

ECONOMIC AND SOCIAL BENEFITS ASSESSMENT

FINAL REPORT

Vancouver West End Farmers' Market

Vancouver, 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 Vancouver West End Farmers' Market on June 23, 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 Vancouver West End Farmers' Market:

- **The estimated economic benefit of the Vancouver West End Farmers' Market to the local economy is approximately \$2.8 million annually**
- **The estimated number of market customers on assessment day: 3,210 customers**
- **Over 430 market visitors participated in the study**
- **Average customer spending per visit: \$29.56**
- **64.0% of the survey respondents visit the market either 'regularly' (almost weekly) or 'frequently' (2-3 times per month)**

Situated beside the newly renovated Nelson Park and Community Gardens, the West End Farmers' Market is a space where community members can meet to shop for local products or grown their own in their urban backyard. The playground, compost program, garden, entertainment, and market events draw in a diverse and expansive customer base, which provides numerous social, environmental, and economic benefits to this urban community. The number of customers attending the West End Market has increased since 2006. Additionally, this market has a high average hourly crowd count when compared to other markets we assessed in BC.

Customer spending has increased by almost \$10 since 2006 and the estimated economic benefit of the West End Farmers' Market has more than doubled. The average amount spent per customer is slightly higher than the average amount shoppers spent at other markets we assessed in BC, and but slightly lower than the average amount spent at other medium-sized markets in Canada. Many vendors experienced long line-ups on the day of the assessment, which at times prevented customers from accessing neighbouring vendors' tents. Expanding the space to accommodate the market's large customer base may help to increase customers' access to all tents, and create a more relaxed shopping atmosphere in which shoppers might be inclined to spend more time and thus more money.

Trends in the data show that the number of shoppers attending the West End Market is growing. The number of regular shoppers attending the market has increased since 2006. Almost half of customers shop regularly at the market, and the market has a greater average number of regular shoppers than other markets we assessed in BC. While the market has fewer first-time visitors than it did during the 2006 assessment, it receives more first-time visitors than other medium-sized markets in Canada. Additionally, one-quarter of survey respondents only began attending the West End Market this year.

The market organizers were curious to find out how shoppers first learned about the West End Farmers' Market. The majority of visitors first heard of the market through word of mouth or from passing by. These avenues would likely be the most effective areas to focus efforts in advertising in order to further increase the customer base.

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 West End Farmers' Market plays an important social, environmental, and economic role in this Vancouver neighbourhood.

DESCRIPTION OF MARKET

Vancouver West End Farmers' Market

Market Website:

<http://www.eatlocal.org/markets.html>

<http://www.bcfarmersmarket.org/markets/marketdetails.asp?marketID=125>

Located in the heart of Vancouver's busy West End, the West End Farmers Market looks onto beautiful newly renovated Nelson Park and community gardens. Weekly, West Enders can enjoy the best in local produce, prepared foods and crafts. Hot food and coffee on-site as well. Take the dog for a walk and enjoy a market in your urban backyard!

Availability:	Open from June 2 to October 20 Saturdays 9:00am to 2:00pm
# Vendors:	35
Location:	1100 Block of Comox Street between Bute and Thurlow across from Nelson Park in Vancouver's West End
Contact Info:	Roberta LaQuaglia, Operations Manager 604-879-FARM info@eatlocal.org 2-1163 Commercial Drive Vancouver, BC V5L3X3

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 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. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend?
5. How did you hear about 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 West End Farmers' 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 mainly warm and sunny with a few cloudy periods. There were approximately 35 vendors present.

Crowd count

The total estimated number of people attending the West End Market on June 23, 2012 was 3,210.

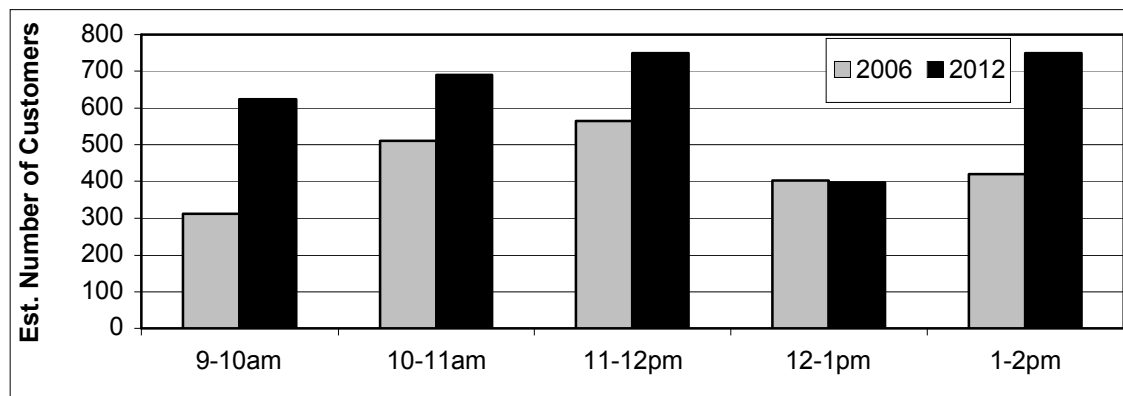
The actual and extended counts for the assessment are shown in Table 1. The total estimated counts are also shown in Chart 1.

Table 1. Estimated Crowd Count

Time period	Count period	Actual count	Extended total
1st hour (9:00-10:00)	9:25-9:35am	104	624
2nd hour (10:00-11:00)	10:25-10:35am	115	690
3rd hour (11:00-12:00)	11:25-11:35pm	125	750
4th hour (12:00-1:00)	12:25-12:35pm	66	396
5th hour (1:00-2:00)	1:25-1:35pm	125	750
Estimated total crowd count on June 23, 2012			3,210

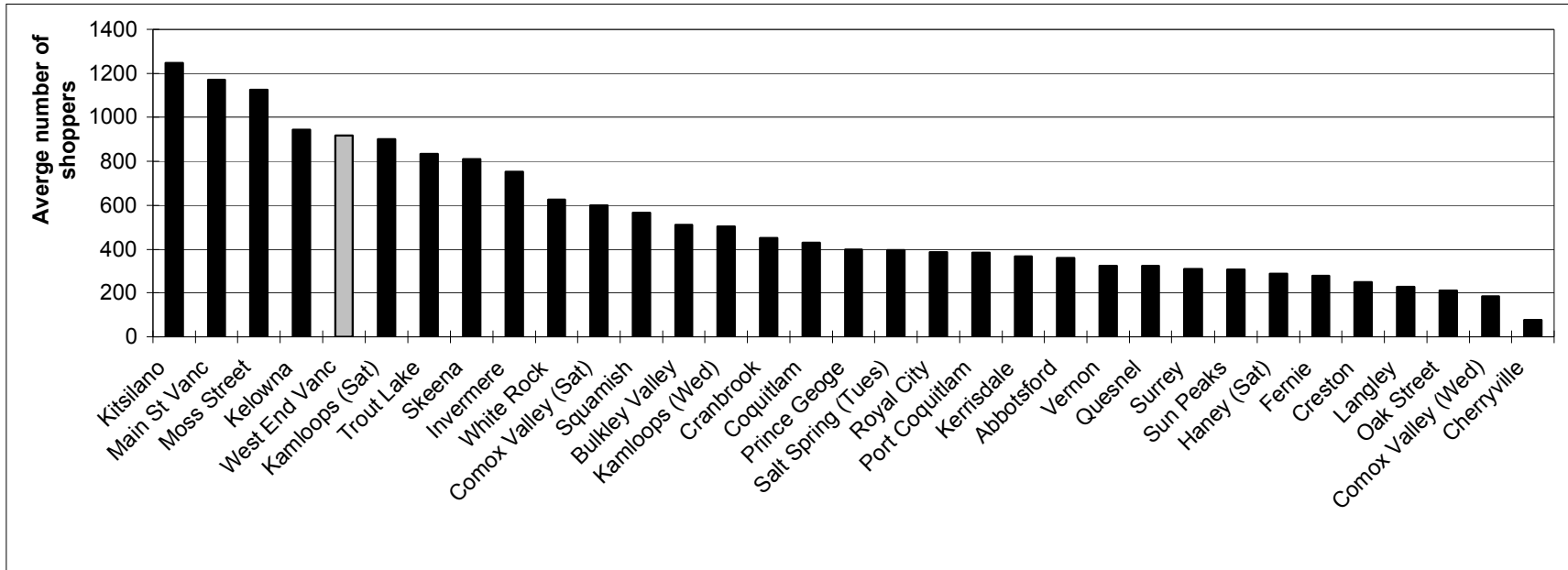
Chart 1 (below) shows the estimated crowd totals for each hour for both 2012 and 2006. Market attendance starts high and continues to grow over the first three hours, before dropping off in the fourth hour. During the final hour of the market, attendance peaks again, tying with the third hour as the busiest hours of the market. The crowd count from 2006 follows a very similar pattern, with higher attendance occurring during almost every hour in 2012.

Chart 1. Crowd counts by the hour



As shown in Chart 2 (next page), the number of shoppers attending the West End Market is higher 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)



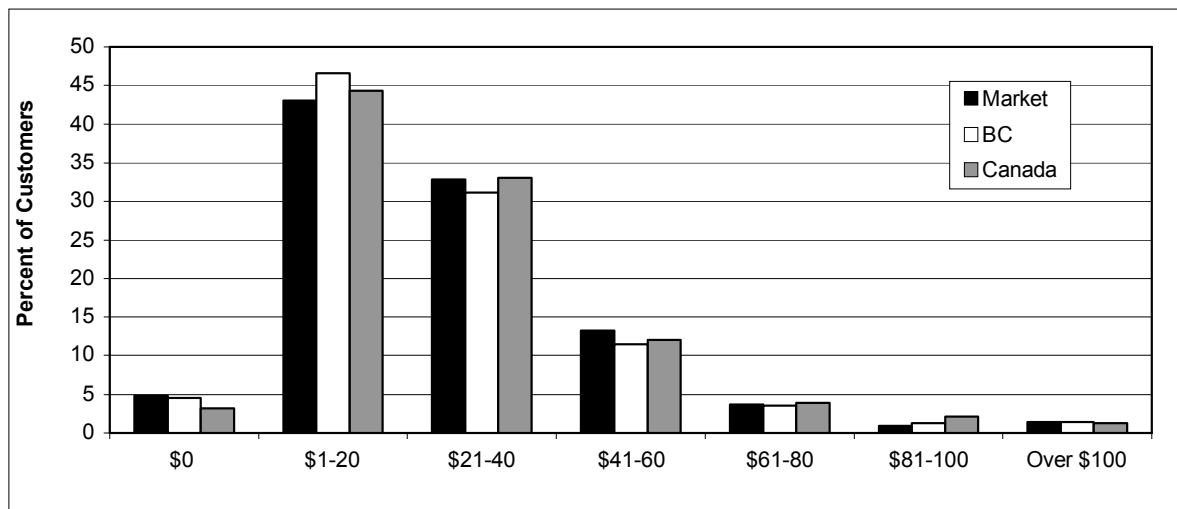
Flip-chart survey

Approximately 430 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?

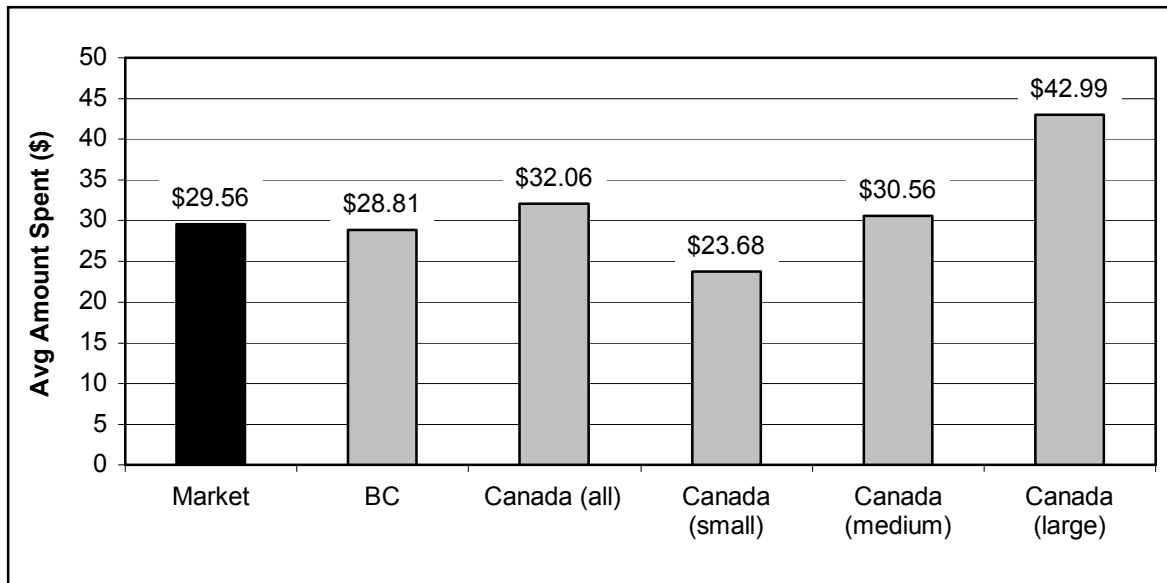
Overall, respondents spent an averageⁱⁱ of \$29.56 each on the day of the assessment. As shown in Chart 3, most customers surveyed (52.0%) said they would spend over \$20 at the market that day. The average amount spent by shoppers at the West End Market in 2006 was \$20.93.

Chart 3. How much have you spent, or do you plan to spend, at the market today? (Market: n=432; BC: n=9,819; Canada (medium): n=996)



The results shown in Chart 4 (next page) illustrate how the West End 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. The average amount spent at the West End Market is slightly higher than the average amount shoppers spent at other markets we assessed in BC, and slightly lower than the average amount spent at other medium-sized markets in Canada.

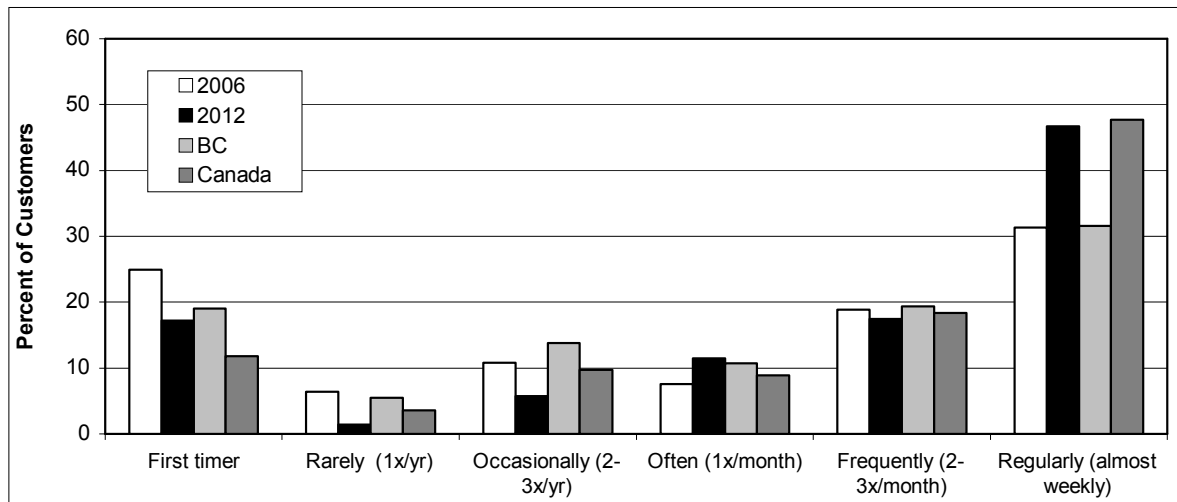
Chart 4. Average amount spent by market shoppers
(Market: n=432; BC: n=9,819; Canada: n=3,167)



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

As shown in Chart 5 (next page), the West End Market has a steadily increasing frequency of shoppers with regular shoppers accounting for the highest percentage. Almost half of customers (46.7%) shop regularly at the market. First-time visitors to the market accounted for 17.2% of respondents. This pattern is similar to the results of the assessment in 2006, however 2006 had a higher percentage (24.9%) of first-time visitors and lower percentage (31.3%) of regular visitors. The West End Market has fewer first-time visitors and a greater number of regular shoppers when compared to other markets we assessed in BC. Compared to other medium-sized markets in Canada, the market has more first-time visitors, and slightly fewer regular shoppers.

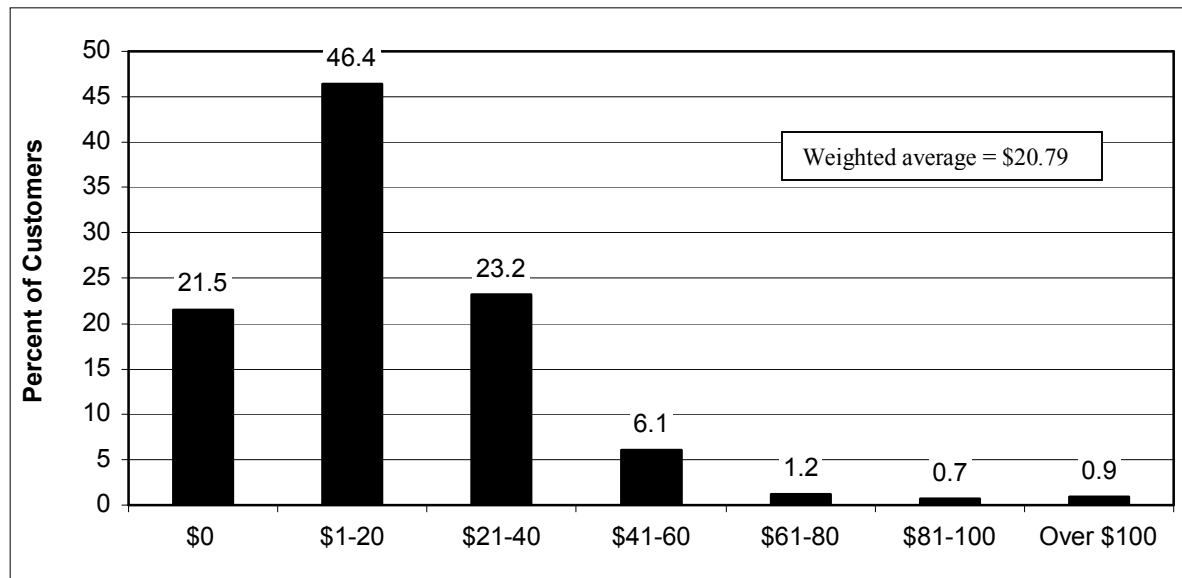
Chart 5. How often do you come to this market?
(Market (2006): n=249; Market (2012): n=435; BC: n=9,874; Canada (medium): n=996)



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 6 shows the range of additional spending by market customers, with 78.5% of respondents saying they would do additional shopping at neighbouring businesses that day. Almost half (46.4%) of customers surveyed said they would spend up to \$20; 32.1% said they would spend more than \$20.ⁱⁱⁱ The average amount spent per customer at neighbouring businesses was \$20.79. These results are similar to the results of the 2006 assessment. Given the variability among markets, no comparison is made with BC or national results.

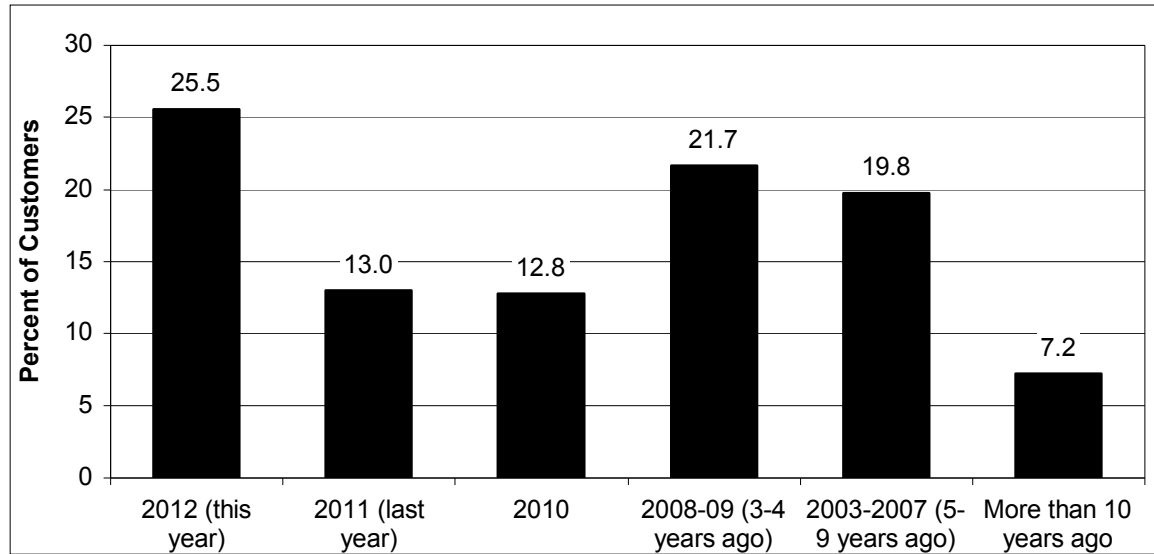
Chart 6. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend? (n=427)



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

As shown in Chart 7, your market has a good portion of long-time, loyal customers. Half of all customers surveyed (48.7%) have been coming to this market for 3 years or more, and 7.2% of all respondents have been coming to this market for more than 10 years. In addition to the long-time regulars, there were also 25.5% of respondents who were first-time visitors to this market.

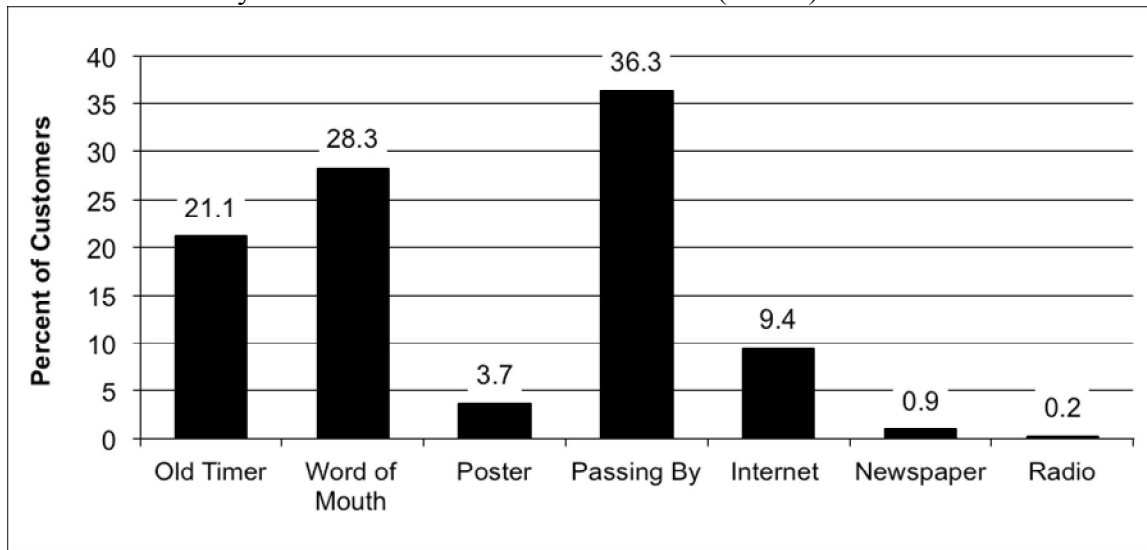
Chart 7. When did you start shopping at this farmers' market? (n=415)



Question 5. How did you hear about this farmers' market?

As shown in Chart 8 (next page), the majority (85.7%) of visitors to the West End Farmers Market first heard of the market by word of mouth or from passing by. Market advertising accounted for 14.2% of market visitors' first knowledge of the market, and 9.4% of that can be attributed to having an Internet presence.

Chart 8. How did you hear about this farmers' market? (n=435)



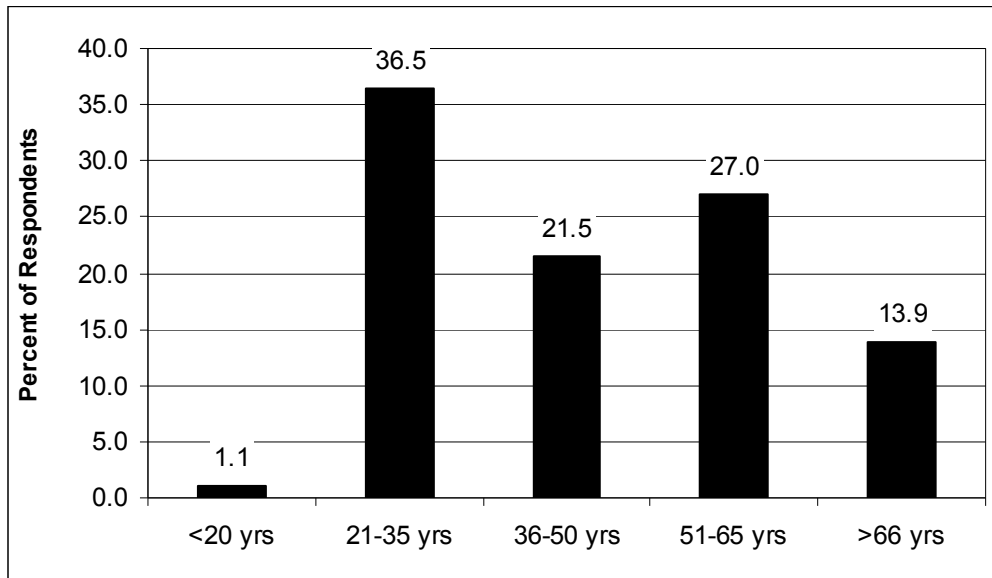
Market surveys

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.

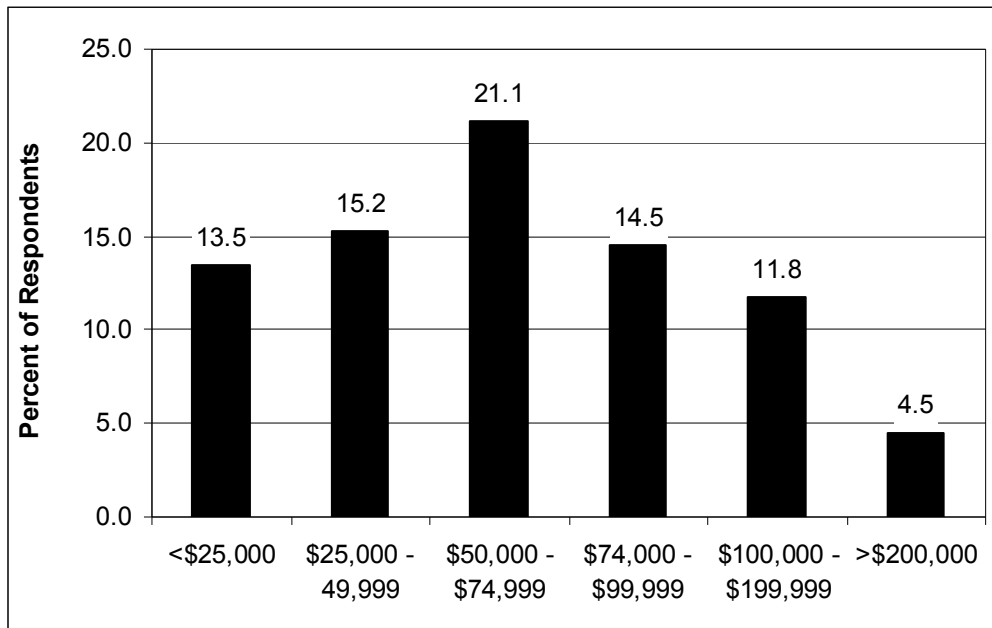
The results in Chart 9 (next page) show the age range of farmers' market customers in BC.

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.

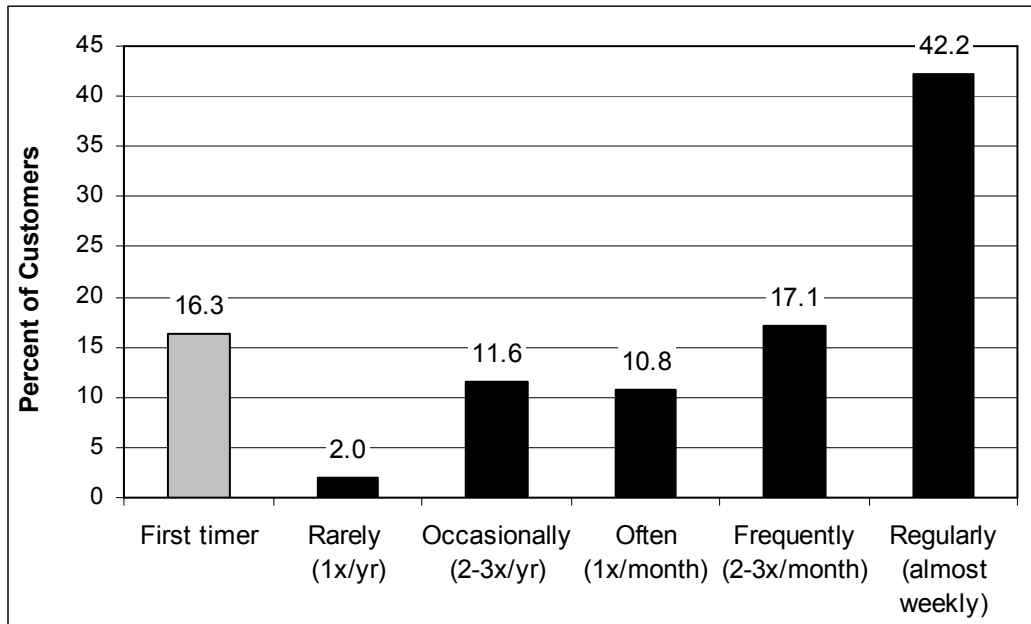
Chart 10. Household income (BC: n=233)



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.

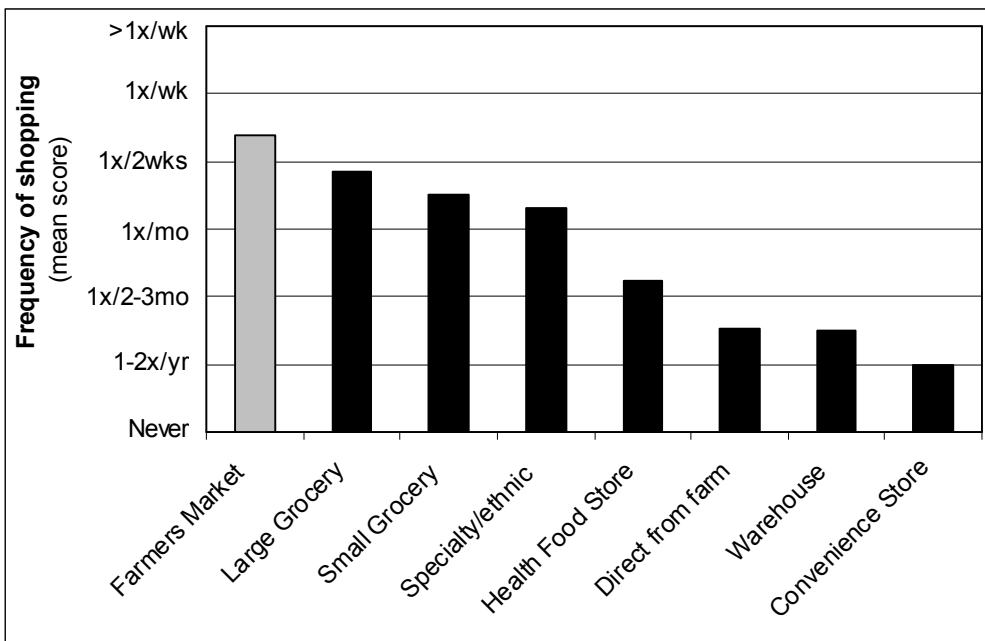
Chart 11. Frequency of shopping at farmers' markets (BC: n=251)



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.



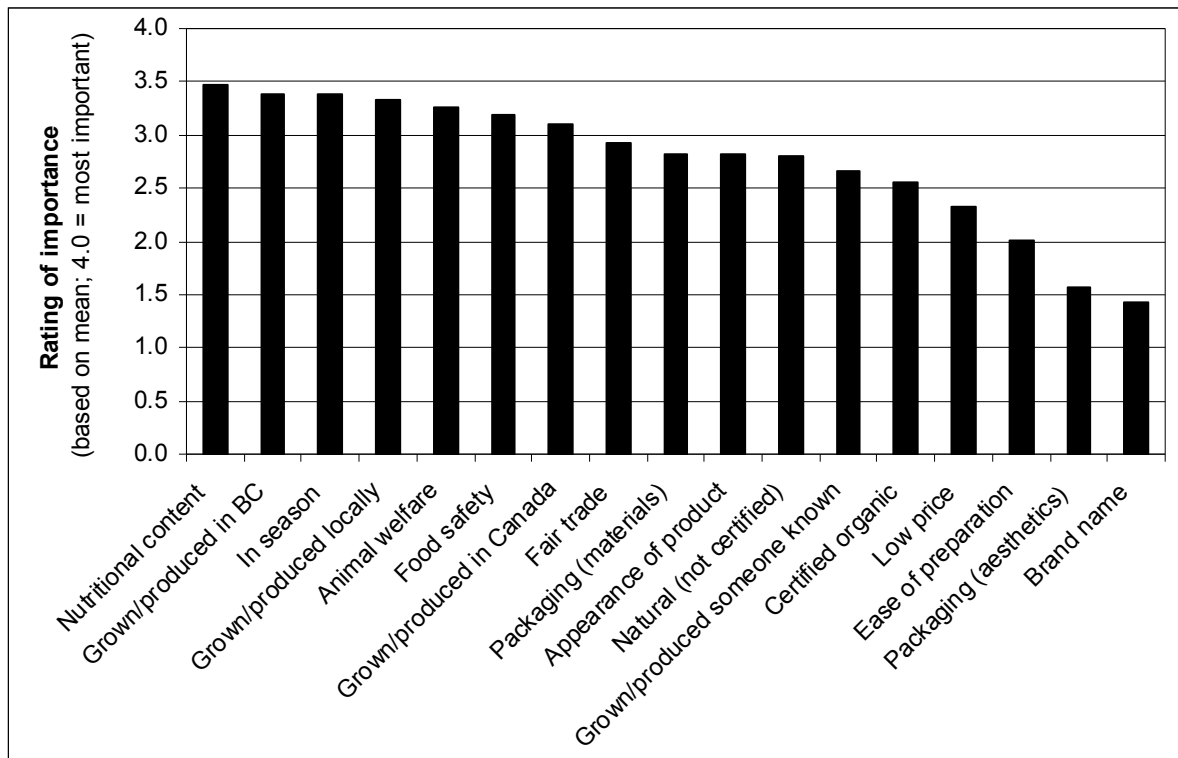
Part of the answer to explain the shopping pattern of market customers is evident in Chart 13, which shows the relative importance of factors customers consider when buying food.

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)

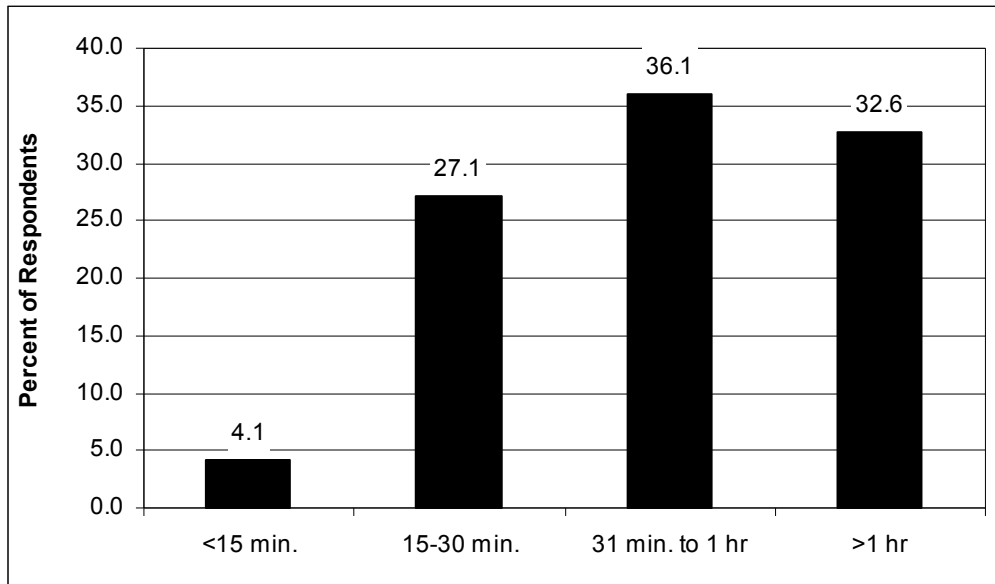
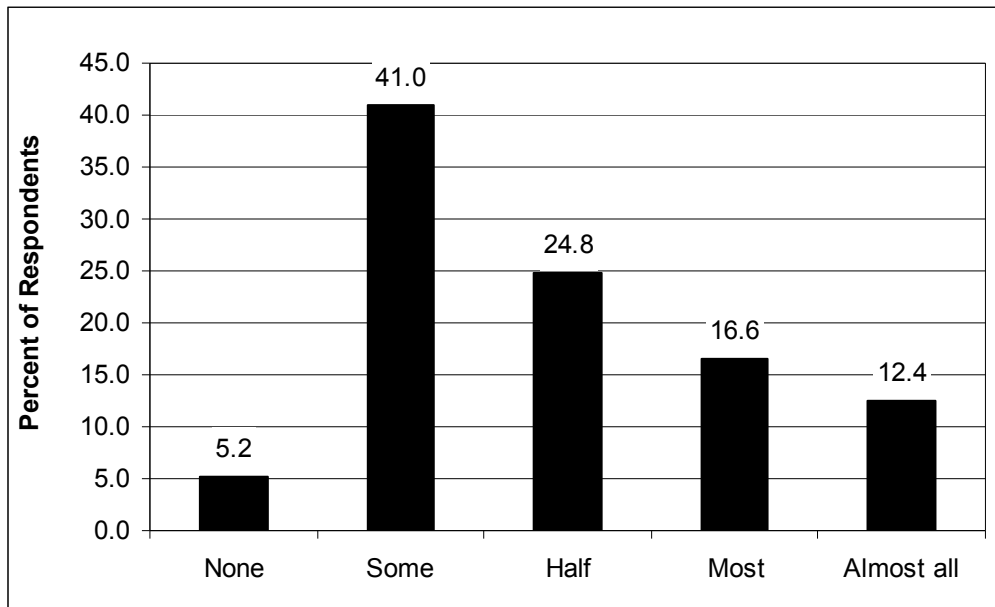


Chart 15. Time spent talking with others at the market (BC: n=290)



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

Economic Benefits

The information collected in this assessment enables us to measure the economic benefits of the Vancouver West End 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 West End Farmers' Market, seasonally adjusted annual direct sales are:

$$\$29.56 \text{ per customer visit} \times 3,439 \text{ spending customers} \times 21 \text{ (adjusted) sessions} = \$1,860,000$$

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

Annual economic benefit (2012): \$2.8 million

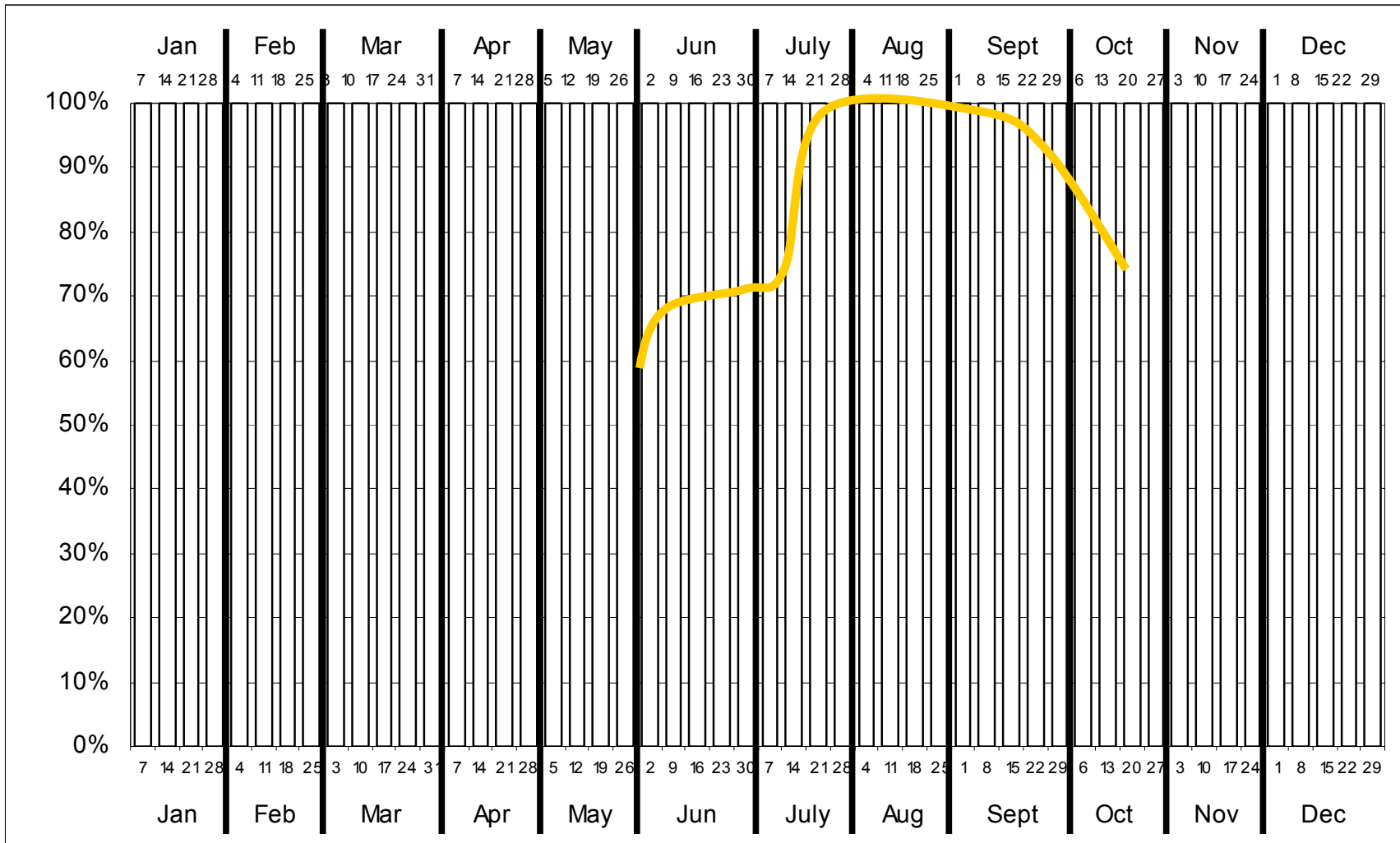
This calculation means that the West End Farmers' Market contributes an estimated \$2.8 million to the local economy each year. These monies benefit not only market vendors but also the local businesses that supply these vendors.

In 2006, the economic benefit of the West End Farmers' Market was estimated at \$1.2 million.^{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 West End 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 **\$1.5 million.**

Appendix: Seasonal activity chart for the Vancouver West End Farmers' Market



Acknowledgements

The BC Association of Farmers' Markets and the project team would like to thank the Vancouver West End 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 BCAFAM 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.