tangible so that they receive a feeling of empowerment. For instance, by communicating that a very small contribution of a few euros is already enough to buy a football which is then given to poor children in an underdeveloped region, their contribution will become more tangible and relatable to their everyday life. Suddenly, their contribution seems to have a perceptible impact. According to a common sales technique, this reasoning alters their way of looking at their contribution and diminish the feeling of impuissance (cf. Mazzei, Shook, & Ketchen, 2009).

Lastly, the company's approach of fulfilling the FT principles would need to be trustworthy, transparent and relatively easy to grasp and follow for the customer. Only then, the trust in their measures could be sustained over a longer period of time. Perhaps, a label could be developed that also visually certifies the compliance with certain standards. Ideally, the exact standards would be communicated on an easily accessible source for everyone, who would be interested in assessing those.

6.6.2 Strengthen Product Attitude

In order to change the attitude towards the product, the communications strategy should become more transformational. Transformational advertising aims at transforming the brand experience into a more enjoyable, emotional or more exciting one. The ulterior idea is that this transformation of brand experience will eventually affect the attitude in a favorable way. However, even when choosing a transformational strategy, one should distinguish whether the customers rather focus on the product attributes or how the product incorporates the FT principles.

Secondly, the clothing should not lose focus on being fashionable. As explained before, many customers will not choose FT over fashion. Rather, they are willing to pay a small price premium only if the line fulfills their expectations in terms of fashionability. If the hedonic motivations are prevailing, product attributes, fashionability or social reward should be articulated. In case the compliance with FT principles are considered most important, the communication should focus on goal attainment. This can also be done through a transformational strategy.

One approach of emphasizing the goal attainment is to enrich the brand experience with feelings to create a vicarious feeling or a feeling of empathy. In the context of FTSA, this would mean to make the customer imagine being in the situation of any of the underprivileged people along the supply chain. A second approach constitutes a strong emotional connection between the actors in a commercial and the viewer without generating a vicarious scenario (Aaker &

Stayman, 1992). Additionally, a potential plot that shows children playing ball and simply being happy would fit a transformational creative strategy. However, when pursuing a transformative strategy, it should be considered that it usually requires repetitive exposure to the recipients, more than with an informational strategy and that it may be less efficient for social marketing.

In the end, the selection of a communication strategy would depend on which attitude the company would seek to strengthen the most. Perhaps a combination of both would make sense, if the company intended to stimulate both attitudes and intended to create a clear connection between their products and the movement in general.

6.6.3 Induce repetitive Purchase

As described before, many authors have indicated a correlation between past and future behavior in the context of pro-social behavior. This may happen to a degree that repeat behavior becomes automated under control of a certain stimulus. Hence, the ultimate state to be reached is a brand loyal customer who purchases the product over and over again without further questioning his decision. There are different sales techniques to foster repeat purchases which range from using “social proof”, using personalized onsite marketing for existing customers or offering a sweeping loyalty program. Further, strategies may be based on the principles of operant conditioning (Rogers, 2001). However, potential sales techniques to foster repeat purchases will not be discussed in detail as this is considered to be out of the scope of this thesis.

6.6.4 Leverage moral Norms

Even though the use of ethical claims and recommendations are often denoted to be questionable due to their manipulative nature, they can constitute a powerful tool to persuade a potential customer. By insinuating that nothing less than purchasing FT products is expected from a person with high moral standards, the strength of a campaign can be amplified severely. However, such claims would need to be subtle and presented in an unobtrusive way – otherwise it may cause the opposite effect, namely repulsion. Therefore, this option should be investigated diligently in case the research indicates that the moral norm plays an important role in explaining the purchase behavior in the context of FTSA (Phillips, 1997).

6.6.5 Leverage subjective norms

In order to favorably influence the subjective norms, one needs to know what kind of reference group influence is prevailing. However, the potential strength of the reference group influence depends on further criteria. Firstly, it depends on the fact whether people are “other-directed” or “inner-directed”. The latter pay only little attention to other peoples’ attitudes and opinions whereas the former put a lot of weight on what others expect from them. Secondly, it may play a role whether the behavior is socially visible and whether it involves other people directly or indirectly. For example, private behavior is most likely to be less impacted by social norms as there is no direct interaction with other people. Highly visible, public acts, on the other hand, may be severely influenced by social norms (Percy & Rosenbaum-Elliott, 2016). Thirdly, it may also play an important role how easily assessable the quality of the product is. The more complex the product is and the more information is needed to assess the products’ quality, the stronger reference influences tend to be. In this case, credence attributes are high and people rely on other people’s opinion. However, in the context of FTSA, search and experience attributes are believed to be the dominant forces as almost all relevant criteria could ideally be researched or experienced through trial (for theory on search, experience and credence attributes cf. (Srinivasan & Till, 2002).

Yet, the reference group influence is expected to have a strong impact if the behavior is visible, if it is distinctive and if it is relevant to the group. However, those tendencies are believed to be weaker for people mainly driven by utilitarian motives. On the contrary, people driven by hedonic motivations are likely to be more responsive to group influences as they seek to express themselves and therefore depend on external recognition. Therefore, if the individual is seeking to satisfy hedonic motives and is strongly influenced by an aspirational group, he would probably react positively to the use of a fitting testimonial. In case the contactual reference group is identified as main driver, the company should try to market the product from inside a community. Perhaps, they can place their products successfully in a sports community or any of the like. If the avoidance group is identified as main source of influence, the marketing strategy could comprise subliminal messages that one can disassociate from the avoidance group through the consumption of the products. Similarly, the disclaimant group influences can be used in a marketing message that relies on a message focusing on how an individual can “break out” of the group he reluctantly is a part of (Percy & Rosenbaum-Elliott, 2016).

Further, people who intend to express themselves through the consumption of FTSA and thereby seek social recognition, are likely to react positively to a small but visible label on the products. Ultimately, such a label would set the clothing visually apart and could serve as source of self-expression. Therefore, the company should consider placing a visible label on their FTSA, if it turns out that their customers seek social recognition through FT consumption.

6.6.6 Increase perceived behavioral Control

The last strategy to foster FT consumption concerns the perceived behavioral control. The behavioral control belief is expected to correlate strongly with the existence of factors that inhibit a potential purchase. Those can be factors such as distribution, fit of the clothing and pricing. If suchlike inhibitors are diminished, the individual is also likely to have a strong perceived behavioral control over the behavior to purchase FT apparel.

In order to give a potential customer the feeling that he is in control of purchasing FTSA, the products should be easily accessible so that only little effort is required to purchase the products. Further, enough information should be provided to make a profound decision about a conscious purchase. Moreover, the information should be held as simple as possible to make it understandable for everyone. If those requirements are fulfilled, people are believed to be sufficiently high involved to seek and evaluate those information and subsequently build their brand attitude based on that. Generally, the level of involvement influences a variety of aspects such as the length of the decision-making process, formation of beliefs, attitudes and intentions, as well as brand-switching behavior, brand loyalty and frequency of product usage (Beharrell, 1997). Generally, the perceived behavioral control is not expected to be a strong predictor as the act of purchasing FT apparel is considered rather simple – if potential external inhibitors such as an insufficient distribution, a lack of information or an excessively high price are avoided.

6.7 Pricing Strategy

One of the last steps in the overall strategy would be to settle for a pricing strategy. This, of course, should take the customers' willingness to pay into account as well as the competitive landscape, meaning how expensive the products are in comparison to the relevant competition. Therefore, the WTP needs to be investigated and the competition benchmarked. However, in this thesis only the impact of the WTP will be discussed as the relevant competition would always depend on the given case. In the case of a newly formed company, the pricing would simply depend on the given cost as well as the desired return. However, if an existing company was to decide that they want to focus on a fairer business conduct, this would most likely lead to higher costs. How the additional cost could be divided between the customers and the company will be depicted below.

Once, the WTP is explored through research, the actual price premium has to be set. Of course, the company could also refrain from charging the customers a price premium and bear all of the cost themselves. This could be a promising strategy, especially to penetrate the market in the beginning. Once the brand would be strong enough, it may even constitute a source of a competitive advantage. Perhaps, the fact that one jersey is FT and the other is not, would ceteris paribus (concerning quality, design and price) make the difference between purchase and non-purchase. If this turns out to be the case, it may be the best strategy to bear the entire cost of a FT label as a company. However, it is quite likely that a company would be willing to charge a price premium to redistribute the additional costs, at least in the long run.

However, it may not be as simple as putting the price premium as high as the detected WTP. For one, the measured WTP may not necessarily match the real-word WTP, especially if only the hypothetical willingness to pay (HWTP) is measured. A possible deviation is nothing out of the ordinary and generally inherent in basically all kinds of research. Therefore, it is often advisable to leave some margin for error. Even if the detected numbers corresponded perfectly to the real WTP, it may make sense to put a lot of thought into the pricing. In general, there are six different approaches for handling the two different scenarios on how the expected increase of cost correlates to the HWTP. Given the case at hand, it is expected that the HWTP would be the only measure to rely on.

In the first case, the HWTP can be higher than the product price after the expected increase of costs. This case offers three different approaches of dealing with it.

1. The company could adapt the price to the HWTP and use the additional money to increase the wages, pursue more ecological improvements or simply transfer a higher share into the foundation. By implication, those measures would enhance the impact of those measures. On the other hand, it would diminish consumer surplus and would leave less margin for error, in case the detected HWTP deviates from the AWTP (for theory of producer and consumer surplus, cf. Krugman & Wells, 2013).
2. The company could limit the price increase to the real additional costs and thereby offer a higher consumer surplus, which is given when the actual price is beneath the AWTP. Further, in this scenario the overall number of sold items is expected to increase as the price is lower.

3. The company could adapt the price to the HWTP without increasing their contributions to the wages, environmental actions or the foundation. Is this case, they would simply increase their profit margin. However, they would also decrease the consumer surplus in comparison to option two and run risk to lose the integrity of their FT label. After all, customers may feel "fooled" when the company makes additional profit off of a FT line.

Secondly, the HWTP can be lower than the expected increase of cost. This case, again, offers three different approaches of dealing with it.

1. The company could limit the price increase to the HWTP and bear the cost of the resulting price difference at the expense of their profit margin. This would most support the credibility and integrity of the FT approach. On the other hand, it may cause lower profits.
2. The company could also reduce their spending, meaning the cost for their FT elements, to match the willingness to pay. This would lower the impact of their actions as they would have to cut down on their expenses for it. By doing so, they would run risk to diminish the relevance and thereby the potential success of the FT measures.
3. Lastly, the company could adapt their retail price to the actual increase of cost and thereby exceed the customers' willingness to pay. This would mean that they would run risk simply to charge too much and thus hinder sales.

The six depicted approaches above might all constitute viable solutions depending on the circumstances. Which one seems most promising in a given case, has to be decided upon with the greatest of care. Choosing the wrong approach could decisively obstruct the success of a potential FT label or line respectively. It should be mentioned again, that choosing no price premium at all may turn out to be the best strategy, as it would eliminate potential risks and may improve the trustworthiness of the label.

7. Strengths and Weaknesses of the Model

To start off, the developed conceptual model features a few strengths. Firstly, the present model constructively builds on a model that has already proven to be successful in explaining behavior in many situations and contexts, namely the Theory of Planned Behavior. This model was then constructively extended by many variables that have been identified through an extensive research. Many of those variables have already been successfully deployed in similar situations and are hence expected to be constructive in the context of FTSA consumption. Moreover, the author presented numerous influencing factors that are likely to explain how the central predictors arise and how they can be influenced. Beyond that, the author included the importance of external influences such as information, the willingness to pay or product alternatives.

Consequently, the developed framework is believed to benefit from a high validity. Validity in this context refers to the extent to which a concept is founded on logical inferences and how it corresponds to the real world (Bryman & Bell, 2015). Since only proven theories and peer-reviewed articles have been used to construct the model, it is expected to possess a high model of validity.

Moreover, the author gave relatively detailed instructions for further research. Hence, this thesis can be used as a theoretical foundation to conduct a high-quality research in order to understand and potentially predict FTSA consumption. The resulting findings would be highly interesting for companies who are trying to position their products in the FTSA market. Finally, they could derive strategies from the results that would be coherently derived from an exhaustive theoretical foundation. Even in the current form, the model could be used to gain a more complex understanding of why people may or may not choose to purchase FTSA apparel and what potential customers may focus on. Most likely, marketers in real life would not consider all of the depicted variables when trying to develop fitting marketing strategies or positioning the brand. Yet, forgetting some of the variables could decisively impact the success of a marketing campaign or the positioning of the brand.

Conclusively, it can be stated that the developed framework offers a lot of interesting approaches to address and understand the consumption of FTSA. Even in the current form, it would most likely constitute a very helpful tool for marketers in real life concerned with FTSA.

Weaknesses

However, there are also a lot of weaknesses to be identified in this thesis, as well. Since the chosen approach is purely theoretical and the outcome is a conceptual framework, this framework has not been tested with quantitative measures and thus suffers from a lack of reliability. Potentially, a later hierarchical multivariate regression analysis could reveal that the chosen variables do not improve the predictive capabilities of the original TPB model and could thus be neglected. Further, the additional variables were either extracted from previous studies or through logical reasoning. Both cases imply potential shortcomings. Those variables which were derived from other research projects may not be quite transferrable. Perhaps, the variable

only proved to be a viable predictor due to the special circumstances or the specific product category in the given research project. For instance, it may be revealed that moral norms play an important role in charitable giving but have no significant impact on FTSA consumption. Even though, logical reasoning would point in the opposite direction, there was no proof delivered yet. The same deficiency pertains to the majority of the presented variables.
Further, the author was not capable of examining the exact way the research was conducted in all of the papers he used to derive possible variables from. Hence, it may be possible that the cited studies were somewhat flawed and the findings thus not entirely valid. This would presumably also reflect on the developed model in this thesis.

Moreover, the author may have neglected further important variables that would enhance the quality of the proposed model. After all, there is not much research in the field of FTSA consumption and thus, important coherences may have not been identified yet. Besides, many findings were gathered in the same model, even though they may have been concluded in different studies that were conducted in different countries. Therefore, the author may have potentially neglected important cultural or demographic differences that would have been crucial to consider.

Lastly, it may prove to be difficult to conduct meaningful future research based on this model for a variety of reasons. First of all, the model and the interactions of the single variables are quite complex. Therefore, it requires a highly skilled researcher to conduct a suitable research. Secondly, some of the mentioned influencers are extremely challenging to measure and assess. In line with that, Elster (2007) claims that only core psychological mechanisms are eventually capable of explaining human behavior. Those, however are by nature difficult to measure. Therefore, it is questionable per se whether this model sufficiently reflects the core psychological mechanism and how behavior arises.

Yet, a few of the above-mentioned limitations can be eliminated through a compelling consecutive future research. The next chapter will phrase suggestions about what future research could aim at investigating.

8. Future Research

Given the case that this thesis was purely theoretical and therefore offered a strictly conceptual approach, there is a lot of potential future research to be conducted.

To begin with, the proposed model would require to be tested through quantitative research. Before this step, it may even make sense to conduct qualitative research to explore further potential elements that could explain FTSA consumption.

The first step of testing the model would then concern the development of measures to capture and assess all chosen predictors. Ideally, those measures would comprise several questions each and are in line with the identified influencing factors. For instance, the significance of the product attitude should be captured by posing several questions regarding the purchase motivation, sports affection, product attributes and to which extent the products incorporate the FT principles. Those, in aggregation, should be able to capture the product attitude. However, it may turn out that some of the influencers are identified not to add to the predictive power. In this case, the set of influencers would need to be adapted. Naturally, the questionnaire should be designed in accordance with scientific standards such as the ones proposed by Bryman and Bell (2015). Further, the designed survey should also be specially designed to allow for a subsequent statistical analysis (ibid). Once the survey is conducted, the results need to be analyzed and interpreted. In order to do so, the author would have chosen the following approach, had he decided to integrate the empirical research in this paper.

In order to test the model, a hierarchical multiple regression analysis should be conducted. This analysis serves to test, which independent variables add a statistically significant amount of variance in the dependent variable, which would be FTSA consumption. In the process, different combinations of independent variables would be tested to exclude those, which turn out to be insignificant in predicting FTSA consumption. This procedure would be repeated until a combination of variables is selected which is predictive for the FTSA consumption. This would mean that the identified R2 value for this set of variables could not be significantly increased through an addition of further independent variables. Ideally, the end product would be an extended TPB model that could reliably predict FTSA consumption. Other potential approaches would include a Partial Least Square (PLS) regression analysis or Structural Equation Modelling (SEM). One of the leading tools that offer those possibilities of conducting the mentioned regression analyses is IBM's SPSS (Bryman & Bell, 2015). However, all three approaches were considered to be too complex to diligently integrate into this master's thesis with the given constraints on time, pages and characters. Therefore, the author was faced with the dilemma of three options:

- Simplify the model to integrate the empirical research. This would have diminished the completeness and integrity of the model.
- Only conduct a very simple analysis to test isolated correlations. This may have substantiated isolated findings but would not have contributed to the reliability of the model as a whole
- Offer a complex, conceptual model without conducting the empirical research.

The last was the chosen approach as this was believed the only viable approach that would provide a valuable basis and thereby allow for consecutive research.

Moreover, it would be highly interesting to conduct research concerning the suggested approaches to apply FT principles to FTSA. Potential research could address the questions which element (wages, environment, foundation) potential customers would prefer and how much they would be willing to pay for it.

9. Managerial Implications

Basically, the managerial implications were already formulated in the part, in which potential strategies were presented. Therefore, the main managerial implication of this thesis would be to identify which of the suggested strategies would be most suitable for the given context of the company. The key would be to identify the weak spot in the positioning and adapt it accordingly. The sooner a company would choose to tackle this challenge, the bigger the potential results, as the FTSA market is still massively underdeveloped. However, the success of companies such as Patagonia and the emergence of numerous organizations trying to address the issue of fair production processes, clearly underlines the staggering potential.

One highly interesting thought would be to investigate whether a segmentation based on hedonic and utilitarian purchase motivations would make sense. This at least seems worth researching as such a differentiation can at least be assumed. If a company was able to appeal to both segments, it may have the potential to convince a huge number of swing-buyers and thereby build the first FTSA main stream brand. In order to achieve this, it seems extremely important to excel on both ends of the necessary requirement. Firstly, a company would need to make sure that the FT principles are effectively integrated and that the measures are transparent and trustworthy. Secondly, they would need to guarantee that the company's products fulfill the customers' needs in terms of style, quality and functionality. As has been thoroughly denoted, the vast majority of potential customers would refrain from buying FTSA that does not fulfill the minimum requirements regarding those issues. Moreover, if the subjective norm turns out to be a significant predictor, a visible label should be placed on the apparel to satisfy needs in terms of social recognition and reward. Besides, it may be advisable to focus on more than just one element and offer a holistic approach including fair wages and rights, social engagement and environmental efforts. By doing so, a company could appeal to many customers that may focus on different aspects. Further, it may diminish the risk of criticism as the efforts are spread more equally. Thus, a company would not clearly point into a direction of shortcomings in the past.

In any event, it seems very promising or even necessary to become more conscious about aspects such as fairness and sustainability. Eventually, focusing on a sustainable production may prove to be one of the main sources of differentiation in the near future, which could turn out to be a crucial step in securing success. After all, in a highly competitive industry such as the sports apparel industry it becomes increasingly important to find sources of differentiation, which may be attained through incorporating FT standards, After all, according to Ashta (2015), social innovation will be the main source of differentiation in the near future.

10. Conclusion

One of the main findings of this thesis is that there is a lot of evidence pointing in the direction that fair trade principles will become increasingly important in the sports apparel industry. Further, it was pointed out how the basic fair trade principles can be applied to the production of textiles. The core contribution of this thesis, though, was to develop a framework that shall assist in explaining and eventually predicting the consumption of fair trade sports apparel.

Even though the decision process is very complex, six main elements were carved out that are presumably able to predict the consumption reliably. Those are the general attitude towards the fair trade movement, the attitude towards the product, past purchases of fair trade products, moral norms, subjective norms as well as the perceived behavioral control. Besides, it has been elucidated how the strength of those predictors emerge and can thus be influenced. All of those findings were then gathered in an extended model based on Ajzen's Theory of Planned

Behavior. This model allowed to derive marketing campaigns that specifically aim at influencing any of the six predictors favorably. However, the model itself is not yet validated through quantitative research as this thesis followed a purely theoretical approach. This also implies that the model comes with a wide range of weaknesses. However, it was also described how those weaknesses could be eliminated through future research.

In the end, one can state that the developed model may constitute a helpful tool for any person or company that has any interest to understand the consumption of fair trade sports apparel. However, in order to evaluate the validity and reliability further, future research needs to be conducted based on the developed model.

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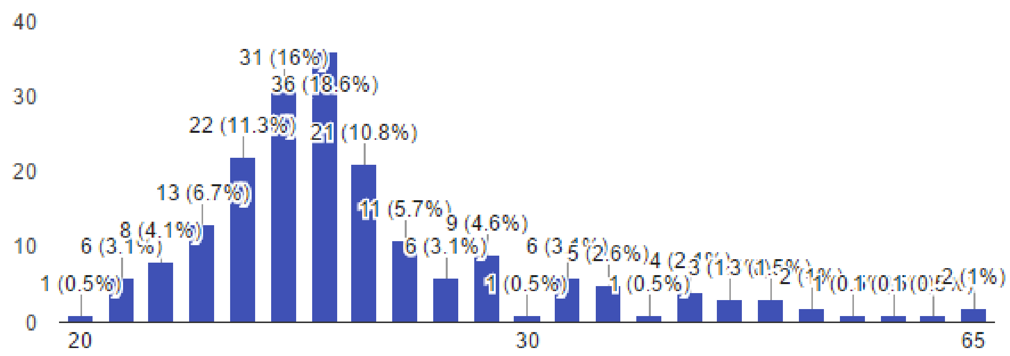
Appendix

Appendix 1: Age structure survey

How old are you?

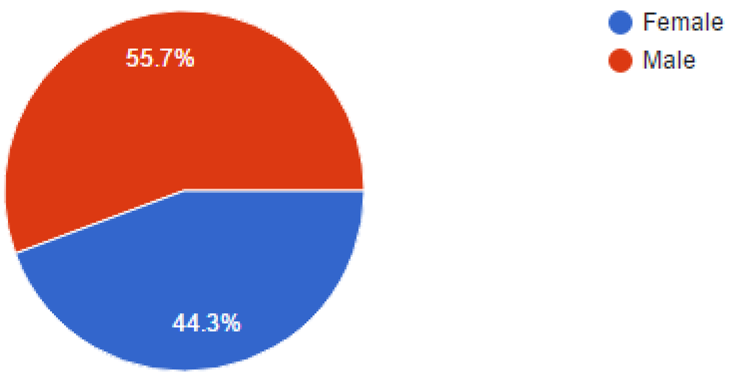
194 responses



Appendix 2: Gender structure in survey

Please choose your gender

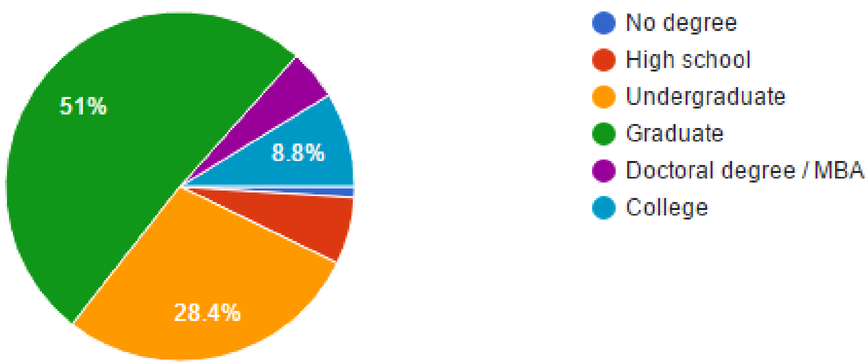
194 responses



Appendix 3: Education details survey

Please choose your highest degree (or equivalent)

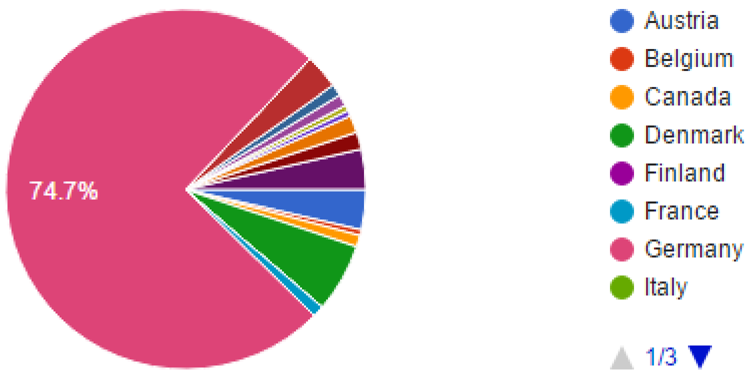
194 responses



Appendix 4: Origin of respondents in survey

Which country are you from?

194 responses



Appendix 5:

Calculation 1: Amount of agricultural FT products

If one adds all the numbers of edible agricultural products, the number mounts up to 815 million euros.

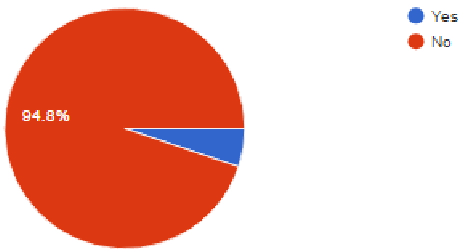
Fair trade product sales revenues in Germany 2012-2015, by product group Revenues from fair trade products in Germany from 2012 to 2015, by product group (in million euros)	2012	2013	2014	2015
Coffee	251,06	290	332,61	357,1
Tropical fruits*	37,69	58,17	92,42	115,76
Flowers	81,09	103,32	118,83	113,6
Ice cream	48,22	55,29	65,29	82,76
Textiles	41,95	53	70,95	71,2
Sweets (excl. chocolate and ice cream)	14,45	19,33	19,59	22,22
Chocolate	14,72	18,81	21,43	21,99
Fruit juice	10,38	12,41	15,99	20,55
Cold mixed drinks**	5,96	9,52	15,24	18,77
Sugar	7,56	8,85	12,01	14,17
Tea	8	8,14	9,78	13,8
Honey	1,29	2,49	6,13	12,26
Wine	2,76	3,64	4,36	10,49
Rice	3,99	3,94	3,95	5,45
Cocoa/chocolate drinks	2,43	2,97	3,38	4,46
Spices***	-	1,72	2,43	2,43
Cosmetics	-	-	-	0,29
Sports balls	0,61	0,33	0,24	0,13
Dried fruits/nuts/oil/miscellaneous***	0,61	1,03	1,55	-
Instant mixed drinks	-	1,01	0,45	-
Wood****	0,28	-	-	-

Source: Statista, 2017

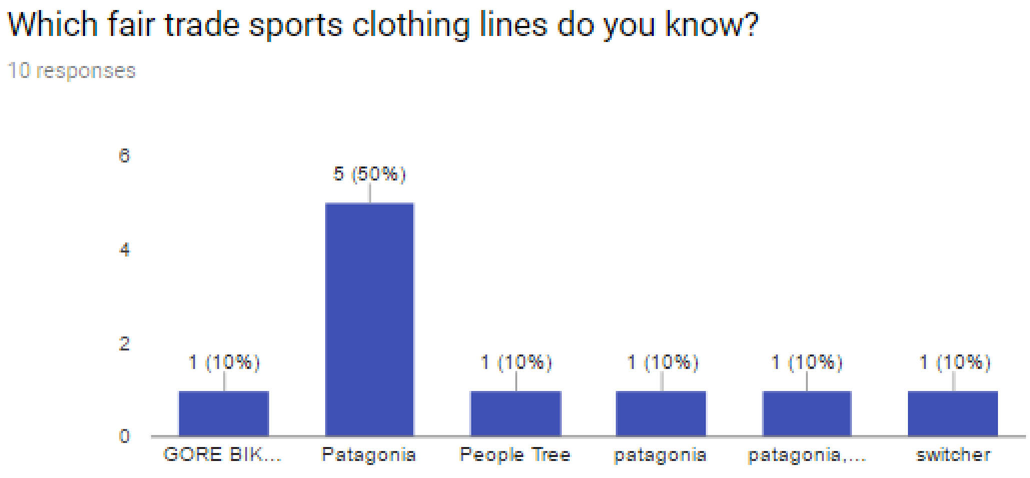
Appendix 6: Awareness of FTSA brands

Are you aware of any fair trade SPORTS CLOTHING line?

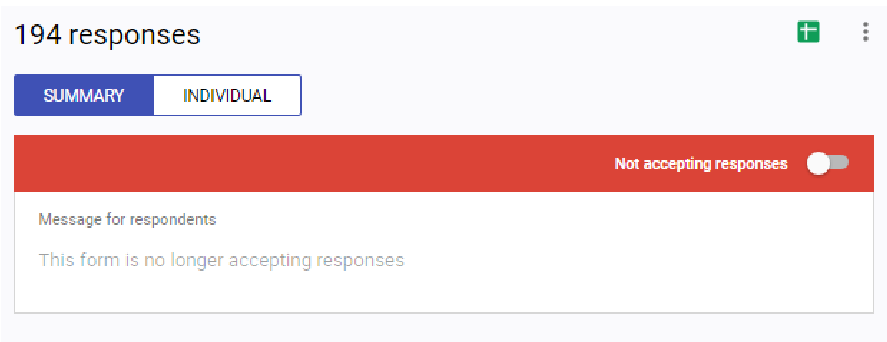
194 responses



Appendix 7: Which FTSA companies did respondents know?



Appendix 8: Awareness FT in general

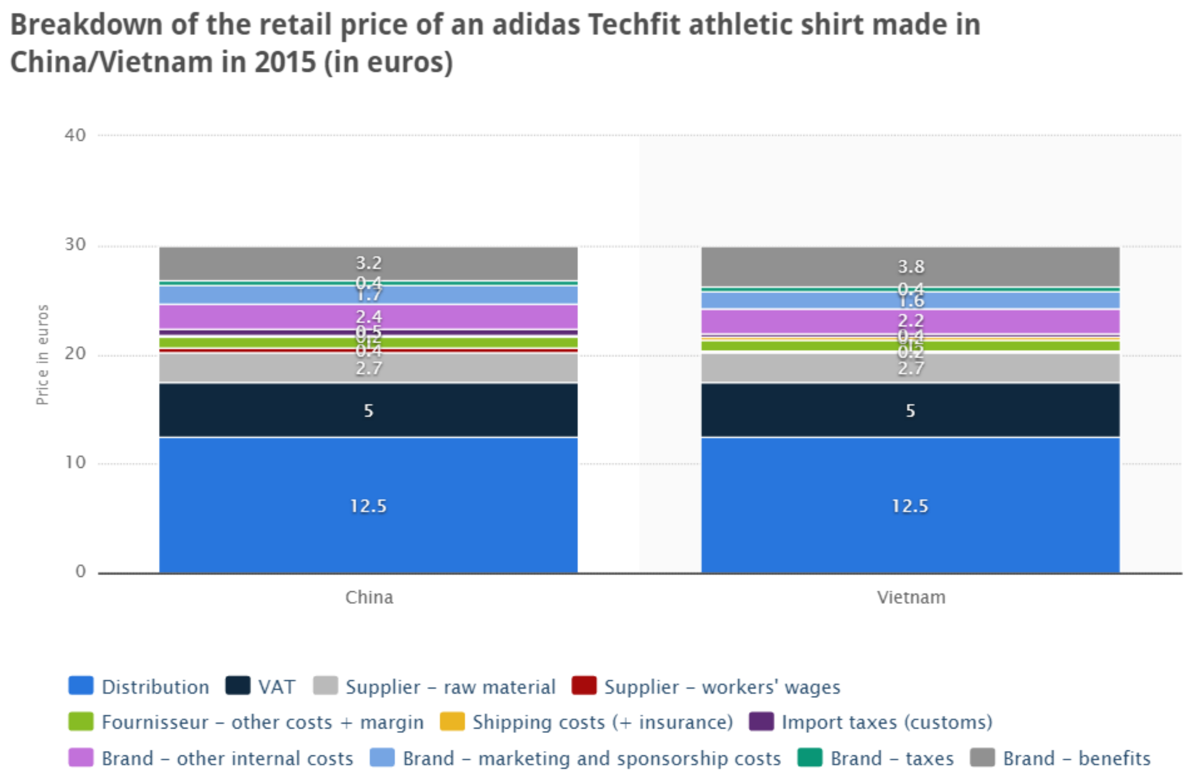


Appendix 9:

Calculation 2: share of wages of final MSRP price

Given the numbers of the figure below, the wage costs of the final MSRP account for 1,3% (0,4€ divided by 30€) and 0,7% (0,2 € divided by 30€) respectively.

Following the same reasoning as in the example from chapter 3, an increase of 20% would equal cost percentages of 1,6% and 0,8%.



Appendix 10: HWTP in survey

Please imagine that there was a "Fair play" label that focused on your preferred element (eco-friendliness, fair wages or funding a foundation). How much would you be willing to pay for the "Fair play" version of a shirt that would regularly cost 27.99€? Please imagine two identical shirts (design, quality) from your favorite sports brand.

194 responses