

ECONOMIC AND SOCIAL BENEFITS ASSESSMENT

FINAL REPORT

White Rock Farmers' Market

White Rock, British Columbia

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



BC ASSOCIATION OF
FARMERS' MARKETS



UNIVERSITY OF
NORTHERN BRITISH COLUMBIA

September 24th, 2013

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Funding provided by:

Vancity



Canada

Funding provided by:



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 August 11th, 2013. It includes results of province-wide assessments of BC's farmers' markets completed in 2006 and 2012, and incorporates some results from a national study of farmers' markets completed in 2008ⁱ.

This final report builds on the findings of the benefits assessment carried out for the White Rock Farmers' Market as part of the provincial project carried out in 2012. 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. The 2012 project built upon the success of a similar project completed in 2006. In total, 33 assessments were completed across the province in 2012, including the White Rock Farmers' Market.

Highlights of results for the White Rock Farmers' Market in 2013:

- **The estimated economic benefit of the White Rock Farmers' Market to the local economy is approximately \$1.95 million annually**
- **The estimated number of market customers on assessment day: 2,052 customers**
- **Over 353 market visitors participated in the study**
- **Average customer spending per visit: \$30.75**
- **54.4% of the survey respondents visit the market either 'regularly' (almost weekly) or 'frequently' (2-3 times per month)**
- **Estimated number of annual market visits: 56,359**

The primary purpose of the 2013 benefits assessment is to provide information that will aid in evaluating the effectiveness of recent marketing and advertising initiatives undertaken by the White Rock Farmers' Market organizers. These findings will provide insight as to how the economic contributions of the market have shifted over the last year.

The White Rock Farmers' Market is a large market with over 70 vendors that takes place on Sundays from the last Sunday in May through to Thanksgiving Sunday in October. The 2013 market assessment was carried out on Sunday, August 11th, which was Kid's Day at the market and was accompanied by live music. This is the same week the assessment was carried out in 2012 (Sunday, August 12th).

The crowd count on the day of the assessment was 2,052 people, which is lower than the previous year's crowd count of 2,520 people. However, when we adjust the 2013 count for the poor weather on the day of the assessment, the adjusted count for 2013 is 2,931, which is higher than the crowd count last year. An (unadjusted) average of 513 people entered the market each hour, compared to an average of 627 people in 2012.

Average spending at the White Rock Farmers' Market is \$30.75, an increase from 2012 when average per-customer spending was \$24.60, and \$20.82 in 2006. The 2013 average at this market is higher than the 2012 provincial average of \$28.81. Per customer spending is below average when compared to other large farmers' markets in Canada, where the average amount spent is \$42.99.

In 2013 the market saw an increase in the number of market visitors who indicated that they would do additional shopping in the area; 70.2% of market visitors said they would shop at nearby businesses in White Rock, compared to 60.7% in 2012 and 66.4% in 2006. Market visitors in 2013 who planned to do additional shopping or eating in the area anticipated spending an average of \$26.10, a marked increase from previous years when visitors anticipated spending an average of \$13.67 (in 2012) and \$16.15 (in 2006). This amount is higher than the 2012 provincial average of \$22.78 spent at neighbouring businesses.

Market organizers launched an advertising campaign in 2013 and were interested to learn which advertising methods markets shoppers had seen. About 45% of market visitors indicated that they had heard or seen an ad in sources other than those listed, and 37.5% of market visitors indicated that they heard/saw an ad in the Peace Arch News.

Results from the 2013 assessment once again demonstrate that the White Rock Farmers' Market draws in many local residents, with 28.3% of customers indicating that they have been shopping at the market for at least five years, this percentage is slightly decreased from 2012. However, the percentage of first time visitors at the market increased from 16.6% in 2012 to 20.1% in 2013, indicating that the market has been successful in attracting new shoppers to the market over the last year. Further to this, the percentage of market visitors who started shopping at the market this year increased from 24% in 2012, to 28.9% in 2013. The new marketing campaign, undertaken by the market organizers may account for the increases in first time visitors and new shoppers in 2013.

The estimated economic benefit of the White Rock Farmers' Market to the local economy is approximately \$1.95 million annually, a marked increase from an estimated \$1.3 million in 2012. This demonstrates the continued growth of the White Rock Farmers' Market since 2006, when the economic benefit was estimated at \$881,000 annually. In addition, the annual number of market visits increased substantially from 46,398 in 2012 to 56,359 in 2013. It is also important to note that the White Rock Farmers' Market extended its season between 2012 and 2013 by two weeks.

The 2013 assessment results indicate that the White Rock Farmers' Market has grown over the last year in terms of its direct sales, attendance, and benefits to the community.

DESCRIPTION OF MARKET

White Rock Farmers' Market

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

Our authentic Community based Farmers' Market with 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, local seafood, and gourmet dog biscuits plus unique crafts by local crafts people. 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 ambiance right in the heart of uptown White Rock.

We also offer a weekly space available to non-profit organizations and ongoing monthly special events. We currently have 70 + vendors and operate with a MAKE, BAKE or GROW policy. The W.R.F.M.S is a not for profit organization and a member of the BC Association of Farmers' Markets. BCAFM. We operate 21 weeks out of the year from the last Sunday in May through until Thanksgiving Sunday.

Availability:	Open from May 26 th to October 13 th , 2013 (two weeks longer than in 2012) Sundays, 9:00am – 1:00pm
# Vendors:	70 - 83
Location:	15154 Russell Avenue White Rock, BC V4B 2P6, Canada
Contact Info:	Helen Fathers, Market Manager 604-897-3276 wrfm2008@gmail.com 15154 Russell Avenue White Rock, BC V4B 2P6 Canada

RESEARCH METHOD

The 2013 assessment of the White Rock Farmers' Market is organised around two sets of activities: rapid market assessment and surveys of local businesses. These are the same methods used for the BC study in 2012 and 2006, excluding customer surveys, which were not conducted in 2013, as market organizers did not require this information.

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 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 for the provincial study in 2012 and were asked at all farmers' markets participating in the provincial project in 2012. Asking the same questions as we did in 2012 was necessary in order to allow for a comparison of results between 2013 and 2012. As all participating markets did in the 2012 provincial study, the White Rock Farmers' Market developed a fifth question to collect data that are relevant to making effective changes and improvements to the local market. The fifth question in 2013 was different from that asked in 2012 and focused on gathering data to assess the effectiveness of a recent marketing campaign led by the market organizers.

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. Over the past few months the market ran an advertising campaign. Please tell us if you heard/saw our ad in one of the following.

- b) Crowd count: During a ten-minute period of each hour the market is open, members of the assessment team stood at each of the four major entry points to the

market and counted people entering. The total number of attendees is estimated from these systematic counts.

2) 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 will lend insight to how relations might be further developed.

Together, the market assessment and business surveys improve our understanding of what makes the White Rock Farmers' Market successful, how it contributes to the local area, in terms of both its economic and social benefits, and how this may have changed over the last year.

RESULTS

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

Rapid Market Assessment

The weather on the day of the assessment was cold and overcast with rain from approximately 9:00 – 11:00 am and sunny and warm from about 11:00 am onwards. The temperature during the day was approximately 19.5° C. There were approximately 70 vendors present. Both the 2013 and 2012 assessments fell on Kid's Day at the White Rock Farmers' Market; there was live music and entertainment throughout the day.

Crowd count

The total estimated number of people attending the White Rock Farmers' Market on August 11, 2013, was 2,052. However, when we adjust the 2013 count for the poor weather on the day of the assessment, the adjusted count for 2013 is 2,931, which is higher than the crowd count last year.

When asked, vendors and market organizers said market attendance was slower than usual for that time in the season, as compared with past years. The weather for the first half of the market (9:00-11:00am) was cold, windy and rainy; this may have impacted the number of people in attendance on this particular day.

One vendor, who sells out of produce almost every market of the season, did not sell out and estimated sales were approximately 70% of what they regularly are.

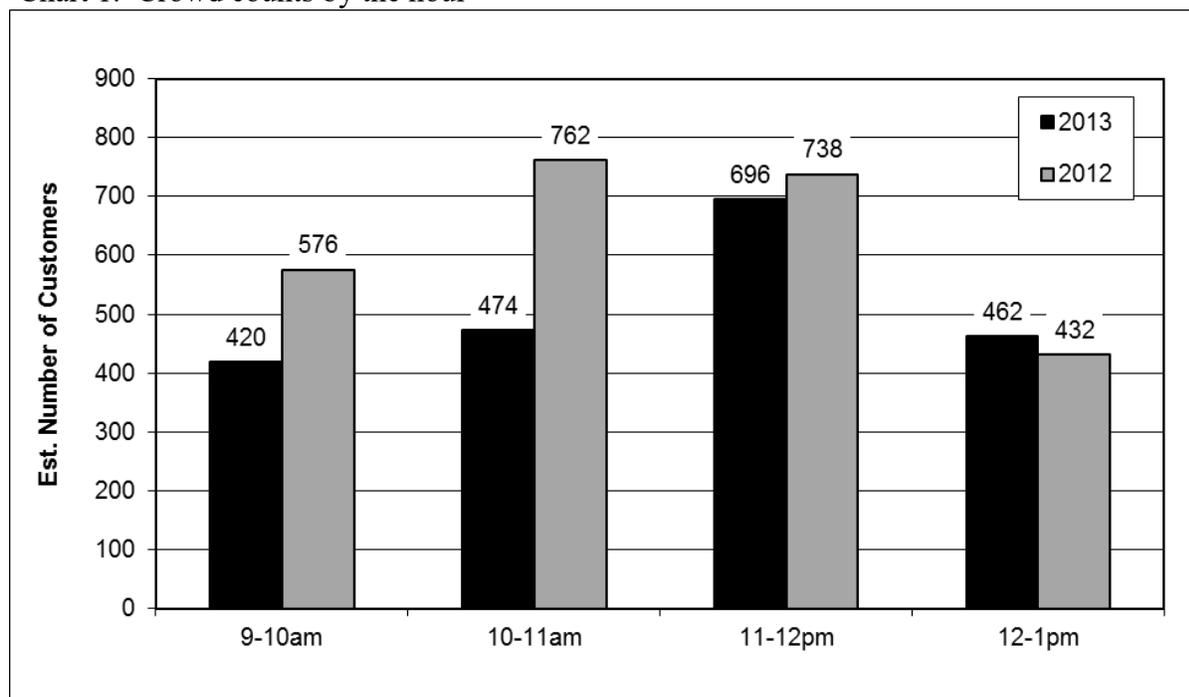
The actual and extended counts for the assessment are shown in Table 1. The total estimated counts are also shown in Chart 1.

Table 1. Estimated Crowd Count

Time period	Count period	Actual count	Extended total
1st hour (9:00-10:00)	9:40-9:50am	70	420
2nd hour (10:00-11:00)	10:40-10:50am	79	474
3rd hour (11:00-12:00)	11:40-11:50pm	116	696
4th hour (12:00-1:00)	12:40-12:50pm	77	462
Estimated total crowd count on August 11, 2013			2,052

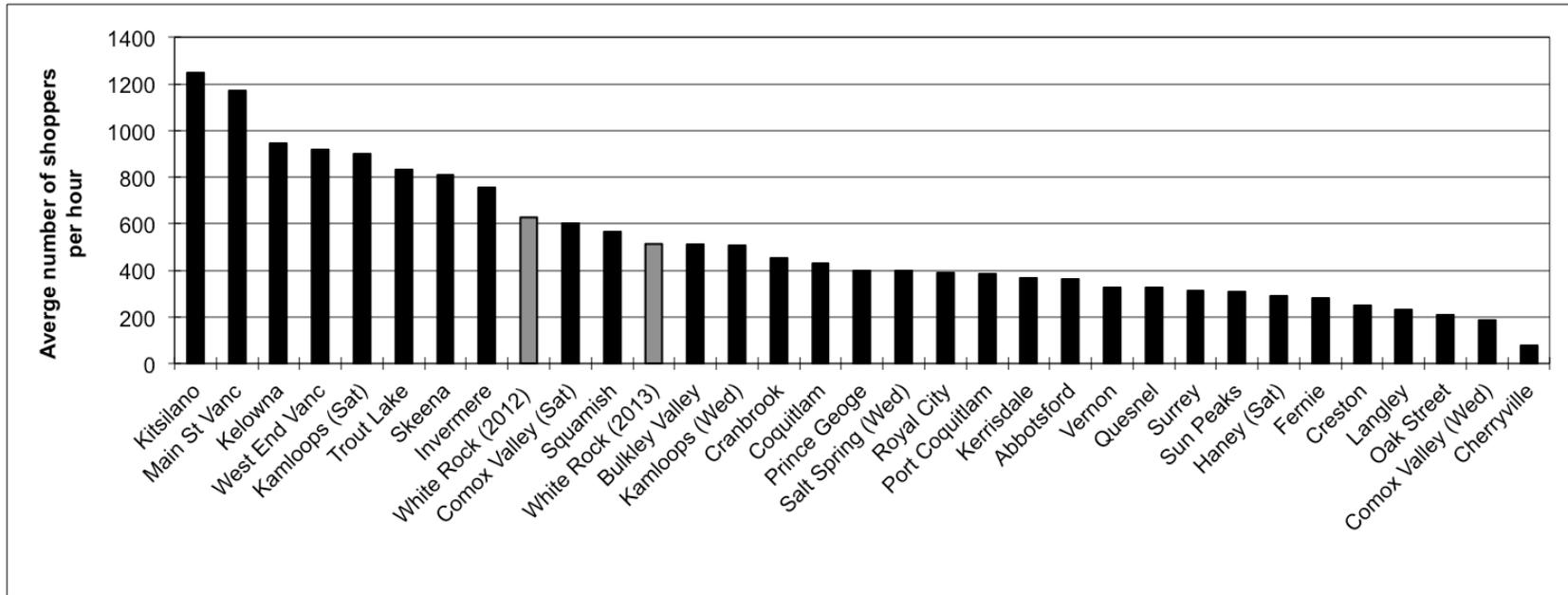
Chart 1 (below) shows the estimated crowd totals for each hour for both 2013 and 2012. In both 2013 market attendance builds over the first three hours, peaking during the third hour, and then decreases slightly for the final hour. In 2012, market attendance steadily builds over the first two hours, decreases slightly for the third hour and then decreases sharply for the final hour. Attendance in 2013 is lower during the first two hours, when compared to 2012. As aforementioned, attendance may have been impacted by the cold and rainy weather during the first two hours of the market in 2013. The weather on the day of the 2012 assessment was hot and sunny (25°C.)

Chart 1. Crowd counts by the hour



As shown in Chart 2 (next page), the number of shoppers attending the White Rock Farmers' Market in 2013 is similar when compared to other markets that we assessed in BC in 2012. However, the number of shoppers attending the market in 2013 is lower than it was in 2012. 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)



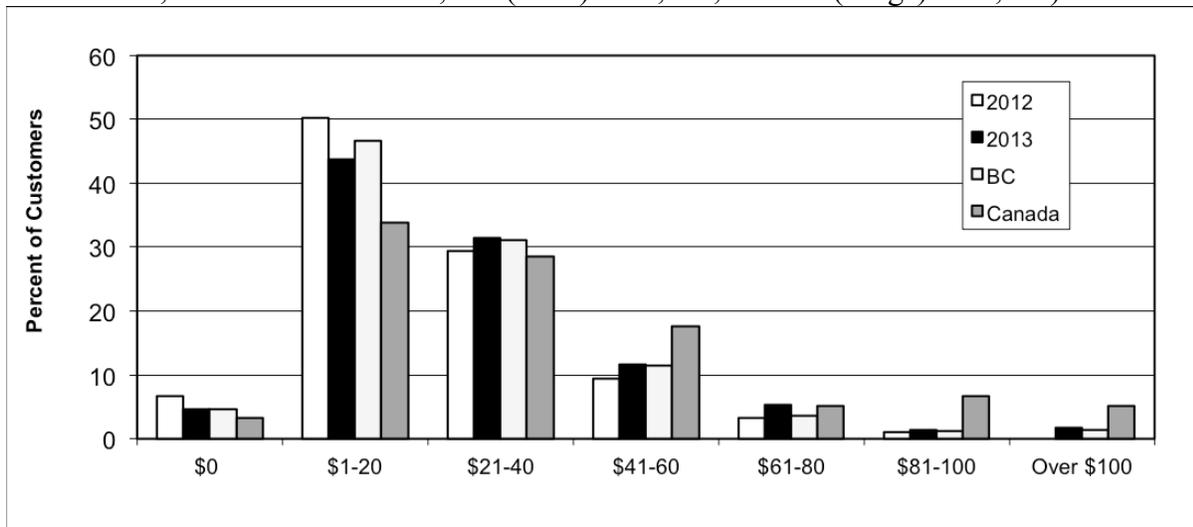
Flip-chart survey

Approximately 353 people responded to the dot survey, which is about 17% 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?

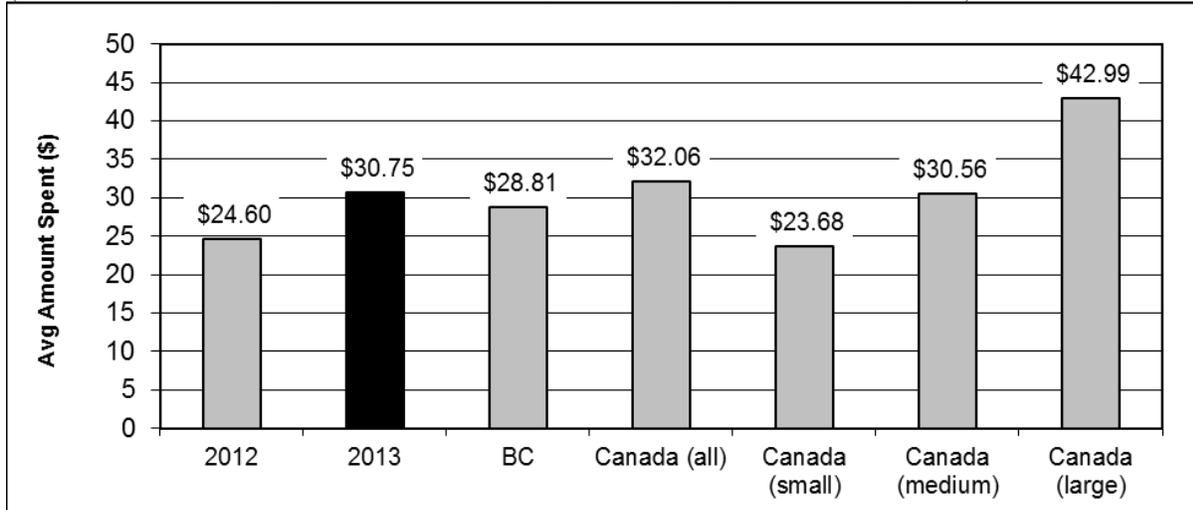
Overall, respondents in 2013 spent an averageⁱⁱ of \$30.75 each on the day of the assessment. As shown in Chart 3, most customers surveyed (43.7%) said they would spend between \$1 - 20 at the market that day. The average amount spent by shoppers at the White Rock Farmers' Market in 2012 was \$24.60.

Chart 3. How much have you spent, or do you plan to spend, at the market today? (Market 2012 n=567; Market 2013: n=343; BC (2012): n=9,819; Canada (Large): n=1,013)



The results shown in Chart 4 illustrate a comparison of the average amount spent by customers at the White Rock Farmers' Market in 2013 and 2012, and to 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 (in 2013) has a higher average amount spent per customer than it did in 2012, a higher 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 medium sized markets in Canada.

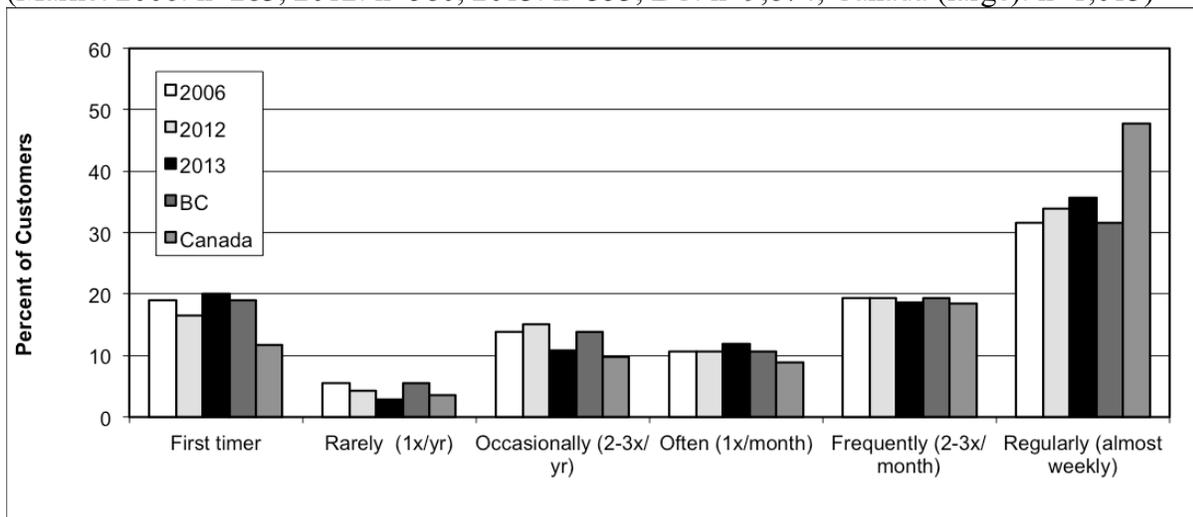
Chart 4. Average amount spent by market shoppers
(Market 2012 n=567; Market 2013: n=343; BC: n=9,819; Canada: n=3,167)



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. More than one in three customers (35.7%) shop regularly at the market. First-time visitors to the market accounted for 20.1% of respondents. This pattern is somewhat similar to the results of the assessment in 2012, although the number of first-time visitors has increased and the number of occasional visitors has decreased. When compared to the provincial average in 2012, White Rock in 2013 has a lower percentage of rare and occasional visitors, and higher percentage of regular visitors. The percentage of first-time visitors at the White Rock market is significantly higher than that of other large markets in Canada. This demonstrates that the market is doing a good job of attracting new customers, and that they also have a strong following of regular, loyal customers.

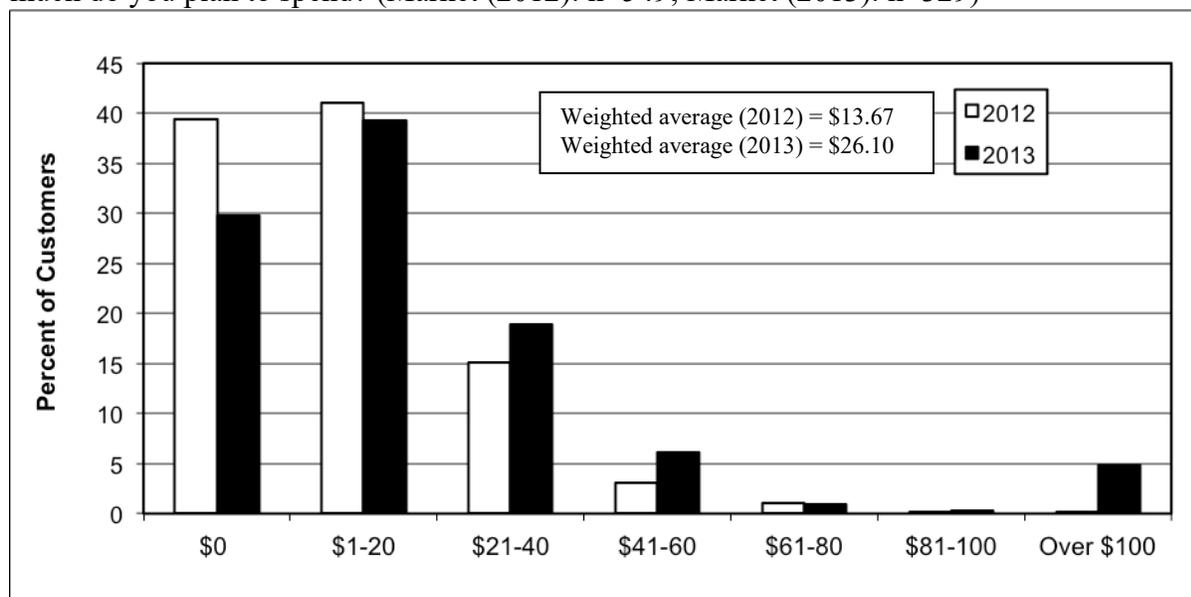
Chart 5. How often do you come to this market?
(Market 2006: n=283, 2012: n=580, 2013: n=353; BC: n=9,874; Canada (large): n=1,013)



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 70.2% of respondents saying they would do additional shopping at neighbouring businesses that day. This is an increase from 2012, when 60.7% of respondents said they planned to do additional shopping at neighbouring businesses that day. These results are somewhat different from the results of the 2012 assessment. More than one-third (39.2%) of customers surveyed said they would spend up to \$20; 18.8% said they would spend between \$21–40.ⁱⁱⁱ The average amount spent per customer at neighbouring businesses was \$26.10, which is a significant increase since 2012, when the average amount spent per customers was \$13.67. Given the variability among markets, no comparison is made with BC or national results.

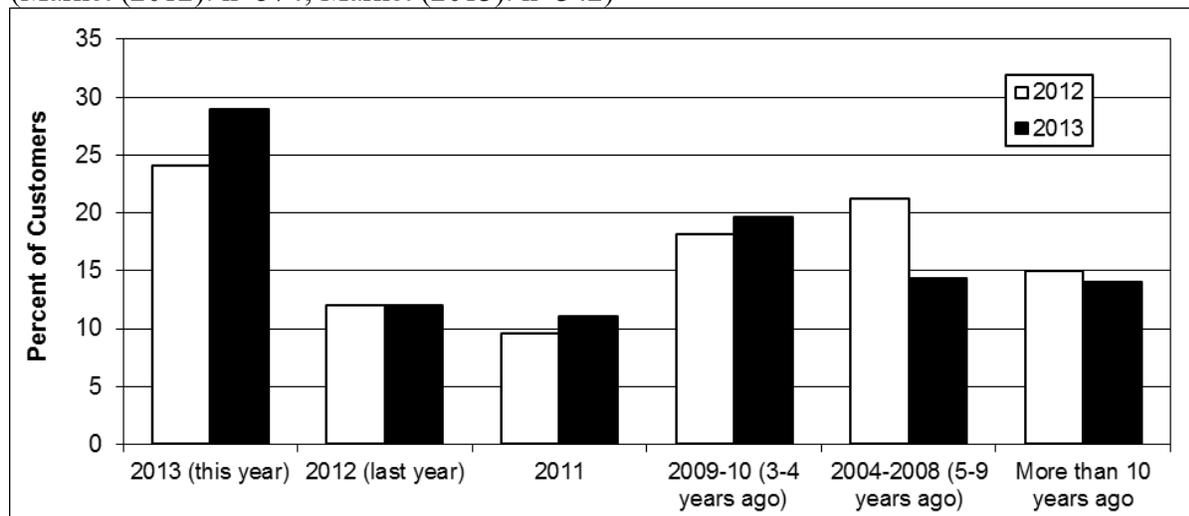
Chart 6. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend? (Market (2012): n=549; Market (2013): n=329)



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

As shown in Chart 7 (next page), there was a wide range of responses to this question. Similarly to 2012, 14% of respondents have been coming to this market for more than 10 years. The percentage of respondents who started shopping at the market between 5-9 years ago decreased somewhat between 2012 and 2013, from 21.3% in 2012 to 14% in 2013. The largest percentage of respondents in 2013 was first-time visitors to this market (28.9%), which indicates again that the market is doing a good job of attracting new shoppers. This percentage increased since 2012, when the percentage of first-time visitors to this market was 24%.

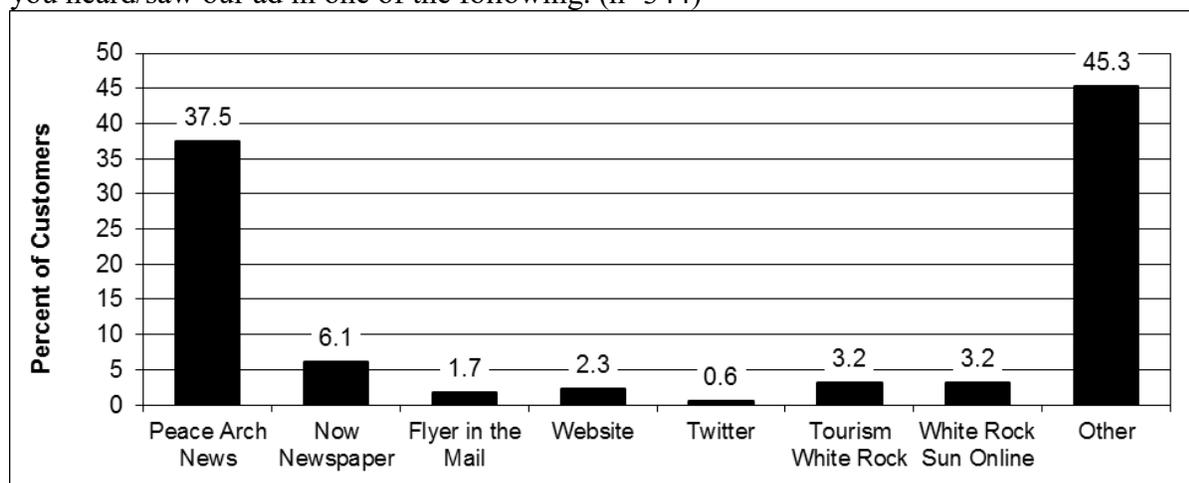
Chart 7. When did you start shopping at this farmers' market?
(Market (2012): n=574; Market (2013): n=342)



Question 5. Over the past few months the market ran an advertising campaign. Please tell us if you heard/saw our ad in one of the following.

Chart 6 shows the range of exposure to various forms of advertising. More than one in three (37.5%) of respondents indicated they saw an ad for the White Rock Market in the Peace Arch News and 45.3% indicated they heard/saw an ad in an “other” form of advertising. During the White Rock Market assessment, when it became evident that the “other” category was a popular choice for this question, market volunteers and the project coordinator attempted to gather anecdotal information by asking respondents what “other” forms of advertising they had seen. Conversations with respondents suggested that the “White Rock Farmers’ Market” banner, displayed across Johnston Road; and the public setting of market itself are both visible and effective forms of advertising.

Chart 8. Over the past few months the market ran an advertising campaign. Please tell us if you heard/saw our ad in one of the following. (n=344)



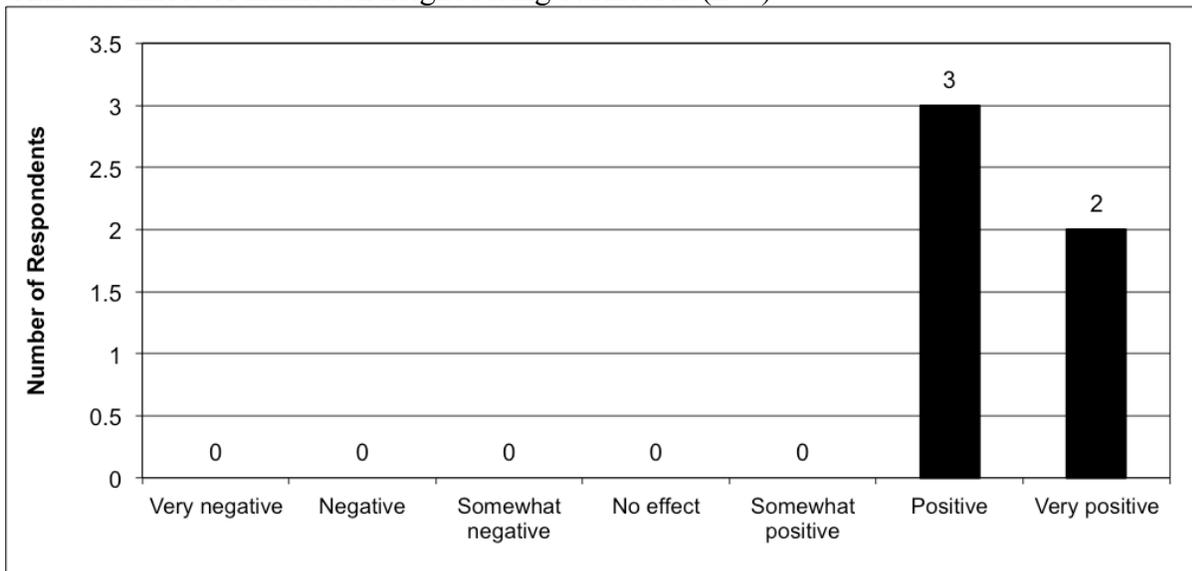
Market surveys

Business survey

There were a number of businesses located within visible range of the White Rock Farmers' Market, including three restaurants and three grocery stores. Based on availability of businesses for interviews, and whether they are open on market days, we conducted surveys with six neighbouring businesses (Chart 9).

Five businesses reported impacts from the market; one indicated that they did not know the impacts. Of the five responses, they said that the market is good for getting people downtown and into their stores. All five businesses reported that the market has a positive or very positive influence on their business. Four of the businesses said they have more customers and new customers coming into their businesses on market day. One business said that the market is great for business, as people come in to their business to eat or get take out on market day. This business also reported that there would be a definite change in their level of business if the farmers' market changed location. Two businesses noted that more people ask to use their washrooms on the day of the market.

Chart 9. Effect of market on neighbouring businesses (n=5)



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:

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

For the White Rock Farmers' Market, seasonally adjusted annual direct sales are:

$$\begin{aligned} & \$30.75 \text{ per customer visit} \times 2,931 \text{ (adjusted crowd count for the day of market assessment)} \\ & \text{spending customers} \times 21 \text{ (adjusted) sessions} = \$1,299,600 \text{ (Total annual direct sales)} \end{aligned}$$

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

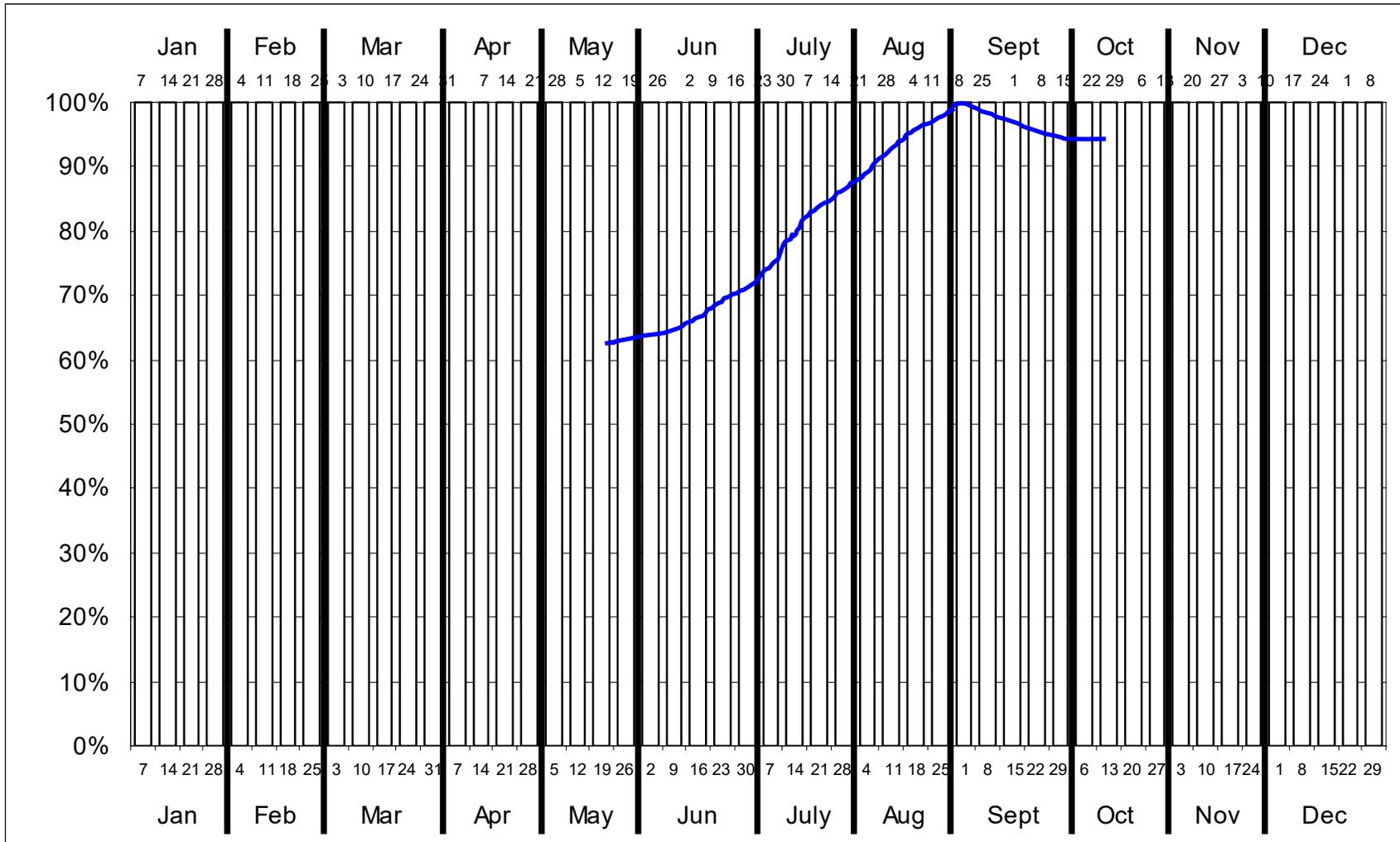
Annual economic benefit (2013): \$1.95 million

This calculation means that the White Rock Farmers' Market contributes an estimated \$1.95 million to the local economy each year. These monies benefit not only market vendors but also the local businesses that supply these vendors. In 2012, the economic benefit of the White Rock Farmers' Market was estimated at \$1.3 million. And In 2006, the economic benefit of the White Rock Market was estimated at \$881,000. Our findings in 2013 support the view that the market has continued to grow over the last seven years.

The total estimated annual economic benefit for all farmers' markets in BC in 2012 is **\$170.5 million**.

We can also assess the 'spill over' 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 **\$ 1.16 million**.

Appendix: Seasonal activity chart for White Rock Farmers' Market



Acknowledgements

Thank you to the BC Association of Farmers' Markets and Dr. David Connell of the University of Northern British Columbia for providing in-kind support, expertise and materials. The project team would like to thank the White Rock Farmers' Market for providing a team of volunteers to help conduct the assessment. Financial and in-kind support is provided by the White Rock Farmers' Market. The White Rock Farmers' Market wishes to acknowledge the financial assistance of the Province of BC, Vancity and the BC Association of Farmers' Markets 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.