

ECONOMIC AND SOCIAL BENEFITS ASSESSMENT

FINAL REPORT

White Rock Farmers' Market

White Rock, 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 White Rock Farmers' Market on Sunday, August 12, 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 2008¹.

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 White Rock Farmers' Market:

- **The estimated economic benefit of the White Rock Farmers' Market to the local economy is approximately \$1.3 million annually**
- **The estimated number of market customers on assessment day: 2,508 customers**
- **Over 570 market visitors participated in the study**
- **Average customer spending per visit: \$24.60**
- **53.3% of the survey respondents visit the market either 'regularly' (almost weekly) or 'frequently' (2-3 times per month)**
- **Estimated number of annual market visits: 46,398**

The purpose of the provincial study is to quantify the economic and social contributions of farmers' markets. The White Rock Farmers' Market is a large market with over 60 vendors that takes place on Sundays. With many special event days, live music and an abundance of vendor-produced goods available throughout the season, the market stays true to its motto: "Celebrating the Heart of our Community."

The market assessment was conducted on Sunday, August 12, 2012, which was Kids Day and at the live music stage there was a Youth Showcase. The crowd count on the day of assessment was 2,520 people. With an average of 627 people attending the market each hour, this puts White Rock higher than the provincial average for hourly market attendance.

Average spending at the White Rock Farmers' Market is \$24.60, putting per-customer spending at this market lower than at other markets in BC and Canada, and below average when compared to large markets in Canada. The 2012 average is higher than average spending in 2006; when the average amount spent by shoppers in White Rock was \$20.82. The provincial average has increased substantially, from \$18.18 in 2006 to \$28.81 in 2012.

Located in downtown White Rock, more than half of market visitors (60.7%) indicated that they would do additional shopping in the area. These results are similar to the results of the 2006 assessment where 66.4% of customers indicated they would do additional shopping in White Rock, although the average amount spent has decreased from \$16.15 in 2006 to \$13.67 in 2012.

Market organizers were interested in learning where people came from. About 40% of people surveyed indicated that they come from the V4B postal code area and about 35% indicated they were from the V4A postal code area. About one-fifth of respondents indicated that they came from elsewhere in BC, which is higher than in 2006, when less than 10% of visitors came from elsewhere in BC.

The study illustrates that the White Rock Farmers' Market draws in the many of the local residents, who have been coming for years (about one-third of respondents indicated they have been coming to the market for at least five years). There is a good portion of visitors (24%) who started shopping at the market this season. This indicates that the market is successful in attracting new shoppers to the market. The White Rock Market has improved and expanded their online presence through their website and use of social media, which could account for drawing in new customers.

The estimated economic benefit of the White Rock Farmers' Market to the local economy is approximately \$1.3 million annually. This supports the general view that the market has grown over the past six years. In 2006, the economic benefit was estimated at \$881,000 annually. Furthermore, the number of annual market visits has increased substantially, from 35,273 visits in 2006 to 46,398 in 2012.

As visitors and locals 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 and vendors, and amount customers are willing to spend.

BENEFITS ASSESSMENT: White Rock Farmers' Market
Final Report



August 12, 2012

DESCRIPTION OF MARKET

The White Rock Farmers' Market:

Market Website: <http://www.whiterockfarmersmarket.ca/>

Come to this authentic farmers market and check out all the fabulous vendor-produced goods - including fresh fruits and veggies, with an emphasis on locally-grown farm produce. There are also baked goods, preserves, garden products (bedding plants, hanging baskets and flowers), many specialty food items such as organic cheese, bison, local seafood, and gourmet dog biscuits plus unique crafts by local crafts people. Much, much more awaits you. You can purchase a cup of Fair Trade coffee (or buy it by the bag) and enjoy live entertainment and other activities in a delightful ambience.

Availability: Open from first week in June to first week in October
Sundays, 9:00am – 1:00pm

Vendors: 60-75

Location: In the 1400 block of George St. one block east of Johnston Rd. (152nd St.) between the Elks Hall and the Coast Capital Credit property. When proceeding south on Johnston from North Bluff (16th Ave.), turn LEFT at the Whale Wall (Russell St.) and then right at George. There is also pedestrian access from Johnston Rd., just south of the Bay Realty offices.

Contact Info: Helen Fathers - Assistant Market Manager
Phone: 604-536-7625
Email: wrfms@canada.com

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White Rock, BC V4B 5L4

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. Where do you live?

- 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 White Rock 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 sunny and hot (25°C). There were approximately 70 vendors present. As it was Youth Showcase and Kids Day, there was a clown and young musicians entertaining the visitors, vendors and kids.

Crowd count

The total estimated number of people attending the White Rock Farmers' Market on Sunday, August 12, 2012 was 2,520.

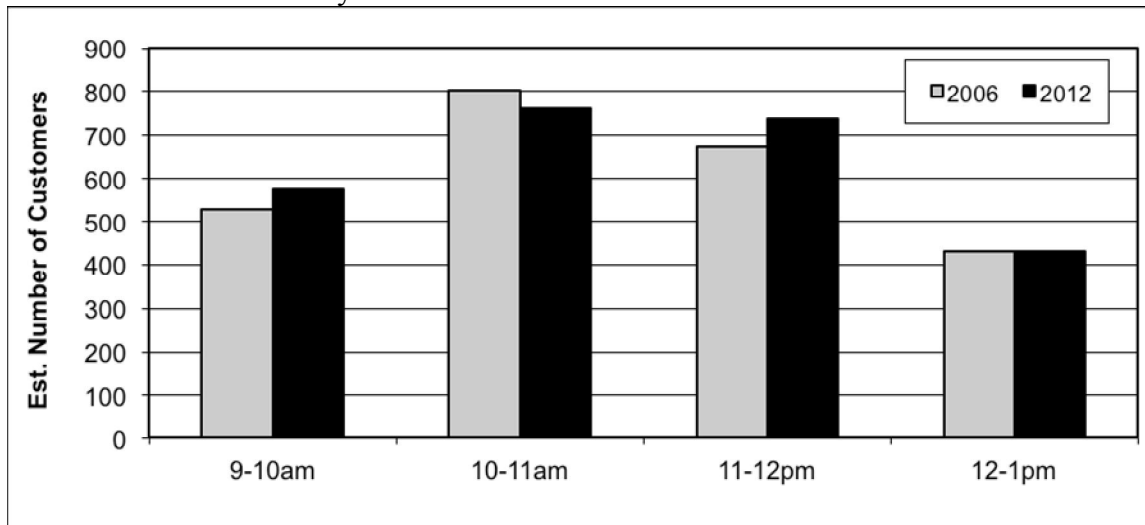
The actual and extended counts for the assessment are shown in Table 1. The total estimated counts are also shown in Chart 1.

Table 1. Estimated Crowd Count

Time period	Count period	Actual count	Extended total
1st hour (9:00-10:00)	9:25-9:35am	96	576
2nd hour (10:00-11:00)	10:25-10:35am	127	762
3rd hour (11:00-12:00)	11:25-11:35pm	123	738
4th hour (12:00-1:00)	12:25-12:35pm	72	432
Estimated total crowd count on August 12, 2012			2,508

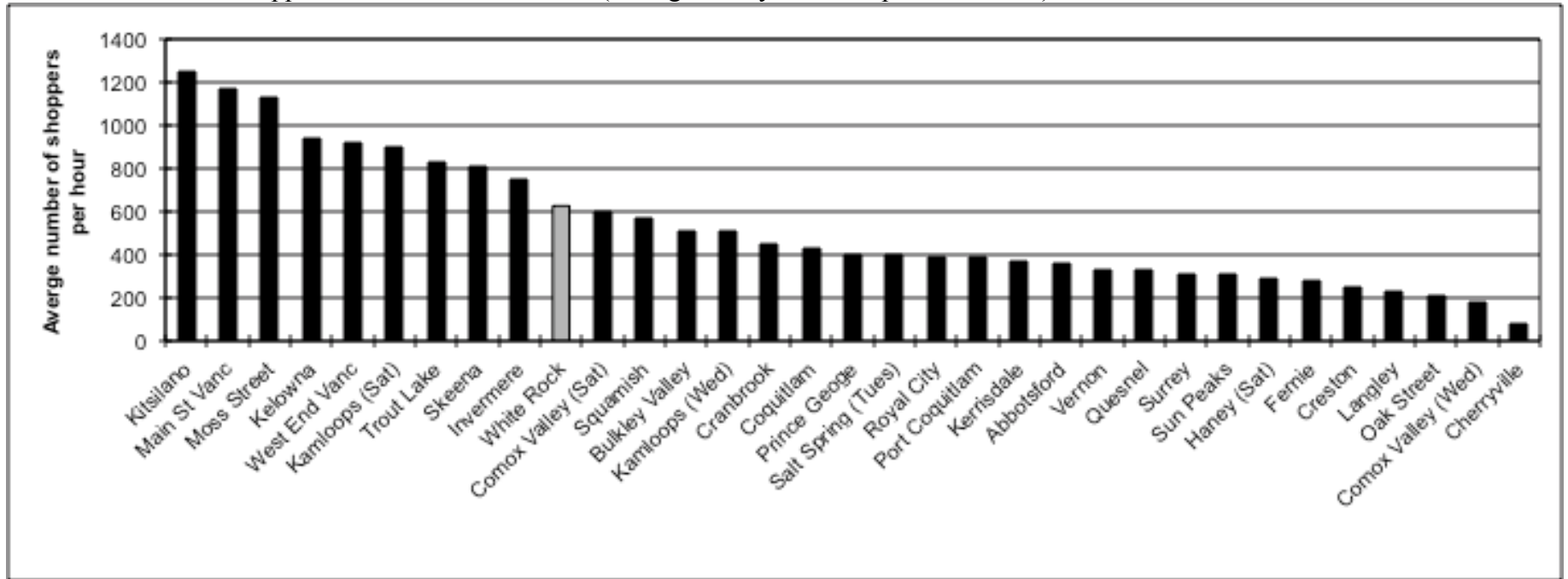
Chart 1 (below) shows the estimated crowd totals for each hour. Market attendance steadily builds over the first two hours, decreases slightly for the third hour and then decreases sharply for the final hour. The pattern is very similar to the crowd count in 2006.

Chart 1. Crowd counts by the hour



As shown in Chart 2 (next page), the number of shoppers attending the White Rock Market is above average 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)



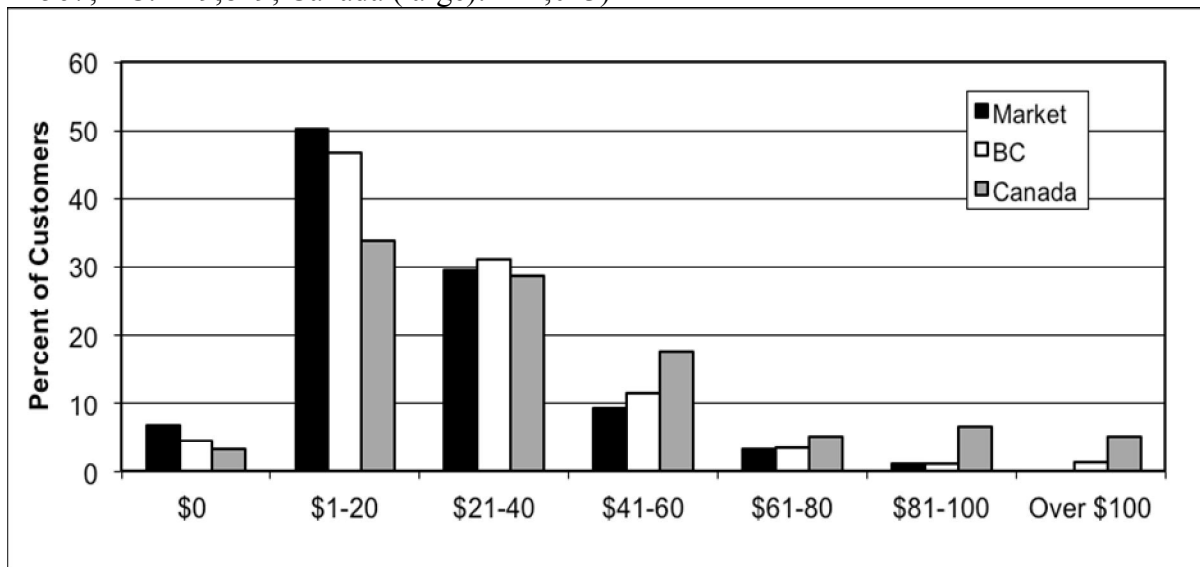
Flip-chart survey

Approximately 570 people responded to the dot survey, which is about 26% 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?

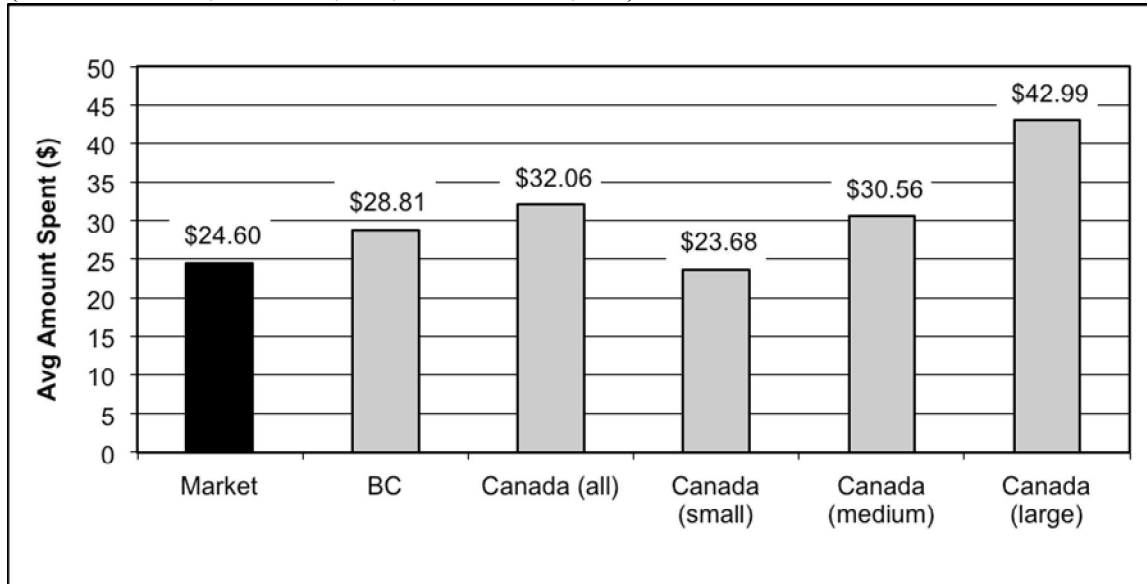
Overall, respondents spent an averageⁱⁱ of \$24.60 each on the day of the assessment. As Chart 3 shows, half of the customers surveyed (50.3%) said they would spend between \$1-20 at the market that day. This is slightly higher than the average amount spent by shoppers in 2006, which was \$20.82. The White Rock average is lower than the 2012 provincial average, which is \$28.81.

Chart 3. How much have you spent, or do you plan to spend, at the market today? (Market: n=567; BC: n=9,819; Canada (large): n=1,013)



The results shown in Chart 4 illustrate how the White Rock 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, the White Rock Market has a lower average than the provincial average and lower than the national average for large markets. Spending at the White Rock Market is slightly higher than the average amount spent at small markets.

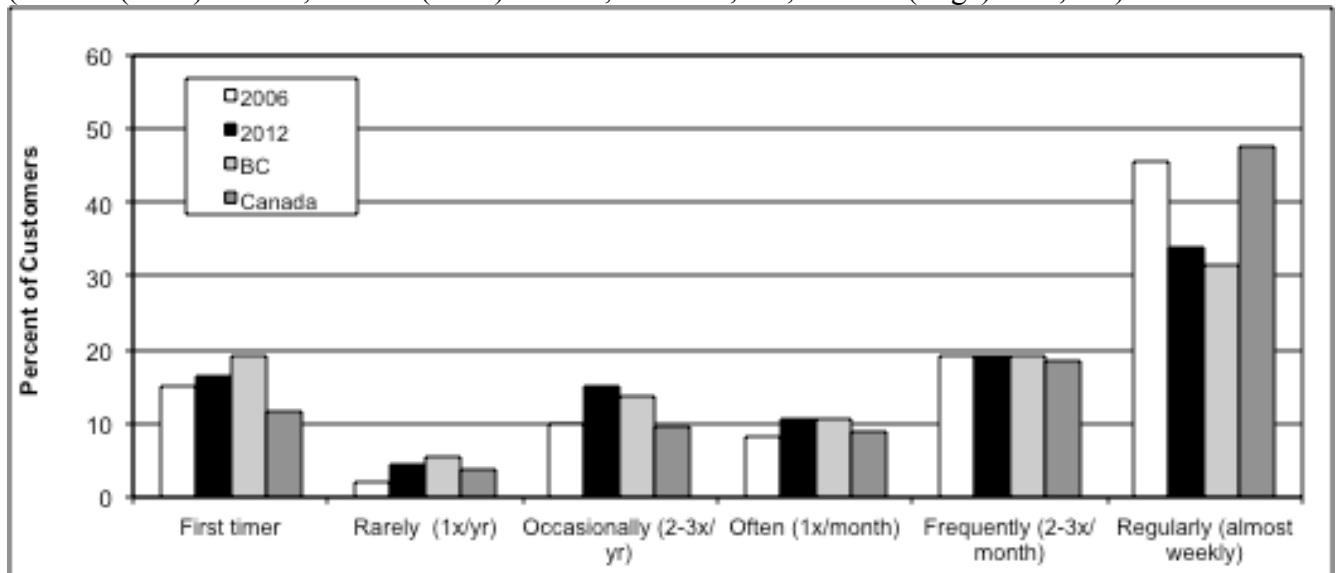
Chart 4. Average amount spent by market shoppers
(Market: n=567; BC: n=9,819; Canada: n=3,167)



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

As shown in Chart 5, the White Rock Farmers' Market has a diverse distribution in the frequency of visits, though regular shoppers account for the highest percentage. One in three customers (34%) shop regularly at the market. First-time visitors to the market accounted for 16.6% of respondents. This pattern is similar to the results of the assessment in 2006, although the number of regular visitors has dropped slightly and the number of first-time visitors has increased slightly since 2006.

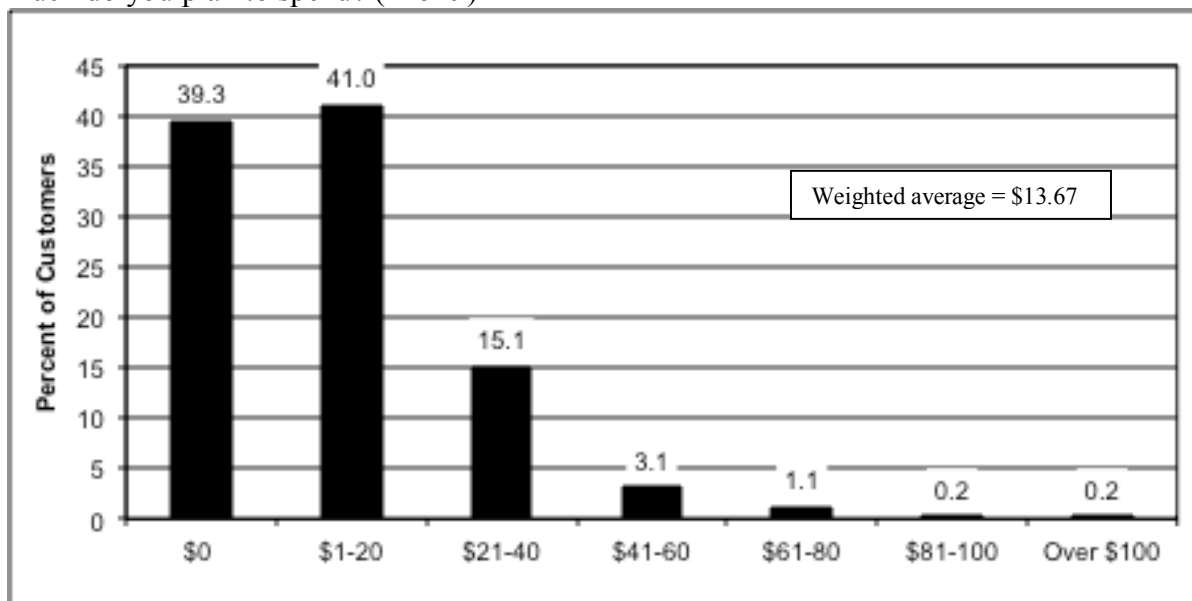
Chart 5. How often do you come to this market?
(Market (2006): n=283; Market (2012): n=580; BC: n=9,874; Canada (large): n=1,013)



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 60.7% of respondents saying they would do additional shopping at neighbouring businesses that day. Close to half (40%) of customers surveyed said they would spend between \$1-20. About 15% said they would spend between \$20-40. The average amount spent per customer at neighbouring businesses was \$13.67.ⁱⁱⁱ These results are somewhat different to the results of the 2006 assessment. In 2006, 66.4% of respondents said they would do additionally shopping in the area. The average amount spent per customer has also decreased slightly from \$17.51 in 2006.

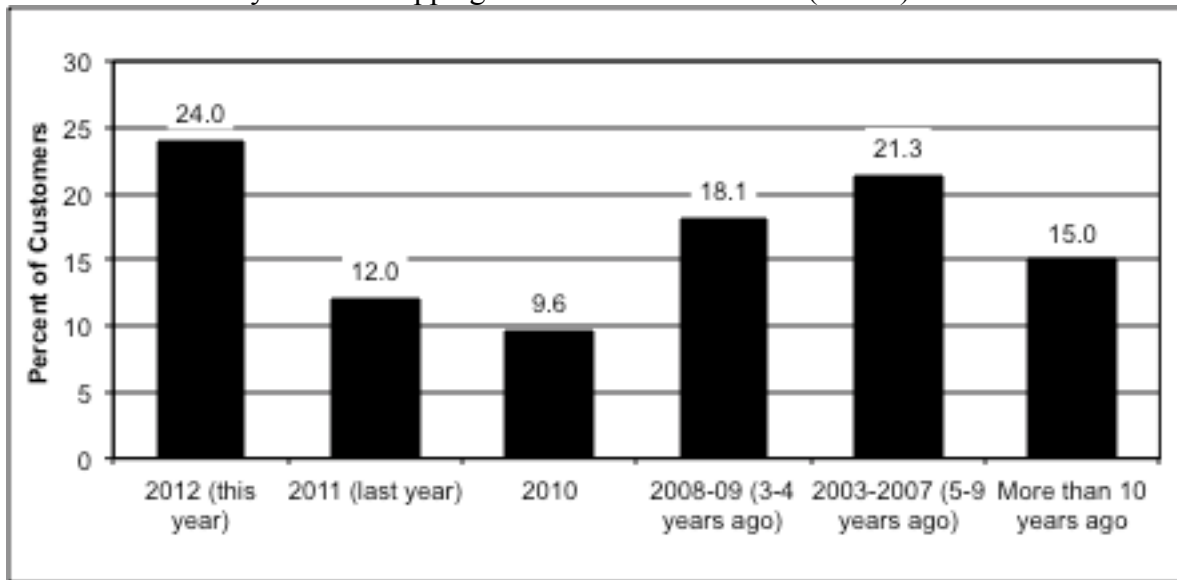
Chart 6. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend? (n=549)



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

As shown in Chart 7, there was a wide range of responses to this question. About 15% of all respondents have been coming to this market for more than 10 years and 21.3% have been coming for 5-9 years. In addition to the long-time regulars, about one-quarter (24%) of respondents were first-time visitors to this market.

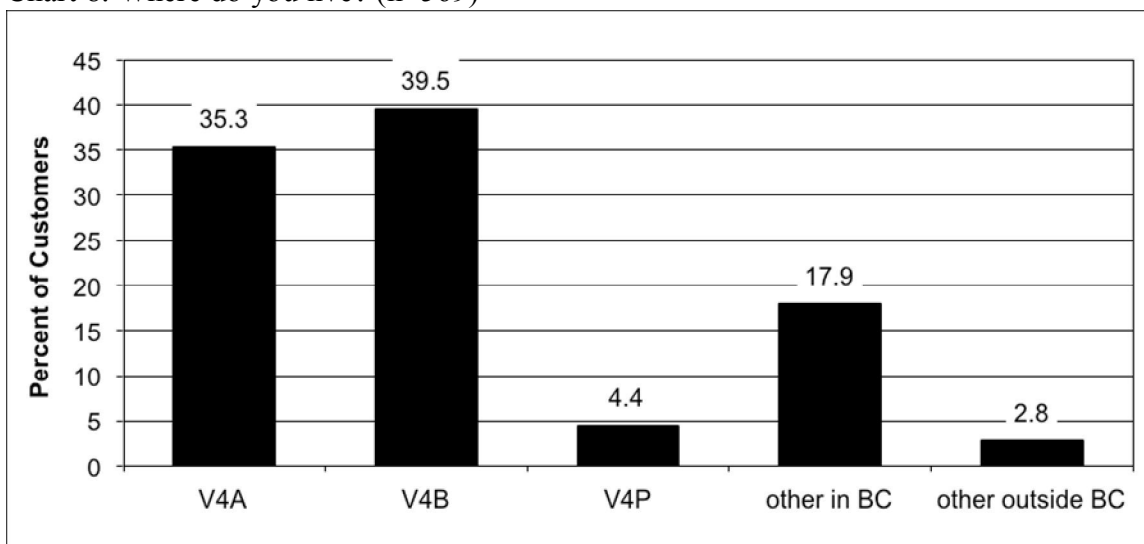
Chart 7. When did you start shopping at this farmers' market? (n=574)



Question 5. Where do you live?

As shown in Chart 8, the majority of visitors to the White Rock Farmers' Market live close to the market. About 40% come from the V4B postal code area and 35.3% live in the V4A postal code area. These results are very similar to the 2006 results, although visitors from 'Other in BC' increased from 9.7% in 2006 to 17.9% in 2012.

Chart 8. Where do you live? (n=569)



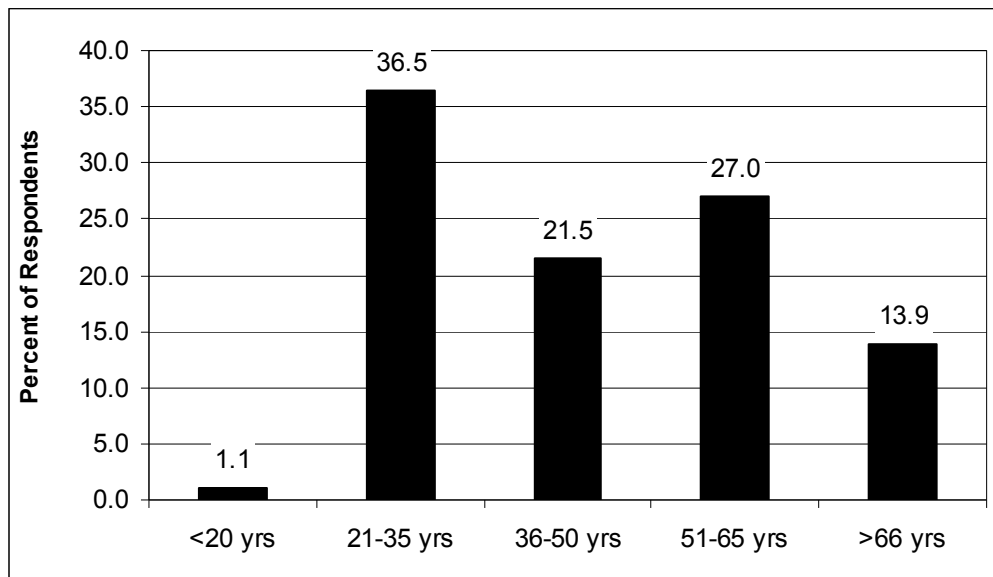
Market surveys

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.

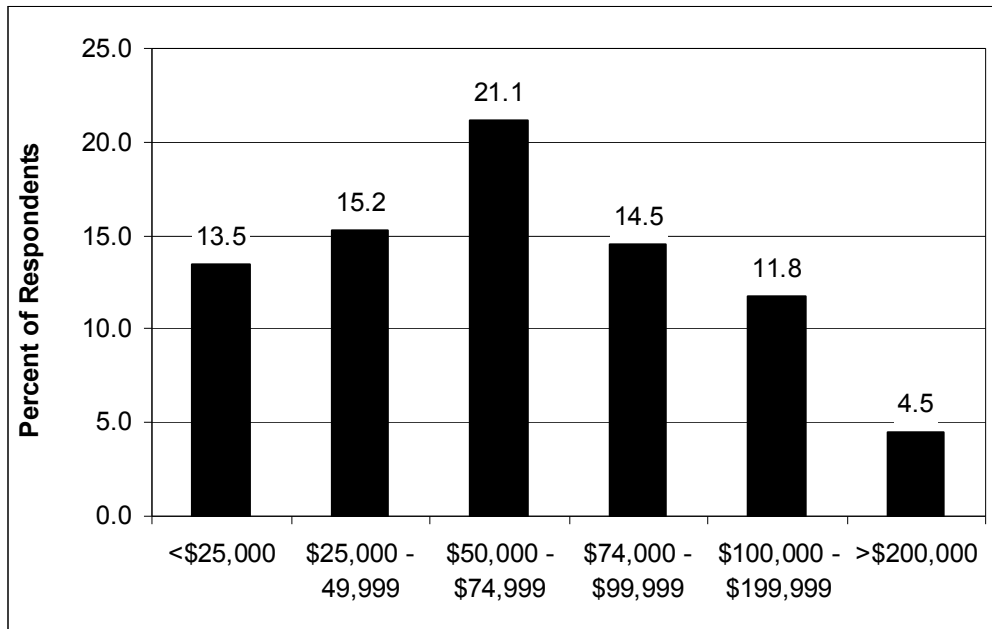
The results in Chart 9 show the age range of farmers' market customers in BC.

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



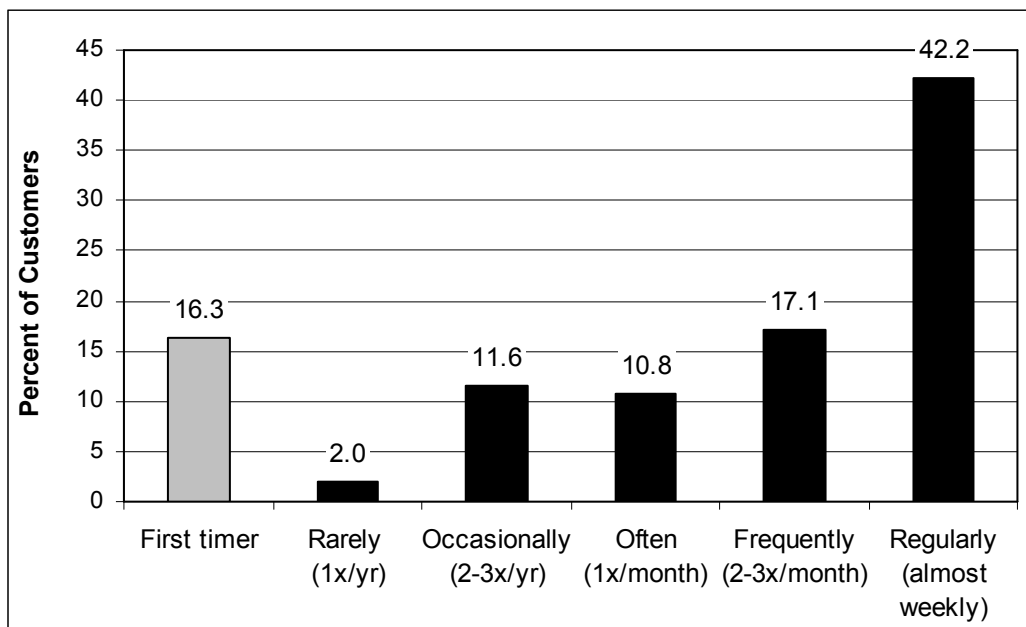
The household income of shoppers at farmers' markets in BC is shown in Chart 10. The results show that people from households with a range of incomes shop at BC's markets.

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.

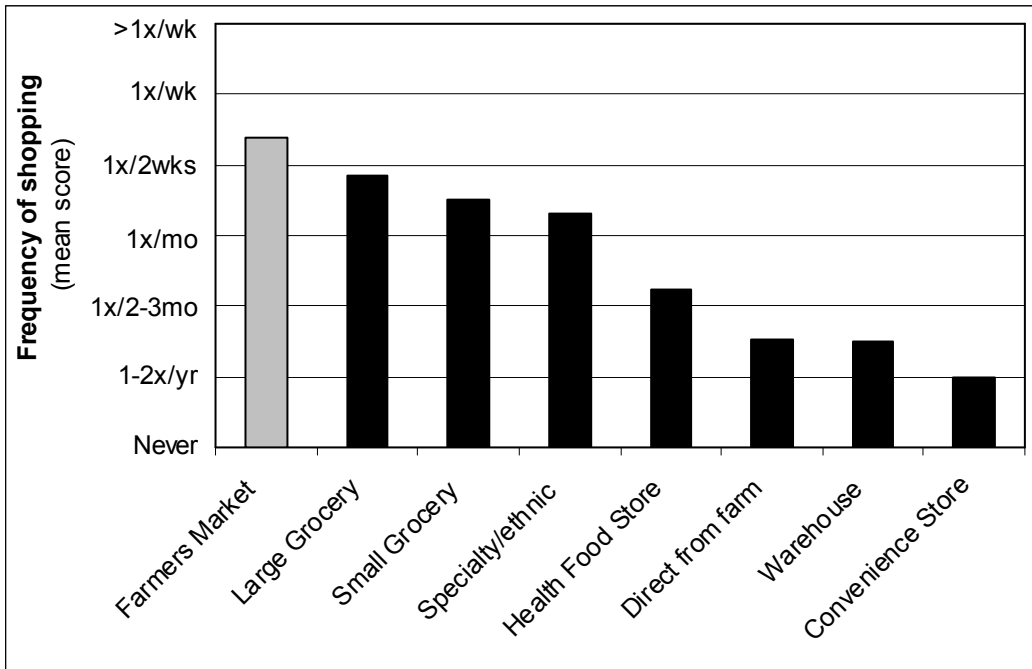
Chart 11. Frequency of shopping at farmers' markets (BC: n=251)



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.

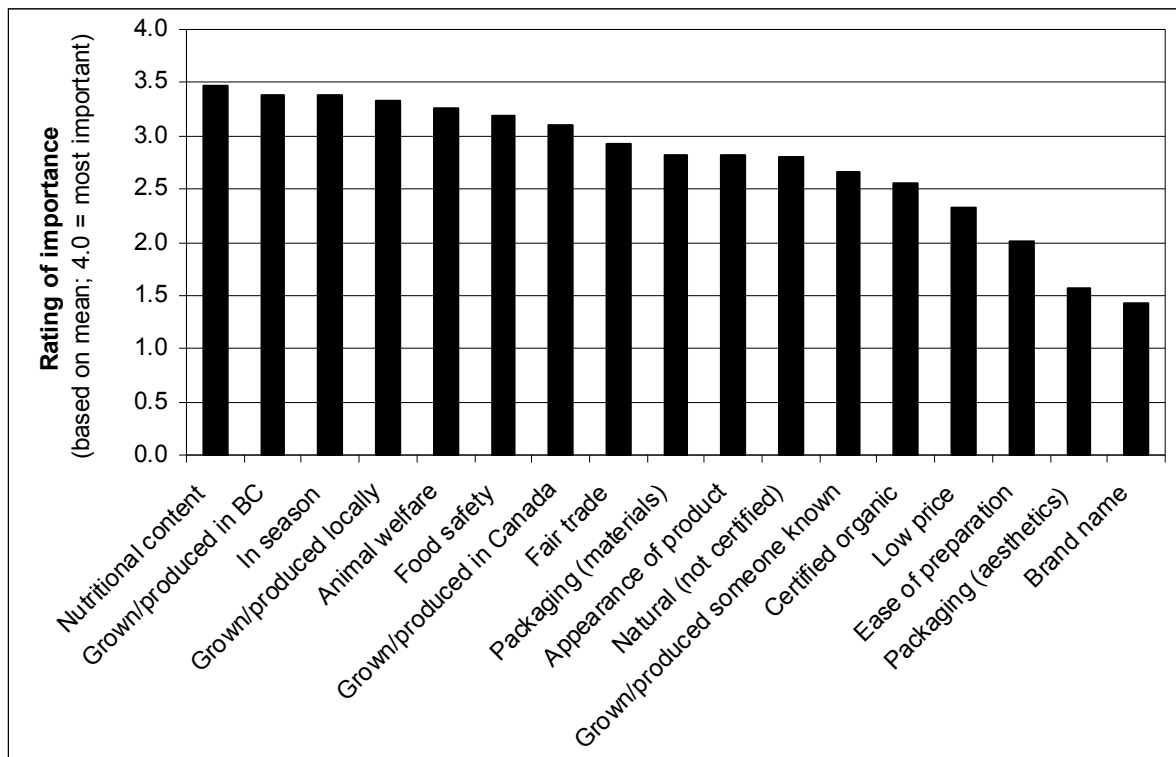


Part of the answer to explain the shopping pattern of market customers is evident in Chart 13, which shows the relative importance of factors customers consider when buying food. During the farmers' market season the five most important factors to market customers are:

- 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)

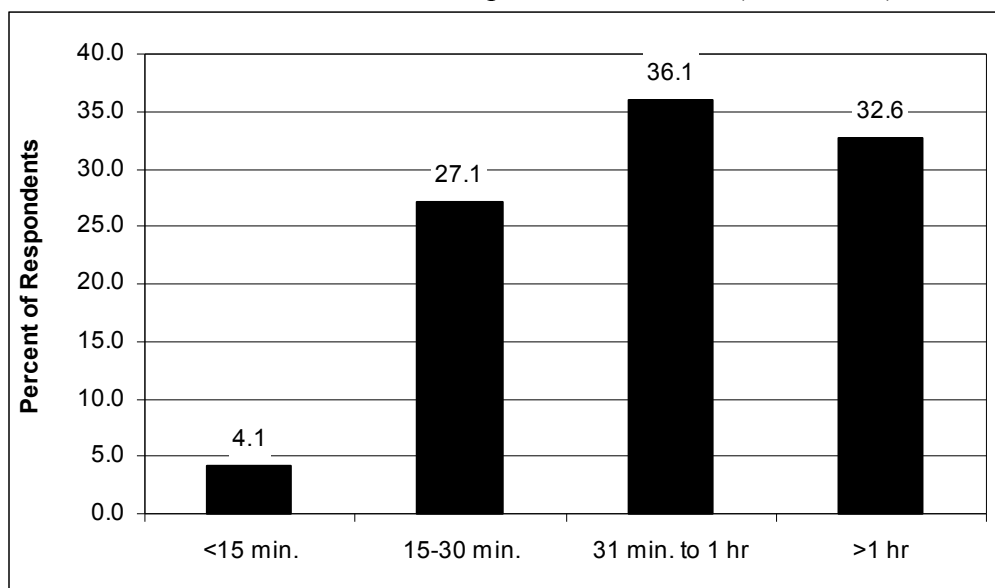
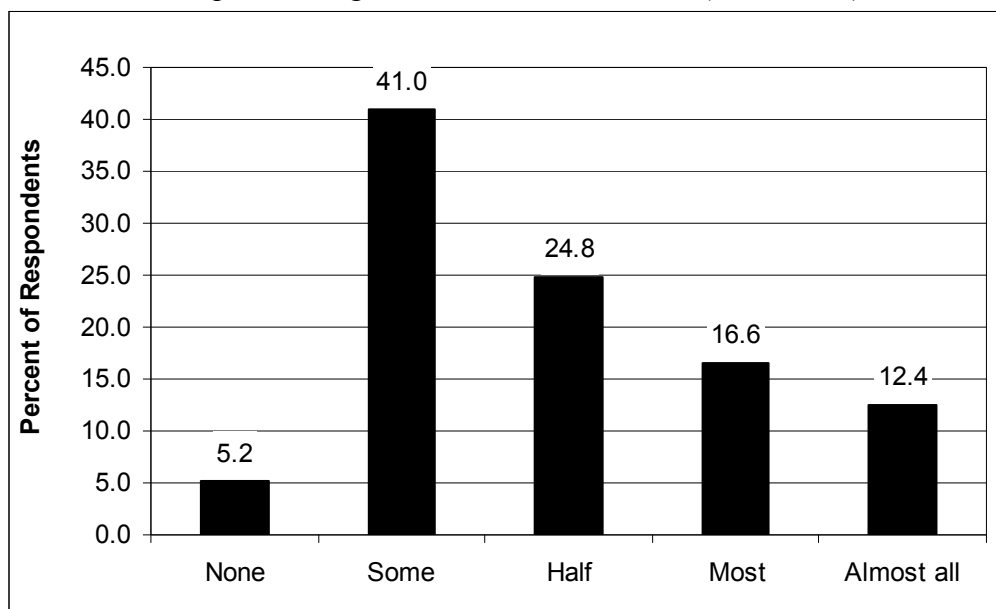


Chart 15. Time spent talking with others at the market (BC: n=290)



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)

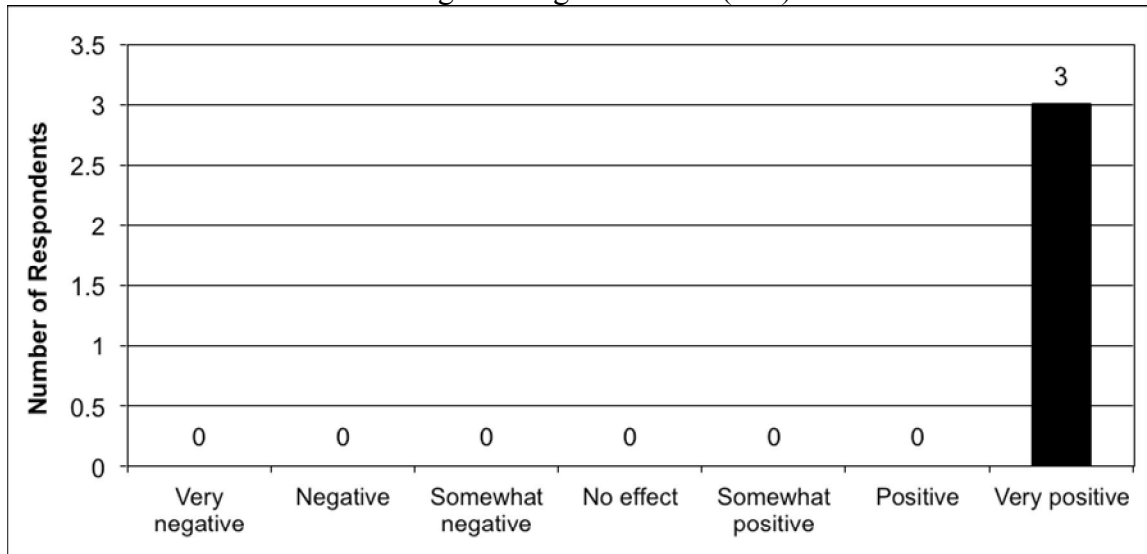
		How time spent					Total
		None	Some	Half	Most	Almost all	
Time spent at market	<15 min.	1	2	0	0	0	4
	15-30 min.	2	17	5	3	0	27
	31 min. to 1 hr	1	16	11	5	4	36
	>1 hr	1	7	9	9	8	33
Total		5	41	25	17	12	100

Business survey

There were several businesses located within visible range of the White Rock Farmers' Market, including a café, a grocery store and an art gallery. Based on availability of businesses for interviews, and whether they are open on market days, we conducted surveys with three neighbouring businesses (Chart 16).

All three businesses that reported impacts from the market, stating that the market is good for getting people downtown and into their stores. Two businesses said that the market is great for them, and reported a definite sales increase during the market 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 White Rock 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:

Average expenditure X Number of spending X Number of sessions X Seasonal
by customer customers per session^v per year^{vi} factor^{vii}
For the White Rock Farmers' Market, seasonally adjusted annual direct sales are:

\$24.60 per customer visit X 1881 spending customers X 20 (adjusted) sessions = \$856,000

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

Annual economic impact (2012): \$1.3 million

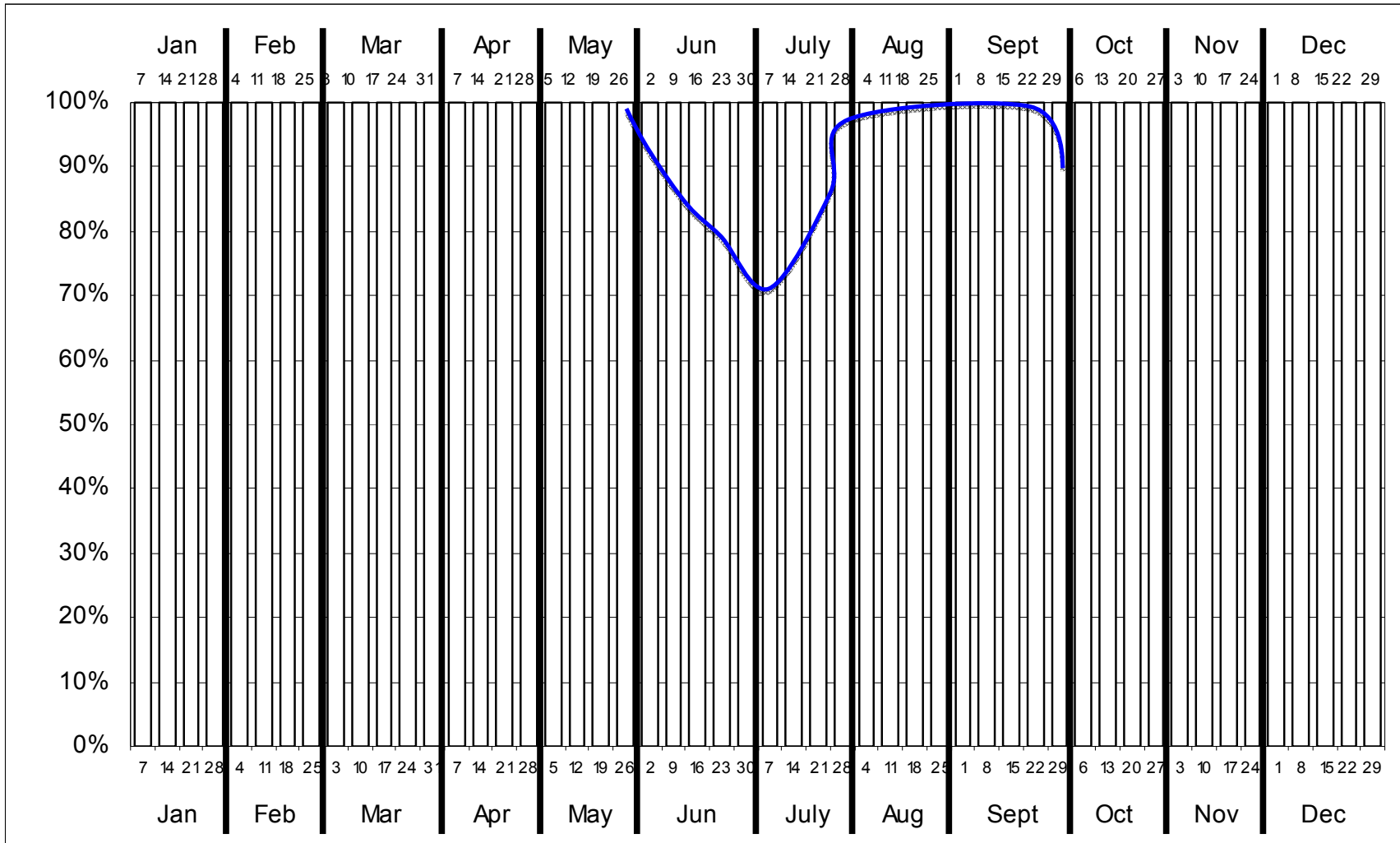
This calculation means that the White Rock Farmers' Market contributes an estimated \$1.3 million to the local economy each year. These monies benefit not only market vendors but also the local businesses that supply these vendors.

In 2006, the economic benefit of the White Rock Market was estimated at \$881,000.^{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 White Rock 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 **\$430,000**.

Appendix: Seasonal activity chart for the White Rock Farmers' Market



Acknowledgements

The BC Association of Farmers' Markets and the project team would like to thank the White Rock 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 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.