Anna Banks brings years of corporate experience to her role as CMO at the nonprofit Fair Trade USA. In her latest role, she’s searching for a way to make average consumers care about farmers who work thousands of miles away.

BY HAL CONICK
PHOTOS BY JAMIE RAMSAY
ART DIRECTION BY VINCE CERASANI
Chocolate bars and cups of coffee are picked up, purchased and consumed within moments. But the story of these items began months before and miles away in conditions unfathomable to most Americans.

That unfathomable world—one rocked by disease, poverty and unfair labor practices—is Anna Banks’ main marketing tool as CMO of Fair Trade USA. Banks, who has worked as a corporate marketer for 20 years, moved into the nonprofit world in May 2018 and must now figure out how the stories of faraway farmers can rouse U.S. consumers to pay more in the name of ending global poverty.

Banks has acres of imagery to work with. Fair Trade USA works with nearly 1 million farmers across the world to reach better terms with their trading partners, including workers’ rights and a set higher-than-market price for products like coffee and cocoa. The money then goes back to the communities where the goods were produced, giving workers options for how to spend the money. Fair Trade USA reports that it has created $551 million of value to producers since 1998.

But Banks faces a problem: U.S. citizens don’t often think about the implications of how products such as sugar, seafood and coffee are sourced. Buying these products is easy; thinking about the story of where they came from and how they got here can feel extremely unpleasant. Focusing solely on that unpleasant feeling risks shaming customers and losing sales.

This makes public awareness of fair trade difficult, says Katie Schneider, interim senior communications manager of Fair Trade USA. Fair Trade USA’s marketing collateral tries to strike a balance of being informative without shaming consumers, allowing people to make informed decisions about whether they want to spend more money for a good cause. Schneider says that simple messaging—“Fair trade helps keep kids in schools,” for example—works best to increase purchase intent when placed next to Fair Trade products on shelves.
What are your marketing objectives at Fair Trade USA?

There are three major buckets that we focus on. One is driving awareness of fair trade itself: what is it, how it works, what the issues are that we're trying to address as a platform. The second is purchase intent. We have discovered through research that the main barrier people have around buying fair trade products is that they don't know how to find them. A lot of the work we do is around connecting people with products relevant to the purchase incidence. That may be tied to cultural calendars—chocolate on Valentine's Day, a gift on Mother's Day—and making the products easy to connect with people.

The third bucket is around advocacy; that one proves to be more challenging, but also more interesting. It's moving people up the continuum in their relationship with fair trade, going from "OK, I've heard about it" to "I care about it" to "I bought something" to "I'm willing to advocate." Advocacy can take a variety of different forms. An example may be asking the store manager of my local grocery store, "How come you don't carry fair trade seafood?" or even hosting a party at your house where you ask everybody to bring fair trade products. Advocacy is something that shows a higher level of engagement; we're trying to find those people and then give them the tools to express their passion about fair trade. Within that third bucket is also donations—we're a not-for-profit, so we're always looking for ways to activate small donors. There's a development team within Fair Trade, but marketing winds up partnering with them, especially around small donors. Development also goes after institutions and foundations, which isn't really my space. They start to think about the database that we have in-house—how can we move those people from just having given up their email name to being willing to give us $20 toward fair trade?

How many small donors do you have?

Our database is well over 100,000 consumers and we are looking for new strategies continually on how to activate more of them as donors.

What drew you to working at Fair Trade USA?

I was at Walmart and then I left and worked on my own independent consulting firm, where I focused on working with small social impact companies. I was working with a small angel-investing group and many of the companies that came to me were looking for angel funding. I would consult with them and got really enamored with the idea of taking all that I learned over so many years—I had 25-plus years of working with Fortune 500 companies at this point—and applying those concepts to young entrepreneurs who are just getting started and trying to think about their marketing strategies. Much of what I learned at Walmart became applicable to these entrepreneurial ventures that are so centered around use of various metrics, like online acquisition or conversion or the main sales channel via e-commerce. Walmart does it on a completely different scale, but many of the concepts are directly applicable to these smaller businesses—many just didn't know about them and had never thought about them. The ability to apply my marketing skill set to them and see the impact was really satisfying.

I had just reached a point in my career where I knew I wanted to take what I had learned and give back to other environments. Not-for-profit has always been something on the side for me—I've been on several not-for-profit boards and done lots of volunteering. Now, this is phase two of my career; I'm taking everything I learned in a corporate environment and applying it to causes for good. Fair Trade runs its marketing department very much like a traditional marketing firm—we have all the same traditional functions, like a campaign calendar, a PR team, a social media channel. It runs like a traditional kind of marketing organization. But our goals are completely different: We're trying to alleviate global poverty. That combination of taking my existing skill sets but applying them to a higher mission was attractive.
Is alleviating global poverty the mission of Fair Trade USA?

Fair Trade is focused on the global inequality of farmers and workers around the globe. We partner with brands to certify their supply chains against human rights issues and that allows us to help them make sure that they are doing things like paying people for every hour that they work, that workers are getting time off, that there's maternity leave and that the health and safety codes are up to speed. There's also a whole variety of worker safety and environmental standards that are part of the Fair Trade Certification process.

The important angle beyond that is what we call the Fair Trade difference, which is the Community Development Fund. Brands that participate in fair trade agree to pay incremental income to the workers who are in the fair trade program, so those dollars are based on the production of either the farm or the factory—it might be a percentage of [the free on board price] for apparel, it might be a per-pound premium depending on if it is something like coffee or cocoa. Then, that money goes directly back to the workers—not to the management, the farm or the factory. The workers themselves elect a committee that determines how that money will be spent so they can be sure it's spent in a way that's valuable for that community. It could turn into a daycare center, it could turn into a hospital, it could turn into a whole variety of things that the community designated that's most useful for them. That's incremental income that wouldn't come back to the community otherwise.

That seems like it'd be especially helpful for coffee farmers, who have had a rough time the past few years. Do coffee farmers have the biggest problems of any industry that you work with?

Coffee is one of the most visible and its scale is high. There's another aspect that applies in particular to coffee and cocoa, and that's the minimum price per-pound that's paid for these products. The price of coffee per-pound right now is $1.05, which is below the sustainable amount for coffee farmers. In other words, they're going to lose money selling a pound of coffee. The Fair Trade minimum price is $1.40 for coffee, so any brand buying their coffee on Fair Trade terms is actually paying that $1.40 back to the farmer. That's a significant incremental income going back to that farmer. That said, that's still challenging for coffee farmers to sustain their farms, but the Fair Trade price is still higher than the market right now.

Other commodities that are having challenges include cocoa, which is in a similar situation with a price per pound that's often way below what it costs a farmer to create the raw product, which eventually becomes the premium products sold and marked up in the supermarket. There are issues in so many other categories we work in. For example, in seafood, human trafficking is a huge issue, so we also certify seafood. Sugar plantations are another example; worker conditions and worker hours are a problem. There's a disease that sugar plantation workers get because sugar is harvested at an intense pace for multiple hours on end and the workers go for long stretches without water to the point where they start to have kidney failure. It's a dire situation for many of the sugar workers. Fair trade can be a way to encourage better conditions and put some standards in place around the treatment of workers in those commodities.

Do consumers have any inkling of these issues?

Most people I speak with don't think much about chocolate or coffee beyond the register.

That's one of the biggest challenges for me: Trying to figure out how to make people care. We don't think deeply about any of these products. How often do you think about the amount of sugar you pick up off the shelf? Or the coffee that you picked up from Starbucks? Getting people to care is one of the challenges, but also balancing that we don't want to guilt-trip people. Nobody wants to feel bad about what they bought. We need to balance edginess with enthusiasm and making people feel good about
their purchases as opposed to making them feel bad. In marketing, that's a real challenge—making people aware of the issues but not making them feel like, Ugh, that sounds too hard, too yucky, I want to turn away from that. Figuring out that balance is something that we do with all our campaigns.

On Valentine's Day, for example, we'll talk about chocolate and issues around how awesome chocolate is, but also how it has been at the center of the challenges for cocoa farmers. We look to frame the issues in the time periods that they're relevant when people are buying them and we try to elevate the issues. When someone is thinking about chocolate, let's talk about how the chocolate actually gets to you: What was its journey to you? Let's get a look at the people who were behind what you just bought. That becomes the opportunity to tell the story; storytelling is a big piece of what we do. We're always looking to promote in a variety of channels—social or video or partners or celebrities or events. We're also looking into doing in-person events. We try to pull as many levers as possible to get that story out there.

**What's the most effective platform to promote fair trade stories?**

Being new to marketing at Fair Trade, I'm still working on that. My direct marketing-slash-digital tracking background is hungry to accurately trace back what was able to move the needle. But any time you're not dealing with a direct purchase, it's hard. A difference at Walmart is that it's a very closed-loop scenario where you can tell what the impact and response is. It's very different for a not-for-profit where we're not directly selling anything but trying to drive awareness and influence purchases. The ability to connect an activity back to a purchase is infinitely harder and we need to engage our brand partners to understand. It's a continual learning process and work in progress to understand what levers make the most difference. It's probably not going to be a single lever—it will likely be some combination that makes the most difference.

**How do you figure out if you're successful? Do you have a metric like conversions?**

We don't track conversations because I can't tell when somebody makes a sale at retail. But I certainly would partner with a retailer—whether it's Whole Foods or Kroger or Aldi—to help create point-of-purchase materials to encourage and inform people at that shelf. We do know the shelf is probably one of the most influential places where people are making their decisions.

We're looking to study what drives sales more deeply. We have academics approach us all the time—there's a group at MIT (Massachusetts Institute of Technology) and a group at Harvard who are interested in researching the impact of messaging in some of the different channels, like adding...
increased messaging on the item page in the e-commerce site. How does that shift to conversion? Some research has been done around in-store, so going into Madewell and putting messaging at that point, does that change the trajectory of the conversion rate? We have to work with our brand partners in order to get that conversion data because we don’t have direct access to that sales information.

Katie mentioned that simple, informative messaging—“Fair trade keeps kids in school”—works best. The kind of messaging that doesn’t shame consumers but instead lets them know that they can do something good for people in need, that seems powerful. Is playing to virtuous consumers most effective for fair trade?

Definitely. The feel-good angle tends to draw people in. The terms spreading around this are “conscious consumer” and “conscious capitalism.” We have some researchers testing messaging angles and making people feel bad just doesn’t tend to work. We balance making them aware of the issues but then making them feel good about the purchase that they’re making and how they’re positively supporting something good.

So giving the consumer the information and allowing them to make the decision, whether consumers or brand partners?

We’re continually testing messages to determine what about us resonates with consumers, because even within that, there are so many different nuances. Do you focus on the school that was built? Do you focus on incremental wages? Where do you land that message? We’re on a continual journey of testing and honing the messaging we think will resonate best with consumers.
How do you figure out what works best?

We have engagement metrics, we have our own website, our social channels and our email list. We have hard metrics there. When I run giveaways, we know exactly how many people signed up for it, how many people clicked on any sort of digital media and come through to our site. We know what areas of our site they go to and we’re active on multiple social media channels, so we look at our engagement on our social media channels and roll those together in our own customized engagement metrics, which we watch over time to make sure they’re accelerating.

Has Fair Trade USA had a landmark campaign, one that undeniably worked well?

We used to have a model where we did giveaways probably every month. We started to realize that doing giveaways are super resource-intensive and the return wasn’t there. But for the holidays, we went for a different model: What if we don’t do a giveaway every month, but we do one larger giveaway? We partnered with Kroger and West Elm; each of them gave us a $4,000 gift card to give away. Part of the campaign was encouraging people; “Hey, we’ve got this gift bag to buy awesome products that are fair trade and enter yourself in a sweepstakes giveaway and you could win a bedroom makeover from West Elm or a pantry makeover from Kroger.” That campaign was what sent us over the 100,000 mark for our database. Strategically leveraging our partners to help us build our database has been and will continue to be a significant lever for us.

We also continue to do influencer programs that work well. We have a campaign of influencers that we mail a box out to on a quarterly basis that’s filled with the relevant, seasonal fair trade products. They’ll share those on their channel. Then, we balance people who are passionate about

COFFEE

- The price of coffee production is $1.40 per pound, according to a study by Cornell University for Fair Trade USA.

- Coffee futures were $3 per pound in 2011, according to Bloomberg. At the end of 2018, coffee futures were $1.02, the lowest they’ve been since 2005.

- In the U.S., the 2018 average price for roasted coffee was 3.8-times the price for coffee futures, according to Bloomberg.

- Coffee consumption is up 3.6 million bags per year since 2014-15, according to the U.S. Department of Agriculture.

- Starbucks is opening one new store in China every 15 hours, according to Bloomberg.

- Global coffee output was up 15.6 million bags from 2017 to 2018, totaling 174.5 million bags.
fair trade with those who have enough of a following. When you get to people who have a ton of followers, it can be quite expensive and since we're a not-for-profit, we're always balancing the visibility of people with a cost that we incur with them. It's a balance.

**Do you tend toward microinfluencers? I know that they're very effective, as small follower counts tend to be more engaged.**

We're probably a click up; we have some microinfluencers and we have some that are on a slightly larger scale than that. We have a typical food blogger, we have a yoga blogger and fitness blogger who are in our stable. It can be kind of onerous to manage a lot of microinfluencers. I remember that in my Walmart days, we said, “We're either going to go for one larger person and a tier of smaller influencers or a lot of smaller influencers,” because sometimes the effort to do a lot of small influencers doesn't give the return; you don't get enough sharing. Even though you're balancing that with the credibility—when I hear something from my friend, I'm much more likely to share it versus somebody who's not personally connected to me.

**What are your goals over the next few years?**

We just celebrated our 20th anniversary last year, a major milestone. That's super exciting. Now, we're looking to the next 20 years—significant growth is part of our goal. One of the goals that we talked about is the ability to deliver $1 million dollars in impact per employee. So that'd be $1 million dollars going back to the communities that we serve for each person who works at Fair Trade USA. As a not-for-profit, we want higher ROI on every dollar spent here and we make sure it gets back to the communities we serve. That's probably one of the most important goals.

**How many people work at Fair Trade USA?**

One-hundred-twenty people. Currently, we are at over $550 million dollars in collective incremental income that have gone back to people around the globe. The other goal would be to get to $1 billion in incremental dollars going back to communities around the world over the next five years.

**Fair Trade’s goal is to make more money for the farms and communities you serve and to do that, you need to drive sales of fair trade products. But to buy an item at a higher price, consumers need to care about the people who benefit from their spending. How do you get people to care about these faraway farmers?**

A more robust content strategy. Journalists are a piece of that, but it's on us to make sure we are the creating assets that tell the story well, whether it's writing articles or creating videos and then finding the channel to farm them out. We need to get our content in front of the right folks and get it shared—that's a critical piece. And we need to lean on our brand partners to be partners. Many of our brand partners have more money for marketing than we do, so their ability to promote their products and put the energy and thought into positioning fair trade products is important, whether that's at retail, at the shelf or online. If we can work it from both of those angles—content strategy and journalists plus the consumer shopping experience and raising visibility—together, they can move consumers.