The Luxury of Sustainability: Examining Value-Based Drivers of Fair Trade Consumption

Steffen Schmidt, Nadine Hennigs, Stefan Behrens and Evmorfia Karampournioti

Abstract Green consumption has evolved into consumption that also addresses ethical factors. The twenty-first century is perceived to reflect the emancipation of the ethical consumer, who is "*shopping for a better world*" (Low and Davenport in J Consum Behav 6(5):336–348, 2007). The rising consumer demand for ethical alternatives is present in all product categories, and—reasoning that the concept of sustainability with aspects such as exclusivity and rareness shares similar values with the concept of luxury—the aim of our study is to examine the luxury of sustainability against the backdrop of the research questions concerning a proposed similarity of consumer associations between luxury and ethical products. As specific context, we have chosen the orientation to and acceptance of Fair Trade products. In detail, the present study empirically investigates a multidimensional framework of intrapersonal Fair Trade orientation, fair-trade-oriented luxury perception, and fair-trade-oriented customer perceived value with reference to the recommendation of Fair Trade products. The first contribution of our research is to provide a conceptual framework of value-based drivers of Fair Trade product perception against the backdrop of the luxury concept. Second, the empirical findings of the applied partial least squares equation modeling (PLS-SEM) contribute to the understanding of consequences of Fair-Trade-based perception. Customers who reveal a high luxury perception of Fair Trade products are strengthened in the Fair Trade idea which results in higher customer perceived value as well as the willingness to recommend Fair Trade products. Third, the data analysis of the applied PLS-SEM approach demonstrates that positive Fair Trade behavior is influenced by direct and indirect effects. With reference to the conducted study, being an active promoter of Fair Trade products is directly determined by the customers' perceived product value (benefit in relation to cost), but also directly and indirectly affected by the overall luxury product perception as well as the intrapersonal level of Fair Trade orientation.

Keywords Sustainable luxury · Fair Trade · Customer perceived value

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1   Introduction

Green consumption and the avoidance of products that are likely to "*endanger the health of the consumer or other; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use—or cruelty to animals; adversely affect other countries*" (Elkington and Hailes 1989, p. 5) have evolved into consumption that also addresses ethical factors (Strong 1996). The twenty-first century is perceived to reflect the emancipation of the ethical consumer (e.g., Nicholls 2002), who is "*shopping for a better world*" (Low and Davenport 2007, p. 336). That said, consumers show a higher level of sustainability awareness. Indeed, sustainability is a worldwide social movement that has its origin in the late 1970s (Peet and Watts 2002), which is closely related to the global solidarity movement and corporate responsibility movement (Kates et al. 2005). It can be stated that the ethical-oriented buyer demands that products are not only friendly to the environment but also friendly to the people who produce them (Rosenbaum 1993). Sustainability awareness includes ethical issues such as environmental, animal welfare and societal concerns.

As a result, marketing managers are beginning to realize the importance of customer ethics and values and how meeting ethical demands is critical if they wish to gain a competitive advantage (Browne et al. 2000). However, when dealing with ethical purchases, results reveal a substantial gap between consumer attitudes, buying intentions, and effective behavior (e.g., De Pelsmacker et al. 2005a; King and Bruner 2000; Strong 1996). Even if studies suggest that consumers prefer to buy ethical products (e.g., Creyer and Ross 1997; Mohr et al. 2001), only a niche actually buys them (Cowe and Williams 2000). Therefore, the question remains of how to meet the consumers' expectations toward sustainable and green products and realize the transfer of positive perception to actual buying behavior. Consequently, a more thorough understanding of consumer ethical orientation and related links to ethical buying behavior is necessary (Papaoikonomou et al. 2011).

The rising consumer demand for ethical alternatives is present in all product categories, and—reasoning that the concept of sustainability with aspects such as exclusivity and rarity shares similar values with the concept of luxury (Phau and Prendergast 2000; Janssen et al. 2013)—the aim of our study is to examine the luxury of sustainability along the following questions: *Are there co-existing consumer associations with regard to luxury and ethical products? Can the sustainability sector learn from the management of luxury brands?* As a specific context, we have chosen the orientation to and acceptance of Fair Trade products. In the area of ethical consumerism and among the different social, environmental, and organic labels, Fair Trade has been the fastest growing sector, with international sales that increase by more than 15 % per year (FLO 2010).

Against the backdrop of the aim of the present work, a multidimensional framework of intrapersonal Fair Trade orientation, fair-trade-oriented luxury perception, and fair-trade-oriented customer perceived value with reference to the

recommendation of Fair Trade products is conceptualized. In detail, partial least squares equation modeling (PLS-SEM) is applied to assess the introduced conceptual model empirically in order to contribute to the understanding of consequences of fair-trade-based perception.

The paper is structured as follows: First, a conceptual framework is derived and provided in the next paragraph. Particularly, the theoretical background of all core elements of the introduced model, namely fair-trade-oriented luxury perception, intrapersonal Fair Trade orientation, fair-trade-oriented customer perceived value, and fair-trade-oriented word of mouth (here recommendation intention captured by the Net Promoter Score), is introduced and discussed. Next, in the "Research Methodology" section, the measurement instruments and sample are outlined, followed by a discussion of the research findings. Finally, the paper closes with a discussion regarding research and managerial implications as opportunities to develop strategies that aim to form the basis of a structured understanding of perceived value and related consumer behavior in the context of ethical and green consumption. In sum, the main findings of this study underline that customers who reveal a high luxury perception of Fair Trade products are strengthened in the Fair Trade idea which results in higher customer perceived value as well as the willingness to recommend Fair Trade products.

2 Conceptualization and Hypotheses Development

Following a definition of sustainability as an approach to "*meet the needs of the current generation without compromising the ability of future generations to meet their own needs*" (World Commission on Environment and Development 1987) based on attitudes such as durability, quality, and timelessness, inherent synergies to the concept of luxury become apparent (Kapferer and Bastien 2009). Instead of being two opposing perspectives, a closer look reveals that sustainability and luxury share common ideals (Cvijanovich 2011). Similar to sustainable goods, luxury is managed based on a long-term perspective, the respect for rare resources and authentic craftsmanship (Janssen et al. 2013; Cvijanovich 2011; Kapferer 2010). Existing literature suggests that sustainable and green consumption is determined by a whole variety of factors. For the purposes of this study, to advance the current understanding of customer value perceptions and effective behavior in view of Fair Trade products, we examine an integrated conceptual framework, as illustrated in Fig. 1. Fair Trade products have been chosen, reasoning that those specific product categories represent both sustainability (e.g., environmental protection) and luxury aspects (e.g., exclusivity).

The key constructs and related hypotheses are described below.

Fair-trade-oriented Luxury Perception: Traditionally, luxury products can be defined as those whose price and quality ratios are the highest in the market (McKinsey 1990), and even if the ratio of functionality to price might be low, the ratio of intangible and situational utility to price is comparatively high (Nueno and Quelch 1998). The concept of luxury is used in diverse industry sectors and refers
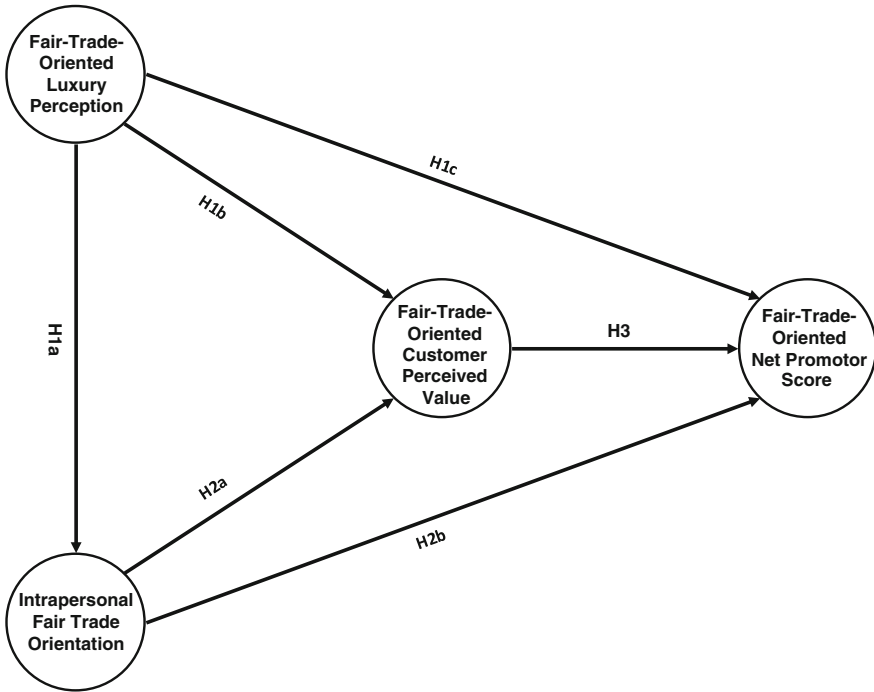
Fig. 1 Conceptual model

"*to a specific tier of offer in almost any product or service category*" (Dubois et al. 2005). In this context, and reasoning that the main factors distinguishing luxury from non-luxury products are the psychological benefits for the owner (Nia and Zaichkowsky 2000), it is reasonable to suggest that sustainable and green products can adapt a luxury strategy as well. If sustainable consumption is understood as the acceptance of limited availability and scarcity where consumers decide to buy less and better (Dubois and Paternault 1995), the connection to luxury products that are purchased based on exclusivity, durability, and rarity becomes evident. In order to analyze consumer perception and behavior with regard to sustainable and green products, we suggest that consumers who associate Fair Trade products with luxury qualities such as exclusivity and preciousness will have a positive attitude (*intrapersonal Fair Trade orientation*) and value perception of Fair Trade products (*fair-trade-oriented customer perceived value*) as well. Besides, we propose that consumers who value Fair Trade products will be more inclined to recommend the idea of Fair Trade to relevant others (*fair-trade-oriented Net Promotor Score*). Therefore, we hypothesize:

H₁ₐ Fair-trade-oriented luxury perception has a positive effect on intrapersonal Fair Trade orientation.

H₁ᵦ Fair-trade-oriented luxury perception has a positive effect on fair-trade-oriented customer perceived value.

H₁c Fair-trade-oriented luxury perception has a positive effect on fair-trade-oriented Net Promotor Score.

Intrapersonal Fair Trade Orientation: Buying environmentally friendly and fairly traded products are considered to be the two most typical examples of ethical buying behavior (Shaw and Shiu 2002; Shaw and Newholm 2002; Shaw et al. 2005). As manifestation of ethics in consumerism, Fair Trade "*aims to improve the position of poor and disadvantaged food producers in the Third World by helping them to become more advantageously involved in world trade, in many developed countries*" (Jones et al. 2004, p. 77). Based on socially responsible practices and a marketing system that "*bridges artisans' needs for income, retailers' goals for transforming trade, and consumers' concerns for social responsibility through a compatible, non-exploitive, and humanizing system of international exchange*" (Littrell and Dickson 1999, p. 4). Fair Trade organizations (FTOs) pay fair wages, provide safe working conditions, are environmentally friendly, offer training, and contribute to community development (Fairtrade 2011). Consumers of Fair Trade products feel responsibility toward society and demonstrate their feelings through their purchase behavior (De Pelsmacker et al. 2005b). Existing study insights on attitudes and behaviors of Fair Trade consumers reveal that consumer motivations and their degree of intensity and loyalty toward Fair Trade products vary (e.g., Shaw and Clarke 1999; Cherrier 2007; Newholm and Shaw 2007; Low and Davenport 2007). As shown in our conceptual model, the individual Fair Trade orientation understood as consumers' psychological and behavioral responses to Fair Trade products is suggested to have a positive effect on customer value perception (*fair-trade-oriented customer perceived value*) and the willingness to recommend Fair Trade products to others (*fair-trade-oriented Net Promotor Score*):

H₂a Intrapersonal Fair Trade orientation has a positive effect on fair-trade-oriented customer perceived value.

H₂b Intrapersonal Fair Trade orientation has a positive effect on fair-trade-oriented Net Promotor Score.

Fair-trade-oriented Customer Perceived Value: As a context-dependent (MBHolbrook 1994; Parasuraman 1997), highly personal, and multidimensional concept, customer perceived value creates a trade-off between product-related benefits and sacrifices, expected by current as well as potential customers in different phases of the purchase process (Woodruff 1997; Sweeney and Soutar 2001; Graf and Maas 2008). In an attempt to examine a customer's perceived preference for and evaluation of a certain Fair Trade product, the construct of *customer perceived value* understood as "*a consumer's overall assessment of the utility of a product based on perceptions of what is received and what is given*" (Zeithaml 1988, p. 14) based on "*an interactive relativistic consumption preference experience*" (MBHolbrook 1994) is of particular importance. Concerning various sources of the customer's Fair Trade perception, a wide range of relevant present and potential motives that might explain why consumers choose to buy or avoid a

certain product should be taken into consideration (De Ferran and Grunert 2007; Renard 2003; Sheth et al. 1991). According to the customer perceived value framework by Sweeney and Soutar (2001) and incorporating the findings of the meta-analysis of value perceptions' research by Smith and Colgate (2007), well-known consumption values, which are commonly divided into the four types *affective*, *economic*, *functional*, and *social*, seem to drive Fair-Trade-oriented purchase attitude and behavior (De Pelsmacker et al. 2005a). Hence, globally perceived relevance, necessity, and meaningfulness of Fair Trade products, represented in our conceptual model by the Fair-Trade-oriented customer perceived value, are expected to have a positive effect on the willingness to recommend the idea of Fair Trade to relevant others (*fair-trade-oriented Net Promotor Score*):

H$_3$ Fair-trade-oriented customer perceived value has a positive effect on fair-trade-oriented Net Promotor Score.

Fair-trade-oriented Net Promoter Score: Dedicated to the question of how to measure the customer's loyalty to companies, Reichheld (2003) introduced the Net Promoter Score (NPS) in Harvard Business Review as "*The One Number You Need to Grow*": He claims that the word-of-mouth metric is the single most reliable indicator for sustainable firm revenue growth as only convinced consumers would recommend a company or, respectively, its products and services (Reichheld 2003, 2006a, b). Based on survey responses to one single question, asking for the likelihood to recommend on an 11-point scale ranging from 0 to 10, the firm's Net Promoter Score was designed to measure the number of people who are likely to provide positive comments (called "*promoters*"), rating the firm a 9 or 10, minus those likely to give negative comments (called "*detractors*"), rating the firm a 6 or less. Compared to models that refer on data from multiple survey items to predict firm growth, Reichheld (2006c) reported that NPS "*yields slightly less accurate predictions for the behavior of individual customers, but a far more accurate estimate of growth for the entire business*" and a 12-point increase in NPS leads to a doubling of a company's growth rate on average according to a study by Bain & Company (Reichheld 2006a).

Nevertheless, NPS has been severely critiqued in terms of its predictive validity in relation to company growth: "*The simple truth, however, is that these claims remained largely untested by the scientific community*" (Keiningham et al. 2008, pp. 82/83). In a longitudinal study of company performance and NPS measures across industries, Keiningham et al. (2007b) were unable to replicate Reichheld's (2003) findings. Another study, conducted by Keiningham et al. (2007a), showed that a multiple-item measure gave a better prediction of retention and recommendation so that Sharp (2008) criticizes NPS even as "*fake science*" (p. 30).

Reasoning the scientific discussion on the effective added value of the NPS, the present study aims to examine the relevant drivers of NPS as the indicator for consumer's willingness to recommend a certain Fair Trade product instead of focusing on possible outcomes such as company growth. In particular, we assume

that the applied fair-trade-oriented Net Promoter Score is driven by the already mentioned fair-trade-oriented luxury perception, the intrapersonal Fair Trade orientation, and the fair-trade-oriented customer perceived value.

3 Research Methodology

3.1 Questionnaire

Reflective global scales were developed and used to measure fair-trade-oriented luxury perception, intrapersonal Fair Trade orientation, and fair-trade-oriented customer perceived value. With specification to a Fair Trade context, all global items were rated on seven-point semantic differentials. Furthermore, a standard Net Promotor Score (NPS) measure as our chosen Fair Trade behavior performance success indicator was used by asking the original question "*How likely are you to recommend Fair Trade products to a friend, colleague or relative?*" on a scale from 0 (*not at all likely*) to 10 (*extremely likely*). The first version of the questionnaire was face-validated using exploratory and interviews with marketing experts from the field of business practice ($n = 5$) and science ($n = 5$), each with level of knowledge concerning sustainability aspects, as well as actual consumers of Fair Trade products ($n = 10$) to ensure an appropriate survey length and structure as well as the clarity of the items used.

3.2 Sample and Procedure

We conducted a Web-based survey in Germany to investigate the research model. In fact, Germany is a highly developed, competitive, and still growing market for sustainable products in general and Fair Trade products in particular with a high share of people demanding and consuming those products. Effectively, a strong increase in the consumption of Fair Trade products has been recorded for Germany with hitting a turnover over half a billion Euro in 2012 and indicating a growth of 33 % within one year (Fairtrade International 2013). Interviewees were recruited using the ethical and organic consumer research panel "green consumer" (this specific panel provides subjects who acknowledge to buy and consume various types of sustainable products on a regular basis) by *Toluna*, one of the leading global online market research panel companies. Survey participation was limited to consumers who had bought Fair Trade products during the last six months. In January 2013, after Fair Trade became really a mass market in Germany according to the statistics as noticed above, a total of 320 valid questionnaires were received. We used a quota sampling to select participants and to receive a well-balanced representation of any gender and age group referring to a Fair Trade-relevant target

Table 1 Demographic profile of the sample

Variable		*n*	%
Age	20–29 years	80	25.0
	30–39 years	80	25.0
	40–49 years	80	25.0
	50–59 years	80	25.0
Gender	Male	160	50.0
	Female	160	50.0
Marital status	Single	150	46.9
	Married	135	42.2
	Divorced	28	8.8
	Widowed	3	0.9
	No answer	4	1.3
Education	Not graduated from high school	1	0.3
	Lower secondary school	21	6.6
	Intermediate secondary school	116	36.3
	A-levels	89	27.8
	University degree	92	28.8
	No answer	1	0.3
Occupation	Full time	181	56.6
	Part-time	51	15.9
	Pensioner/retiree	12	3.8
	House wife/husband	24	7.5
	Job training	7	2.2
	Student	20	6.3
	Scholar	1	0.3
	Seeking work	23	7.2
	No answer	1	0.3
Household income	500 EUR or less	10	3.1
	501 EUR–1000 EUR	39	12.2
	1001 EUR–1500 EUR	49	15.3
	1501 EUR–2000 EUR	59	18.4
	2001 EUR–3000 EUR	89	27.8
	3001 EUR–4000 EUR	45	14.1
	4000 EUR or more	28	8.8
	No answer	1	0.3

group. Specifically, in our sample, the gender ratio was 50 % female and 50 % male with an age share of 25 % each for the sub-age group 20–29 years, 30–39 years, 40–49 years, and 50–59 years. The sample characteristics are shown in Table 1.

4 Results and Discussion

4.1 Analysis Technique

For examining the drivers and outcomes of a luxury-driven Fair Trade behavior and to check the postulated hypotheses, a partial least squares (PLS) structural modeling was employed in this exploratory study. PLS was considered as the appropriate method due to the facts that this analysis technique (a) places minimal specifications on sample sizes, (b) is suitable when the research objective involves theory building, (c) does not require a normal distribution of the manifest variables, and (d) evaluates the predictive power of the causal model. For that reason, we employed the software statistics package SmartPLS 2.0 (Ringle et al. 2005) with casewise replacement and a bootstrapping procedure (probing individual sign changes) to carry out the empirical PLS regression analysis. As illustrated in Fig. 1, the investigated PLS path model includes the reflective constructs of fair-trade-oriented luxury perception, intrapersonal Fair Trade orientation, fair-trade-oriented customer perceived value, and a fair-trade-oriented NPS measure. The result assessment is presented in the subsequent sections with reference to an outer and inner model discussion.

4.2 Evaluation of the Measurement Models

The manifest variables that are indicators for the measurement models of fair-trade-oriented luxury perception, intrapersonal Fair Trade orientation, and fair-trade-oriented customer perceived value are presented in Table 2. With regard to the assessment of the reflective measures as shown in Table 3, all factor loadings are statistically significant and well exceed the recommended value of 0.7, thus suggesting item reliability (Carmines and Zeller 1979; Hulland 1999).

Table 2 Manifest variables of the reflective measurement models

Fair-trade-oriented luxury perception	
LX_global_01	Not at all exclusive–extremely exclusive
LX_global_02	Not at all first-class–extremely first-class
LX_global_03	Not at all extravagant–extremely extravagant
LX_global_04	Not at all precious–extremely precious
Intrapersonal Fair Trade orientation	
FTO_economic_01	Not at all fair-trade-oriented–extremely fair-trade-oriented
FTO_economic_02	Not at all interested–extremely interested
Fair-trade-oriented customer perceived value	
CPV_global_01	Not at all relevant–extremely relevant
CPV_global_02	Not at all necessary–extremely necessary
CPV_global_03	Not at all meaningful–extremely meaningful

Table 3 Assessing the measurement models

	Factor loadings	Average variance explained (AVE) (%)	Cronbach's alpha	Composite reliability	Fornell–Larcker criterion (AVE > Corr^2)
Fair-trade-oriented luxury perception	0.790–0.876	69	0.854	0.900	0.69 > 0.38
Intrapersonal Fair Trade orientation	0.902–0.930	84	0.809	0.912	0.84 > 0.50
Fair-trade-oriented customer perceived value	0.888–0.908	81	0.880	0.926	0.81 > 0.58
Fair-trade-oriented Net Promotor Score	1.000	100	1.000	1.000	1.00 > 0.58

In addition, all reflective constructs exhibit satisfactory values in terms of internal consistency (Bagozzi and Yi 1988; Nunnally and Bernstein 1994): The average variance extracted (AVE) estimates range from 69 to 81 %, the Cronbach's alphas range from 0.809 to 0.880, and the composite reliability values range from 0.900 to 0.926. Moreover, the Fornell–Larcker criterion was used to assess discriminant validity (Fornell and Larcker 1981). In this study, each latent variable passes the criterion requirements, thereby satisfying discriminant validity.

4.3 Evaluation and Discussion of the Structural Model

In a next step, the predictive quality of our introduced conceptual model was assessed after ensuring the reliability and validity of each measure. Therefore, the coefficients of determination of the endogenous latent variables (R^2) were first examined. As presented in Fig. 2, the calculated R^2 values are ranging from 0.38 to 0.65. In accordance with Chin (1998), these values reveal a moderate to substantial performance. Furthermore, Stone–Geisser Q-square values were assessed (Tenenhaus et al. 2005) using a blindfolding procedure (cross-validated redundancy). All Q-square values are clearly greater than zero with 0.32 being the smallest one, as shown in Table 4. According to the empirical results, the PLS structural equation model demonstrates a high predictive relevance.

4.4 Testing the Hypotheses

A nonparametric bootstrapping procedure (320 cases and 1600 subsamples; individual sign changes) was applied to assess the significance of the path coefficients
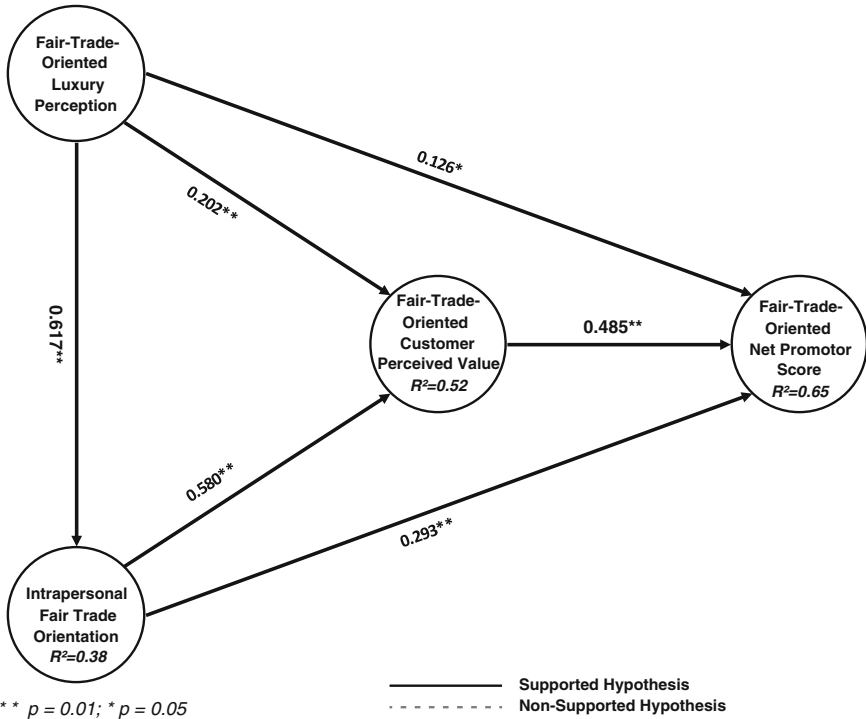
Fig. 2 Structural model

Table 4 Assessing the structural model

Endogenous LV	R^2	Q^2
Intrapersonal Fair Trade orientation	0.380	0.318
Fair-trade-oriented customer perceived value	0.521	0.411
Fair-trade-oriented Net Promotor Score	0.650	0.649

and to test the proposed hypotheses. Table 5 presents the following insights with reference to our initial hypotheses.

H₁ₐ to H₁c are confirmed. The first set of research hypotheses **H₁ₐ** to **H₁c** focused on the effect of fair-trade-oriented luxury perception on the subsequent latent variables: intrapersonal Fair Trade orientation, fair-trade-oriented customer perceived value, and fair-trade-oriented NPS. In detail, the results reveal significant positive impacts of fair-trade-oriented luxury perception on each latent variable. Thus, the empirical data provide full support for **H₁ₐ, H₁b,** and **H₁c.**

H₂ₐ and H₂b are confirmed. The second set of hypotheses postulates an influence of intrapersonal Fair Trade orientation on fair-trade-oriented customer

Table 5 Bootstrapping results for the structural relations

Exogenous LV → endogenous LV	Original sample	Sample mean	Standard deviation	Standard error	T statistics
Fair-trade-oriented luxury perception → intrapersonal Fair Trade orientation	0.617	0.619	0.044	0.044	13.903
Fair-trade-oriented luxury perception → fair-trade-oriented customer perceived value	0.202	0.205	0.055	0.055	3.652
Fair-trade-oriented luxury perception → fair-trade-oriented Net Promotor Score	0.126	0.125	0.054	0.054	2.312
Intrapersonal Fair Trade orientation → fair-trade-oriented customer perceived value	0.580	0.575	0.054	0.054	10.719
Intrapersonal Fair Trade orientation → fair-trade-oriented Net Promotor Score	0.293	0.291	0.069	0.069	4.271
Fair-trade-oriented customer perceived value → fair-trade-oriented Net Promotor Score	0.485	0.486	0.059	0.059	8.200

perceived value as well as on fair-trade-oriented NPS. With reference to the suggested effects, all path coefficients are significant and supportive of H_{2a} and H_{2b}.

H_3 *is confirmed.* Finally, hypothesis H_3 proposed an effect of fair-trade-oriented customer perceived value on Fair-Trade-oriented NPS. Accenting the critical role of customer perceived value as a key element for a successful product management and in support of H_3, the PLS-based results reveal a strong and significant influence of fair-trade-oriented customer perceived value on fair-trade-oriented NPS.

Taken all together, the findings stress that customers with a high luxury perception regarding Fair Trade products show a higher level of involvement and reassurance toward the idea of Fair Trade. As a consequence thereof, those customers reveal a higher level of customer perceived value of Fair Trade products (e.g., product quality) as well as the willingness to recommend (word of mouth) Fair Trade products. However, the current study only captured a single indicator, specifically the well-known Net Promoter Score, to assess the customer behavior toward Fair Trade products. In reality, customer behavior is more multifaceted. That said, the current results can only be regarded concerning the loyalty potential, but less with reference to other important behavior aspects like customer's willingness to pay a higher price (price premium) or cross-marketing potential (e.g., to buy products from other product categories).

5 Conclusion

5.1 Scientific Contribution

The first contribution of the research presented here is to provide a conceptual framework of value-based drivers of Fair Trade product perception against the backdrop of the luxury concept. Second, the empirical findings contribute to the understanding of consequences of fair-trade-based luxury perception. Customers who reveal a high luxury perception of Fair Trade products are strengthened in the Fair Trade idea which results in higher customer perceived value as well as the willingness to recommend Fair Trade products. Third, the data analysis of the applied PLS-SEM approach demonstrates that positive Fair Trade behavior is influenced by direct and indirect effects. With reference to the conducted study, being an active promoter of Fair Trade products is directly determined by the customers' perceived product value (benefit in relation to cost), but also directly and indirectly affected by the overall luxury product perception as well as the intra-personal level of Fair Trade orientation.

5.2 Next Research Steps

For further research, our introduced conceptual model should be extended in two ways. First, the main value-based drivers fair-trade-oriented luxury perception as well as intrapersonal Fair Trade orientation should be refined in an expanded quantitative level of detail (e.g., hedonism driving luxury perception or social identification driving Fair Trade orientation), since both dimensions have a limited explanatory scope due to their global characteristics. Second, the impact of fair-trade-oriented luxury perception and intrapersonal Fair Trade orientation on a refined Fair Trade product perception (e.g., image or satisfaction) as well as Fair Trade product behavior (e.g., loyalty or price premium) should be explored. A model extension would provide managers with valuable information if and how the concept of luxury in relation to Fair Trade products enhances product's key performance indicators such as buying intention and actual behavior.

5.3 Managerial Implications

From a managerial perspective, our study may form the basis of a structured understanding of perceived value and related consumer behavior in the context of ethical and green consumption. Our results reveal that consumers who relate the concept of luxury based on aspects such as exclusivity, rarity, and authenticity with the idea of sustainability and Fair Trade orientation perceive higher value and are

more inclined to buy and recommend Fair Trade products. Therefore, a comprehensive management approach dedicated to the creation and maintenance of a successful sustainable brand with lasting competitive advantage chases away any "*granola-and-hemp clichés*" (McMillan 2012) and stresses the value components of exclusivity, preciousness, and longevity. In this context, one of the key challenges of a sustainable communication approach is to raise and sustain the public awareness of existing environmental and social concerns and keep generations of consumers informed about the exploitation of nature and producers as well as unfair trading practices. However, instead of being a self-proclaimed moralizer and accuser, marketing managers have to provide viable alternatives that can help to overcome these problems. In the trade-off between conventional and ethical products, present and future consumers are only willing to accept these products as sustainable opportunities when the perception of deeper values is satisfactory. As shown in this study, the sustainability sector can learn from the management of luxury brands where a rich history of value-based marketing exists and has been successful for generations of consumers.

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