Faith and Fair Trade: The Moderating Role of Contextual Religious Salience

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ABSTRACT

Normative and historical arguments support the idea that religion potentially shapes decisions to support fair trade products. That said, the question of how religion influences organizational decision-makers to purchase fair trade products in a business-to-business context has remained largely unaddressed. This research examines the interactive effect of individual religious commitment and contextual religious salience on an individual's willingness to pay a price premium for a fair trade product, when buying on behalf of an organization. Findings from two experimental studies (involving 75 and 87 working individuals, respectively) reveal that the effect of a decision-maker's religious commitment on his or her willingness to pay a price premium, for the purchase of a fair trade product on behalf of an organization, is moderated by the contextual salience of religion. Specifically, when religion is highly salient in the organizational context, religious commitment is positively related to the decision-maker's willingness to pay a premium for the fair trade product; when contextual religious salience is low, religious commitment and willingness to pay a premium are unrelated. Implications for theory and practice are presented.

Keywords: religion; fair trade; business-to-business; contextual religious salience; prosocial behavior; ethical decision-making; religious commitment; price premium