



# Addressing fair trade standards in the university curriculum – the example of coffee

The Coffee Value Chain and Higher Education: Bridging the Gap between Theory and Practice

Prof. Dr. Paul Michels, Economics and Market Research

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*Applied Sciences  
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# Agenda

- Fair Trade Principles
- Fair Trade in Curricula
  - Fair Trade in Marketing Lectures for Bachelors
  - Fair Trade in Thesis
- Fair Trade in Advanced Trainings
- Conclusions



# Fair Trade Principles:



- **Direct trade, less intermediate traders**
- **Fair prices (guaranteed minimum prices)**
- **Long term trade relationships**
- **Financing production factors in advance (before harvest)**

Economical  
features

- **Democratic and transparent cooperatives**
- **No exploitation of children, small farmers or workers**
- **Strengthening local structure (education, production capacities, quality management, social bodies, ...) by fair trade premium**

Social features

- **Environmental protection, biodiversity, extra premium for organic products**

Ecolo-gic  
features

Criticism: high fee (dependent on many factors) see FloCERT cost calculator on

<https://www.flocert.net/solutions/fairtrade-resources/cost-calculator/>



# Fair trade

## Advantages of fair trade:

- Purchase argument in Western industrial countries, trend to social responsibility => fast growing market
- Economic, social and ecologic improvements of situation in supplier countries
- Raising awareness of unfair trade and fair trade principles  
<https://www.fairtrade.org.uk/what-is-fairtrade/what-fairtrade-does/>

## Weaknesses:

- High fees for certification
- Higher qualities do not necessarily lead to higher prices
- Lacks in traceability

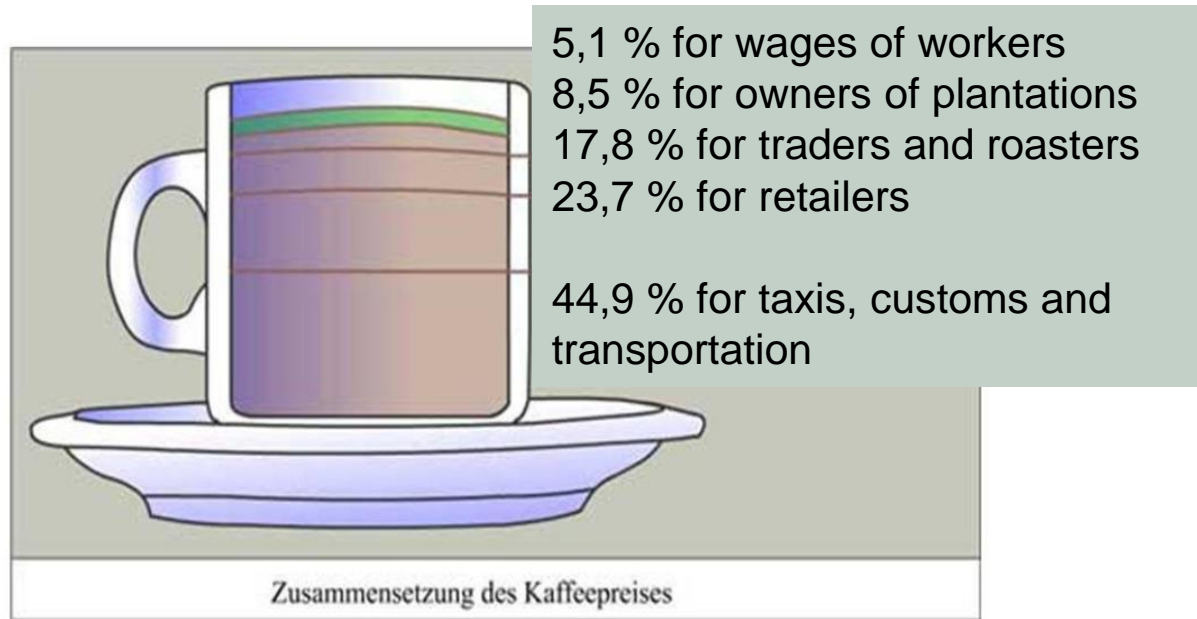
# World market prices of coffee and Fair trade minimum prices (\$/pound)

source:  
International Coffee Organization, 2021  
<https://www.macrotrends.net/2535/coffee-prices-historical-chart-data>



“Fairtrade certified co-operatives can count on at least the Fairtrade Minimum Price of **\$1.40 per pound** for arabica coffee sold on Fairtrade terms (30 cents more if organic), plus an extra 20 cents per pound Fairtrade Premium to invest as they see fit – 5 cents of which is dedicated to improving productivity and quality ...”  
Source: Fair Trade Foundation, London, URL  
<https://www.fairtrade.org.uk/> Abruf 22.10.2021

# Composition of the world market coffee price (consumer price at German retailers of 3,70-7,00 € / 500 g.



Quelle: Deutscher Kaffeeerband; Statista 2012  
Bild: Nemox

Current prices in online shops like

<https://shop.rewe.de/c/kaffee-tee-kakao/>

# Facts, figures and advertising for fair trade

<https://www.fairtrade.org.uk/>

**(Worldwide: Annual Report 2020)**

<https://annualreport16-17.fairtrade.net/en/>

**The German market for fair trade**

<https://www.fairtrade-deutschland.de/service/presse/zahlen-fakten.html>

**Fair trade campaigns are good example for advertising**

<https://www.youtube.com/watch?v=VQfnVPtPqg8>

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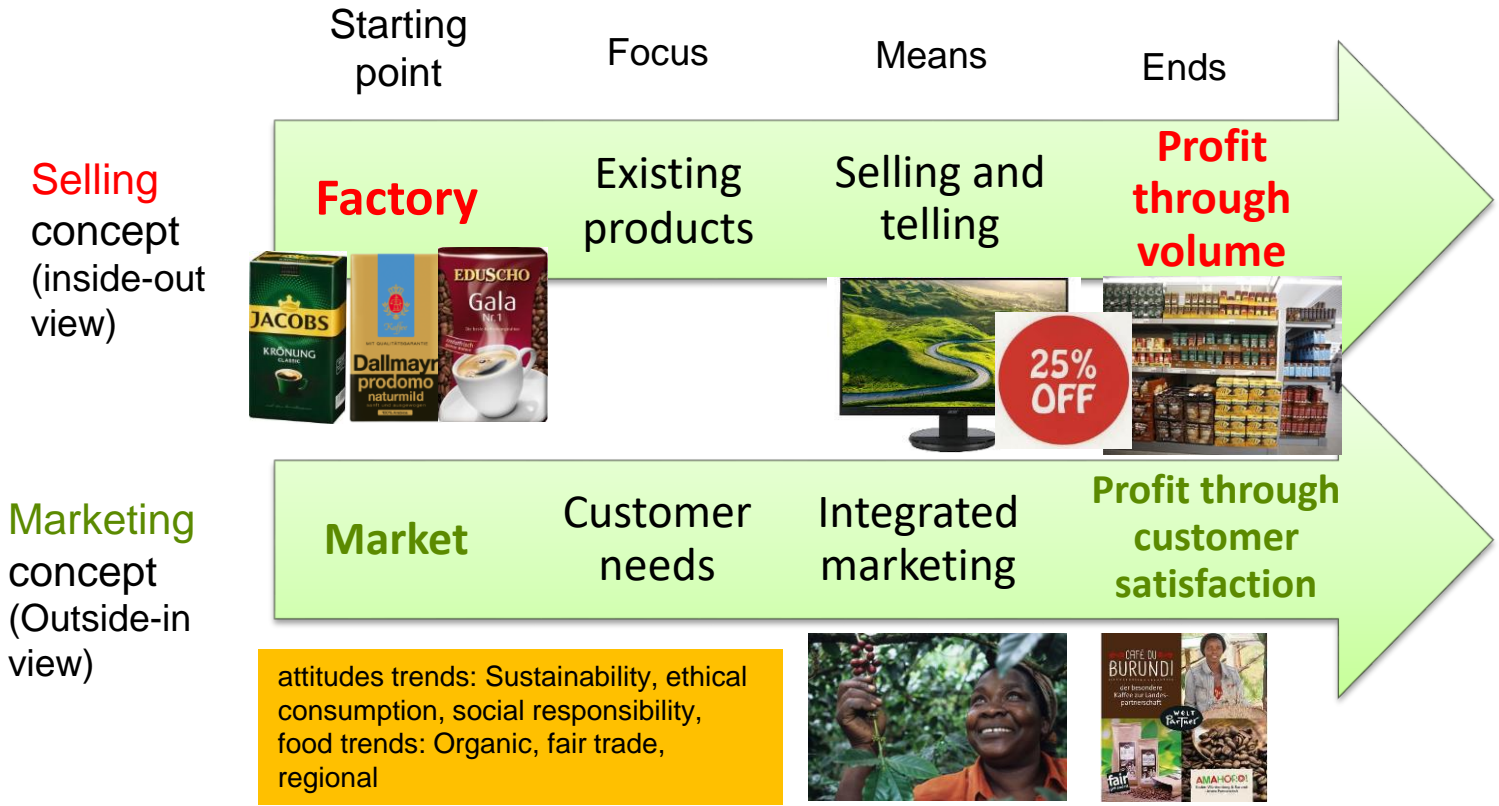
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# Selling and Marketing Concepts contrasted

Source: according to Armstrong, G., Kotler, P. (2013) Marketing – An Introduction, Pearson Education Limited, p. 39



# Bachelor Course „Foodstuff Management“

- „Product management / Marketing with Project“, 4<sup>th</sup> Semester
  - Project research in teamwork,
  - task presentation (30 min. + 15 min. discussion + poster)
- Bachelor thesis



**Einführung eines Fairtrade Kaffees**

Sebastian Dittrich, Magdalena Loos, Nicolai Rahn, Paul Wurche

**Unsere Aufgabe:**  
Unser Unternehmen ist die Pamaseni Kaffee GmbH und wir stehen vor der Entscheidung, ob wir einen Fairtrade Kaffee in unser Sortiment aufnehmen sollen. Dazu ist es notwendig eine Marktanalyse anzufertigen und zu ermitteln, ob unser Projekt glücken kann.

**Verbrauchtrends**

- Faire Arbeitsbedingungen
- Faire Preise
- Bereitschaft, mehr zu zahlen

**Chancen**

- Steigender Umsatz
- Steigende Absatzentwicklung
- Image- und Bekanntheitsboost
- Höherer Marktanteil
- Erschließung neuer Projekte

**Wieviel ist der Kunde bereit zu zahlen?**



-Quelle: <https://www.umfrage.de/urfrage/result/index/1086113>  
Umfrage bei 52 Studierenden der HSWT

**Unser neuestes Produkt:**  
**Coffeelicious FairTrade Edition „True Brew“**

- „Das Beste für Sie und unsere Anbauer“
- Sorte: Maragogype als ganze Bohne aus Brasilien
- Verpackt in einer alluminiumfreien Verpackung

**Wieviel wird der Kaffee kosten?**

Einzelposten	Saldo
Einkauf 1kg	4,00 €
Transport	0,05 €
Rösten	1,50 €
Gewichtverlust	0,60 €
Versicherung	1,20 €
Verpackung	0,30 €
Luzengebühr	0,22 €
Werbekosten	0,20 €
Gemeinkosten	0,90 €
Lohn	0,90 €
Rücklagen	0,80 €
Gewinn	0,60 €
Kaffeesteuer	2,19 €
Großhandel 30%	3,95 €
MwSt 7%	1,20 €
	<b>18,81 €</b>

**Welches Fairtrade-Siegel**

- Fairtrade International, da es die höchste Bekanntheit hat und Verbraucher ihm Vertrauen schenken

**Zielgruppe**

- Sozialökologisches Milieu  
→ Verantwortungsgefühl für Planeten & Vision von Gerechtigkeit
- Adaptiv-pragmatisches Milieu  
→ Offenheit für neues uns junge, moderne Einstellung

**Marketing**

- Aktionen im LEH
- Instagram-Seite
- Online Handel



**Fazit**  
Verschiedene Marktanalyse haben deutlich gezeigt, dass der Konsument Kaffee aus fairem Anbau schätzt und will, und darüber hinaus auch bereit ist, mehr dafür zu zahlen. Allein 2017 ist der Absatz für Fairtrade Kaffee um 8% im Vergleich zum Vorjahr gestiegen, weswegen wir als Pamaseni Kaffee GmbH diese Chance ergreifen und schnellstmöglich unser Produkt in die Startlöcher bringen müssen!

Projektmanagement mit Projektstudie, LG, 2019

# Content of Projects :

- ✚ Marketing context: New product introduction
- ✚ Analysis of framework (legal, social, environmental, ...)
- ✚ Analysis of market, costumer, competition, prices
- ✚ SWOT of new product with fair trade label
- ✚ Definition of target group and positioning of new product
- ✚ 4 Ps
  - ✚ product: labeling, packaging, ...
  - ✚ pricing (additional value “fair trade” an willingness to pay for it)
  - ✚ distribution channels
  - ✚ communication to the costumer

# Fair trade in thesis

- Survey on knowledge and attitudes towards Fairtrade in preparation of a Fairtrade Town award
- Sustainability concepts in cocoa production using the example of Ivory Coast

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# Fair Trade in Advanced Trainings

- Lecture as part of postgraduate training course Food Chains in Agriculture
- Presentation for Practitioners of Home Economics: “Fair Trade: Responsible consumption to support people in developing countries”
- Presentation as part of "Lifelong learning in vocational training" on November 25th, 2015



# Conclusions

- Fair trade supports producers with a minimum price and bonuses for social projects and improvement of production conditions and quality
- Reduces the number of involved trading partners => higher margins for producers possible
- Does marketing in the target countries (advertising, sales support, ...)
- The variety of materials on the internet makes it easy for students to carry out marketing projects on this fair trade topics
- Students like social responsibility projects
- In postgraduate trainings, knowledge about Fairtrade is rarely present
- In Germany everybody knows the seals, only few know their real meaning => need in trainings



**Thanks for listening,  
questions and comments are welcome**

Paul Michels

28.10.2021

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