



PRICE ELASTICITY IN BANANAS

2017 FAIRTRADE GLOBESCAN MARKET RESEARCH



FAIRTRADE & BANANAS

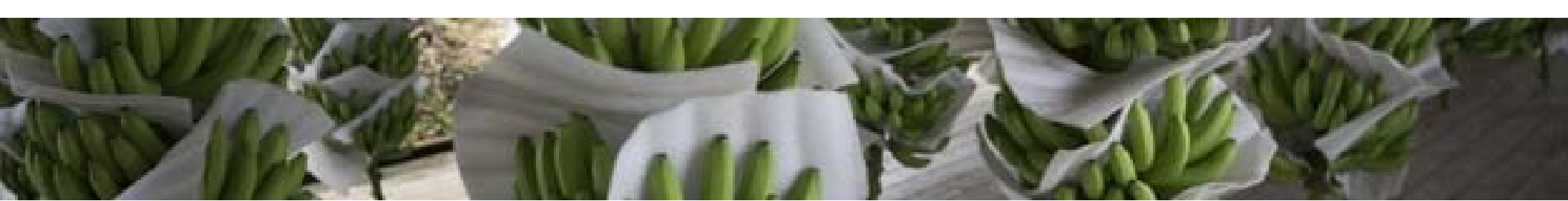


- GlobeScan conducted research into fair trade bananas including questions about price differentials.
- Questions were only asked of consumers who purchase bananas and have seen a fair trade label.
- 64% of consumers indicated that they would “probably” or “definitely” purchase fair trade certified bananas at a 10 cent differential.
- With a 5 cent increase, the percentage increased to 77%.
- GlobeScan calculated the return on price increase through advanced analysis using the van Westendorp price sensitivity model

“When the price is right, consumers state a strong willingness to pay a premium for fair trade bananas over those without a label. It shows that people will support retailers that take the extra step to invest in their supply chains.”

-James Morris, US Director, GlobeScan.

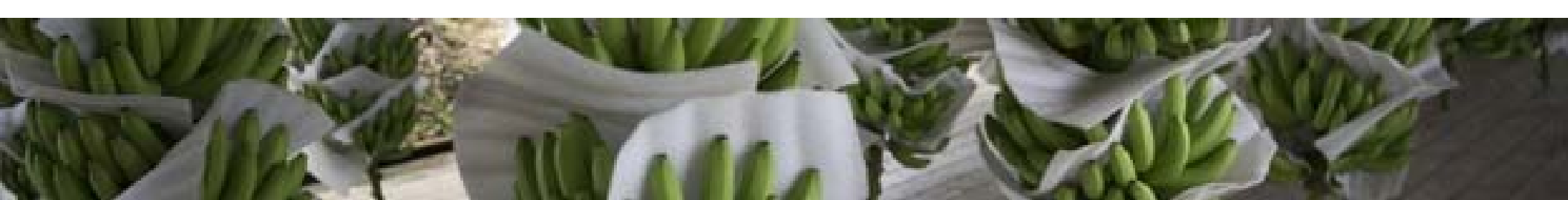




RETURN ON PRICE INCREASE, BANANA PURCHASERS AMONG THE GENERAL POPULATION, USA, 2017

The chart shows the “overall value of purchases” of fair trade certified products, at different price increases. This is calculated for each price increase bracket by calculating the overall value of the increase multiplied by how many people consider the increase acceptable and how likely they are to pay this much.

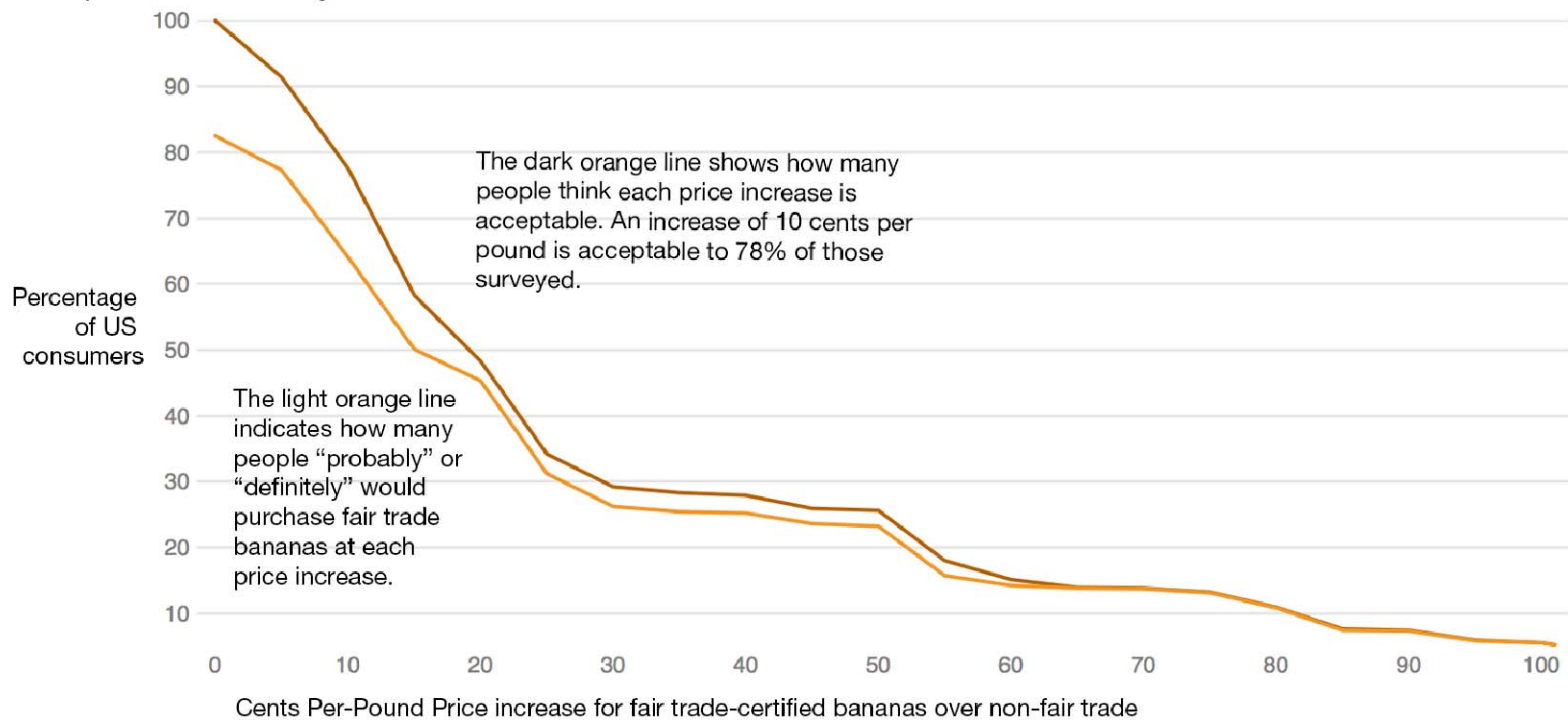




RETURN ON PRICE INCREASE, BANANA PURCHASERS AMONG THE GENERAL POPULATION, USA, 2017

The full model shows that likelihood to purchase drops off as prices get higher

■ Acceptable Price ■ Likely to Purchase



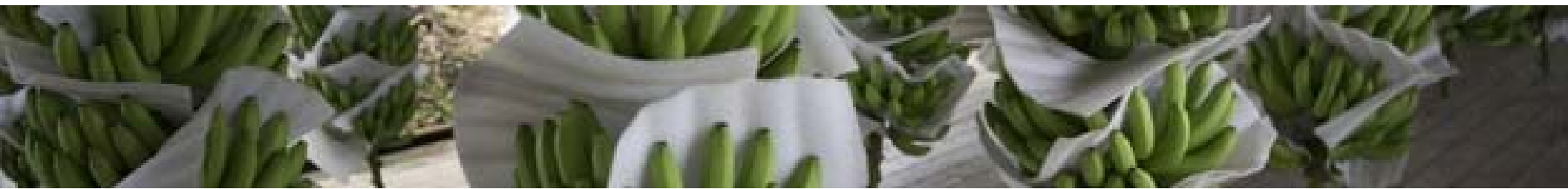
A worker member of El Guabo
Coopeative in Ecuador. Photo
by Stefan Lechner



FAIRTRADE BANANA BACKGROUNDER

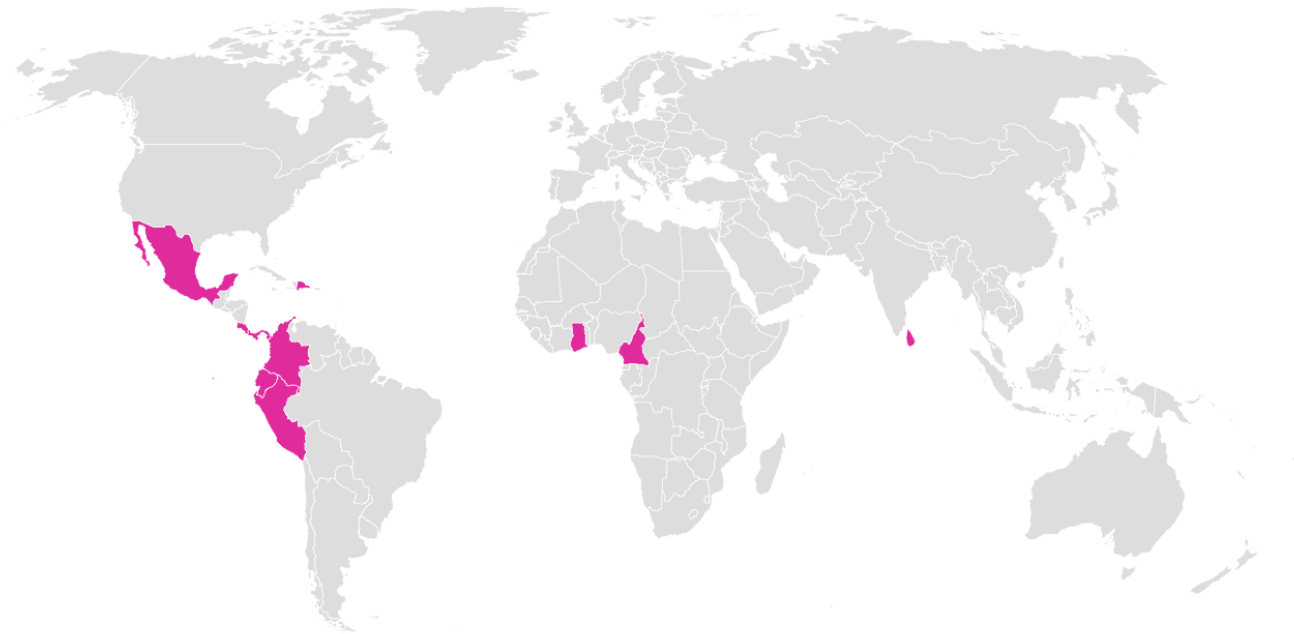
**MONITORING THE SCOPE AND IMPACT OF FAIRTRADE 2015 BY FAIRTRADE
INTERNATIONAL**





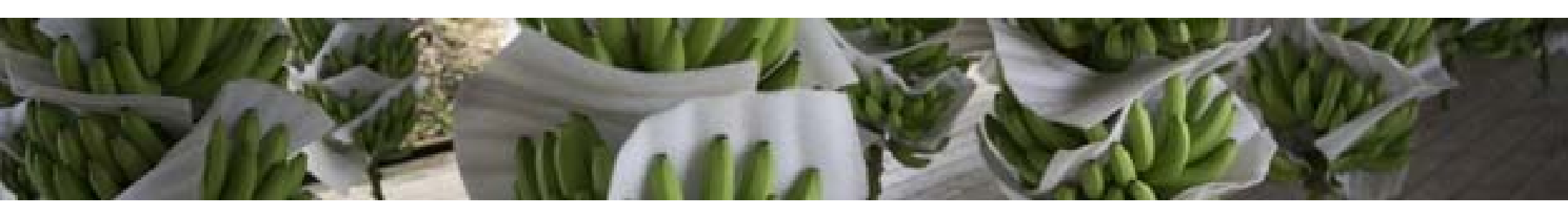
FAIRTRADE BANANA PRODUCER ORGANIZATIONS, 2015

There are 12,172 small-scale farmers and 10,353 workers across 130 Fairtrade certified producer organizations in 12 countries.



Based on 2014-2015 data from the report Monitoring the Scope & Benefits of Fairtrade, 2016, from Fairtrade International



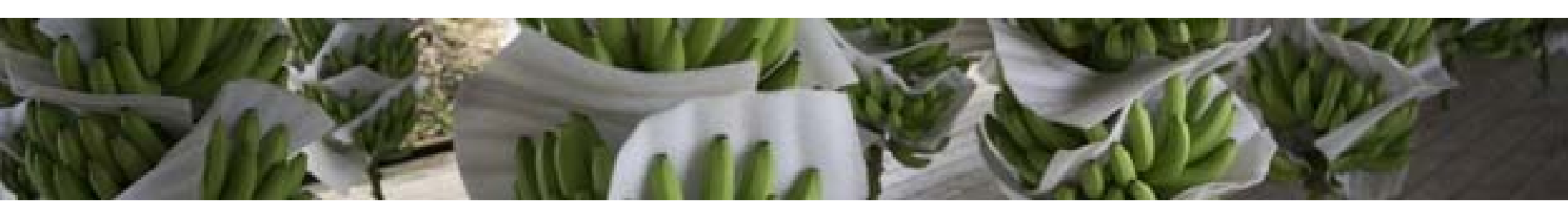


FAIRTRADE BANANA PRODUCTION CAPACITY & SALES: TOP COUNTRIES

	COUNTRY	▼ VOLUME PRODUCED	VOLUME SOLD ON FAIRTRADE TERMS	% SOLD AS FAIRTRADE
1	Dominican Republic	236.83	170.59	72%
2	Peru	185.62	105.29	57%
3	Colombia	184.89	143.35	78%
4	Rest of the world	155.50	70.25	45%
5	Ecuador	127.31	68.03	53%

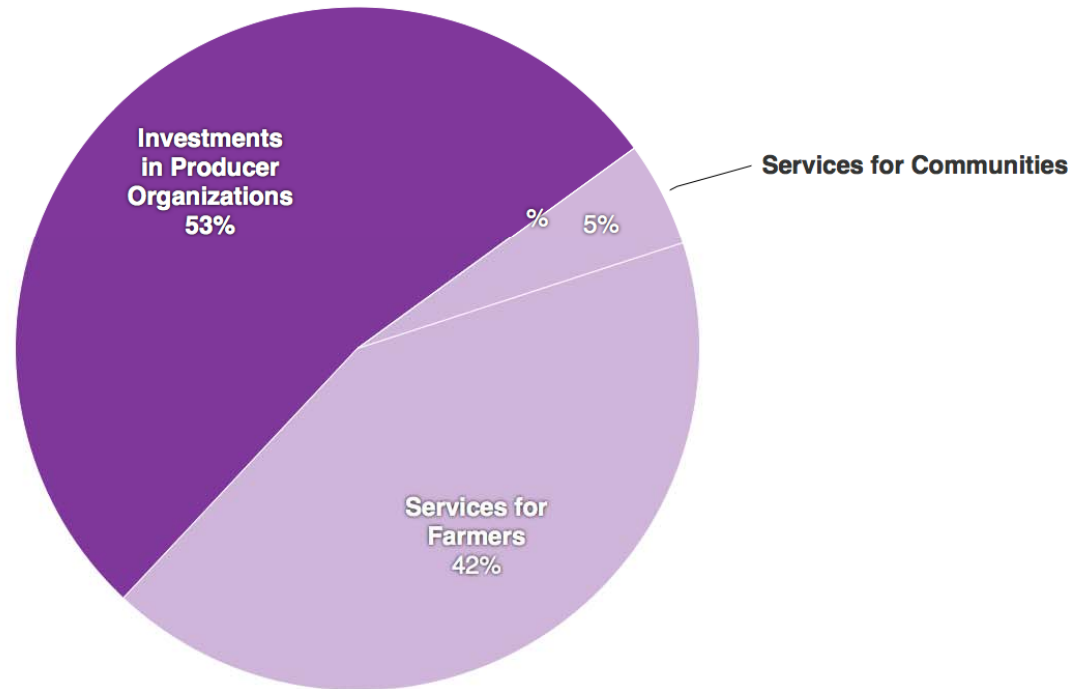
All figures in US tons. Based on data collected 2014-15, published in 2016





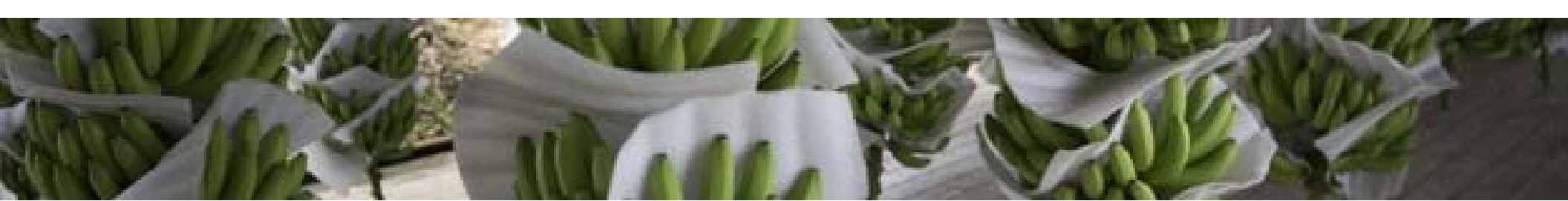
HOW FAIRTRADE BANANA CO-OPS & ASSOCIATIONS USED THEIR FAIRTRADE PREMIUM

Investing in business and infrastructure helps boost the cooperative's ability to provide services. Providing training on productivity and quality helps farmers improve their practices. Among community services, the most popular investment was in education.



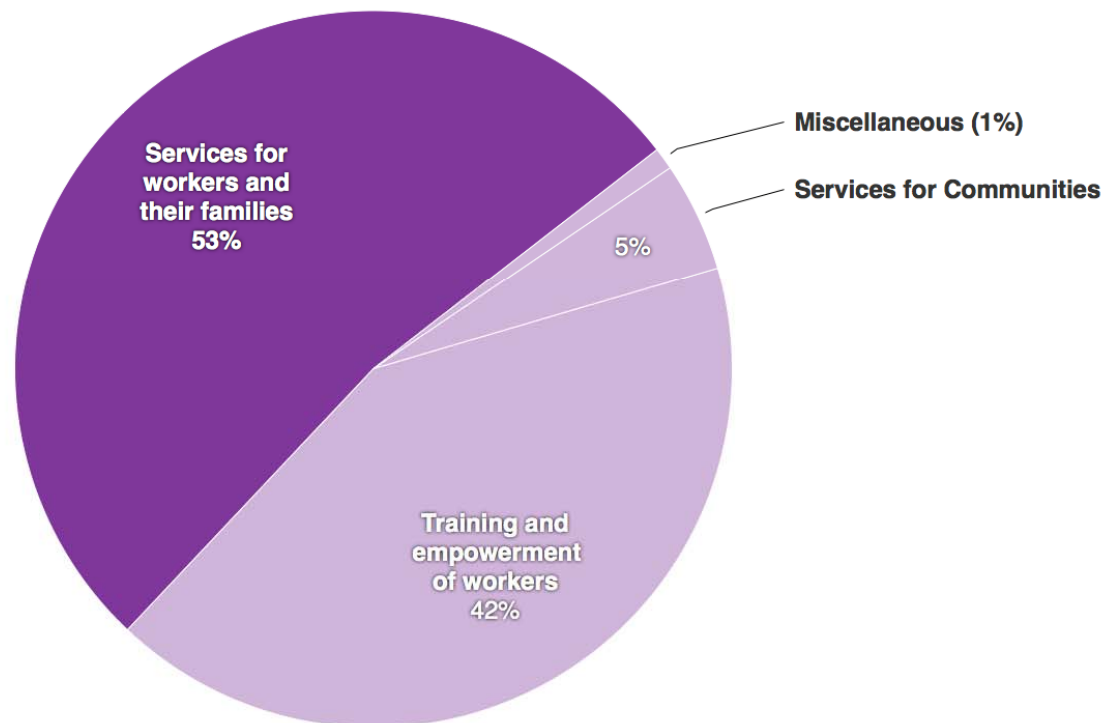
Based on 2014-2015 data from the report Monitoring the Scope & Benefits of Fairtrade, 2016, from Fairtrade International





HOW WORKERS ON FAIRTRADE BANANA PLANTATIONS USED THEIR FAIRTRADE PREMIUM

The largest portion of Premium investment by workers went to housing, followed by education for workers and their families.



Based on 2014-2015 data from the report Monitoring the Scope & Benefits of Fairtrade, 2016, from Fairtrade International



ABOUT FAIRTRADE AMERICA



® The FAIRTRADE label, licensed by Fairtrade America in the USA, is the most recognized and trusted ethical label worldwide. Fairtrade is an alternative approach to trade that empowers farmers and workers, companies and consumers to share the benefits of trade equally. By complying with the social, economic and environmental criteria in the internationally-agreed Fairtrade Standards, farmers, traders and brands can improve the sustainability of their entire supply chain.

Learn how Fairtrade can help improve your supply chain and support farmers and workers to improve livelihoods.



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