

ECONOMIC AND SOCIAL BENEFITS ASSESSMENT

FINAL REPORT

Kerrisdale Village Farmers Market

Vancouver, British Columbia

A collaborative project of the
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

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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 Kerrisdale Village Farmers Market on August 11, 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 Kerrisdale Village Farmers Market:

- **The estimated economic benefit of the Kerrisdale Village Farmers Market to the local economy is approximately \$670,000 annually**
- **The estimated number of market customers on assessment day: 1,470 customers**
- **Over 310 market visitors participated in the study**
- **Average customer spending per visit: \$31.57**
- **42.4% of the survey respondents visit the market either 'regularly' (almost weekly) or 'frequently' (2-3 times per month)**

The Kerrisdale Village Farmers Market is the newest of many markets operated by Vancouver Farmers Markets. It is located one block away from the main shopping area of Kerrisdale, a residential neighbourhood in the south-western section of Vancouver. The neighbourhood is serviced by several public transit bus routes and has plenty of nearby parking available. The market is situated between Point Grey School and an inactive set of train tracks, which form a greenway. The street running parallel to the market (across the train tracks) is lined with small businesses. The market is visible from the street, despite being partially concealed by the greenery surrounding the train tracks. The location is unique in that it is situated very close to a bustling neighbourhood intersection, but maintains a quiet and almost rural atmosphere within the city of Vancouver.

As a new market, Kerrisdale Farmers Market has still managed to attract a good number of customers, seeing on average almost 400 people each hour the market is open. Customers are buying well, spending \$31.57 on average during each visit to the market. This spending is above the average for all markets in BC as well as small and medium markets in Canada, and is similar to average spending for all markets in Canada.

This market has a larger proportion of first-time visitors as compared to other markets in BC and Canada, which is not surprising for a new market. There are smaller proportions of regulars and frequent visitors than is average for BC and Canada. As this is a new market, rather than asking customers how long they have been coming to the market, the survey question was changed to ask how often they anticipate coming in the future. The majority of respondents did indicate they planned to come regularly, with many more identifying they would come back frequently (two to three times per month) or occasionally (two or three times per year). These results suggest that the Kerrisdale Farmers Market is attracting customers who will become regular and returning visitors in the future.

Market organizers were curious to know how customers had heard about this new market, asking whether they heard about the Kerrisdale Village Farmers Market and decided to come shop by walking by, seeing signs in the area or posters, hearing about it from a friend, vendor or other market, or reading about it on a website, internet search, or in the newspaper. The majority of survey respondents learned of the Kerrisdale market just by walking by it. Other fairly common ways of learning about the market were seeing signs, posters, word-of-mouth through a friend, and through a website or internet search. This suggests that Kerrisdale is highly visible in its neighbourhood, drawing in people who are already there and are interested in shopping at a local market. While possibly more could be done to draw customers in from outside the immediate area, this existing pattern of engagement could also represent the ready availability of markets in other neighbourhoods and the potential competition between markets to attract customers. Because Vancouver has a number of farmers' markets in various neighbourhoods, residents may prefer or be more likely to shop at a market in their own neighbourhood.

There are a few businesses near Kerrisdale Farmers Market, as it is located in the Vancouver neighbourhood of Kerrisdale. Eighty percent of surveyed customers said they would do additional shopping at these neighbouring businesses before or after shopping at the farmers' market, and these shoppers said they would spend an average of \$23.10. Surveyed businesses said there was a slightly positive effect or no effect from the market being in the area. The businesses that noted a slight positive effect explained that the market seemed to increase foot traffic in the area, bringing more potential customers into their businesses, and one business noted a slight increase in sales that could be associated with the effect of the market.

As a newly established market, the Kerrisdale Village Farmers Market appears to be thriving, attracting a solid number of customers to spend well. It seems to be attracting and appealing to customers who are interested in continuing to return in the future, and to become regular customers at this addition to the suite of markets operated by Vancouver Farmers Markets.

DESCRIPTION OF MARKET

Kerrisdale Village Farmers Market

Market Website:

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

<http://www.bcfarmersmarket.org/markets/marketdetails.asp?marketID=222>

Vancouver Farmers Markets returns to Kerrisdale Village this season for 14 weeks of local food fun in the heart of one of Vancouver's oldest neighbourhoods. In the shadow of Point Grey High School and just up the street from Kerrisdale Arena, the farmers' market will feature over 40 vendors selling farm produce, prepared foods and craft items from across BC. The market is situated on East Boulevard between 37th and 41st Avenues and there is ample street parking and close access to bus nearby. Stop by after your walk around the track or if you're shopping at the boutiques along 41st Avenue. Visit our website at www.eatlocal.org for a location map and vendor details.

Availability:	Open from July 7th to October 6th Every Saturday from 10:00am – 2:00pm
# Vendors:	35
Location:	East Boulevard between 37th and 41st Avenue - across from Pt. Grey High
Contact Info:	Roberta LaQuaglia 201163 Commercial Drive Vancouver, BC V5L 3X3

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. Generally, for all markets, four questions were developed by the research team and 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. As this is a new market, rather than asking customers how long they have been coming to the market, the standard survey question used at other markets was changed to ask how often they anticipate coming in the future.

Box 1. Flip-chart survey questions

1. How often do you come to this farmers' market?
2. In the future, how often will you come to this farmers 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 did you hear about the Kerrisdale 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 Kerrisdale 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 about 28 degrees Celsius. There were approximately 28 vendors present with 18 primary producer vendors.

Crowd count

The total estimated number of people attending the Kerrisdale Farmers Market on August 11, 2012 was 1,470.

When asked, vendors at the market said market attendance was normal for that time in the season, but perhaps a little busier as compared with the year before.

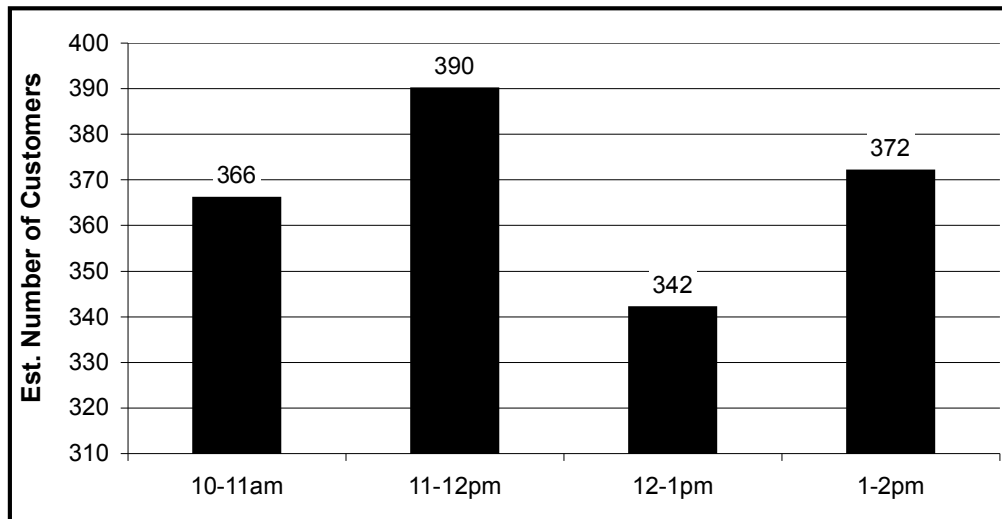
The actual and extended counts for the assessment are shown in Table 1. The total estimated counts are also shown in Chart 1.

Table 1. Estimated Crowd Count

Time period	Count period	Actual count	Extended total
1st hour (10:00-11:00)	10:25-10:35am	61	366
2nd hour (11:00-12:00)	11:25-11:35am	65	390
3rd hour (12:00-1:00)	12:25-12:35pm	57	343
4th hour (1:00-2:00)	1:25-1:35pm	62	372
Estimated total crowd count on August 11, 2012			1,470

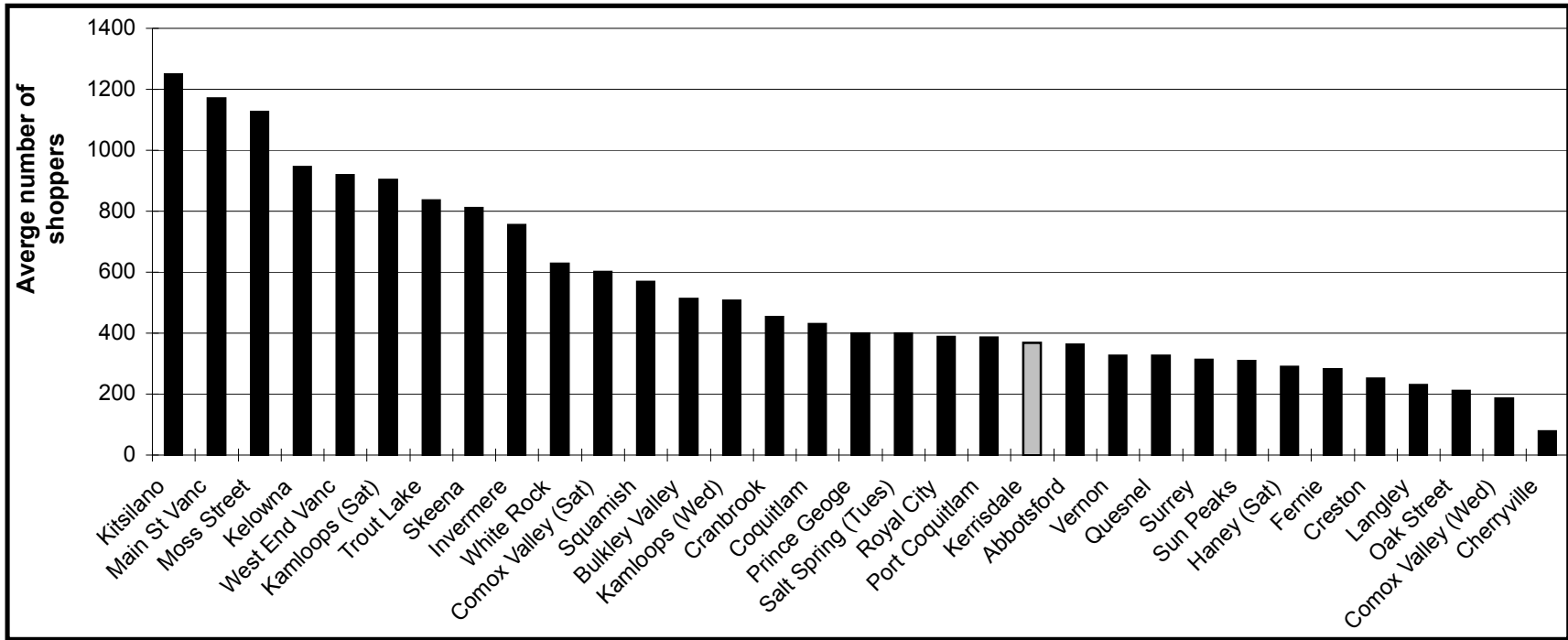
Chart 1 (next page) shows the estimated crowd totals for each hour. Market attendance fluctuates over the four hours, with the second hour as the busiest.

Chart 1. Crowd counts by the hour



As shown in Chart 2 (next page), the number of shoppers attending the Kerrisdale Farmers Market is similar but towards the lower end 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)



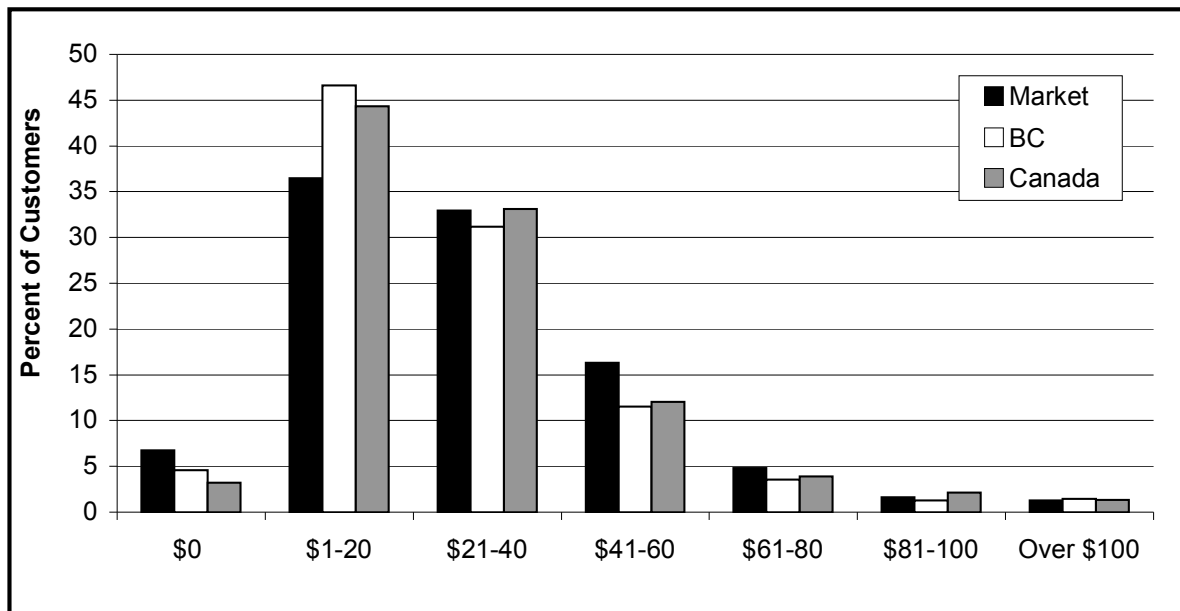
Flip-chart survey

Approximately 310 people responded to the dot survey, which is about 21% 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?

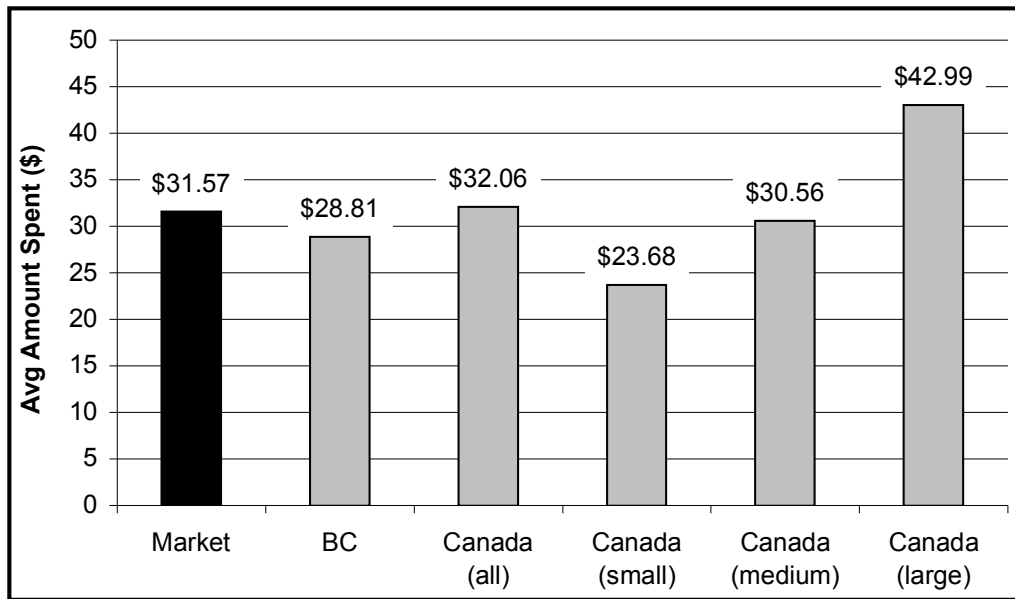
Overall, respondents spent an averageⁱⁱ of \$31.57 each on the day of the assessment. As shown in Chart 3, most customers surveyed (56.9%) said they would spend over \$20 at the market that day. An additional 36.4% said they would spend up to \$20 at the market that day.

Chart 3. How much have you spent, or do you plan to spend, at the market today? (Market: n=313; BC: n=9,819; Canada (Medium): n=996)



The results shown in Chart 4 (next page) illustrate how the Kerrisdale 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 medium market, the Kerrisdale Farmers Market has average spending on par with the averages for other markets in BC and Canada, and similar average spending as at other medium-sized markets.

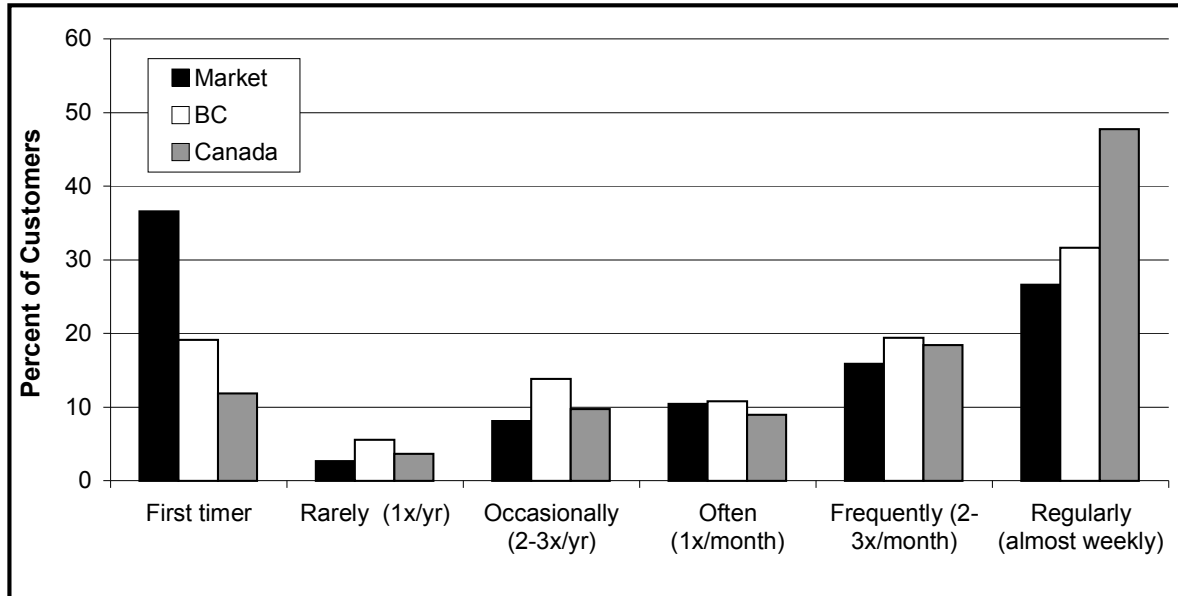
Chart 4. Average amount spent by market shoppers
(Market: n=313; BC: n=9,819; Canada: n=3,167)



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

As shown in Chart 5, the Kerrisdale Farmers Market, other than first-time shoppers, has a steadily increasing distribution in the frequency of visits. One in four customers (26.5%) shop regularly at the market. First-time visitors to the market accounted for 36.6% of respondents. The Kerrisdale Farmers Market has a higher portion of first-time visitors and a lower portion of regulars than the average for other markets in BC and Canada.

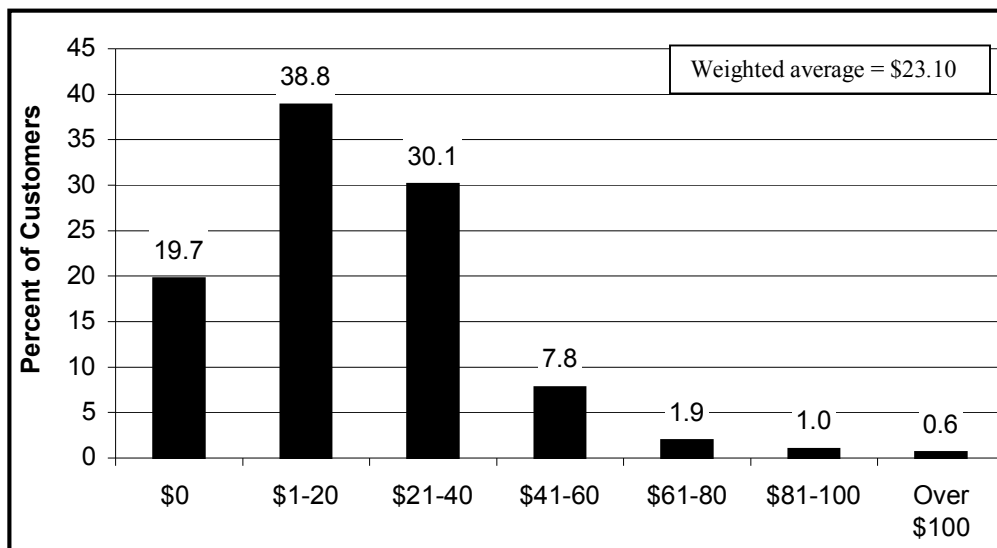
Chart 5. How often do you come to this market?
(Market: n=309; BC: n=9,874; Canada (Medium): n=996)



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 80.3% of respondents saying they would do additional shopping at neighbouring businesses that day. Over one-third (38.8%) of customers surveyed said they would spend up to \$20; 41.5% said they would spend more than \$20.ⁱⁱⁱ The average amount spent per customer at neighbouring businesses was \$23.10. Given the variability among markets, no comparison is made with BC or national results.

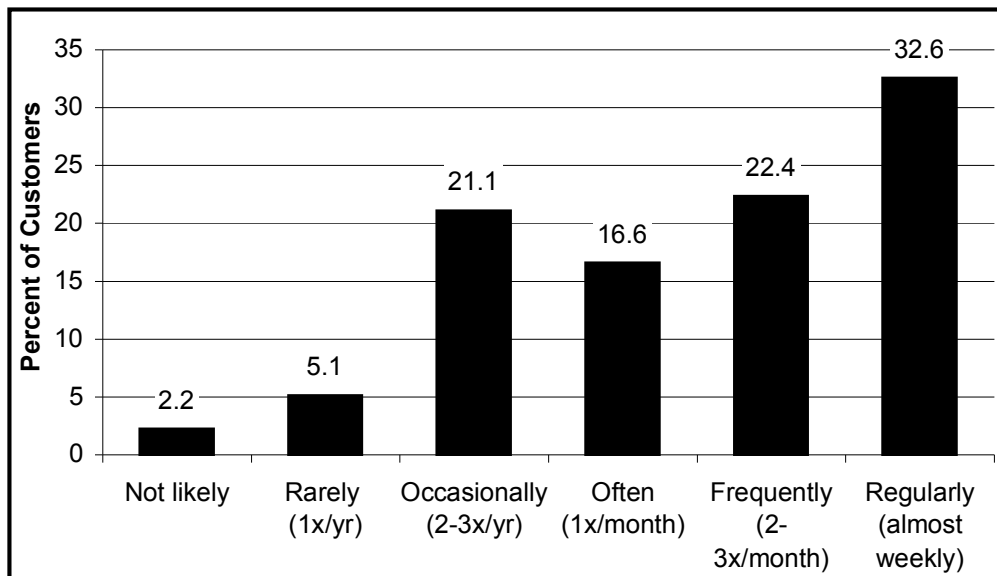
Chart 6. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend? (n=309)



Question 4. In the future how often will you come to this farmers market?

As shown in Chart 7 (next page), your market can expect to have an increased frequency of returning customers. Almost every shopper (97.8%) indicated that they will return to the Kerrisdale Farmers Market. Comparing Charts 5 and 7, the results indicate that many of the 'first time' shoppers will translate into more frequent shoppers in the future.

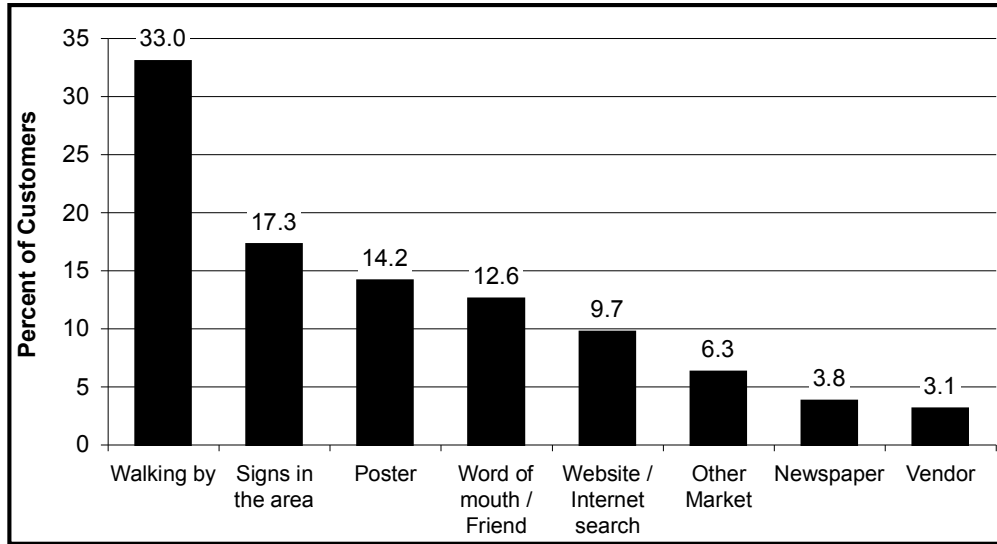
Chart 7. In the future how often will you come to this farmers market? (n=313)



Question 5. Where did you hear about the Kerrisdale Farmers Market?

As shown in Chart 8, the highest percentage (33.0%) of market shoppers learned about the Kerrisdale Farmers Market from walking by. 'Signs in the area' and 'Poster' accounted for the second and third highest percentages of responses with 17.3% and 14.2% respectively.

Chart 8. Where did you hear about the Kerrisdale Farmers Market? (n=318)



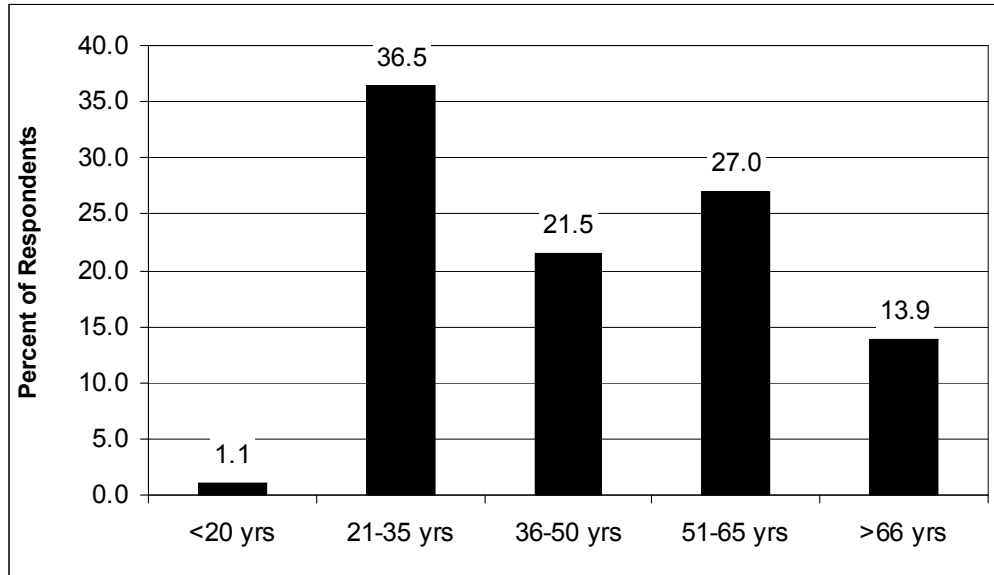
Market surveys

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.

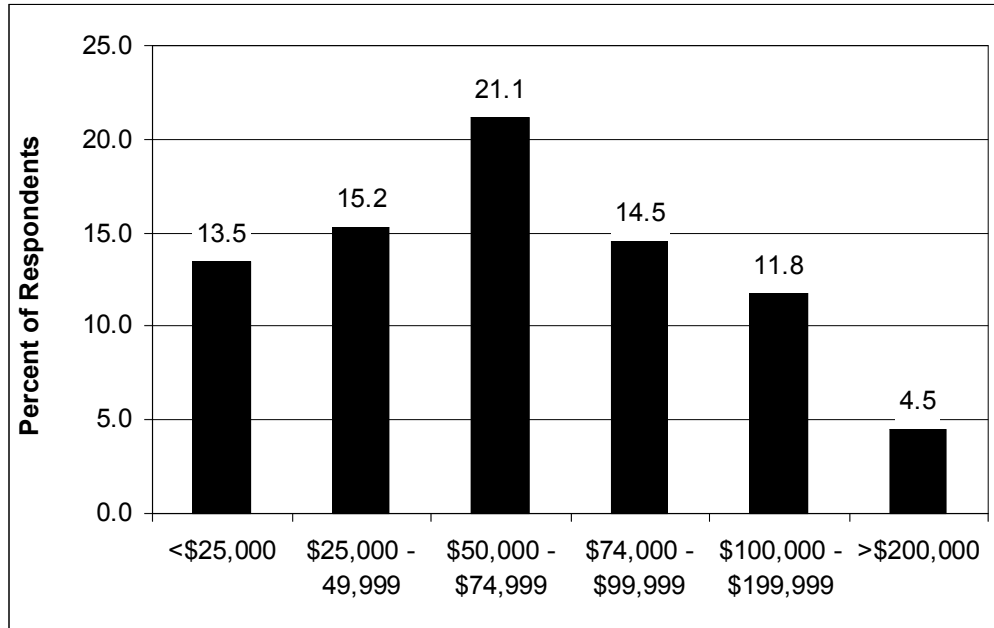
The results in Chart 9 show the age range of farmers' market customers in BC.

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



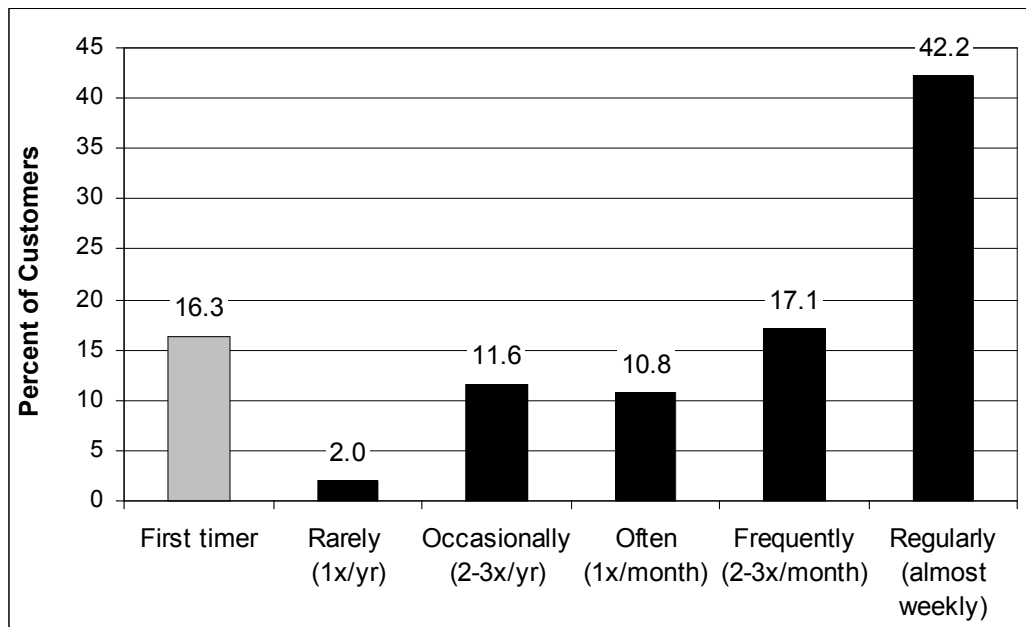
The household income of shoppers at farmers' markets in BC is shown in Chart 10 (next page). The results show that people from households with a range of incomes shop at BC's markets.

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.

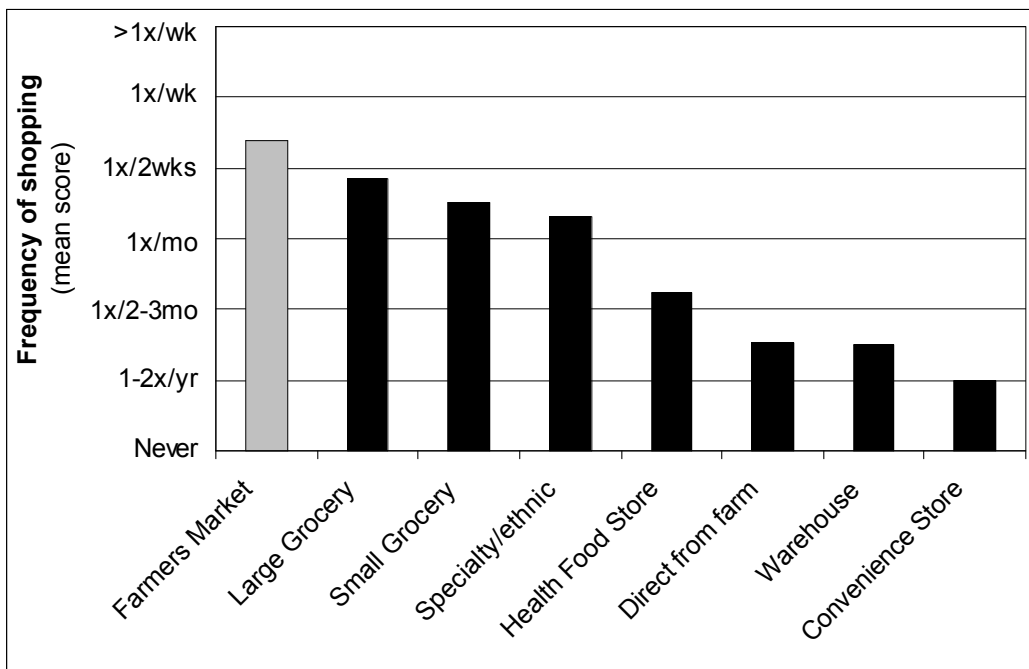
Chart 11. Frequency of shopping at farmers' markets (BC: n=251)



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.

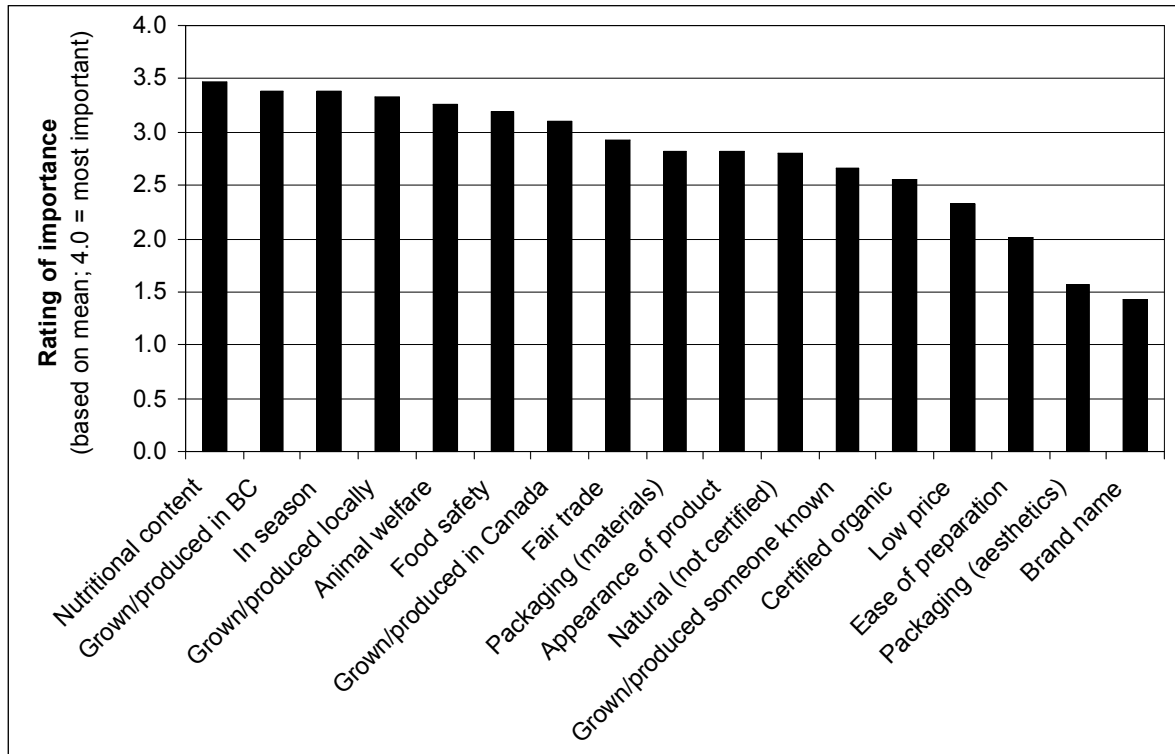


Part of the answer to explain the shopping pattern of market customers is evident in Chart 13 (next page), which shows the relative importance of factors customers consider when buying food. During the farmers' market season the five most important factors to market customers are:

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



We also asked customers how long they spend at the market (Chart 14, next page) and how much of that time they spend talking with vendors and friends (Chart 15, next page). 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)

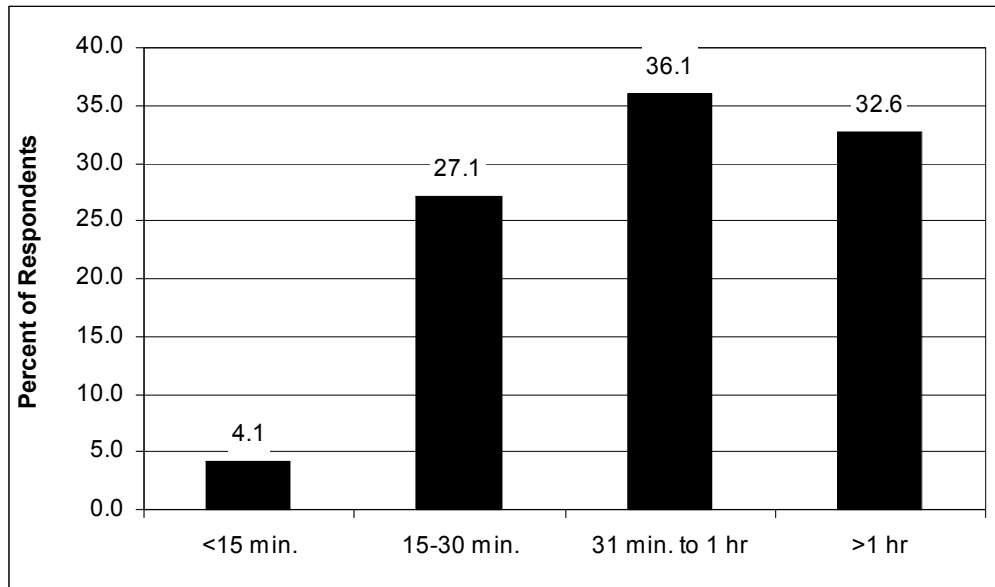
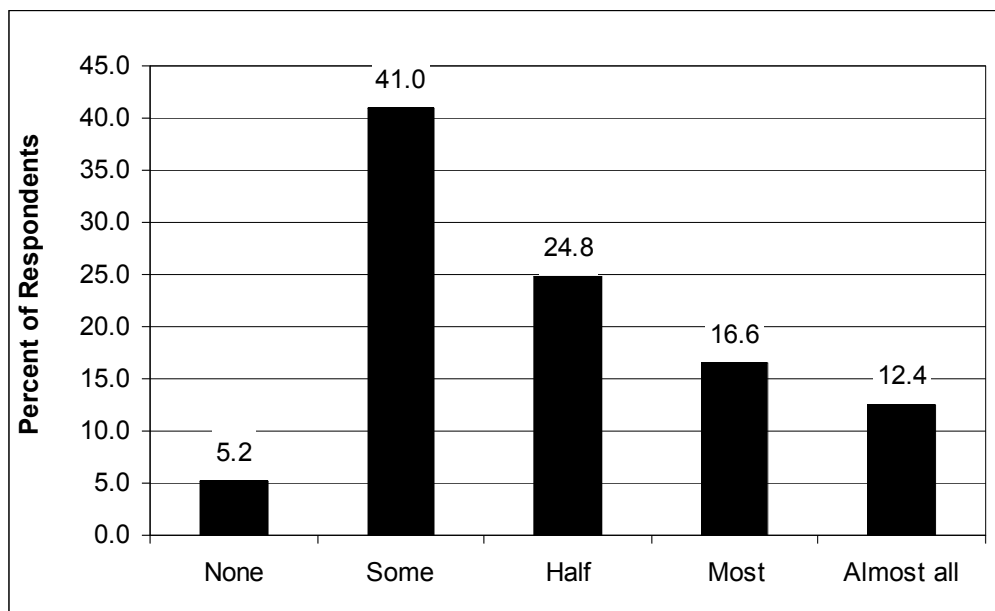


Chart 15. Time spent talking with others at the market (BC: n=290)



The results of the above two questions are combined in Table 2 (next page). 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)

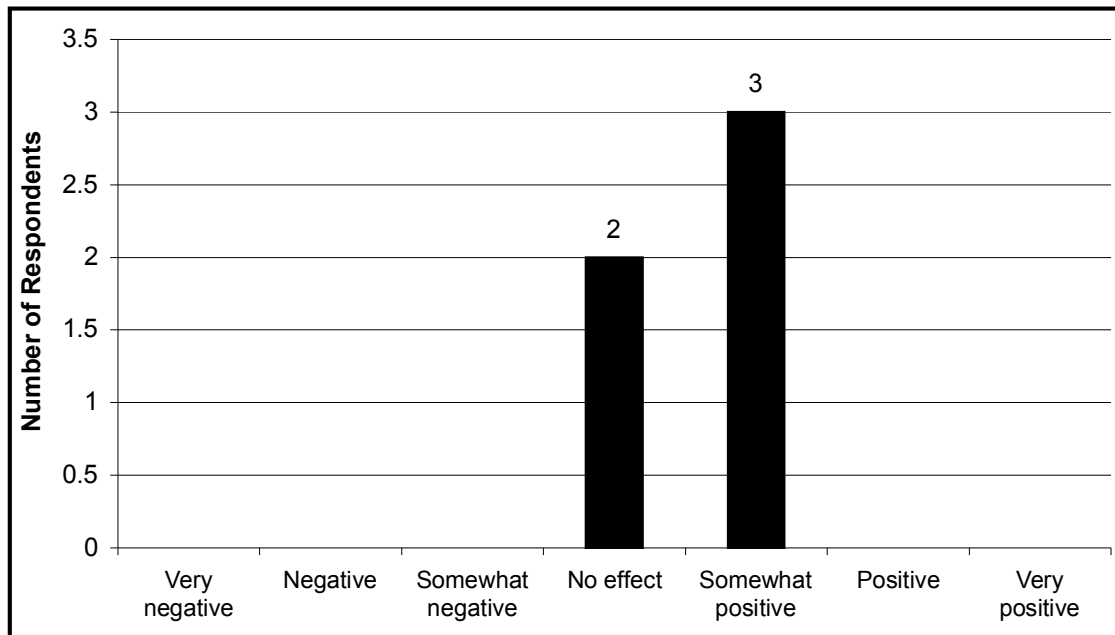
		How time spent					Total
		None	Some	Half	Most	Almost all	
Time spent at market	<15 min.	1	2	0	0	0	4
	15-30 min.	2	17	5	3	0	27
	31 min. to 1 hr	1	16	11	5	4	36
	>1 hr	1	7	9	9	8	33
Total		5	41	25	17	12	100

Business survey

There were several businesses located within visible range of the Kerrisdale Farmers Market, including several restaurants, a candy store, clothing store, dry cleaning and veterinary business. Based on availability of businesses for interviews, and whether they are open on market days, we conducted surveys with 5 neighbouring businesses (Chart 16).

The three businesses that reported a slightly positive impact from the market said the market increased foot traffic in the area and brought more potential customers to their businesses. One of these businesses noticed a slight increase in sales associated with the market.

Chart 16. 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 Kerrisdale 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 Kerrisdale Farmers Market, seasonally adjusted annual direct sales are:

$$\$31.57 \text{ per customer visit} \times 1,103 \text{ spending customers} \times 14 \text{ (adjusted) sessions} = \$447,000$$

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

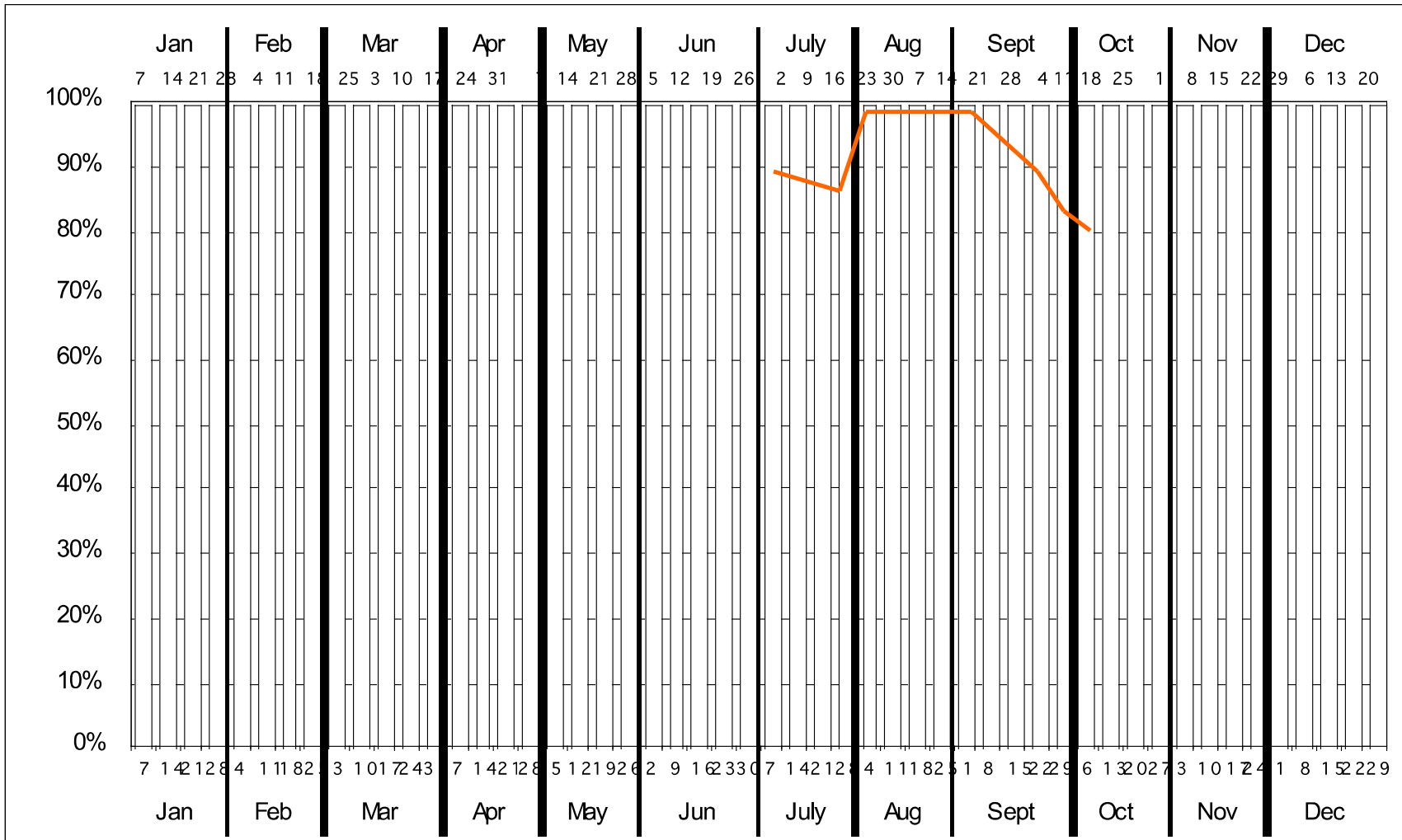
Annual economic benefit (2012): \$670,000

This calculation means that the Kerrisdale Farmers Market contributes an estimated \$670,000 to the local economy each year. These monies benefit not only market vendors but also the local businesses that supply these vendors.

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 Kerrisdale 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 **\$394,000**.

Appendix: Seasonal activity chart for Kerrisdale Village Farmers Market



Acknowledgements

The BC Association of Farmers' Markets and the project team would like to thank the Kerrisdale Village 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 BCAF 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.