

ECONOMIC AND SOCIAL BENEFITS ASSESSMENT

FINAL REPORT

Abbotsford Farm and Country Market

Abbotsford, British Columbia

A collaborative project of
British Columbia Association of Farmers' Markets
and
School of Environmental Planning,
University of Northern British Columbia



BC ASSOCIATION OF
FARMERS' MARKETS



UNIVERSITY OF
NORTHERN BRITISH COLUMBIA

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Vancity Community Foundation

EXECUTIVE SUMMARY

The demand for locally produced fresh, nutritious food by local consumers has grown rapidly over the past ten years. So too has the number of farmers' markets. As the most visible and accessible component of our local food systems, farmers' markets have strengthened their role as providing unique places for local producers and local consumers to connect. Although this role of farmers' markets within local food systems is well recognised, it is important to know not only what markets contribute to local areas but also to know how much they contribute.

This final report presents the findings from the assessment completed for the Abbotsford Farm and Country Market on July 14, 2012. It includes results of a province-wide assessment of BC's farmers' markets and incorporates some results from a national study of farmers' markets completed in 2008ⁱ.

The provincial project was completed by the BC Association of Farmers' Markets, in collaboration with Dr. David Connell of the University of Northern British Columbia. The purpose of the provincial study was to measure the community and economic benefits of farmers' markets across British Columbia in order to quantify the significant contributions of farmers' markets and to increase their visibility both locally and provincially. This year's project builds upon the success of a similar project completed in 2006. Six years later, by using similar methods we will be to assess changes that have taken place during this time. In total, 33 assessments were completed across the province in 2012.

Highlights of results for the Abbotsford Farm and Country Market:

- **The estimated economic benefit of the Abbotsford Farm and Country Market to the local economy is approximately \$780,000 annually**
- **The estimated number of market customers on assessment day: 1,230 customers**
- **Over 330 market visitors participated in the study**
- **Average customer spending per visit: \$26.81**
- **53% of the survey respondents visit the market either 'regularly' (almost weekly) or 'frequently' (2-3 times per month)**

In its eighth season, the Abbotsford Farm and Country market truly embraces the 'make, bake, grow' tenet by providing a vibrant space for local food growers, artisans, and musicians to show case their products and connect with local shoppers. The market venue is not only a shopping place, but also a hub for events in the city of Abbotsford. Held in the heart of downtown Abbotsford, the market neighbours wide variety of local businesses including bakeries, restaurants, cafes, and delicatessens.

Market organizers were curious to know the two most important factors which draw people to the Abbotsford Market. This study found that the two most important reasons why customers visit this farmers market are to support local farmers and to keep money local.

Convenience was the least important factor shoppers considered in deciding to come to the market on the day of the assessment.

The number of shoppers attending the Abbotsford Market is slightly lower when compared to other markets that we assessed in BC. Additionally, fewer regular shoppers attend this market than other markets we assessed in BC and other large markets in Canada. The data show numerous trends, however, which indicate that the Abbotsford Market has a growing customer base, and that the customers who currently visit the market will continue to do so on a regular basis. Crowd counts have increased significantly since 2006, as has the percentage of regular shoppers. Almost half of customers attending the market on the day of the assessment have been coming to the market for more than three years. Additionally, the Abbotsford market receives more first-time visitors than the average attending other large markets in Canada.

Although the average amount spent by shoppers at the Abbotsford Market is slightly lower than other markets we assessed in BC, and significantly lower than other large markets in Canada, customer spending has increased by almost \$10 since 2006. The majority of market shoppers continue to shop at local businesses and in doing so continue to support the local economy. One business owner who reported that the market has a very positive influence on their business said that the market helps to increase their sales on market days by drawing food lovers into the community. These trends support the finding that the economic benefit of the Abbotsford Market has more than doubled since 2006.

As customers become increasingly conscious about the importance of supporting local food systems, the economic and social benefits of farmers markets will continue to grow, thereby increasing the number of shoppers, vendors, and amount customers are willing to spend. By providing a space for producers and consumers to connect, the Abbotsford Farm and Country Market plays an important social, environmental, and economic role in the city of Abbotsford.

DESCRIPTION OF MARKET

The Abbotsford Farm and Country Market

Market Website: <http://www.abbotsfordfarmandcountrymarket.com>

On July 17, 2004, downtown Abbotsford hosted the Grand Opening of the exciting new Abbotsford Farm & Country Market. A modern market with a traditional “make, bake, or grow” tenet, the Abbotsford Farm & Country Market showcases the best in British Columbian grown and produced products along with the creative talents of both artisans and entertainers. Now in our eighth season, the Abbotsford Farm & Country Market exists to celebrate the agricultural riches of our land and the talented people of our community in a fun, social and vibrant setting.

The Market is held in the heart of downtown Abbotsford, on Montrose Avenue north of George Ferguson Way. Each Saturday morning the Market springs to life as vendors assemble their stands to showcase the highest quality produce, processed foods, arts and crafts.

Designed not only as a shopping place but also as a social community venue, the market features cooking demonstrations, entertainment, raffles and contests for both vendors and shoppers.

The Abbotsford Farm & Country Market presents a fabulous opportunity for British Columbia growers, food producers, and artisans to sell and showcase their products in a street fair setting to thousands of quality conscious shoppers.

Availability:	Open from May 12 to October 13 Saturdays from 9:00am – 1:00pm
# Vendors:	42
Location:	Outside the United church at Montrose Avenue and George Ferguson Way, downtown Abbotsford.
Contact Info:	Bruce Fatkin, Market manager #1 - 31726 South Fraser Way Abbotsford, BC V2T 1T9

RESEARCH METHOD

The assessment of individual markets in BC is organised around two sets of activities: rapid market assessment and market surveys. These are the same methods used for the BC study in 2006.

1) Rapid Market Assessment:

The Rapid Market Assessment (RMA) technique was developed by researchers at Oregon State University for studying farmers' markets. This method has been implemented successfully in markets throughout Oregon and Washington states. The RMA method consists of three parts: customer survey; crowd count; environmental observations. The environmental observations are optional for markets in this present study and so are not included in this report.

- a) Flip-chart survey: The flip-chart survey method engaged consumers in friendly interaction through multiple-choice questions posted in large print on flip charts. This approach has a high response rate, thereby increasing validity and accuracy.

The set of questions used for the survey (Box 1) were developed in two parts. The first four questions were developed by the research team and was asked at all farmers' markets participating in the project. Asking the same questions at all markets was necessary to complete the provincial analysis. Each participating market developed the fifth question to collect data that are relevant to making effective changes and improvements to the local market.

Box 1. Flip-chart survey questions

1. How often do you come to this farmers' market?
2. When did you start shopping at this market?
3. How much have you spent, or do you plan to spend, at the market today?
4. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend?
5. What are the two most important reasons why you visit this farmers' market?

- b) Crowd count: During a ten-minute period of each hour the market is open, members of the assessment team stood at each major entry point to the market and counted people entering. The total number of attendees is estimated from these systematic counts.

2) Market surveys

The analysis of community benefits of farmers' markets involves more detailed surveys of market customers and local businesses.

- a) Customer surveys. A small sample of customers was asked to participate in a short interview. People were asked about where they shop, factors they consider when buying food, how long they spend at the market, and how they spend their time when at the market. Customers were also asked if they shop at other businesses on the same day that they visit the farmers' market. The small sample size means that the results cannot be generalised to all market customers. Nevertheless, the information collected expands upon the flip-chart survey information and lends further insights to market customers and the relation between the market and neighbouring businesses. Some of the customer survey data will be aggregated at the provincial level.
- b) Business surveys. Businesses located near the farmers' market were surveyed to assess the influence of the market on neighbouring businesses and to explore the nature of the relationship. The information collected from these surveys is specific to each local market and will lend insight to how relations might be further developed. The business information will also help to understand the relation between farmers' markets and businesses generally. Surveys were not completed at farmers' markets that did not have other businesses located nearby.

Together, the market assessment and the more detailed market surveys improve our understanding of what makes the Abbotsford Market successful and how it contributes to the local area, in terms of both its economic and social benefits.

RESULTS

This section reviews the results of the rapid market assessment, including the crowd count estimates and flip-chart surveys. The results for the one-on-one customer interviews and business interviews follow

Rapid Market Assessment

The weather on the day of the assessment was sunny with a few cloudy periods. There were approximately 42 vendors present.

Crowd count

The total estimated number of people attending the Abbotsford Market on July 14, 2012 was 1,230.

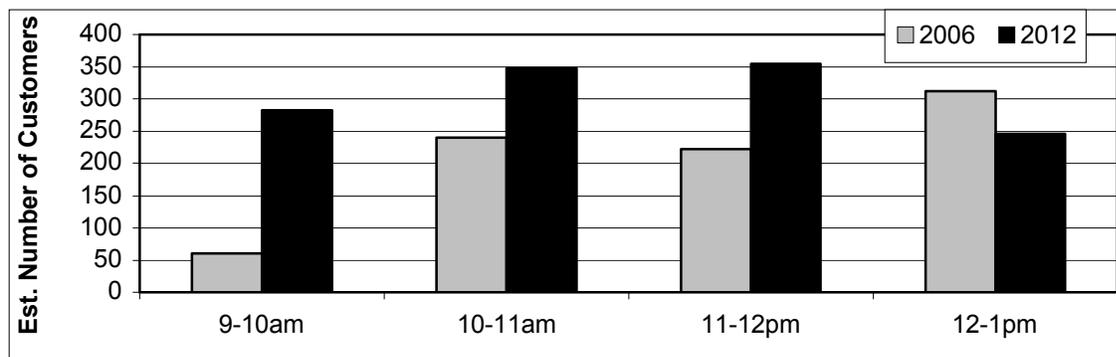
The actual and extended counts for the assessment are shown in Table 1. The total estimated counts are also shown in Chart 1.

Table 1. Estimated Crowd Count

Time period	Count period	Actual count	Extended total
1st hour (9:00-10:00)	9:25-9:35am	47	282
2nd hour (10:00-11:00)	10:25-10:35am	58	348
3rd hour (11:00-12:00)	11:25-11:35pm	59	354
4th hour (12:00-1:00)	12:25-12:35pm	41	246
Estimated total crowd count on July 14, 2012			1,230

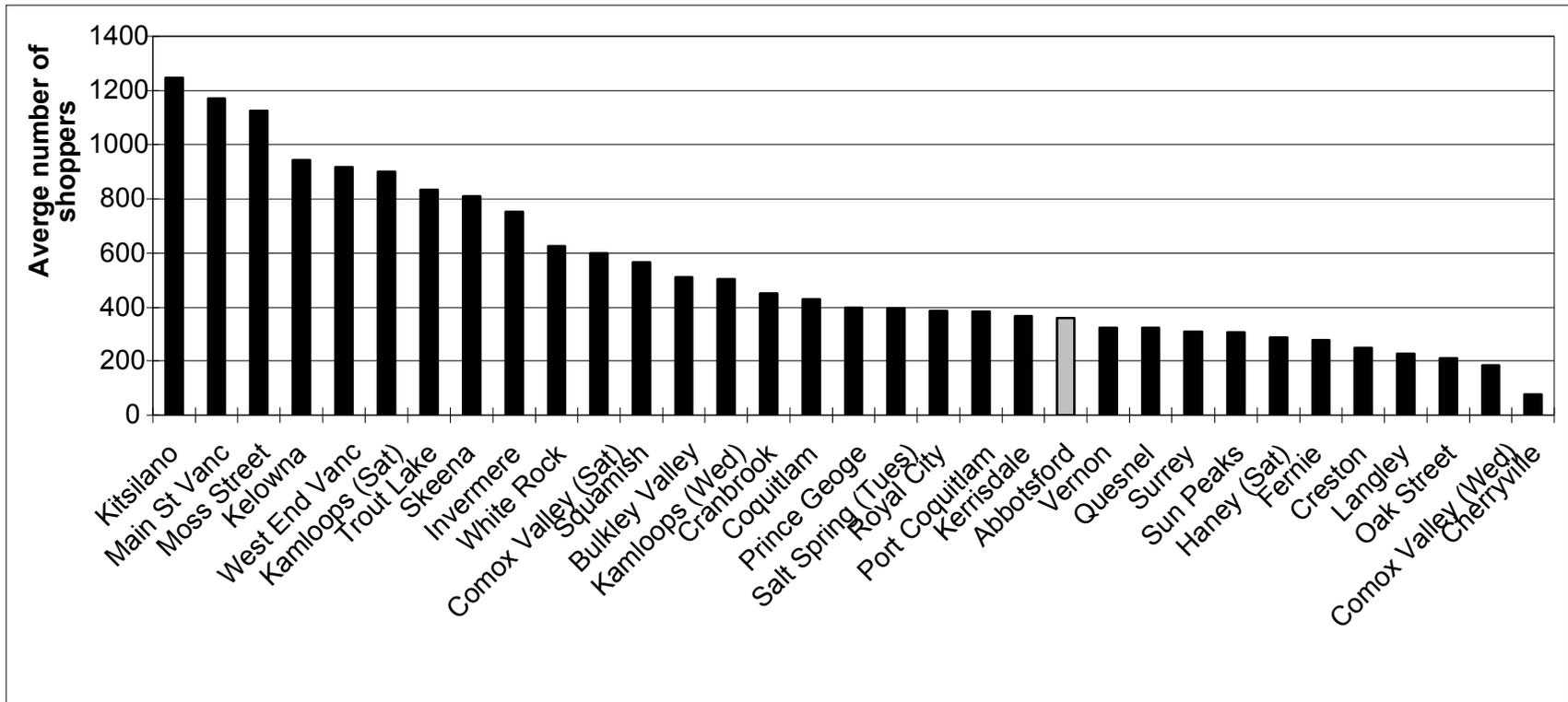
Chart 1 (below) shows the estimated crowd totals for each hour for both 2012 and 2006. Market attendance steadily builds over the first three hours, peaking during the third hour, and then decreases slightly for the final hour. In 2006, the estimated number of shoppers per hour is lower, but the data follows a similar trend with the exception of the final hour, when market attendance reaches its peak and exceeds the 2012 count.

Chart 1. Crowd counts by the hour



As shown in Chart 2 (next page), the number of shoppers attending the Abbotsford Market is slightly lower when compared to other markets that we assessed in BC. The data are based on the average number of shoppers attending a market on an hourly basis (not on the total number of shoppers).

Chart 2. Number of shoppers at BC farmers' markets (average hourly crowd at peak of season)



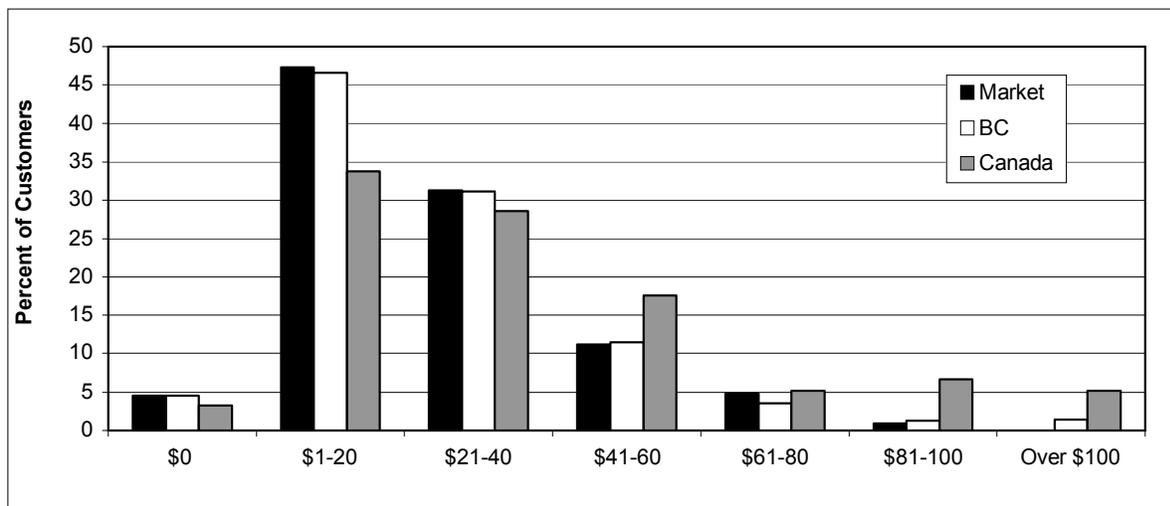
Flip-chart survey

Approximately 330 people responded to the dot survey, which is about 27% of the estimated crowd count. The following five charts show the results for each of the flip chart survey questions.

Question 1. How much have you spent, or do you plan to spend, at the market today?

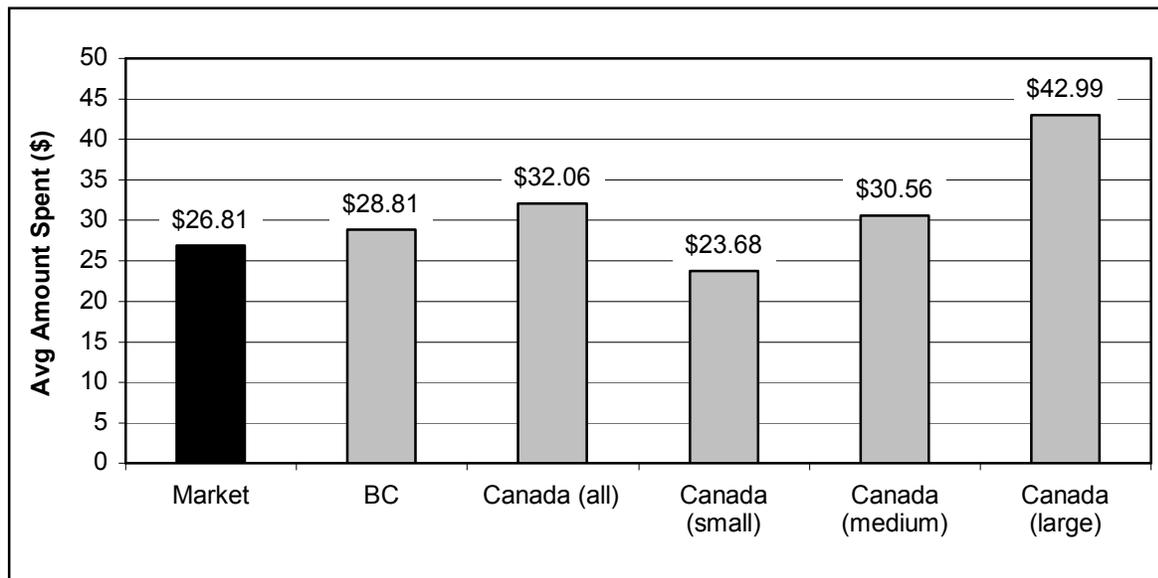
Overall, respondents spent an averageⁱⁱ of \$26.81 each on the day of the assessment. As shown in Chart 3, most customers surveyed (47.3%) said they would spend up to \$20 at the market that day. The average amount spent by shoppers at the Abbotsford Market in 2006 was \$17.42.

Chart 3. How much have you spent, or do you plan to spend, at the market today? (Market: n=332; BC: n=9,819; Canada (large): n=1,013)



The results shown in Chart 4 (next page) illustrate how the Abbotsford Farmers' Market compares to the average amount spent by customers at all BC markets and at small (<20 vendors), medium (20-39 vendors), and large farmers' markets (40+ vendors) in Canada. As a large market, average customer spending is slightly lower than other markets we assessed in BC, and significantly lower than similar sized markets in Canada.

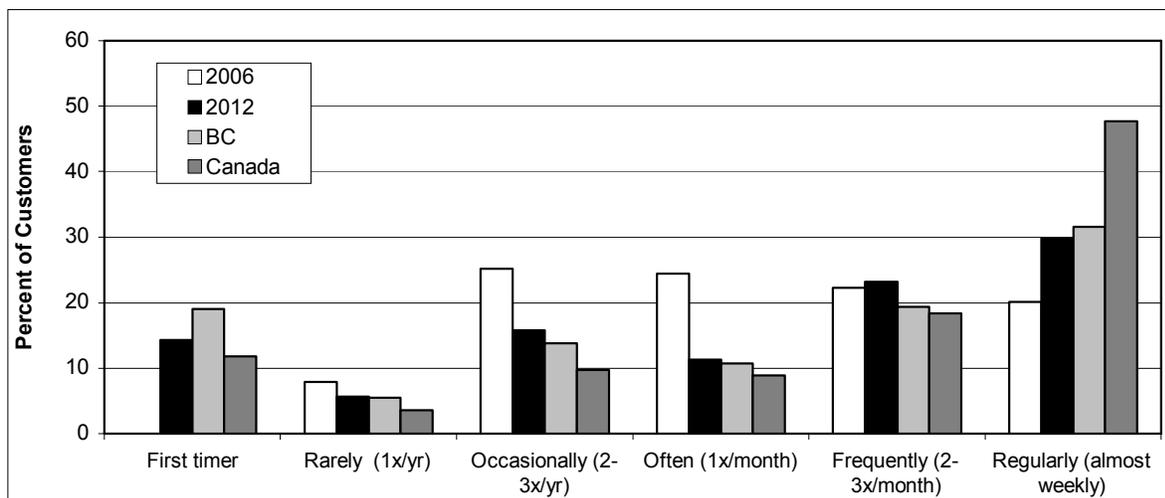
Chart 4. Average amount spent by market shoppers
(Market: n=332; BC: n=9,819; Canada: n=3,167)



Question 2. How often do you come to this farmers' market?

As shown in Chart 5, the Abbotsford Market has an unequal distribution in the frequency of visits, with regular shoppers accounting for the highest percentage. About one in three customers (29.8%) shop regularly at the market. First-time visitors to the market accounted for 14.3% of respondents. This pattern differs from the results of the assessment in 2006 where occasional visitors (2-3x/yr) accounted for the highest percentage of shoppers (25%), and regular visitors accounted for 20% of shoppers. The Abbotsford market has fewer first-time visitors than other markets we assessed in BC, but more first-time visitors than other similar-sized markets in Canada. The market has fewer regular visitors than the provincial and national averages.

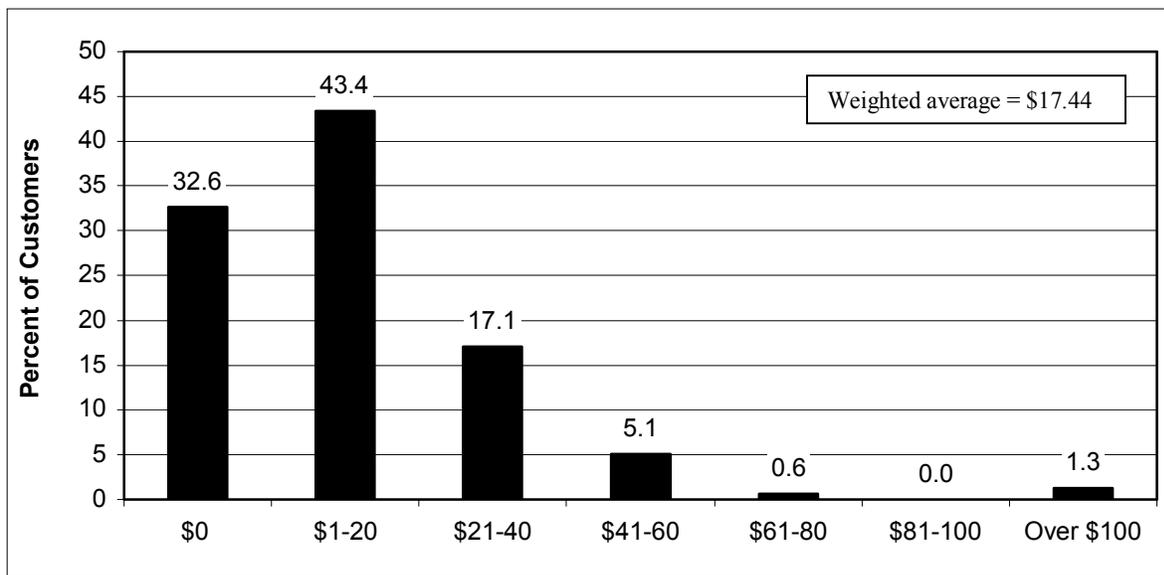
Chart 5. How often do you come to this market?
(Market (2006): n=139; Market (2012): n=336; BC: n=9,874; Canada (large): n=1,013)



Question 3. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend?

Chart 6 shows the range of additional spending by market customers, with 67.4% of respondents saying they would do additional shopping at neighbouring businesses that day. Almost half (43.4%) of customers surveyed said they would spend up to \$20; 17.1% said they would spend up to \$40.ⁱⁱⁱ The average amount spent per customer at neighbouring businesses was \$17.44. These results are similar to the results of the 2006 assessment in which 67% of respondents said they would do additional shopping, and more than half of customers (51.0%) said they would spend up to \$20. Given the variability among markets, no comparison is made with BC or national results.

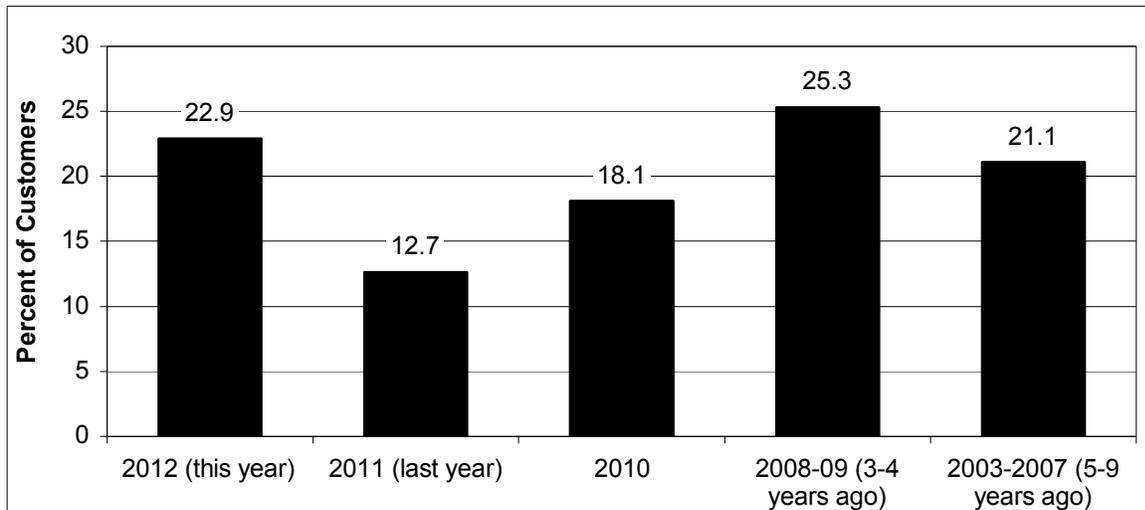
Chart 6. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend? (n=316)



Question 4. When did you start shopping at this farmers' market?

As shown in Chart 7 (next page), your market has a good portion of long-time, loyal customers. 25.3% of all customers surveyed have been coming to this market for 3 years or more, and 21.1% of all respondents have been coming to this market for more than 5 years. In addition to the long-time regulars, there were also 22.9% of respondents who were first-time visitors to this market.

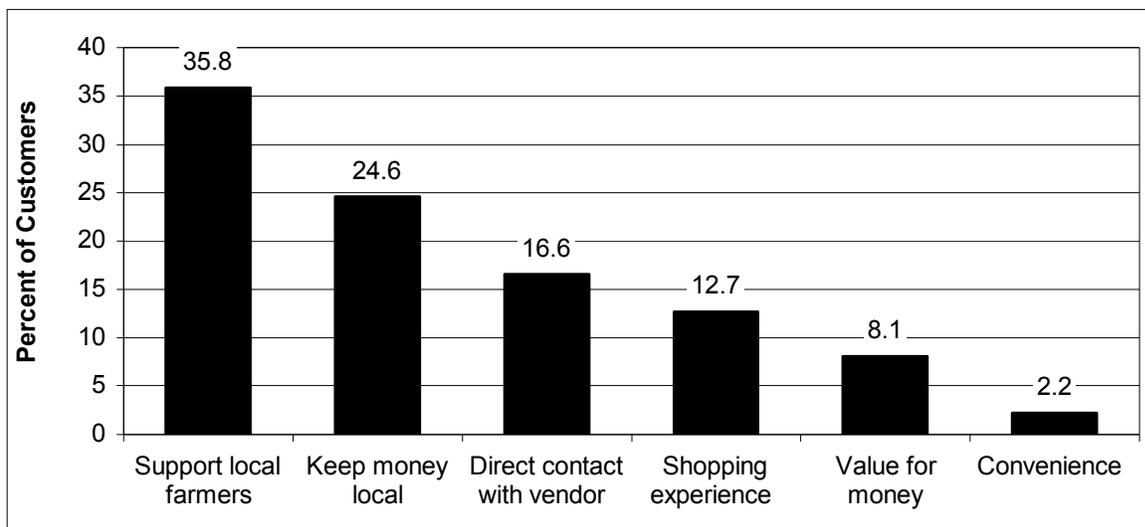
Chart 7. When did you start shopping at this farmers' market? (n=332)



Question 5. What are the two most important reasons why you visit this farmers' market?

To answer this question, participants were given two dots to select the two most important factors influencing their decision to attend the Abbotsford Farmers' Market. As shown in Chart 8, the two most important reasons that participants come to the market are to 'support local farmers' (35.8%) and to 'keep money local' (24.6%). Convenience is the least important reason (2.2%) that shoppers come to the market.

Chart 8. What are the two most important reasons why you visit this farmers' market? (n=670)



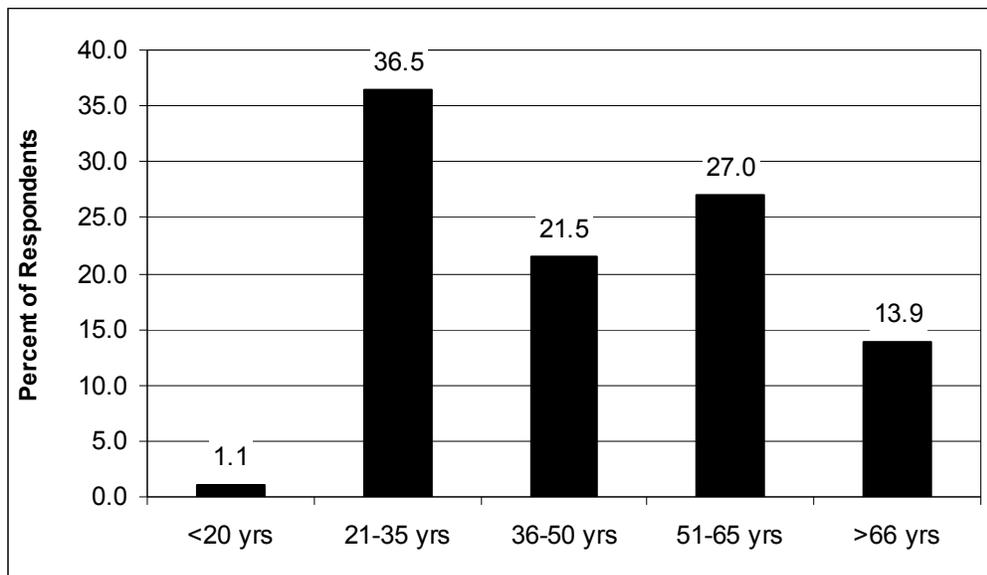
Market surveys

Customer Survey

We conducted interviews with 291 customers at 33 markets in BC. The following charts show results of all the customers surveyed across the province. When interpreting the results of these surveys, it should be noted that the people who agreed to participate in the one-on-one interviews over-represent regular shoppers, as these people are also the ones who are more likely to participate in such market surveys. The over-representation of regular shoppers is evident when we compared the customer survey results (291 responses) against the results gathered from the flip chart surveys (9,819 responses). The flip chart surveys show a wider representation of market shoppers.

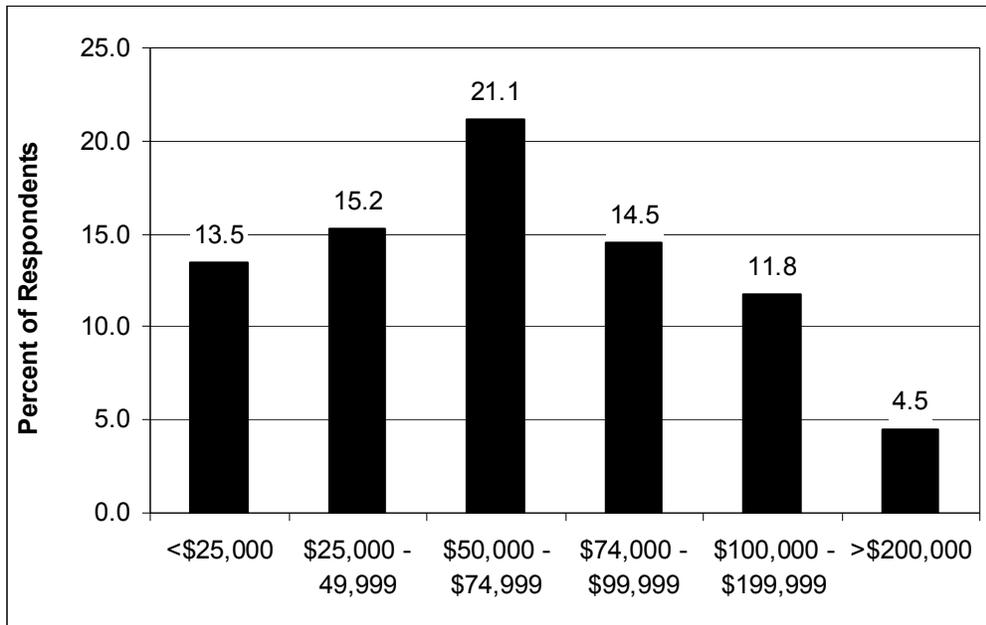
The results in Chart 9 show the age range of farmers' market customers in BC.

Chart 9. Age of respondents (BC: n=274)



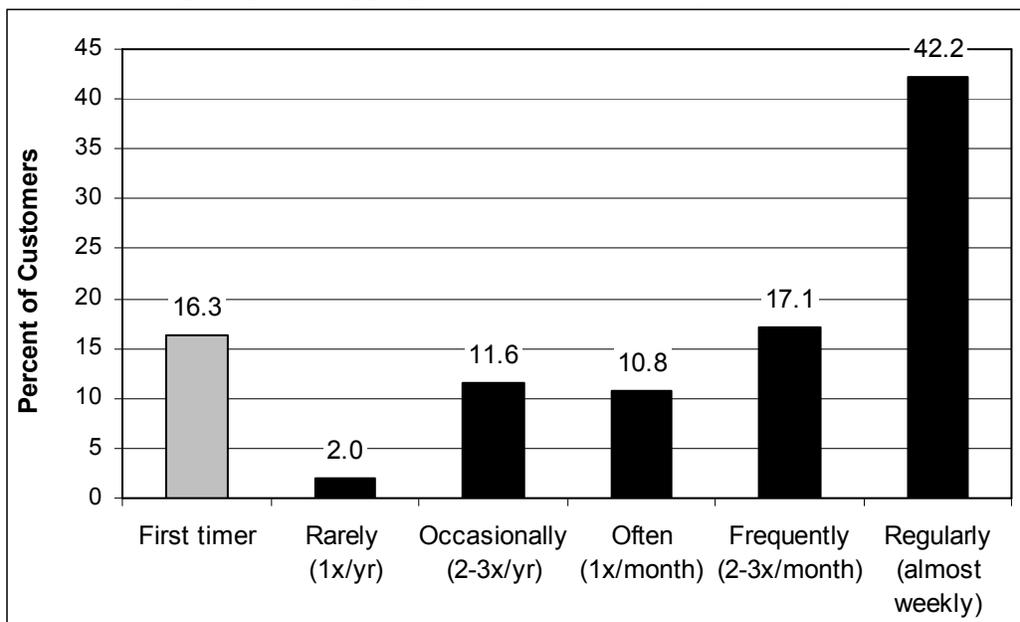
The household income of shoppers at farmers' markets in BC is shown in Chart 10. The results show that people from households with a range of incomes shop at BC's markets.

Chart 10. Household income (BC: n=233)



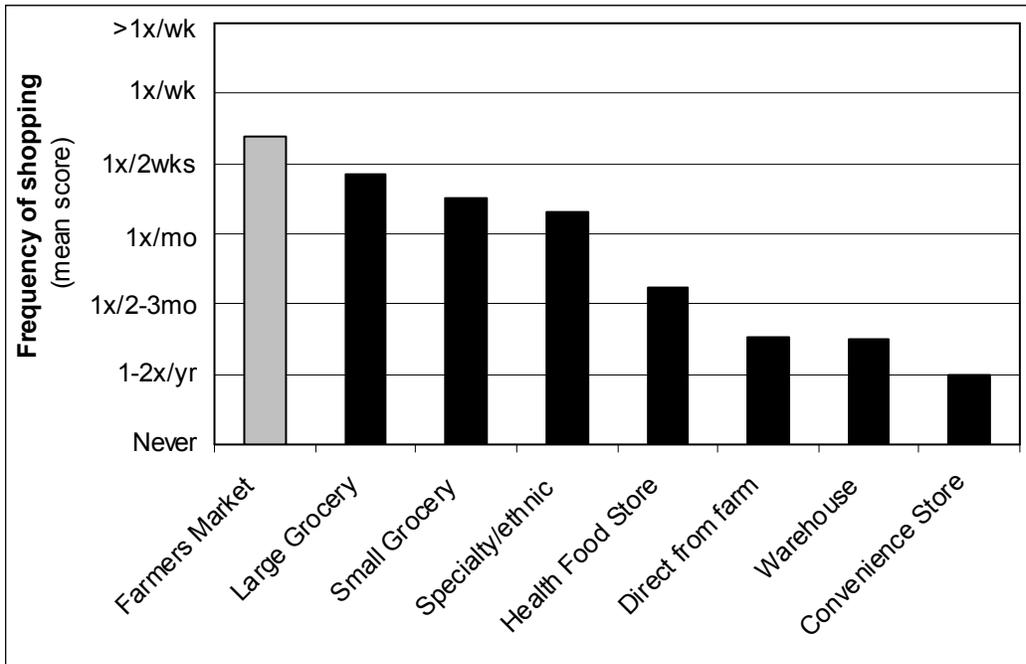
Over 40% of customers surveyed in BC shop at the market regularly (almost weekly), with an additional 17% shopping at least two to three times per month (Chart 11). Together, these results indicate that almost six of ten shoppers can be considered among the core group of market shoppers at BC markets, although, as noted, the results do over-represent regular shoppers. The actual results are likely to be lower but still significant.

Chart 11. Frequency of shopping at farmers' markets (BC: n=251)



We also asked shoppers where and how often they buy groceries at other food retail outlets during the outdoor market season. The people surveyed indicated that they shop more often at the farmers' market than at other food retail outlets (Chart 12).

Chart 12. Where shoppers shop during the outdoor market season (BC: n=290)
Note: a higher bar means shopping more often at the corresponding store.



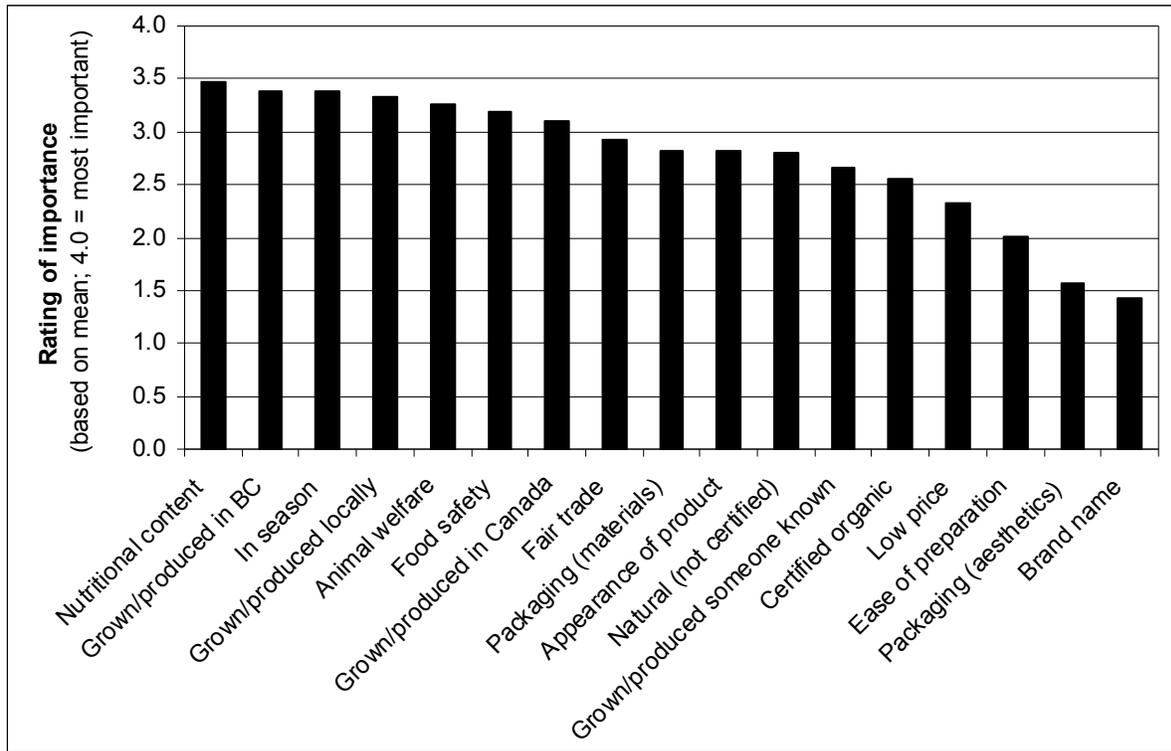
Part of the answer to explain the shopping pattern of market customers is evident in Chart 13, which shows the relative importance of factors customers consider when buying food.

During the farmers' market season the five most important factors to market customers are:

- Nutritional content
- Grown/produced in BC
- In season
- Grown/produced locally
- Animal welfare

Brand name, low price, and certified organic are among the lowest rated factors that influence food purchasing decisions.

Chart 13. Factors people consider when buying food: BC (n=289)



We also asked customers how long they spend at the market (Chart 14) and how much of that time they spend talking with vendors and friends (Chart 15). The results for all BC shoppers surveyed highlight the important social aspect of farmers' markets. Almost 70% of all respondents said that they spend over 30 minutes at the market, and over half (53.8%) of all respondents said they spend at least half their time at the market socialising with others.

Chart 14. Amount of time customers spend at the market (BC: n=290)

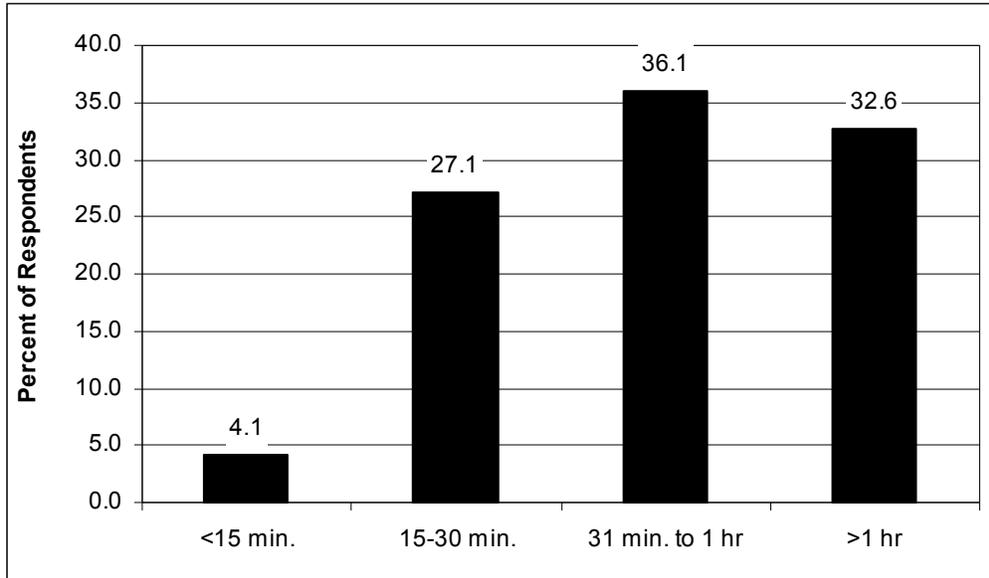
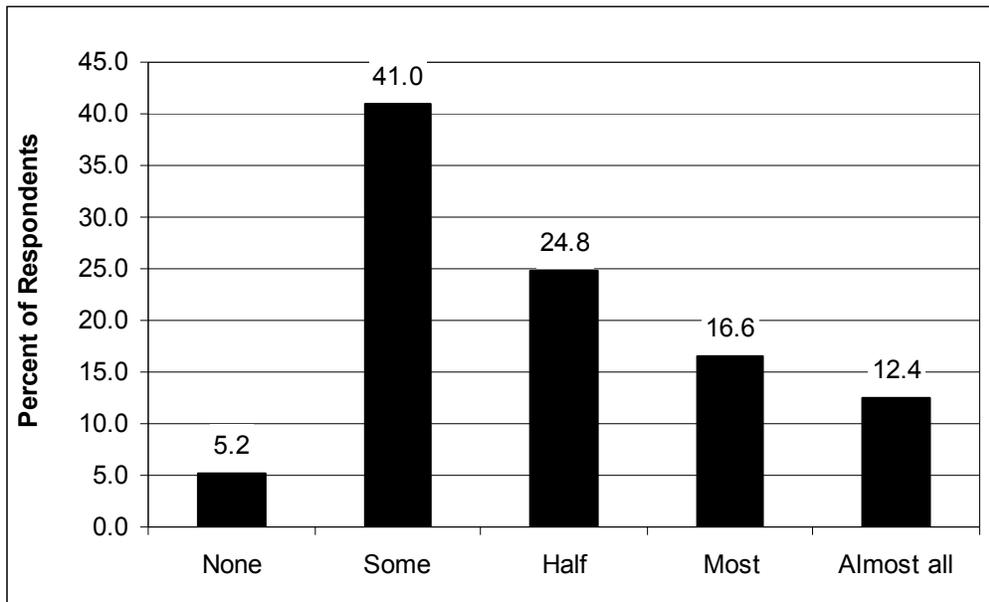


Chart 15. Time spent talking with others at the market (BC: n=290)



The results of the above two questions are combined in Table 2. The shaded boxes highlight those people who spend at least half an hour at the market *and* at least half of that time talking with vendors, friends, and acquaintances. Altogether, these people represent 45% of the shoppers surveyed at BC’s farmers’ markets.

Table 2. Time spent at market talking with others (percentage) (BC: n=290)

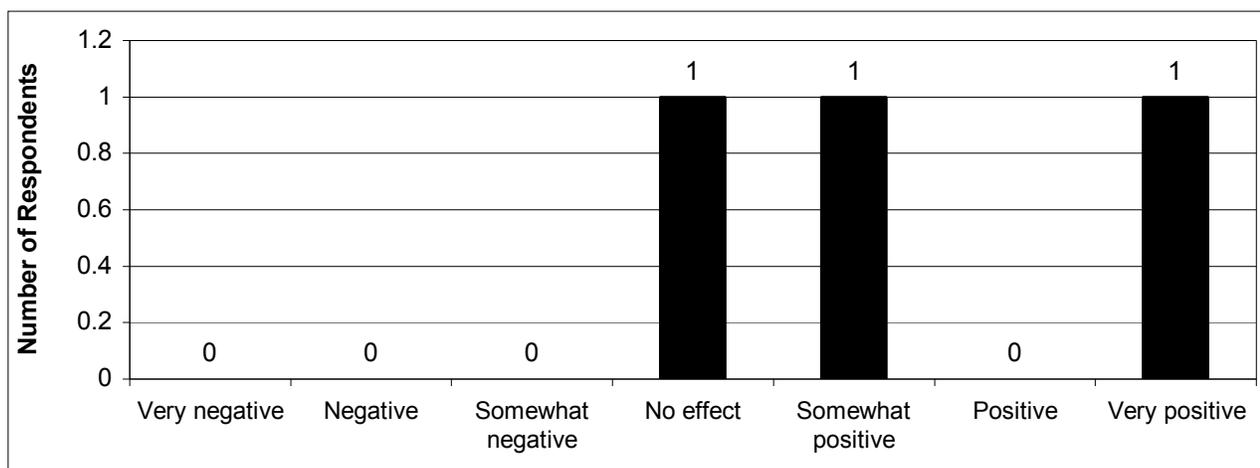
		How time spent					Total
		None	Some	Half	Most	Almost all	
Time spent at market	<15 min.	1	2	0	0	0	4
	15-30 min.	2	17	5	3	0	27
	31 min. to 1 hr	1	16	11	5	4	36
	>1 hr	1	7	9	9	8	33
Total		5	41	25	17	12	100

Business survey

There were several businesses located within visible range of the Abbotsford Market, including a bakeries delis and restaurants. Based on availability of businesses for interviews, and whether they are open on market days, we conducted surveys with three neighbouring businesses (Chart 16).

The two businesses that reported impacts from the market said that the market is good for getting people who enjoy food downtown and into their stores. One business also reported a definite sales and staffing increase during the market season, as compared to the winter season.

Chart 16. Effect of market on neighbouring businesses (n=3)



Economic Benefits

The information collected in this assessment enables us to measure the economic benefits of the Abbotsford Farmers' Market.

To measure the economic benefits of farmers' markets means to measure the ripple effect of people spending dollars at the market: if I spend \$1 at the market then how does this dollar benefit the local economy? The ripple effect includes both the profit to the market vendor and the monies the vendor spent on inputs to get to the market (e.g., seeds, feed, ingredients, etc.).

Economic benefits, which can include direct, indirect, and some induced effects, are measured in terms of revenue (\$), output (\$), and employment (jobs). In this study we measure only revenues. We chose to calculate revenue benefits using a multiplier of 1.5^{iv}. This multiplier means that for every dollar spent at the market, another \$0.50 is spent in the local economy. Compared to some other studies of farmers' markets, this multiplier is conservative.

The annual economic benefit is calculated by multiplying direct annual sales by the multiplier (1.5). Direct annual sales are calculated as follows:

$$\text{Average expenditure by customer} \times \text{Number of spending customers per session}^v \times \text{Number of sessions per year}^{\text{vi}} \times \text{Seasonal factor}^{\text{vii}}$$

For the Abbotsford Market, seasonally adjusted annual direct sales are:

$$\$26.81 \text{ per customer visit} \times 1,085 \text{ spending customers} \times 23 \text{ (adjusted) sessions} = \$523,000$$

Using a multiplier of 1.5, the annual economic benefit is approximately:

Annual economic benefit (2012): \$780,000

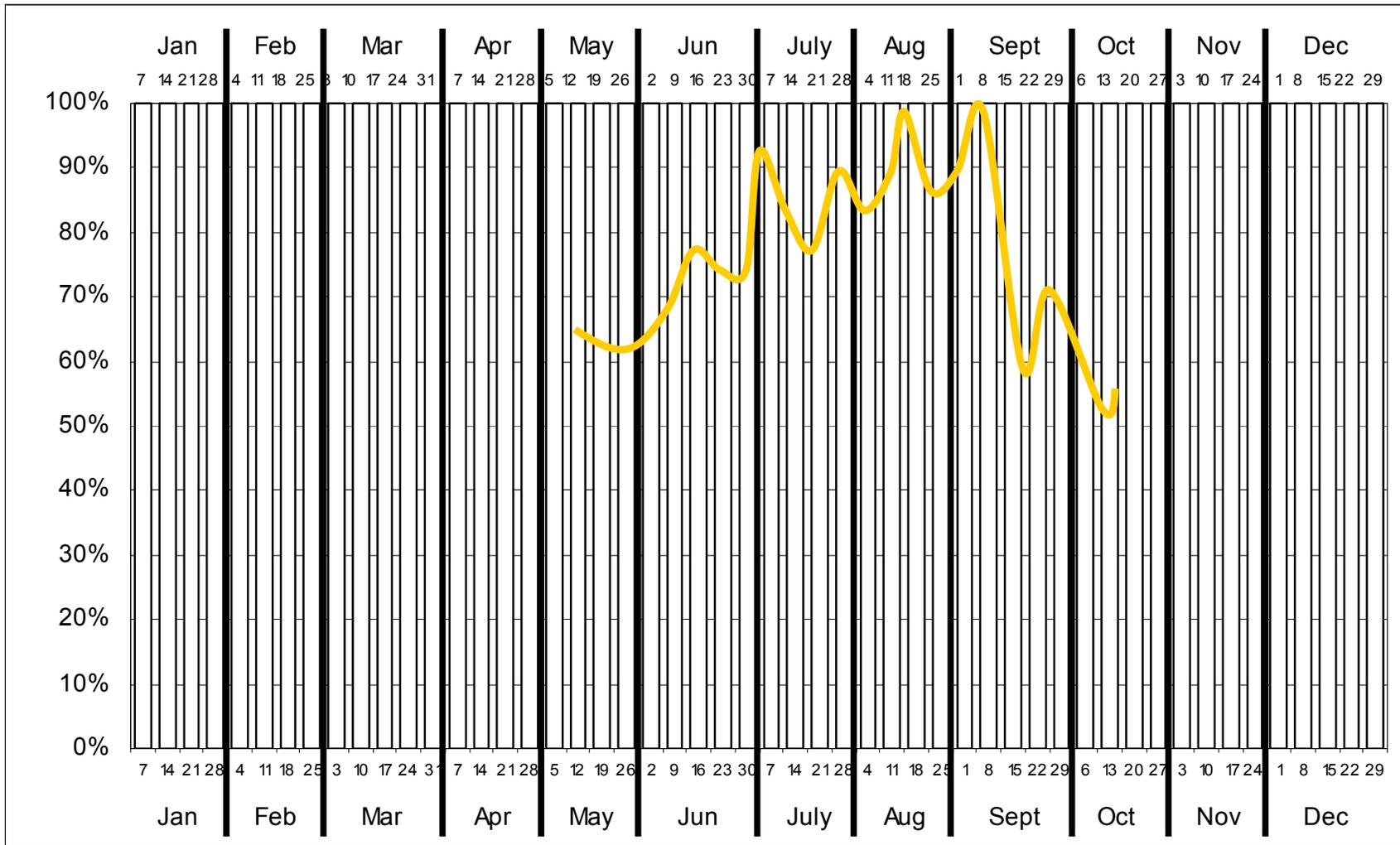
This calculation means that the Abbotsford Farmers' Market contributes an estimated \$780,000 to the local economy each year. These monies benefit not only market vendors but also the local businesses that supply these vendors.

In 2006, the economic benefit of the Abbotsford Market was estimated at \$449,000.^{viii} This supports the general view that the market has grown over the past six years.

The total estimated annual economic benefit for all farmers' markets in BC is **\$170.5 million**.

We can also assess the 'spillover' effect that the Abbotsford Farmers' Market has on its neighbouring businesses. Based on survey results, we can estimate the benefits of market customers spending additional dollars at local businesses on the day of the market. Using the same formula as above, the annual economic benefit of additional spending at other neighbouring businesses is over **\$340,000**.

Appendix: Seasonal activity chart for the Abbotsford Farm and Country Market



Acknowledgements

The BC Association of Farmers' Markets and the project team would like to thank the Abbotsford Farm and Country Market for participating in this assessment and for providing a team of volunteers to help conduct the assessment. Financial and in-kind support is provided by participating farmers' markets. The BCAFm wishes to acknowledge the financial assistance of Agriculture and Agri-Food Canada and the Investment Agriculture Foundation of BC for making this study possible. We would also like to acknowledge the Vancity Community Foundation's contribution to the study.

End notes

ⁱ Source: Experience Renewal Solutions and David J. Connell (2009). National Farmers' Market Impact Study 2009 Report. Prepared for Farmers' Markets Canada.

ⁱⁱ The average spent per customer is weighted by category based on results of a national study of farmers' markets completed in 2008.

ⁱⁱⁱ The average spent at nearby businesses is weighted by category based on results of a national study of farmers' markets completed in 2008.

^{iv} The number used for multipliers for farmers' markets varies, ranging from 1.21 to 3.0. A multiplier of 2.0 is commonly used for convenience. We chose to use a multiplier of 1.5 as this appears to be more accurate based on studies by Hughes, Brown, Miller, and McConnell (2008) and Otto and Varner (2005). We used a multiplier of 2.0 in the 2006 study; the results from the 2006 study that are cited in this report have been revised based on a 1.5 multiplier.

^v This is based on the estimated crowd count. However, not all people attending the market are included in the calculation. Some people may not spend any money while other people included in the crowd count are members of the same household and should not be double-counted. Based on results of the national study of farmers' markets in Canada in 2008, we estimate that 75 per cent of the crowd count is considered a paying customer.

^{vi} Includes special days, if any, such as 'Christmas markets'.

^{vii} The seasonal factor accounts for varying sales/crowd levels during the season. For the outdoor season, markets generally start off slow and peak for a number of weeks during the summer and then decline. The seasonal factor is calculated for each market based on data collected from the market's manager and long-time vendors. A seasonal activity chart for your market is included in the Appendix.

^{viii} The results of the 2006 study have been revised to reflect updated and more accurate assumptions about estimating the economic benefits of farmers markets. For example, some of the assumptions are based on the results of the national study of farmers markets completed in 2008, which included interviews with 3,174 market shoppers across Canada.