

ECONOMIC AND SOCIAL BENEFITS ASSESSMENT

FINAL REPORT

Comox Valley Farmers' Market (Wednesday)

Courtenay, 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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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 Comox Valley Wednesday Farmers' Market on August 15, 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 Comox Valley Wednesday Farmers' Market:

- **The estimated economic benefit of the Comox Valley Wednesday Farmers' Market to the local economy is approximately \$282,000 annually**
- **The estimated number of market customers on assessment day: 736 customers**
- **Over 105 market visitors participated in the study**
- **Average customer spending per visit: \$24.66**
- **Thirty-three percent of the survey respondents visit the market either 'regularly' (almost weekly) or 'frequently' (2-3 times per month)**

The Comox Valley Wednesday Farmers' Market was established 15 years ago as a week-day complement to the popular Saturday Farmers' Marketⁱⁱ.

Only about a quarter of the size of the Saturday Market, the Comox Valley Wednesday Farmers' Market has one of the smallest attendance rates of the markets we assessed in BC, seeing less than 200 customers on average each hour the market is open. However, considering this market is a weekday complement to the popular Saturday market, this demonstrates the robustness of the customer base that it can not only support a market year round on Saturdays but also a weekday market during the summer season. In line with its

smaller size and the availability of vendors, average spending per customer is lower at this market than at the Saturday market, with customers spending an average of \$24.66. This spending is lower than at other markets in BC and Canada, and is more on par with average spending seen at small markets in Canada, while the Comox Valley Wednesday Farmers' Market is classified as a medium market based on the number of vendors.

The Comox Valley Wednesday Market sees a larger portion of first-time visitors, compared to other markets in BC and Canada, and a lower portion of regular and frequent visitors. This could be due to splitting attendees with the Saturday market. The majority of surveyed customers (56.2%) only started attending the Wednesday market this year. The timing and location of the week-day market has changed over the years, moving from downtown to farm-country, and from morning to afternoon back to morning. These changes could explain the higher portion of first-time and new-this-year attendees at this market.

Market organizers were curious to know where attendees of the Wednesday Comox Valley Farmers' Market are coming from. The adjacent city of Courtenay furnishes the majority of customers, with a good portion coming from Comox, Cumberland, and elsewhere in the Comox Valley Regional District. The portions of customers coming from elsewhere in the CVRD and from outside the CVRD are larger for the Wednesday Market than for the Saturday Market.

The Wednesday Market is held in a farmer's field just outside of urban Courtenay, and there are no businesses within easy walking distance. Many market customers (71.1%) do additional shopping in Courtenay, and spend an average of \$26.85. Average spending at other businesses was higher in 2006, at \$31.87. This difference could be related to the different location of the weekday market in the past.

Although a smaller counterpart to the popular Saturday version, the Comox Valley Wednesday Farmers' Market still makes an important contribution to the region by providing another venue where customers can access fresh, quality, local food, and vendors can receive additional income. It is a good sign that many customers are first time and new visitors to the Wednesday market, and hopefully many of these will become regulars in future years.



Photo: Anna Melnik

DESCRIPTION OF MARKET

The Comox Valley Wednesday Farmers' Market

Market Websites:

<http://www.comoxvalleyfarmersmarket.com/>

<http://www.bcfarmersmarket.org/markets/marketdetails.asp?marketID=191>

Comox Valley is a vibrant, year round market in its 20th year of operation. Its vendors offer a wide and diverse range of products: All kinds of vegetables and fruits, some certified organic, all grown using sustainable methods; free-range poultry, eggs and meat, from pheasant to turkey, goat to bison and including lamb, beef and chicken. Its nursery growers offer some rare shrubs and plants, as well as veggie starters and bedding flowers in the Spring.

Local fishers bring tuna, salmon and shellfish. The market also features award winning cheeses, gourmet sauces, take-home meals, artisan and home baking, pet treats, skin care products, fresh pasta and pesto, seafood, preserves and pickles, honey, ethnic foods including Japanese delicacies and tamales. In addition, they offer live local entertainment at every market! Eat healthy – buy local!

Availability:	Open from June 6 to September 26 Wednesdays, 9:00 am to 1:00 pm
# Vendors:	20
Location:	Comox Bay Farm, West Island Highway, Courtenay
Contact Info:	Vickey Brown, Market Manager PO Box 3301, Courtenay, BC V9N 5N5



Photo: Anna Melnik



Photos: Anna Melnik

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 crowd count was not completed for this market as the market management team completed and provided their own crowd count on the day of the assessment.

- 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 were 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. Do you plan to do additional shopping or eating in town today? If so, how much do you plan to spend?
5. Where do you live?

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 Comox Valley Wednesday 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

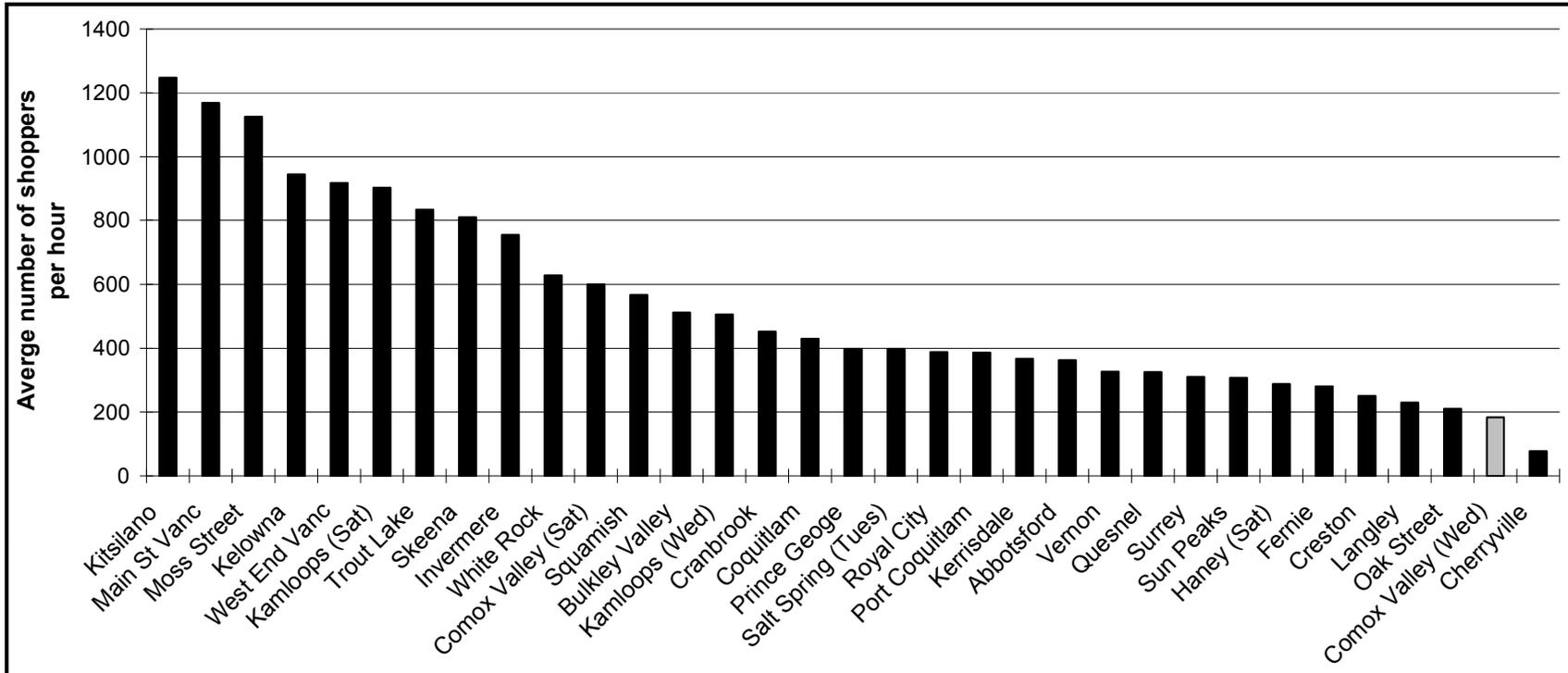
The weather on the day of the assessment was sunny and hot. There were approximately 21 vendors present.

Crowd count

The standard crowd count method used for market assessments in this study was not used for the Comox Valley Wednesday assessment because of unforeseen difficulties. Instead the crowd count was estimated, based on a count done by the market. The total estimated number of people attending the Comox Valley Wednesday Market on August 15, 2012 was 736. The crowd count for the day of the 2006 assessment was 468.

As shown in Chart 1 (next page), the number of shoppers attending the Comox Valley Wednesday Market is 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 1. Number of shoppers at BC farmers' markets (average hourly crowd at peak of season)



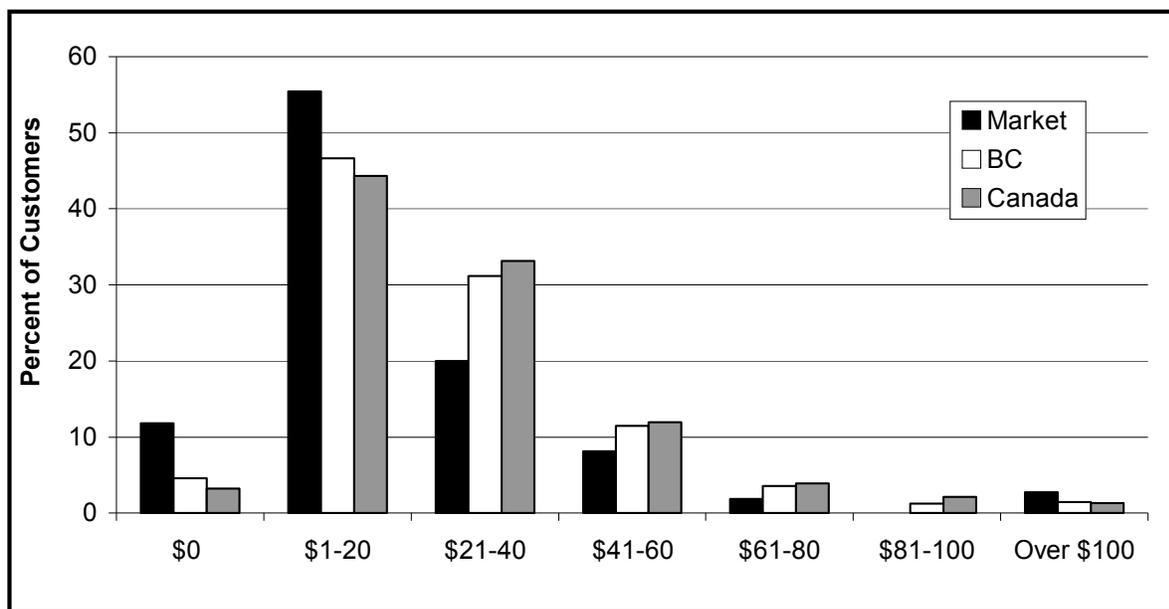
Flip-chart survey

Approximately 102 people responded to the dot survey, which is about 14% 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?

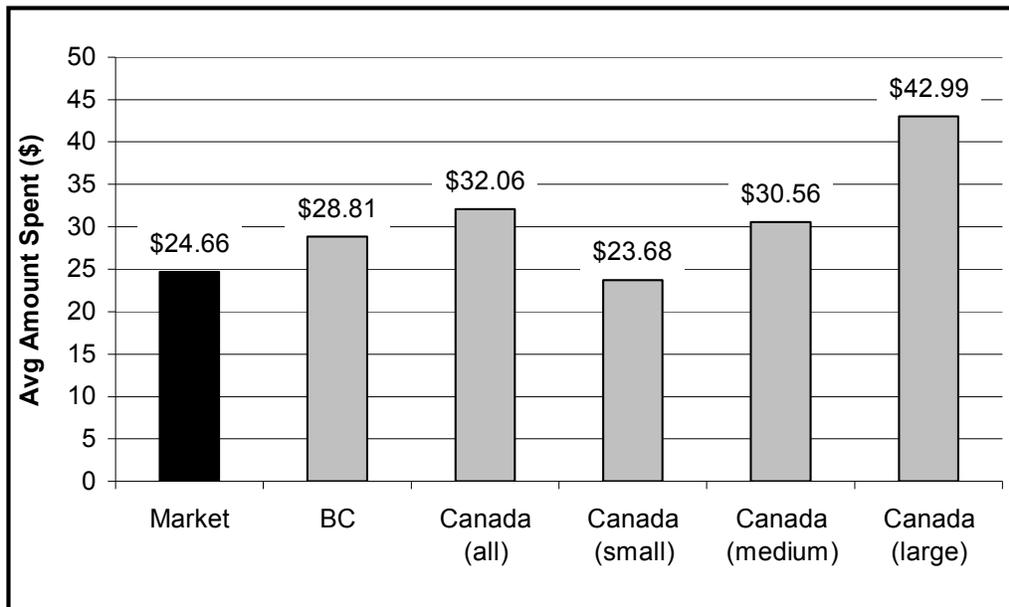
Overall, respondents spent an averageⁱⁱⁱ of \$24.66 each on the day of the assessment. As shown in Chart 2, most customers surveyed (55.5%) said they would spend up to \$20 at the market that day, and a further 20% said they would spend up to \$40. The average amount spent by shoppers in 2006 was \$15.83.

Chart 2. How much have you spent, or do you plan to spend, at the market today? (Market: n=110; BC: n=9,819; Canada (Medium): n=996)



The results shown in Chart 3 (next page) illustrate how the Comox Valley Wednesday 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 medium market, the Comox Valley Wednesday Market sees customers spending less on average than customers at other BC markets and other medium markets nationally. Average spending at the Comox Valley Wednesday Market is more in par with spending seen at a small farmers' market.

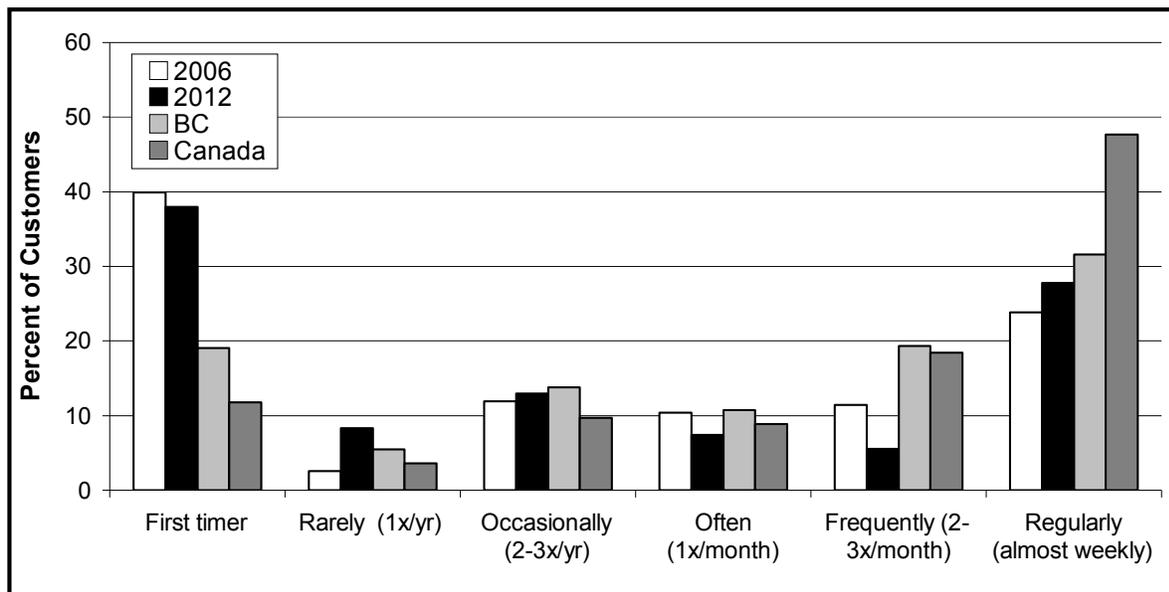
Chart 3. Average amount spent by market shoppers
(Market: n=110; BC: n=9,819; Canada: n=3,167)



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

As shown in Chart 4 (next page), the Comox Valley Wednesday Market has a high percentage of both new customers and regulars, with a fairly equal distribution over the remaining frequency of visits. Almost one in three customers (27.8%) shop regularly at the market. First-time visitors to the market accounted for 38% of respondents. This pattern is similar to the results of the assessment in 2006, when first timer and regular were the two most frequently chosen categories, making up 39.9% and 23.8% of customers respectively. The Comox Valley Wednesday Market sees a significantly larger portion of first timers as compared to the average for Canadian and BC markets, and a significantly smaller portion of regulars as compared to the average Canadian market.

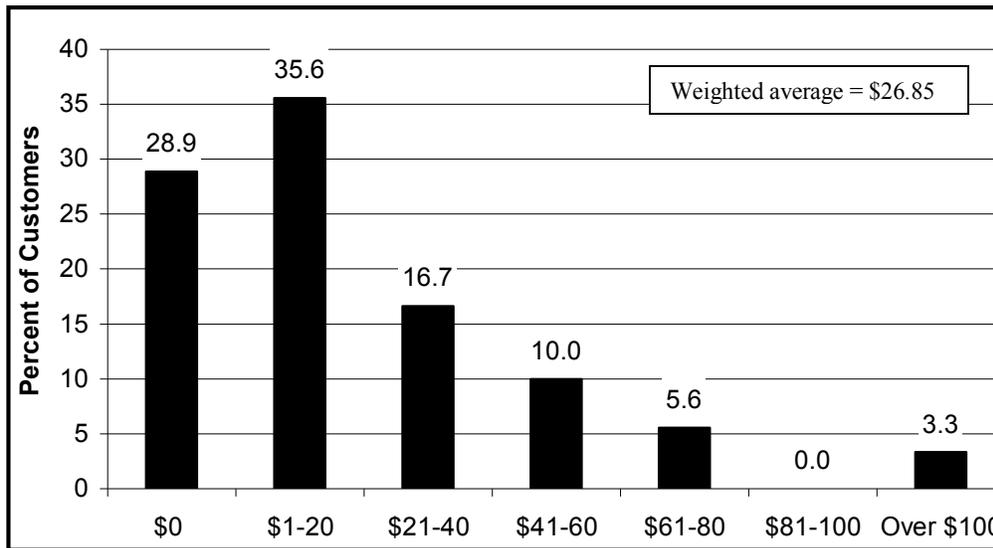
Chart 4. How often do you come to this market?
(Market (2006): n=193; Market (2012): n=108; BC: n=9,874; Canada (Medium): n=996)



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 5 (next page) shows the range of additional spending by market customers, with 71.1% of respondents saying they would do additional shopping at nearby businesses that day. More than a quarter (35.6%) of customers surveyed said they would spend up to \$20; 35.6% said they would spend more than \$20. The average amount spent per customer at nearby businesses was \$26.85.^{iv} These results show that additional shopping is down from 2006, when the results of the assessment indicated the average amount spent per customer at neighbouring businesses was \$31.87. Given the variability among markets, no comparison is made with BC or national results.

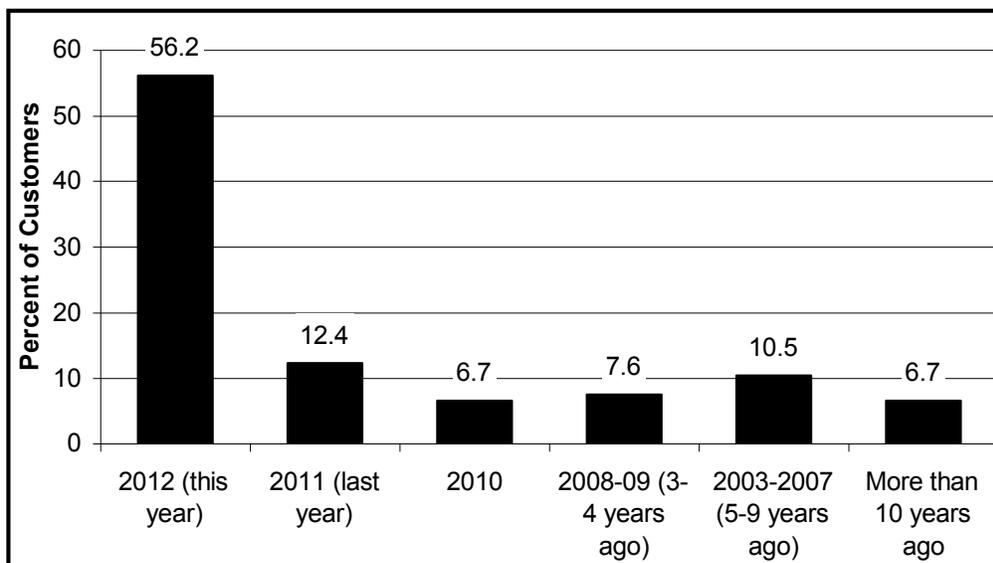
Chart 5. Do you plan to do additional shopping or eating in town today? If so, how much do you plan to spend? (n=90)



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

As shown in Chart 6, most customers (56.2%) started shopping at the Comox Valley Wednesday Market this year. Still, close to half of all customers surveyed (43.8%) have been coming to this market for more than one year, and 6.7% of all respondents have been coming to this market for more than 10 years. There was some ambiguity about how long this particular market has been happening, as the Wednesday market has changed time of day and location, and stopped and started over the years.

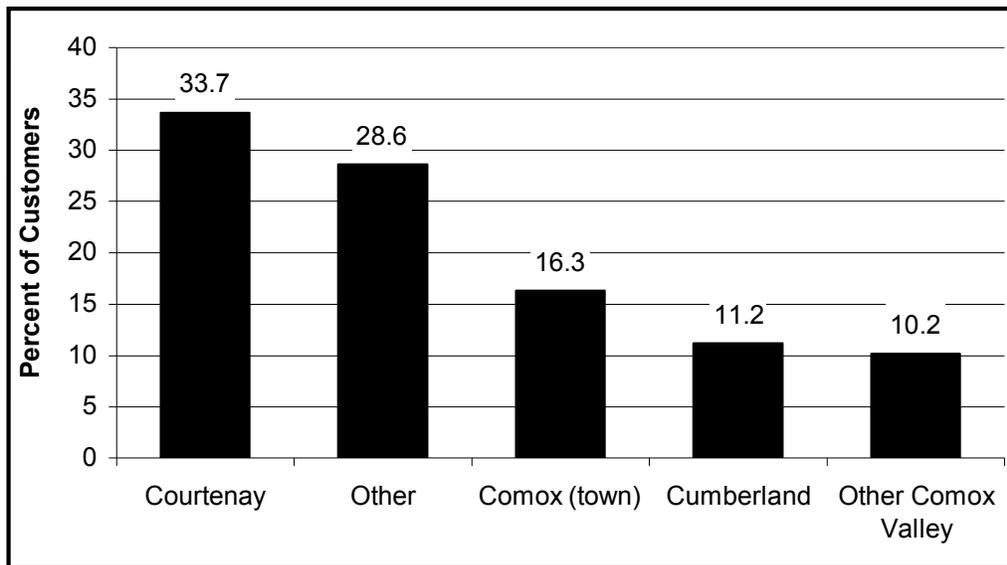
Chart 6. When did you start shopping at this farmers' market? (n=105)



Question 5. Where do you live?

Chart 7 shows that a large portion (33.7%) of the Wednesday market customers surveyed live in Courtenay. 'Other', or somewhere outside of the Comox Valley Regional District, was the second most common answer (28.6%). These results are similar to the results of the 2006 assessment in which 'Courtenay' and 'Elsewhere on Island/Off Island' were the most commonly given answers (38.1% and 26.8% respectively). Attendance from Courtenay seems to have decreased slightly, relative to the other categories, since the 2006 assessment. The proportion of attendance by people living in Cumberland seems to have increased substantially since the 2006 assessment, from 2.6% (2006) to 11.2% (2012).

Chart 7. Where do you live? (n=98)



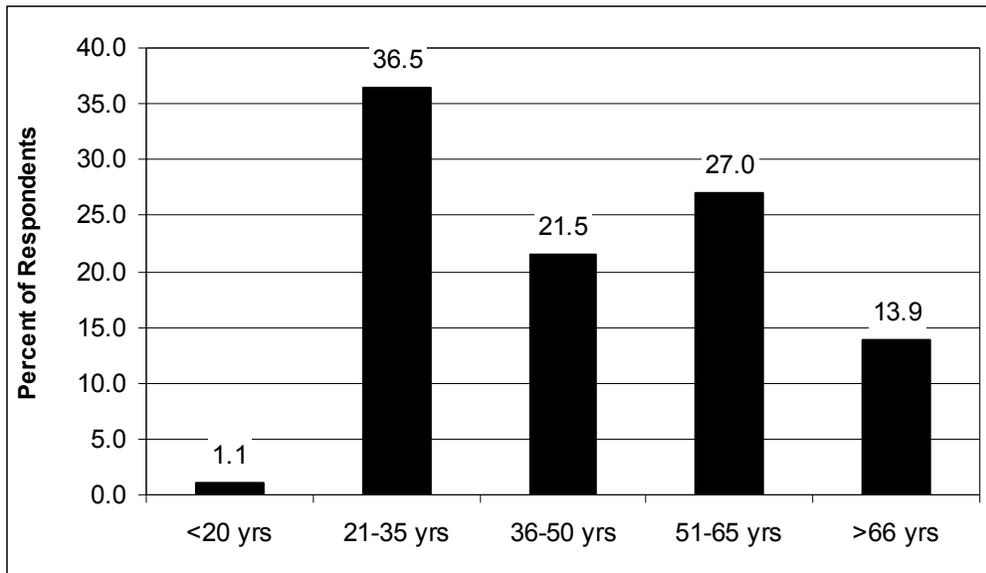
Market surveys

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.

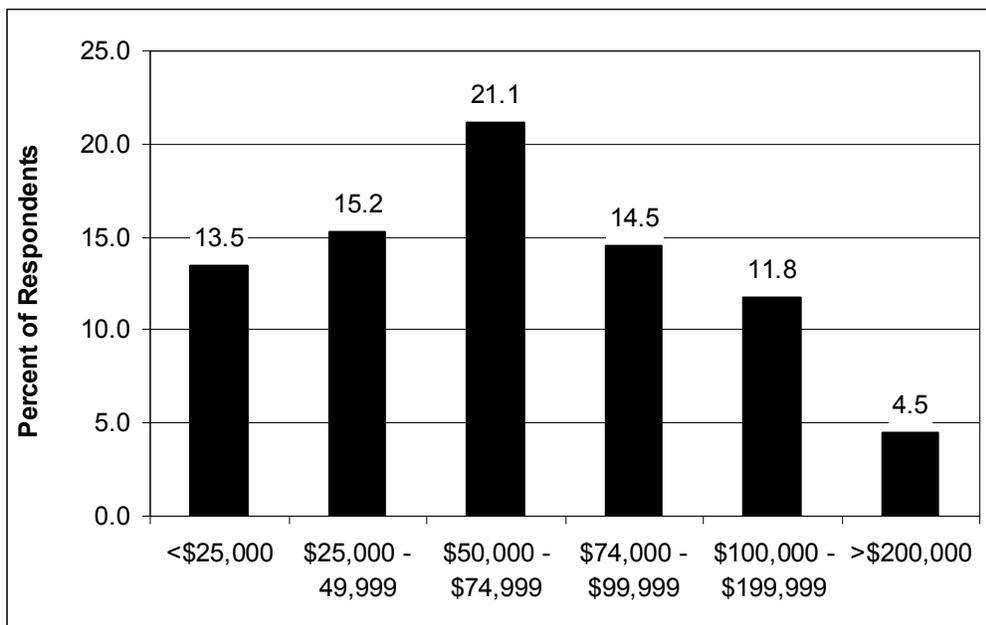
The results in Chart 8 show the age range of farmers' market customers in BC.

Chart 8. Age of respondents (BC: n=274)



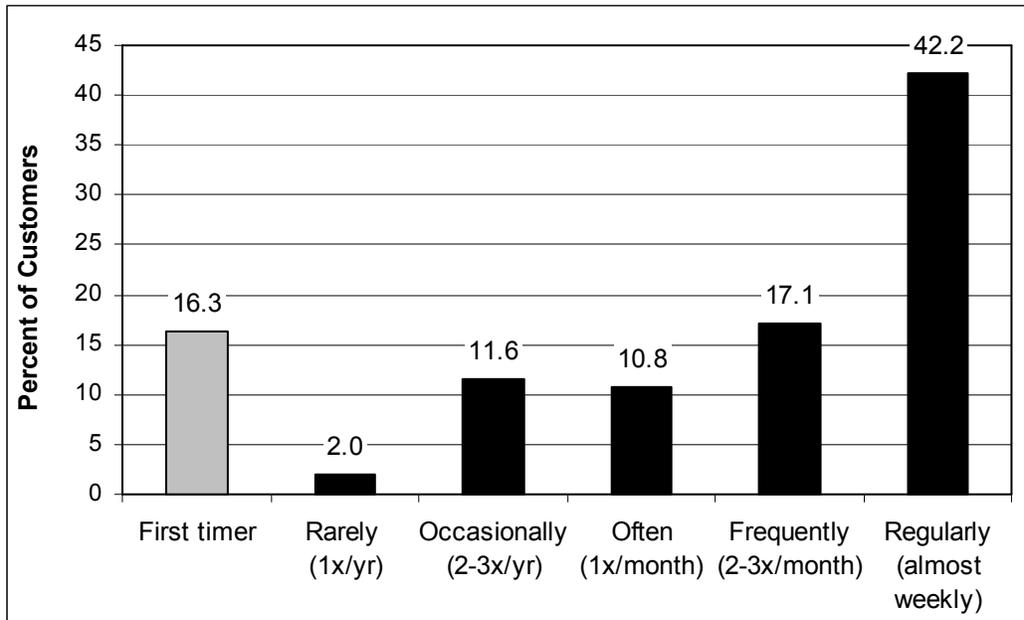
The household income of shoppers at farmers' markets in BC is shown in Chart 9. The results show that people from households with a range of incomes shop at BC's markets.

Chart 9. Household income (BC: n=233)



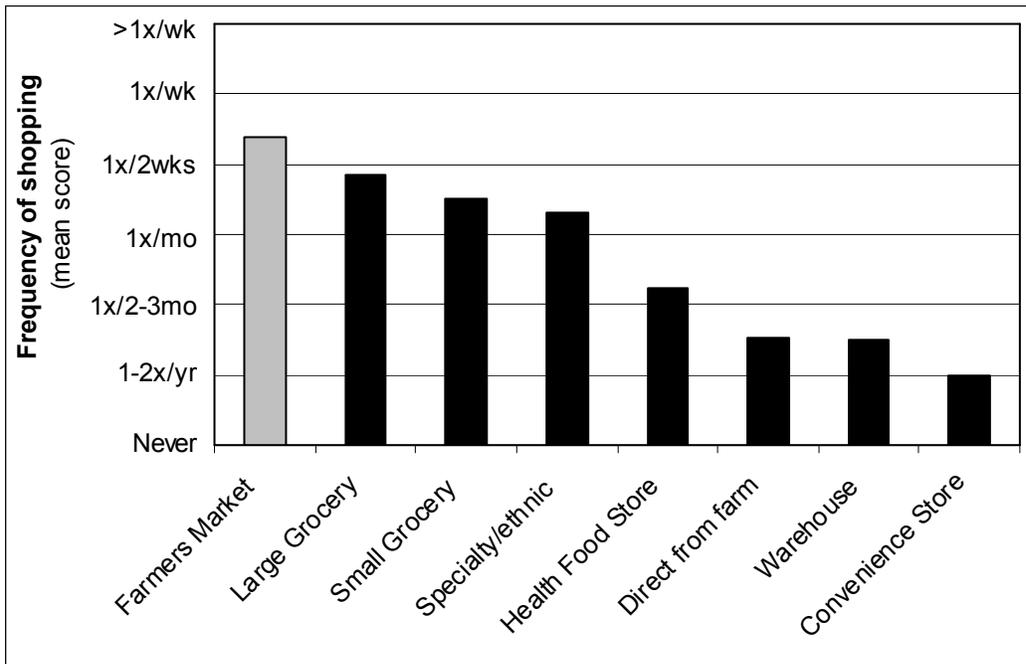
Over 40% of customers surveyed in BC shop at the market regularly (almost weekly), with an additional 17% shopping at least two to three times per month (Chart 10). Together, these results indicate that almost six of ten shoppers can be considered among the core group of market shoppers at BC markets, although, as noted, the results do over-represent regular shoppers. The actual results are likely to be lower but still significant.

Chart 10. 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 11, next page).

Chart 11. Where shoppers shop during the outdoor market season (BC: n=290)
Note: a higher bar means shopping more often at the corresponding store.

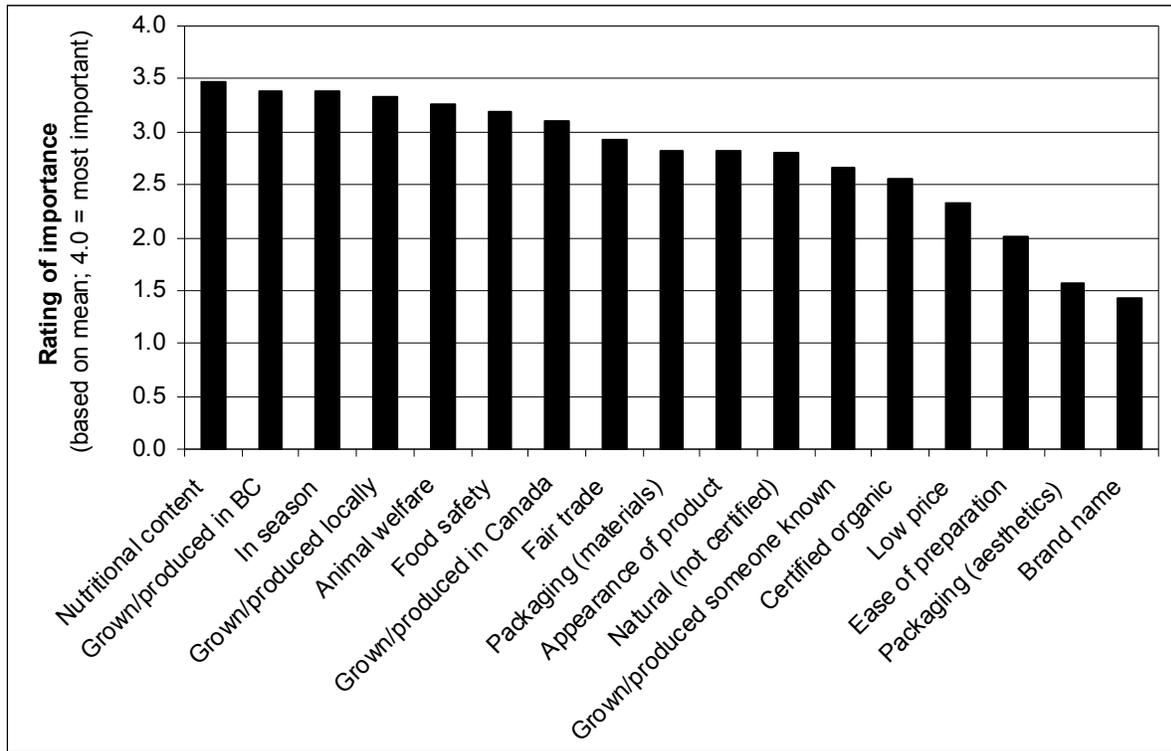


Part of the answer to explain the shopping pattern of market customers is evident in Chart 12 (next page), which shows the relative importance of factors customers consider when buying food. During the farmers' market season the five most important factors to market customers are:

- 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 12. Factors people consider when buying food: BC (n=289)



We also asked customers how long they spend at the market (Chart 13) and how much of that time they spend talking with vendors and friends (Chart 14). 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 13. Amount of time customers spend at the market (BC: n=290)

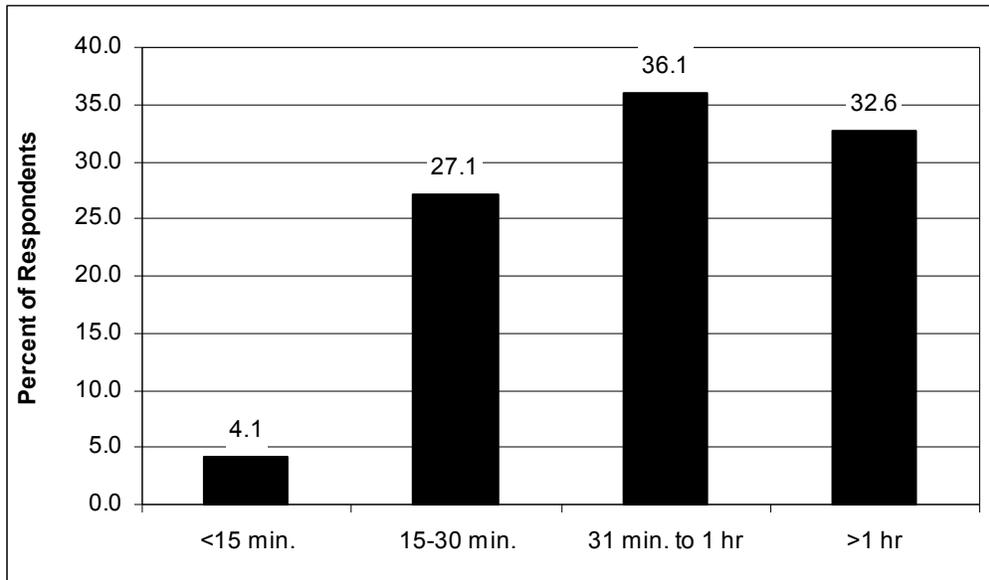
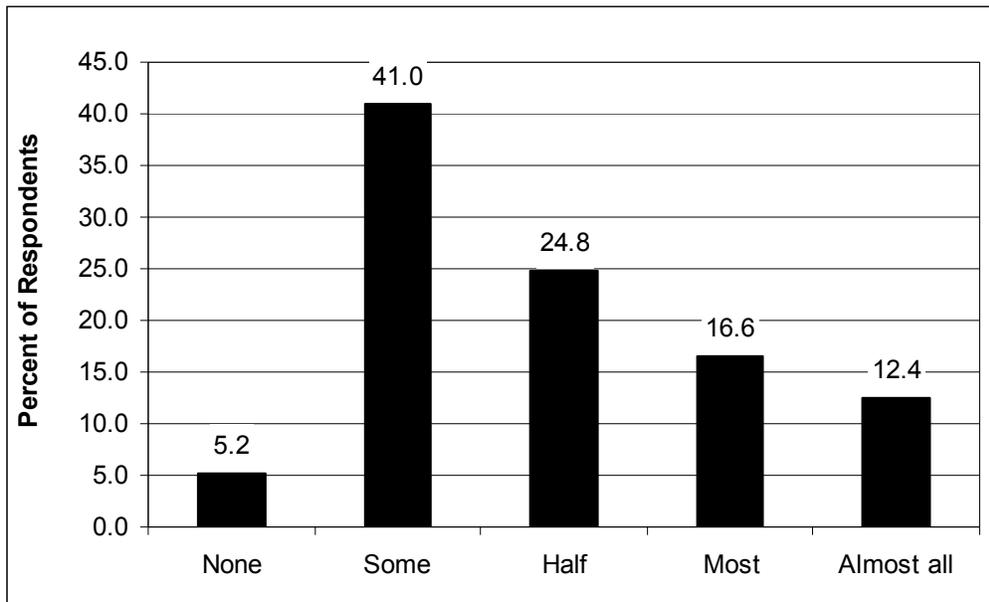


Chart 14. Time spent talking with others at the market (BC: n=290)



The results of the above two questions are combined in Table 1. 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 1. 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

No businesses were located within visible range of the Comox Valley Wednesday Market.

Economic Benefits

The information collected in this assessment enables us to measure the economic benefits of the Comox Valley Wednesday 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^v. 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:

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

For the Comox Valley Wednesday Market, seasonally adjusted annual direct sales are:

$$\$24.66 \text{ per customer visit} \times 736 \text{ spending customers} \times 17 \text{ (adjusted) sessions} = \$188,000$$

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

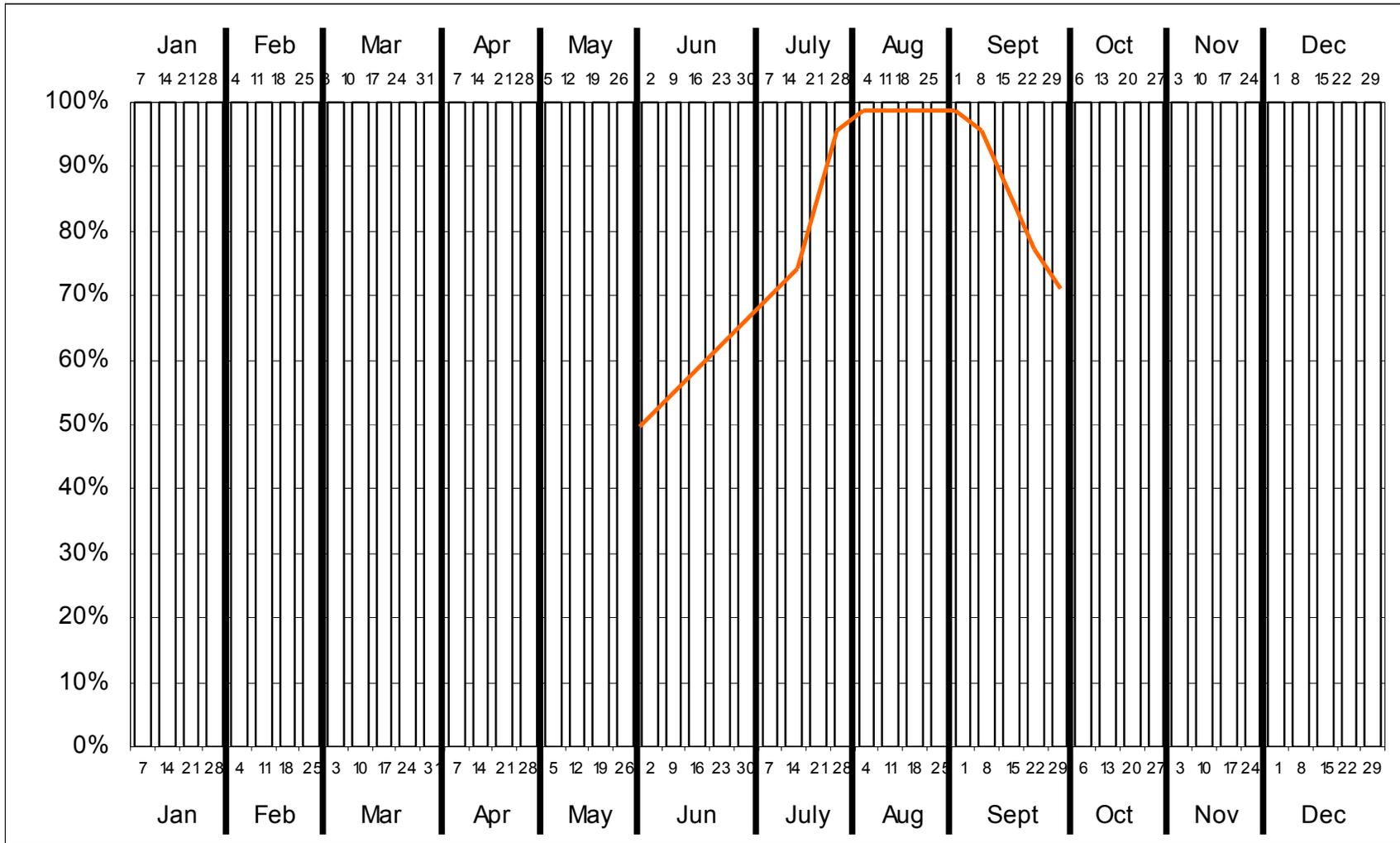
Annual economic benefit (2012): \$282,000

This calculation means that the Comox Valley Wednesday Market contributes an estimated \$282,000 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 Comox Valley Wednesday Market was estimated at \$198,600.^{ix} 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**.

Appendix: Seasonal activity chart for Comox Valley Farmers' Market (Wednesday)



Acknowledgements

The BC Association of Farmers' Markets and the project team would like to thank the Comox Valley Wednesday Farmers' 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 Comox Valley Farmers' Market History, <http://www.comoxvalleyfarmersmarket.com/about.shtml>

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

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

^v 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.

^{vi} 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.

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

^{viii} 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.

^{ix} 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.