HOW NATURAL IT IS: FAIR TRADE AND PRODUCT PERCEPTION IN FOODS

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ABSTRACT

Even though the adoption of fair-trade practices is increasing, empirical evidence of how fair-trade communication shapes brand image is still limited. The present research addresses this important gap and explores whether fair-trade communication influences consumer perception of product naturalness in the case of foods. Two studies provide evidence that fair-trade communication for food products can help facilitate consumer perception of product naturalness by evoking warm-glow affect. Enhanced perception of product naturalness then increases purchase intentions for the focal product. However, this effect is salient only among those who exhibit relatively high moral identity. Together, these findings provide meaningful theoretical and practical implications.

Keywords: Fair Trade; Warm Glow; Moral Identity; Food; Natural; Perception.

INTRODUCTION

The recent decades have witnessed the increasing popularity of firm efforts to 'do well by doing good' to the society through various initiatives, often collectively referred to as conscious marketing. Even though these efforts are supposed to both enhance social welfare and benefit the focal firms in some way, there is limited empirical evidence in the marketing literature as to whether, when, and how different conscious marketing initiatives influence important marketing outcomes. The present research addresses this theoretical gap by exploring whether the emphasis on conscious marketing initiatives in marketing communication would create any differential impact on consumer perceptions of the advertised products in comparison with the conventional approach of highlighting the benefits of the products to consumers. Specifically, as suggested in previous research (e.g., White, Habib, and Hardisty 2019), we seek to understand whether, when and how marketing communication that highlights the adoption of fair-trade practices would create a different impact on consumer perception of product naturalness in comparison with the conventional approach of highlighting the benefits of the products to consumers. Across two studies, we find evidence that in comparison with the conventional approach of highlighting the benefits of products to consumers, marketing efforts that highlight the adoption of fair-trade practices can interestingly increase perception of product naturalness, which then leads to heightened purchase intentions of the advertised products. Furthermore, this effect is driven the warm-glow affect and is more salient among those who exhibit relatively higher moral identity.

The findings in this research make meaningful theoretical contributions. First, this research extends the limited body of works about fair-trade and the impact of this initiative on marketing outcomes. Given that little is known about whether, when and how fair-trade practices influence brand image, there have been calls for more research into this area (e.g., Newhouse and Buckles 2020). The present research addresses these important theoretical gaps by exploring the connection between fair-trade communication and consumer perception of product naturalness in the case of foods. We focus on foods in this research because previous research has suggested

that consumer responses to fair trade products may differ for food and non-food products (Eberhardt et al. 2020). Second, this research deepens our understanding about the role of moral identity in product purchase and consumption contexts. Even though there is a strong body of research that shows the role of moral identity in shaping people attitude and reaction to various social groups, there is still limited research into how moral identity interacts with different marketing stimuli and social factors in influencing consumer decisions toward different prosocial initiatives by firms (e.g., Shang et al. 2020). Against this background, the findings in this research provide novel insights that moral identity is a crucial factor that partly determines the effect of fair-trade communication on consumer perceptions and consequent reactions toward the focal product. Third, this research contributes to the transformative consumer research movement that calls for more marketing research into important social issues to seek insights that help enhance social welfare (e.g., Davis, Ozanne, and Hill 2016). Fair trade is as an important initiative to help address income inequality and poverty around the world, yet how to facilitate the adoption of fair trade remains an area that needs more in-depth investigation (e.g., Pharr 2011). The present research helps address this gap by exploring insights into what marketers can do to facilitate consumer support for fair-trade products. Thus, this research not only yields practical implications that are relevant to fair-trade stakeholders but also responds to calls from leading scholars in the field to explore topics that have positive impacts on various marketing stakeholders for a better world (e.g., Moorman et al. 2018).

CONCEPTUAL BACKGROUND

Fair Trade and Marketing Outcomes

Even though firms have increasingly claimed that they are adopting practices that not only enhance profitability but also social welfare, marketing research is still limited in unveiling whether and how such practices influence important marketing outcomes (Moorman et al. 2018). Among various conscious marketing initiatives that firms have introduced, the adoption of fair trade to help reduce poverty by re-distributing value in a more equal way across marketing channels has received increasing attention from both practitioners and academia. Fair trade refers to 'a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade' (Raynolds and Bennett 2015; p. 3). Whereas there have been academic attempts to understand how the adoption of fair-trade impacts marketing outcomes, the current literature in this area has yielded quite mixed results. On the one hand, there is documentation that the adoption and communication of fair-trade practices have a positive impact on marketing outcomes. For example, it has been shown that the adoption of fair trade practices increases purchase intentions (e.g., Hustvedt and Bernard 2010) and consumers are willing to pay an 'ethical premium' for fair-trade products (e.g., Lappeman et al. 2019; Sama et al. 2018). At the same time, there exists evidence that the adoption and communication of fair-trade practices do not yield favorable outcomes as firms may expect. For example, it was shown that brand loyalty for fair-trade products is relatively low, and that communication about fair trade practices does not influence people liking toward fair trade products (e.g., Poelman et al. 2008; Goig 2007). Furthermore, whereas there is evidence that people who buy fair trade products are less price sensitive than those who buy conventional products (Arnot, Boxall, and Cash 2006), there are also findings that the prices of fair-trade products have a negative impact on consumer purchase intentions of these products (e.g., Cailleba and Casteran 2010; Cranfield et al. 2010; Basu and Hicks 2008). Similarly, whereas there is evidence that shopping inconvenience does not impact

people purchase intentions for fair trade products (e.g., De Pelsmacker and Janssens 2007), there exists simultaneous evidence that distance from home to purchase locations reduces people intention to use fair-trade products (e.g., Becchetti and Rosati 2007).

The findings in the current literature related to fair-trade products suggest two important insights. First, there exists different factors that influence how consumers perceive and respond to fair trade products, and these factors are partly responsible for the mixed findings in the literature. In fact, recent research has been able to identify some of these factors and help deepen our understanding in this area. For example, it has been shown that the congruence between the verbal and visual elements of fair trade communication influences consumer reaction to fair trade products (Hur, Lee, and Stoel 2020), and that purchase contexts such as product locations on in-store shelfs (van Herpen, van Nierop, and Sloot 2012), the difficulty in examining (Benson and Connell 2014) or finding fair-trade products (Shaw et al. 2006), can all influence consumer intentions to buy fair-trade products. Second, the current literature related to fair trade also suggests that empirical investigation into consumer perceptions of fair-trade products is still limited, even though consumer perceptions shape consumer attitudes and purchase intentions toward these products. The present research addresses these important gaps by exploring whether the communication of fair-trade practices for foods would influence consumer perception of product naturalness, and if so, when such influence is salient. Based on the current literature, we propose that fair-trade communication for foods helps to enhance consumer perception of product naturalness by evoking warm-glow affect, but this effect depends on consumer moral identity. We further elaborate into our propositions below.

Warm Glow Affect & Product Perceptions

Theories of self-concept suggest that in general, people prefer a positive self-concept and hence would like to engage in activities that shed a positive light on their self-concepts (e.g., Greenwald et al. 2002). Because moral actions help facilitate a positive self-concept, it is reasonable to expect that given that everything else is the same, consumers are likely to express more positive attitudes toward fair-trade products. The reason is that by showing support such products, consumers are likely to feel good about themselves and reinforce their positive self-concepts. Such affect upon the exposure to ethical activities is referred to as warm-glow, which has been defined as 'the positive emotional response that results from prosocial behavior' (Giebelhausen et al. 2016; p. 57). Previous research in the fair-trade literature supports this notion by showing that self-identity has a significant impact on those who regularly buy fair trade products (Ozcaglar-Toulouse, Shiu, and Shaw 2006), and that consumers with a high level of emotional empathy tend to be more supportive of fair-trade products (Zerbini, Vergura, and Luceri 2019). In addition, there is evidence that consumers who support fair trade products tend to emphasize the importance of human rights (Hertel, Scruggs, and Heidkamp 2009); tend to think of the benefits of others at large (Nijssen and Douglas 2008); are averse to inequality practices (Basu and Hicks 2008); and exhibit clear positive attitudes toward social responsibility (Hustvedt and Bernard 2010).

We further propose that the positive attitudes toward fair-trade products will influence consumer perception of product naturalness. Even though there is no consensus in the definition of naturalness in food products (Roman, Sánchez-Siles, and Siegrist 2017), naturalness in foods has been broadly defined as 'the absence of certain 'negative' features (e.g., additives, pollution, human intervention)' (Roman, Sánchez-Siles, and Siegrist 2017; p. 46). Based on this definition, it is reasonable to infer that for the general public, a food's naturalness captures the idea that the

product is authentic to its original state to some extent and has gone through limited human intervention (e.g., by adding flavors or chemicals to the product). Consequently, it is possible that there exists a connection between brand claims of ethical activities in their production and consumer perception of product naturalness because previous research shows that those who engage in moral actions are viewed as more honest and authentic (e.g., Bai, Ho, and Liu 2020). In fact, the literature in morality shows that there is a close connection between morality and authenticity (e.g., Gino, Kouchaki, and Galinsky 2015), and that these two concepts have bidirectional impact on each other (Zhang et al. 2019). In the context of this research, these findings suggest that brands that engage in fair-trade practices are likely to be viewed as more honest and authentic, and these perceptions may spill over onto the brands' products, leading to heightened perception of the product naturalness. Previous research further supports this notion by showing that when consumers have a positive attitude toward a brand, this preference will have a spillover effect on a brand's attributes, even when these attributes are not explicitly stated in the brand's communication (e.g., Ahluwalia, Unnava, and Burnkrant 2001). Such consumer support for a firm's moral activity may be strong enough to even have a negative impact on the evaluation on competing brands (Tezer and Tofighi 2021).

In summary, we predict that the exposure to fair-trade communication for food products should lead to heightened perception of product naturalness. However, we speculate that this effect partly depends on consumer moral identity. We further elaborate into this proposition below.

The Role of Moral Identity

Moral identity has been defined as 'a self-conception organized around a set of moral traits' (Aquino and Reed II 2002; p. 1424). Based on this definition, moral identity not only refers to particular traits of a person but also 'what a moral person is likely to think, feel, and do' (Aquino and Reed II 2002; p. 1424). Previous research in moral identity has shown that a person's moral identity influences their attitudes and reactions to different marketing activities. For example, calling on consumer moral identity may help overcome unfavorable brand associations and enhance brand evaluation (e.g., Choi and Winterich 2013) and increases purchase intentions toward brands that engage in cause-marketing (e.g., He et al. 2016). Furthermore, moral identity is closely related to individual intentions to engage in prosocial consumption behaviors such as recycling (Rodriguez-Rad and Ramos-Hidalgo 2018) and support for non-profit business initiatives (Shang et al. 2020).

In the context of this research, such findings suggest that the connection among fair-trade communication, warm-glow and perception of product naturalness partly depends on consumer moral identity. Specifically, we predict that this connection should be salient among those who are relatively high in moral identity and weakens among those who are relatively low in moral identity. The reason is that for those who are relatively high in moral identity, fair-trade communication is likely to generate immediate warm-glow affect, leading to increased perception of firm authenticity and product naturalness. However, for those who are relatively low in moral identity, the exposure to fair-trade communication is probably less likely to generate the same level of warm-glow affect to influence attitudinal or behavioral outcomes. As a result, it is unlikely that consumers who exhibit relatively low moral identity will perceive fair-trade products to be more authentic or natural than other products. Previous research further supports these predictions by showing that moral identity moderated people support and engagement for prosocial initiatives such that effect was salient only among those who indicated

higher moral beliefs (He, Chao, and Zhu 2019). Furthermore, there is evidence that ethical values and beliefs in equality have a significant impact on consumer attitude toward fair-trade practices (e.g., Ladhari and Tchetgna 2015), and that people choose fair-trade products when they believe doing so would help to bring about justice to the society (e.g., Wang and Chen 2019). It has also been shown that the more socially-oriented people are, the more likely they are to support fair-trade products (Pérez and Garcia de los Salmones 2018), and that people buy fair trade products as a way to show their moral ethics (Adams and Raisborough 2010) or to reduce the perception of guilt (Lindenmeier et al. 2017).

Based on the discussion above, we formally hypothesize that:

H1: In the case of foods, communication about fair-trade practices enhances consumer perception of product naturalness.

H2: Warm-glow affect is the underlying mechanism for the positive impact of fair-trade communication on consumer perception of product naturalness.

H3: Moral identity moderates the impact of fair-trade communication on consumer perception of product naturalness.

Studies

Two studies were conducted to examine our central proposition in this research. Study 1 provides initial evidence to support our propositions that in the case of foods, communication about fair-trade practices enhances consumer perception of product naturalness (H1) and that consumer moral identity moderates this effect (H3). Study 2 replicates the results of Study 1 and provides evidence that warm-glow affect is the underlying mechanism for the positive impact of communication about fair-trade practices on consumer perception of product naturalness in the case of foods (H2). We next describe each study in detail.

Study 1

Method

The objective of this study was to seek initial evidence for our central propositions that communication about fair-trade practices in food products enhances perception of product naturalness (H1) and that consumer moral identity moderates this effect (H3). To reach this objective, we conducted a laboratory experiment. Two-hundreds Prolific participants participated in this study (47.50% Male, M_{Age} = 37 years). After consenting to participate, participants were randomly showed one of two ads (see the Appendix for the stimuli and measures used in this research). The ads in this study are about a hypothetical chocolate brand. The ads feature a message either about the adoption of fair-trade practices or about the brand benefits as companies conventionally do (the latter serves as the control condition). Except for this difference, the ads are similar in all other aspects. After seeing one of the ads, participants indicated their purchase intentions (3 items, α=0.96) and their perception of the product naturalness adopted from Habel et al. (2016) (3 items, α =0.89). Then, participants completed the moral identity scale adapted from Aquino and Reed II (2002) with 5 items (α =0.83). Finally, participants answered a manipulation check question about the ad that they saw and provided basic demographic information (age and gender) before debriefed.

RESULTS

Manipulation checks

The manipulation in this study worked as intended: participants in the fair-trade condition indicated that the message in the ad that they saw was more about social benefits, whereas those in the control condition indicated that the message in the ad that they saw was more about self-benefits ($M_{FT} = 6.52$; $M_{Control} = 4.25$; $t(198) = 8.40$, $p < .001$).
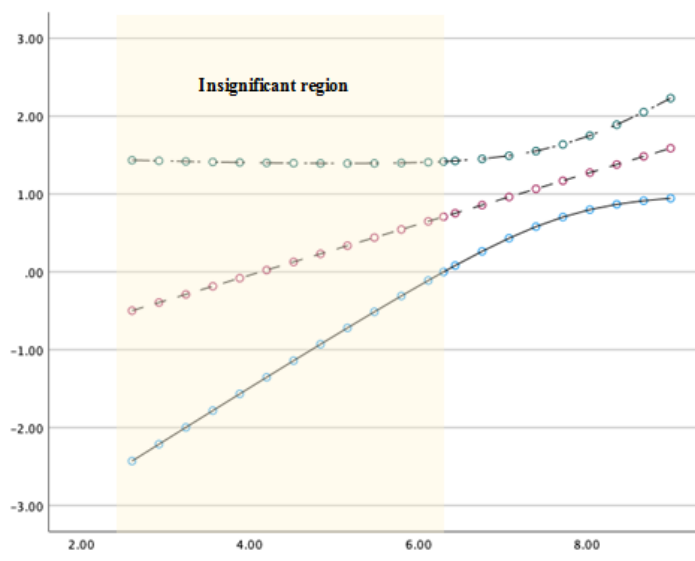
Fair Trade and Product Naturalness

An ANCOVA was performed to examine the effect of fair-trade communication on perception of product naturalness. We included age and gender as control variables in this analysis (and all of the other analyses in this research) because previous works have suggested that age (e.g., Carrigan, Szmigin, and Wright 2004) and gender (e.g., Carlsson, García, and Löfgren 2010) can influence how consumers perceive fair trade products. The results of this analysis are available in Table 1.

Table 1 ANCOVA RESULTS IN STUDY 1					
Source	Sum of Squares (SS)	df	Mean Square (MS)	F	p
Overall Model	78.96	3	26.33	9.27	<.001
Intercept	216.74	1	216.74	76.29	<.001
Age	.81	1	.81	.28	.60
Gender	3.33	1	3.33	1.17	.28
Ad Type	73.82	1	73.82	25.98	<.001
Error	556.81	196	2.84		
Total	5906.00	200			
Corrected Total	635.78	199			

In line with H1, the results show that there is a significant main effect of ad type on consumer perception such that the fair-trade communication significantly enhances consumer perception of product naturalness in comparison with the conventional communication approach that highlights brand benefits ($M_{FT} = 5.74$; $M_{Control} = 4.52$; $F(1, 196) = 25.98$, $p < .001$).

Moral identity. A moderation analysis using PROCESS Model 1 (Hayes 2017) was performed to examine the role of moral identity as hypothesized in H3. We found that there is a marginally significant interaction between ad type and moral identity ($F(1, 194) = 3.28$, $p = .07$). Floodlight analysis (Spiller et al. 2013) reveals that among those who are relatively high in moral identity (Johnson-Neyman significance region value >= 6.41), communication of fair-trade products has a positive and significant impact on consumer perception of product naturalness (see Figure 1). However, among those who are relatively low in moral identity (Johnson-Neyman significance region value < 6.41), communication of fair-trade products does not have significant impact on consumer perception of product naturalness. These results are in line with H3.

FIGURE 1
FLOODLIGHT ANALYSIS "IN STUDY 1"

DISCUSSION

Study 1 provides initial evidence to support our central propositions that communication about fair-trade practices in food products enhances consumer perception of product naturalness (H1) and that consumer moral identity moderates this effect (H3). Given these results, we conducted Study 2 to confirm this effect.

Study 2

Study 2 has two main objectives. First, we wanted to replicate the findings in Study1 to strengthen our propositions that communication about fair-trade practices in food products enhances perception of product naturalness (H1) and that consumer moral identity moderates this effect (H3). Second, we wanted to seek evidence to support our hypothesis that warm-glow affect is the underlying mechanism for this effect. To reach these objectives, we conducted another laboratory experiment.

Method

Ninety-nine Prolific participants participated in this study (49.50% Male, M_{Age} = 36 years). After consenting to participate, participants were randomly showed one of two ads as in Study 1. After seeing one of the ads, participants indicated their purchase intentions (3 items, α = .95) and their perception of the product naturalness (3 items, α =0.91) as in Study 1. Then, participants answered a question that captures their warm-glow affect adapted from (Giebelhausen et al. 2016) (3 items, α =0.89). Finally, participants completed the same moral identity scale as in Study 1 with 5 items (α = .89) and provided basic demographic information (age and gender) along with a manipulation check question about the ad that they saw before debriefed.

RESULTS

Manipulation Checks

The manipulation in this study worked as intended: participants in the fair-trade condition indicated that the message in the ad that they saw is more about social benefits, whereas those in the control condition indicated that the message in the ad that they saw is more about self-benefits (M_{FT} = 5.92; $M_{Control}$ = 3.74; $t(97)$ = 5.48, $p < .001$).
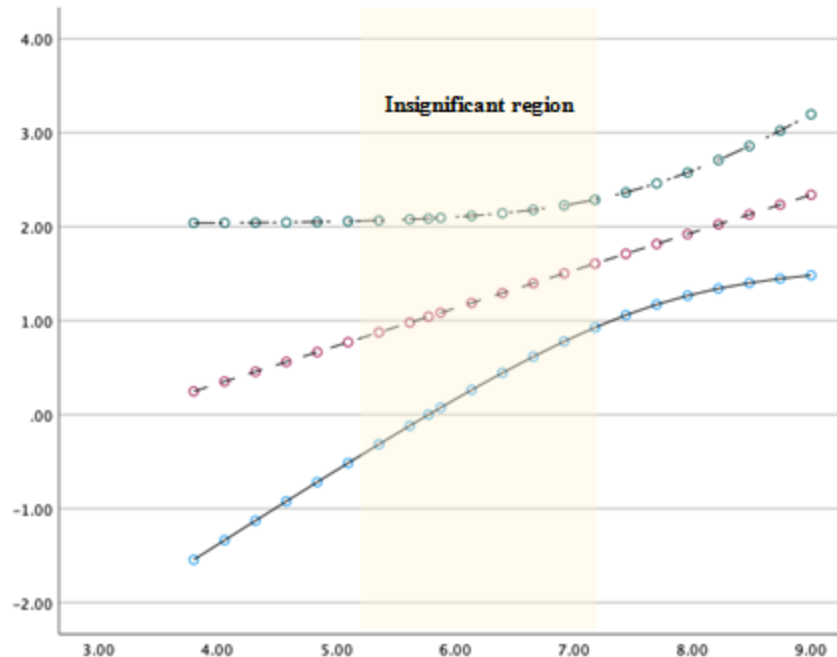
Fair Trade and Product Naturalness

An ANCOVA (controlling for age and gender) was performed to examine the effect of fair-trade communication on perception of product naturalness. Similar to the findings in Study 1 and in line with H1, the results (Table 2) show that there is a significant main effect of ad type on consumer perception such that the fair-trade communication significantly enhances consumer perception of product naturalness in comparison with the conventional communication approach that highlights brand benefits (M_{FT} = 6.00; $M_{Control}$ = 4.12; $F(1, 95)$ = 32.56, $p < 0.001$).

Table 2 ANCOVA RESULTS IN STUDY 2					
Source	Sum of Squares (SS)	df	Mean Square (MS)	F	p
Overall Model	98.58	3	32.86	12.93	<.001
Intercept	130.64	1	130.64	51.41	<.001
Age	.09	1	.09	.04	.85
Gender	7.82	1	7.82	3.08	.08
Ad Type	82.75	1	82.75	32.56	<.001
Error	241.20	95	2.54		
Total	2861.89	99			
Corrected Total	340.00	98			

Moral Identity

A moderation analysis using PROCESS Model 1 (Hayes 2017) was performed to examine the role of moral identity as hypothesized in H3. Similar to the findings in Study 1, we find that there is a marginally significant interaction between ad type and moral identity ($F(1, 93)$ = 3.44, $p = .07$). Floodlight analysis (Spiller et al. 2013) reveals that among those who are relatively high in moral identity (Johnson-Neyman significance region value >= 5.77), communication of fair-trade products has a positive and significant impact on consumer perception of product naturalness (see Figure 2). However, among those who are relatively low in moral identity (Johnson-Neyman significance region value < 5.77), communication of fair-trade products does not have significant impact on consumer perception of product naturalness. These results are in line with H3.
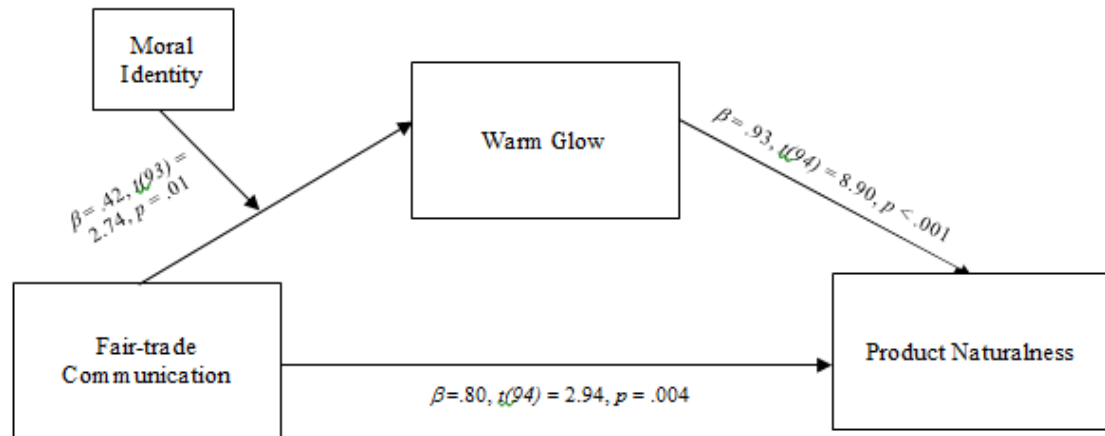
FIGURE 2
FLOOD LIGHT ANALYSIS "IN STUDY 2"

The Underlying Mechanism

To test H2 that warm-glow affect is the underlying mechanism for the effect of fair trade communication on perception of product naturalness, we conducted a moderated mediation analysis using PROCESS Model 7 (Hayes 2017) with the measure for warm-glow affect as the mediator and the measure for moral identity as the moderator. The results reveal that there is indeed a moderated mediation relationship (Index of moderated mediation = .39, 95% CI [.10, .72]) such that fair-trade communication triggers warm-glow affect, which then enhances perception of product naturalness (see Figure 3). However, this relationship only holds for those who are relatively high in moral identity (50th percentile moral identity = 8.20, effect = 1.33, $t(93) = 5.43$, $p < .001$) but not for those who are relatively low in moral identity (16th percentile moral identity = 5.80, effect = .31, $t(93) = .84$, $p = 0.40$).

FIGURE 3
MODERATED MEDIATION "IN STUDY 2"

We also conducted a moderated serial mediation analysis using PROCESS Model 83 (Hayes 2017) to explore whether enhanced perception of product naturalness upon exposure to fair-trade communication would increase purchase intentions. The results reveal that there is indeed a moderated serial mediation relationship in this effect (Index of moderated serial mediation = .10, 95% CI [.00, .27]) such that fair-trade communication indeed triggers warm-glow affect, which then increases perception of product naturalness ($t(94) = 8.90$, $p <0.001$), which in turns increases purchase intentions toward the focal product ($t(93) = 2.21$, $p =0.03$). However, this serial mediated effect only holds for those who are relatively high in moral identity (50th percentile moral identity = 8.20, effect = 1.33, $t(93) = 5.43$, $p <0.001$) but not among those who are relative low in moral identity (16th percentile moral identity = 5.80, effect = .31, $t(93) = .84$, $p = .40$) as qualified by a significant interaction between fair trade communication and moral identity ($F(1, 93) = 7.47$, $p = .01$).

Study 2 provides more evidence to confirm our central propositions that communication about fair-trade practices in food products enhances perception of product naturalness (H1) and that consumer moral identity moderates this effect (H3). Furthermore, we found evidence to support H2 that warm-glow affect is the underlying mechanism for this effect by ruling out some alternative explanations. Last but not least, our moderated serial mediation analysis reveals that the enhancement in perception of product naturalness increases purchase intentions for the focal product.

General Discussion

The present research explores whether fair-trade communication for food products influences consumer perception of product naturalness. Two studies provide evidence that fair-trade communication for food products can help facilitate consumer perception of product naturalness by evoking warm-glow affect. Enhanced perception of product naturalness then increases purchase intentions for the focal product. However, this effect is salient only among those who exhibit relatively high levels of moral identity. Together, these findings provide meaningful theoretical and practical implications.

Theoretical Contributions

First, this research extends the literature about fair-trade in marketing. Even though the adoption of fair trade practices is getting popular among companies, academic scholars have lamented that 'little is known of the effects of fair trade claims on the brand' (Pharr 2011) because there is limited empirical evidence about how fair-trade communication influences brand image or how consumers respond to marketing communication about fair-trade practices (Hur, et al. 2020). This lack of research gives rise to the question of whether, when, and how fair-trade communication helps (or hurts) marketing objectives of companies that adopt fair-trade practices. This gap is important given that the few empirical works in this area have yielded mixed findings about the impact of fair-trade communication. For example, whereas there are findings that fair trade communication has a positive impact on consumers (e.g., Hustvedt & Bernard 2010), there exists evidence that communication about fair trade practices does not influence consumers (e.g., Poelman et al. 2008; Goig 2007). Such mixed findings suggest at least two important insights: that the effect of fair-trade communication is highly context-bound, and that there exist gaps between consumer attitudes and behaviors in the case of fair-trade communication that leave room for intermediary factors to exert their influence on determining the final outcomes. Thus, there have been calls to deepen understanding about different factors that may influence the effect of fair-trade communication on consumers (e.g., Newhouse and Buckles 2020). This research addresses this theoretical gap by exploring the connection between fair-trade communication and perception of product naturalness in the case of foods. Not only has this relationship not been examined before, the findings in this research also suggest that product perception is an important link between consumer attitudes and their behaviors. Thus, the findings in this research provide in-depth, nuanced insights into how fair-trade communication influences consumer attitudes and indirectly impact their behaviors. In doing so, the present research sheds more light on the important question of when and how highlighting fair-trade communication will help brands.

Second, this research deepens understanding about the role of moral identity in product purchase and consumption contexts. Even though there is a strong body of research that highlights the role of moral identity in shaping people attitude and reaction to various social groups, there is still limited research into how moral identity interacts with different marketing stimuli and social factors in influencing consumer decisions toward different prosocial initiatives by firms. Such research, however, is important to derive at an in-depth understand of whether, when and how different marketing initiatives that aim to promote social welfare lead to different marketing outcomes. Consequently, academic scholars have highlighted the need to explore how moral identity influences different consumer behaviors, the various processing mechanisms associated with such influence, or how different dimensions of moral identity may change research outcomes (e.g., Shang et al. 2020). This research presents a direct response to such calls by exploring how moral identity influences consumer perception of product naturalness in the case of foods. The findings in this research reveal nuanced insights that fair-trade communication increases purchase intentions indirectly by enhancing perceptions of product naturalness, but this effect only holds for those who are relatively high in moral identity. This evidence enriches the dynamic conversation about the role of moral identity in marketing contexts. Third, this research contributes to the transformative consumer research movement in using marketing research insights to help enhance social welfare (e.g., Davis, Ozanne, and Hill 2016). Leading scholars in the field of marketing have emphasized the need for more academic research to explore topics that have positive impacts on various marketing stakeholders given multiple complicated, aching issues that our world is facing (e.g., Moorman et al. 2018). Among those issues, social inequality

and poverty in various parts of world remain prevalent and have received increasing attention. Fair trade is an important initiative to address these issues, yet the implementation of fair trade in practice still faces many challenges, one of which is consumer support. This research contributes this research stream by exploring the connection between fair trade communication, product perception and purchase intentions to enable a more well-rounded perspective into how consumers respond to fair-trade practices. In doing so, this research provides insights that both academic researchers and marketing practitioners can leverage to further increase the effective implementation of fair-trade practices in alleviating social inequality and poverty.

Implications for Marketing Practices

This research also yields important implications for marketing practices. Given that companies are making efforts to adopt fair-trade, a reasonable concern of marketers is whether these efforts will pay off in terms of customer support. Because the adoption of fair-trade potentially can lead to increased costs for companies, if consumers do not support fair-trade practices, it is possible that companies may either reduce or eliminate fait-trade efforts. Therefore, it is important for marketers to understand the psychological factors that influence consumer intention to support fair-trade products through their choice and consumption (Lappeman et al. 2019). This research yields insights to help address this concern in showing that product perception is an important link that explains why consumers decide to choose fair-trade products (or not), and that consumer moral identity is important in facilitating that connection. Based on these insights, marketers can promote fair-trade practices for food products by designing marketing mix that emphasizes product naturalness along with fair-trade communication. In addition, marketers can also use messages that activate or highlight moral norms in their communication to heighten consumer support for fair-trade products. These insights will help marketers come up with more effective targeting and promotional strategies that fit in with the characteristics of their products.

Limitations and Future Research

While this research provides important insights into the connection between fair-trade communication and consumer perception of product naturalness in the case of foods, some limitations should be noted. First, participants in this research are mainly from the United States, which is a developed economy, and therefore their views may not be representative of consumers around the world. It is possible that the connection between fair-trade communication and perception of product naturalness as observed in this research may vary across different countries. Future research can extend this research by examining whether the effects found this research would vary across different countries around the world. Second, we focus on food products in this research to seek nuanced, in-depth insights into the effect of fair-trade communication on consumer perception. It would be interesting to examine whether the effect observed in this research would still hold for other non-food products such as apparels or household decoration items. As prior research has shown that consumers responded differently to fair-trade practices for food versus non-food products, it is possible that the connection between fair-trade communication and consumer perception of product naturalness may not be the same across various product categories, and there may exist different mechanisms that explain for such variations. This is a potential research venue that is worth more exploration. Third, we found evidence that warm-glow affect is the underlying mechanism for the effect of fair-trade

communication on consumer perception of product naturalness, but our mediation analyses show that the direct path between fair-trade communication and product naturalness is still significant. This evidence suggests that there are other factors that simultaneously influence the impact of fair-trade communication on product perceptions future research can extend our findings by seeking other potential mechanisms that this research has not been able to address. Such research would help enrich our understanding of why consumers respond to fair-trade communication in certain ways.

CONCLUSION

In conclusion, the present research explores whether fair-trade communication for food products influences consumer perception of product naturalness. Two studies provide evidence that fair-trade communication for food products can help facilitate consumer perception of product naturalness by evoking warm-glow affect. Enhanced perception of product naturalness then increases purchase intentions for the focal product. However, this effect is salient only among those who exhibit relatively high levels of moral identity. Together, these findings provide meaningful theoretical and practical implications.

APPENDIX

Stimuli & Questions Used in Studies 1 and 2

Fair-Trade Highlight	*Product Benefit Highlight*
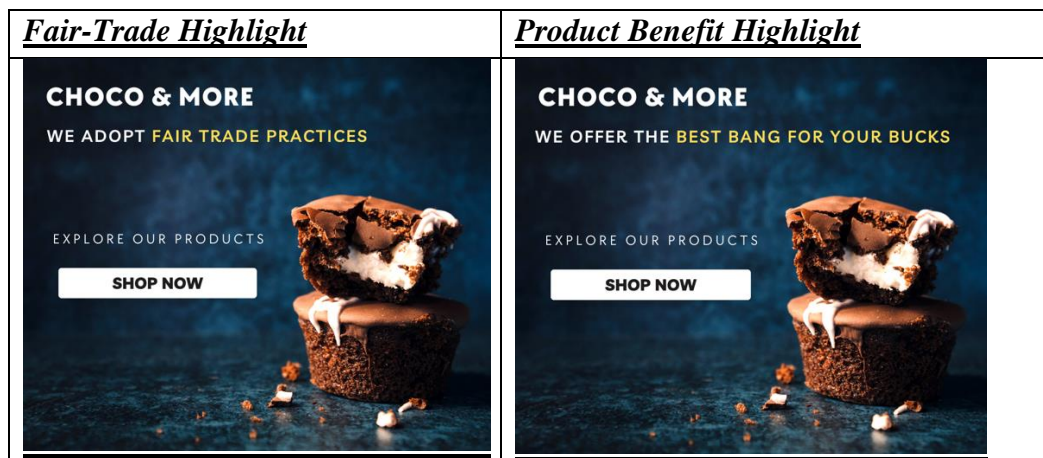
Purchase Intentions:

How likely are you to buy products from this brand if it is available in your area? (1=not likely at all; 9=highly likely)

How interested are you in buying products from this brand? (1=not at all; 9=very much)

How willing are you to buy products from this brand? (1=not at all; 9=very much)

Perceptions of product naturalness (Adapted from Habel et al. 2016):

In your opinion, the products of this brand are not at all natural/very natural (9-point scale).

To what extent would you agree with the following statements (1=strongly disagree; 9=strongly agree)

'This brand would use natural ingredients for their products.'

'The products of this brand would be less processed than other brands.'

Moral Identity-Internalization (Aquino and Reed II 2002) (1= not at all, 9 = very much):
Listed below are some characteristics that may describe a person:
caring, compassionate, fair, friendly, generous, helpful, hardworking, honest, and kind.
The person with these characteristics could be you or it could be someone else. For a moment, visualize in your mind the kind of person who has these characteristics. Imagine how that person would think, feel, and act. When you have a clear image of what this person would be like, answer the following questions.

(1 = strongly agree; 9= strongly disagree)
1. It would make me feel good to be a person who has these characteristics.
2. Being someone who has these characteristics is an important part of who I am.
3. I would be ashamed to be a person who has these characteristics. (R)
4. Having these characteristics is not really important to me. (R)
5. I strongly desire to have these characteristics.

Questions used only in Study 2

Warm Glow (Giebelhausen et al. 2016).
If you choose to buy this product, how would you feel? (1) ashamed/proud, (3) wicked/virtuous, and (4) unethical/ethical (all on a 9-point bipolar scale).

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