

ECONOMIC AND SOCIAL BENEFITS ASSESSMENT

FINAL REPORT

Moss Street Community Market

Victoria, 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

October 21, 2012

Prepared by:
David J. Connell, PhD MCIP
Anna Melnik, MA

Funding provided by:

Canada 



Vancity Community Foundation

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 preliminary report presents the findings from the assessment completed for the Moss Street Community Market on July 7, 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 Moss Street Community Market:

- **The estimated economic benefit of the Moss Street Community Market on the local economy is approximately \$3.6 million annually**
- **Over 257 market visitors participated in the study**
- **Average customer spending per visit: \$25.39**
- **Thirty-eight percent of the survey respondents visit the market either 'regularly' (almost weekly) or 'frequently' (2-3 times per month)**

The Moss Street Community Market has been a pillar of the Fairfield Community of Victoria for 20 years. It brings together local and organic fresh produce, local prepared foods, crafts, and artisan products, as well as public education and connections with community initiatives to serve Victoria and beyond.

Moss Street Market is one of the most highly-attended farmers' markets in the province, seeing on average more than 1,000 customers each hour the market is open (based on an estimated crowd count of 4,500). Average spending per customer is lower at Moss Street than at other markets in BC and Canada, and much lower when compared to other markets of a similar size (based on number of vendors). Nevertheless, due to the higher number of customers, the Moss Street Market is estimated to make a substantial economic contribution to the local community.

How often customers attend the Moss Street Market shows a similar distribution to other markets across the province. This market has a larger portion of first-time visitors, and a smaller portion of regulars when compared to other large markets in Canada. A substantial portion of customers (37.8% of those surveyed) have been coming to the Moss Street Market for five or more years, and the market attracts almost an equal portion of first-time visitors (31.7%).

The market organizers were curious to know where market customers live. The largest portion of customers (27.4%) is living in the Fairfield neighbourhood in which the market is located. Other neighbourhoods popular for customers are Oak Bay and Fernwood. Altogether, four in five market customers live within the Capital Region District surrounding Victoria, which also means that one in five customers is coming from outside of the region or province.

The Moss Street Community Market takes place in the school yard of Sir James Douglas Elementary School, in the Fairfield neighbourhood of Victoria, and there are a handful of nearby businesses, as well as shopping areas a few blocks in either direction. Most market customers (60.1%) said they would also do shopping at nearby businesses before or after shopping at the market, spending an average of \$15.05. One nearby business reported a strongly positive effect of the market, noting increased sales on market days. Another business reported a positive increase in foot traffic, although not tied to increased sales.

In summary, the Moss Street Community Market is significant to its local community, as a highly attended market, an attractive community feature, and a notable economic source.



Photo: Jennifer Gee

DESCRIPTION OF MARKET

The Moss Street Community Market: description

Market Website:

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

<http://www.bcfarmersmarket.org/markets/marketdetails.asp?marketID=161>

Who doesn't like to stroll through an open market sampling fresh prepared savory treats while relaxing with friends or family? To then realize that "hey, I've got room in the tummy for some dessert!" Look around and discover a plethora of delightful baked goods, sweets, jams, etc, that will hit the spot nicely. The Moss Street Market boasts a wonderful array of different food varieties and takes considerable pride in the quality, and regional proximity from which the food comes. The Market also has great live music and a free children's craft tent.

Availability:	Open from May 5 to October 27 Saturday, 10am to 2pm Half-markets in April and the first two weeks of November, Saturday, 10am to noon Two-day holiday market in December, 10am to 4pm
# Vendors:	80
Location:	Sir James Douglas Elementary, 401 Moss St, Victoria
Contact Info:	Kyle Goulet, Market Manager 1330 Fairfield Rd Victoria, BC V8S 5J1

RESEARCH METHOD

The assessment of individual markets in BC is organised around two sets of activities: rapid market assessment and market surveys. These are the same methods used for the BC study in 2006.

1) Rapid Market Assessment:

The Rapid Market Assessment (RMA) technique was developed by researchers at Oregon State University for studying farmers' markets. This method has been implemented successfully in markets throughout Oregon and Washington states. The RMA method consists of three parts: customer survey; crowd count; environmental observations. The environmental observations are optional for markets in this present study and so are not included in this report. A crowd count was completed for this market but was deemed to be unreasonably high, so the market management team provided an estimate for typical crowd count, which was used in assessment calculations.

- 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 will be asked at all farmers' markets participating in the project. Asking the same questions at all markets is 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?

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 Moss Street 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 hot and sunny. There were approximately 92 vendors present.

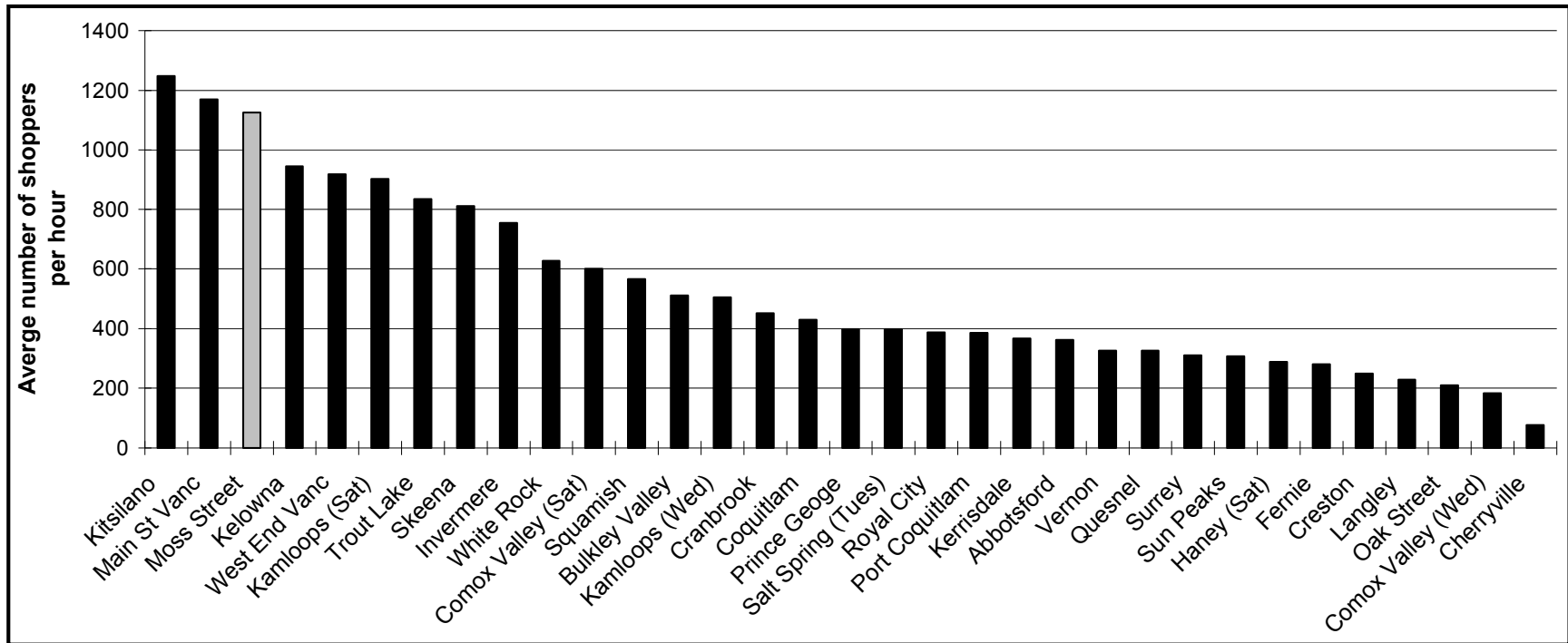
Crowd count

The standard crowd count method used for market assessments in this study was not used for the Moss Street Market assessment because of unforeseen difficulties. Instead the crowd count was estimated, based on several knowledgeable opinions as to what the crowd count was compared to past typical crowd counts. The estimated crowd count used for analyses in this report was 4,500.

When asked, vendors at the market said market attendance was about the same for that time in the season, as compared with past years. The market manager said market business was slightly slower on the day of the assessment, as compared to previous weeks, with crowds at about 90% of what they generally are.

As shown in Chart 1 (next page), the number of shoppers attending the Moss Street 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 1. Number of shoppers at BC farmers' markets (average hourly crowd at peak of season)



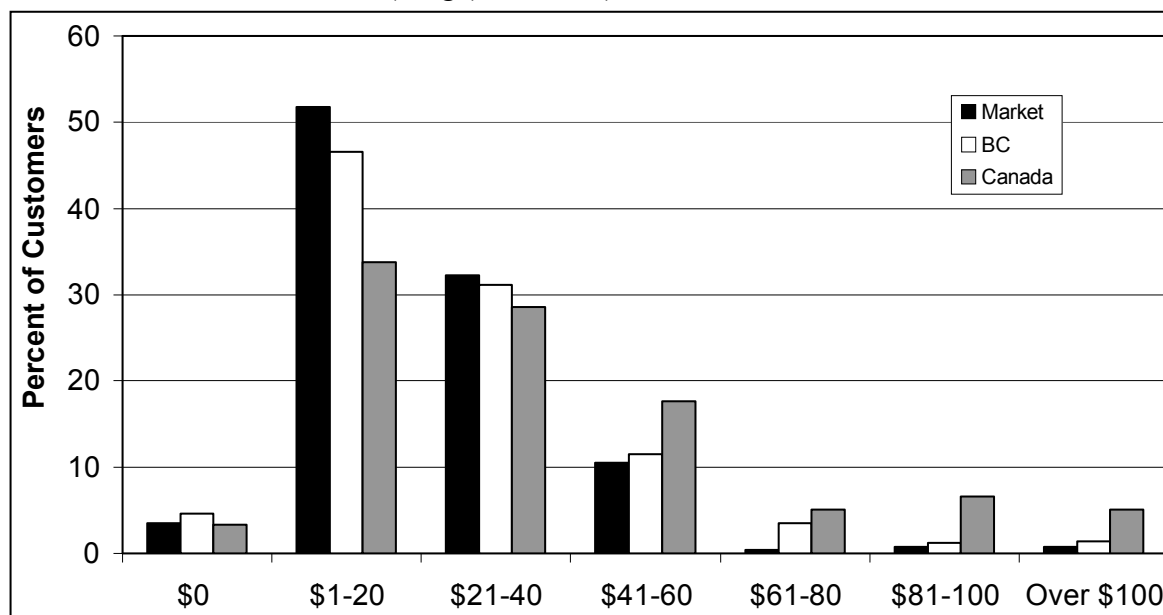
Flip-chart survey

Approximately 257 people responded to the dot survey, which is about 4% 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?

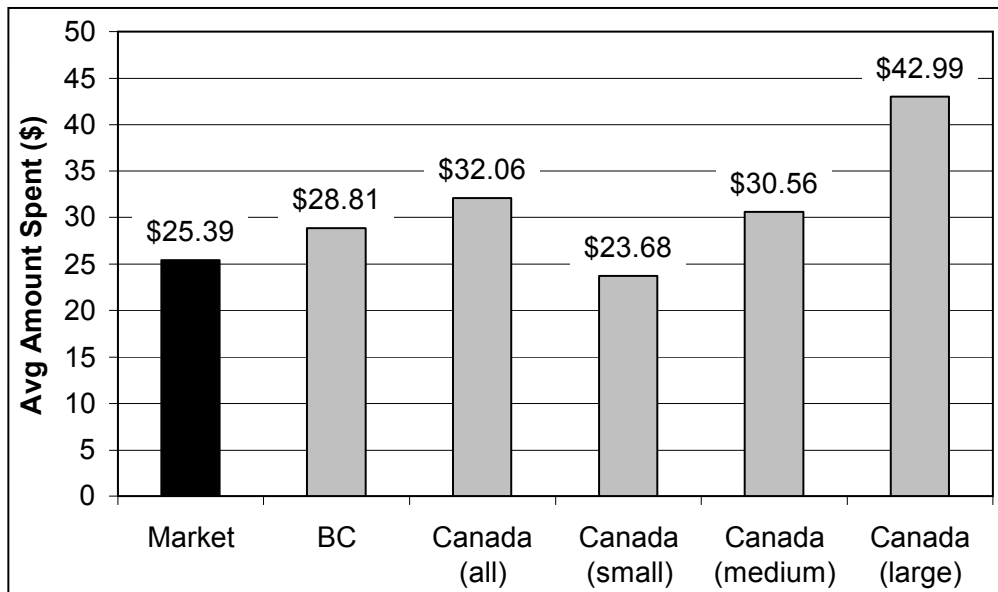
Overall, respondents spent an averageⁱⁱ of \$25.39 each on the day of the assessment. As shown in Chart 2, more than half of customers surveyed (51.8%) said they would spend up to \$20 at the market that day, and an additional third (32.3%) said they would spend between \$21 and \$40. The average amount spent by shoppers in 2006 was \$19.53.

Chart 2. How much have you spent, or do you plan to spend, at the market today? (Market: n=257; BC: n=9,819; Canada (Large): n=1,013)



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

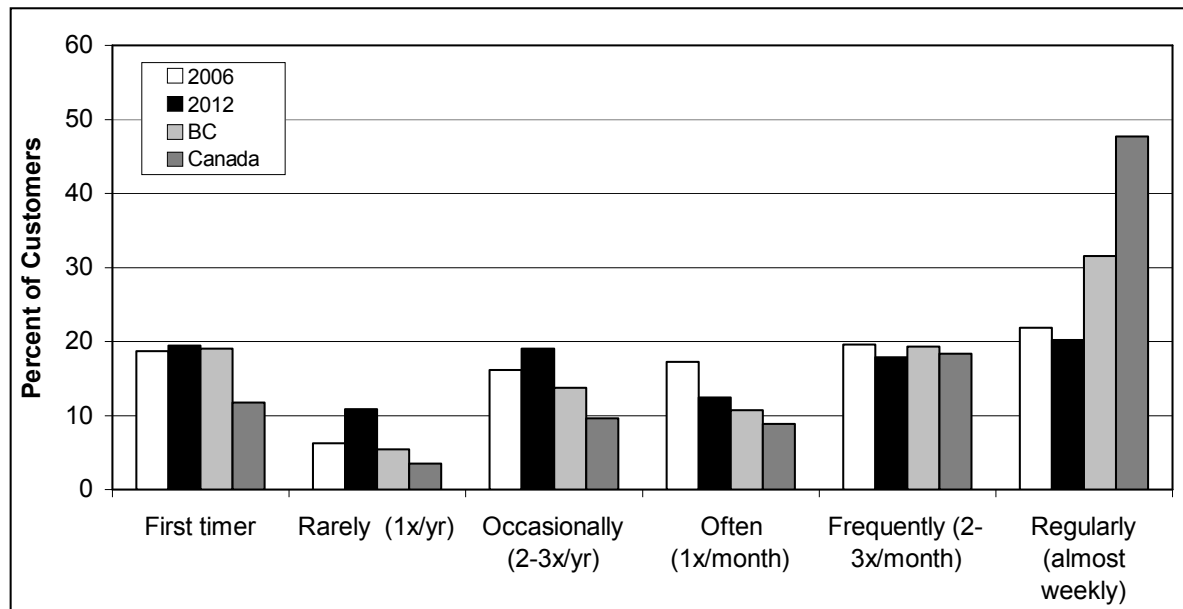
Chart 3. Average amount spent by market shoppers
(Market: n=257; BC: n=9,819; Canada: n=3,167)



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

As shown in Chart 4 (next page), the Moss Street Market has a fairly even distribution in the frequency of visits, though regular shoppers account for the highest percentage. One in five customers (20.2%) shops regularly at the market. First-time visitors to the market accounted for 19.5% of respondents. This pattern is similar to the results of the assessment in 2006, when there was also a balance between customers coming more often than 'rarely' and first-timers. The proportion of customers in each category of visit frequency is similar to the patterns seen provincially and at large markets nationally. The Moss Street Market has a smaller portion of regulars than the average large market in Canada, but attracts proportionately more first-time and occasional customers. The Moss Street Market attracts more 'rare' (once a year) and fewer regular customers as a proportion compared to the average for BC farmers' markets.

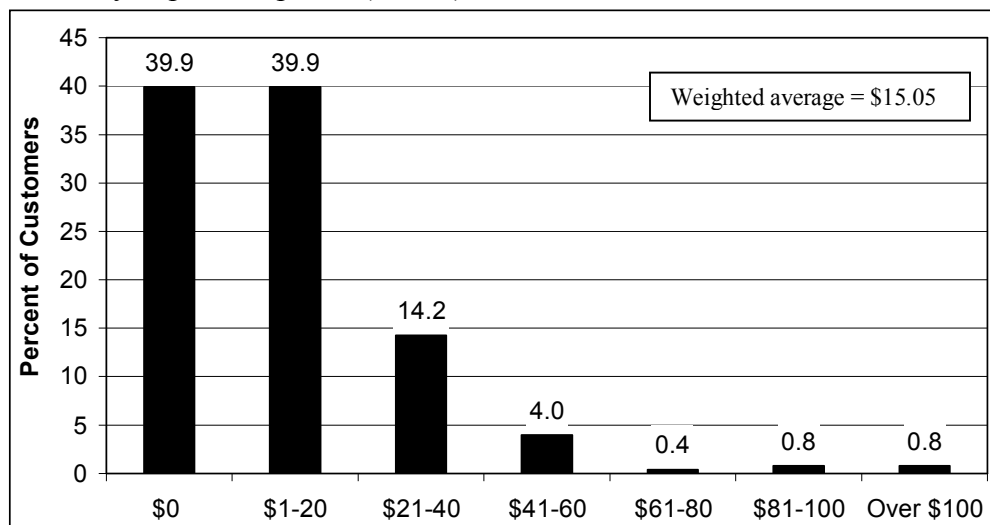
Chart 4. How often do you come to this market?
(Market (2006): n=475; Market (2012): n=257; BC: n=9,874; Canada (Large): n=1,013)



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 5 shows the range of additional spending by market customers, with 60.1% of respondents saying they would do additional shopping at neighbouring businesses that day. More than a third (39.9%) of customers surveyed said they would spend up to \$20; 20.2% said they would spend more than \$20. The average amount spent per customer at neighbouring businesses was \$15.05.ⁱⁱⁱ This question was not asked in the 2006 assessment. Given the variability among markets, no comparison is made with BC or national results.

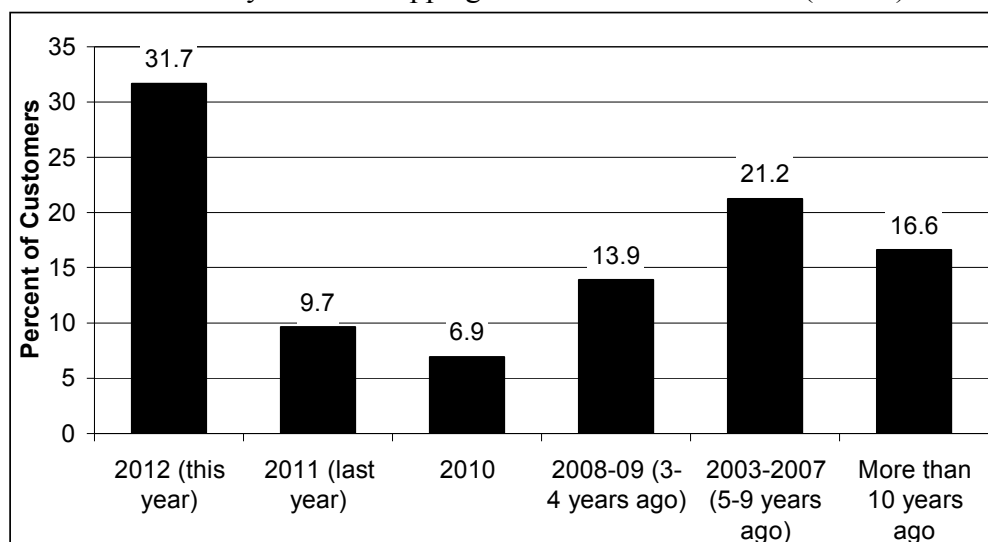
Chart 5. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend? (n=253)



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

As shown in Chart 6, Moss Street Market has a good portion of long-time, loyal customers. More than half of all customers surveyed (51.7%) have been coming to this market for three years or more, and 16.6% of all respondents have been coming to this market for more than ten years. In addition to the long-time regulars, 31.7% of respondents were in their first year of coming to this market.

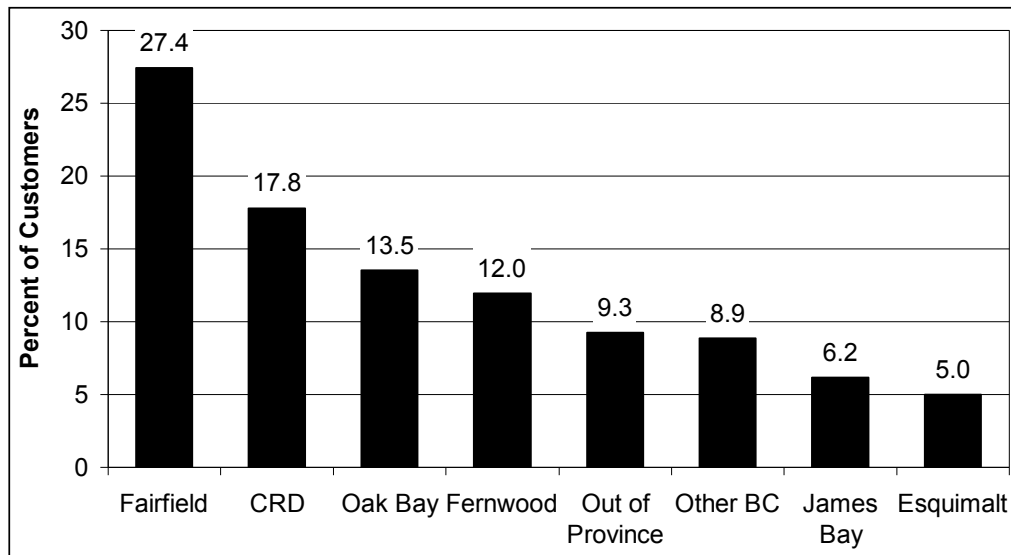
Chart 6. When did you start shopping at this farmers' market? (n=259)



Question 5. Where do you live?

Chart 7 (next page) shows where market customers live. The highest proportion of market customers come from Fairfield, the neighbourhood adjacent to the market, with 27.4% saying they live in Fairfield. Most customers (81.8%) live within the Capital Region District (CRD) - the greater Victoria area. Almost one in ten (9.3%) customers said they live outside of BC, demonstrating that Moss Street Market is also a destination for tourists and visitors to the city. The pattern of market attendance by neighbourhood is similar to what was found in the 2006 study, when 33.3% of customers lived in Fairfield. The proportion of customers coming from outside the province has nearly doubled since 2006, when only 5.3% of customers said they lived outside of BC.

Chart 7. Where do you live? (n=259)



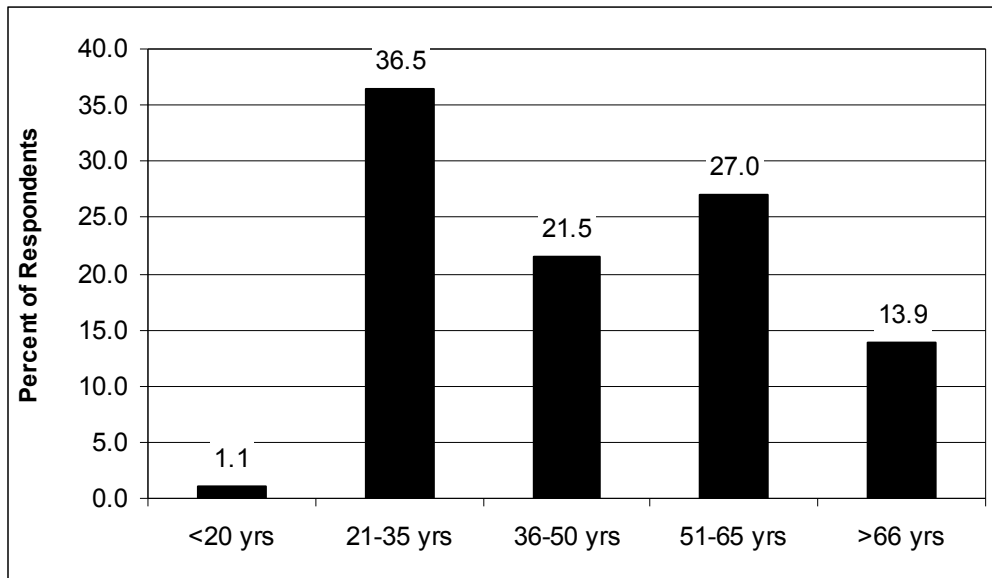
Market surveys

Customer Survey

We conducted interviews with 291 customers at 33 markets in BC. The following charts show results of all the customers surveyed across the province. When interpreting the results of these surveys, it should be noted that the people who agreed to participate in the one-on-one interviews over-represent regular shoppers, as these people are also the ones who are more likely to participate in such market surveys. The over-representation of regular shoppers is evident when we compared the customer survey results (291 responses) against the results gathered from the flip chart surveys (9,819 responses). The flip chart surveys show a wider representation of market shoppers.

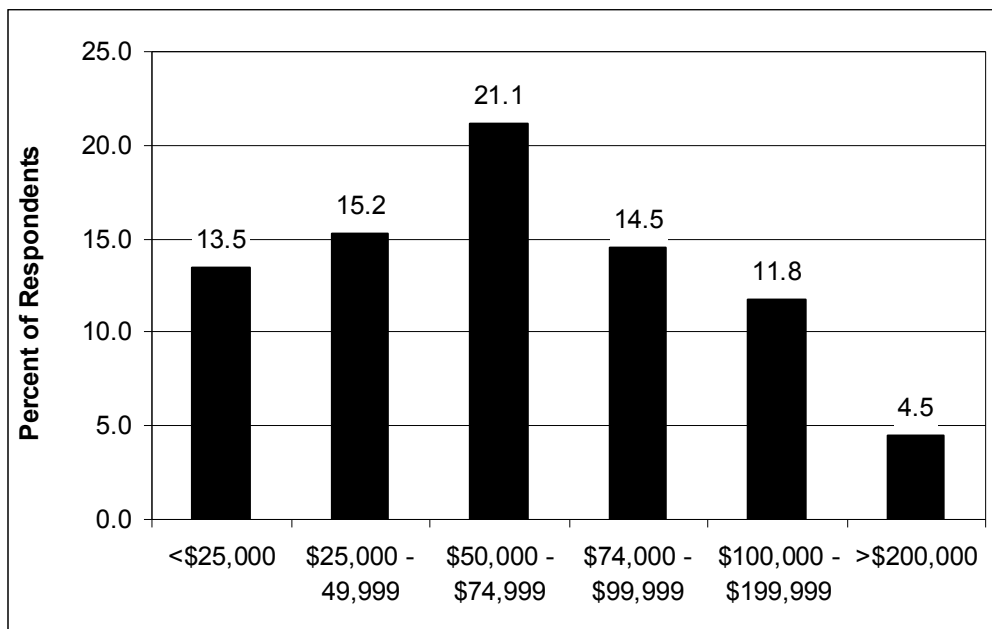
The results in Chart 8 show the age range of farmers' market customers in BC.

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



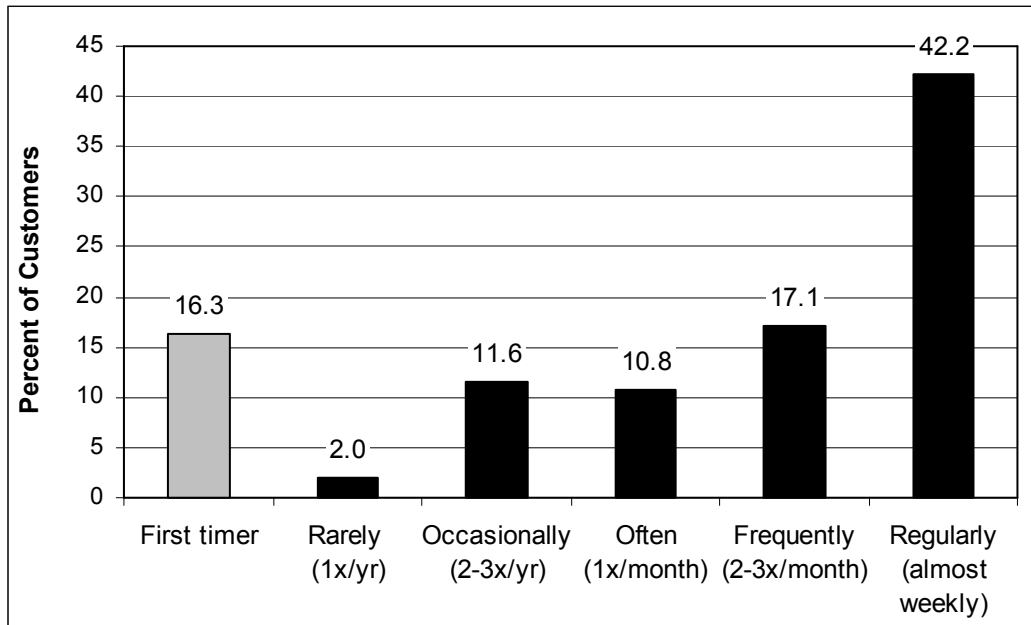
The household income of shoppers at farmers' markets in BC is shown in Chart 9. The results show that people from households with a range of incomes shop at BC's markets.

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



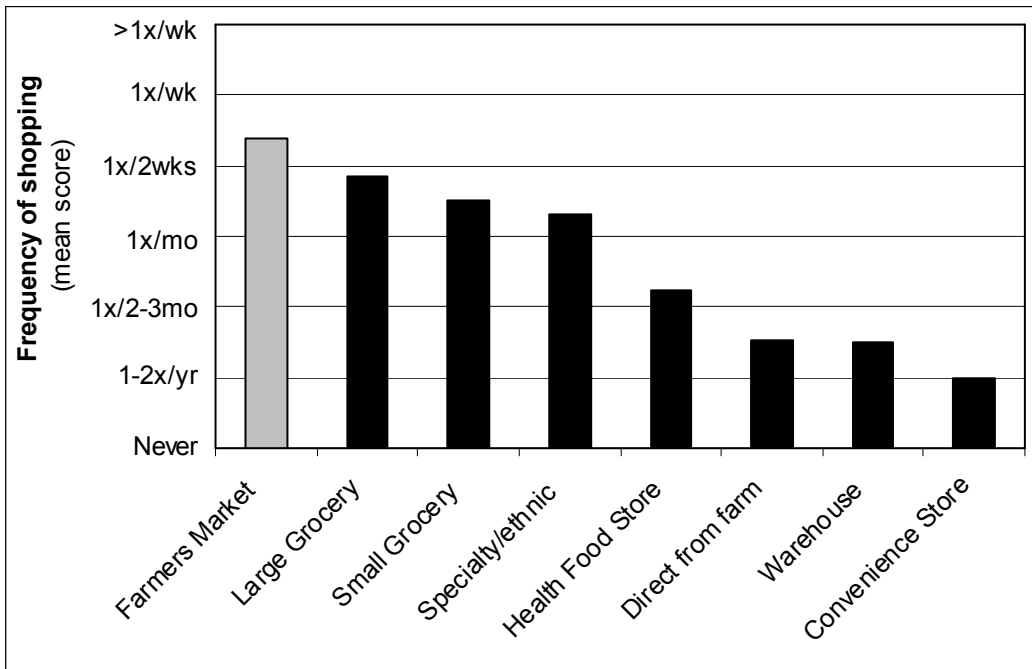
Over 40% of customers surveyed in BC shop at the market regularly (almost weekly), with an additional 17% shopping at least two to three times per month (Chart 10). Together, these results indicate that almost six of ten shoppers can be considered among the core group of market shoppers at BC markets,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

Chart 10. Frequency of shopping at farmers' markets (BC: n=251)



We also asked shoppers where and how often they buy groceries at other food retail outlets during the outdoor market season. The people surveyed indicated that they shop more often at the farmers' market than at other food retail outlets (Chart 11, next page).

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

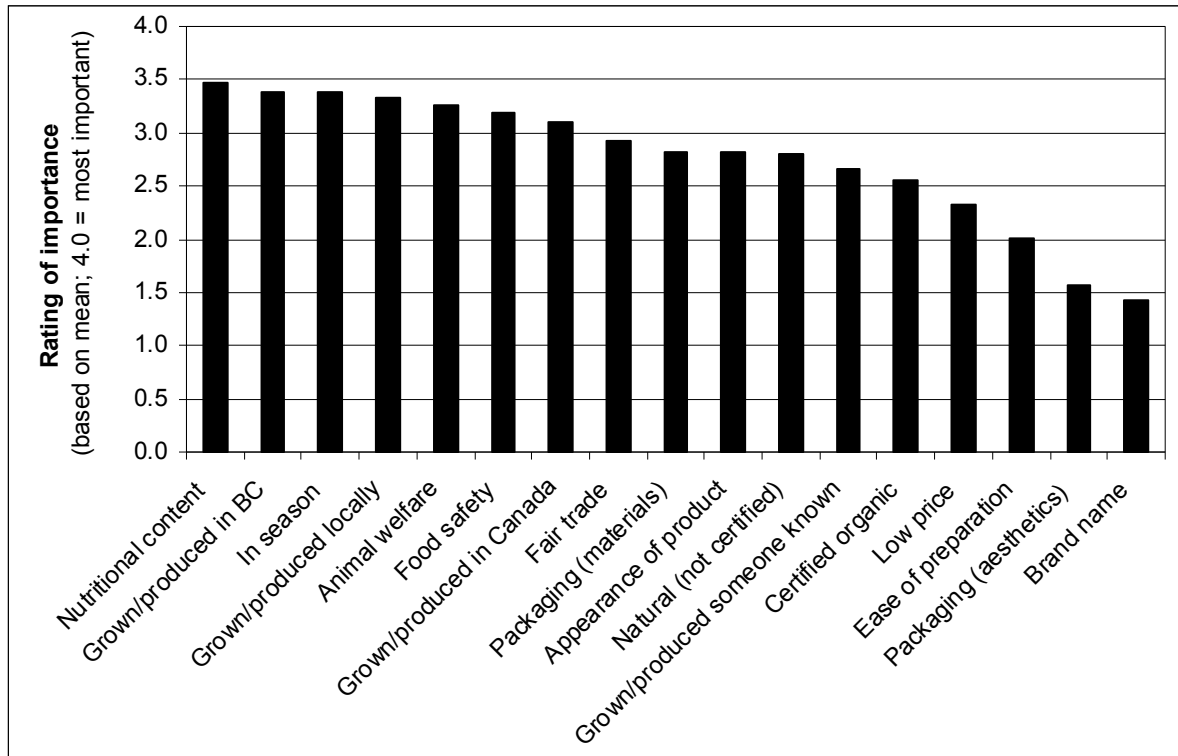


Part of the answer to explain the shopping pattern of market customers is evident in Chart 12 (next page), which shows the relative importance of factors customers consider when buying food. During the farmers' market season the five most important factors to market customers are:

- Nutritional content
- Grown/produced in BC
- In season
- Grown/produced locally
- Animal welfare

Brand name, low price, and certified organic are among the lowest rated factors that influence food purchasing decisions.

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



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

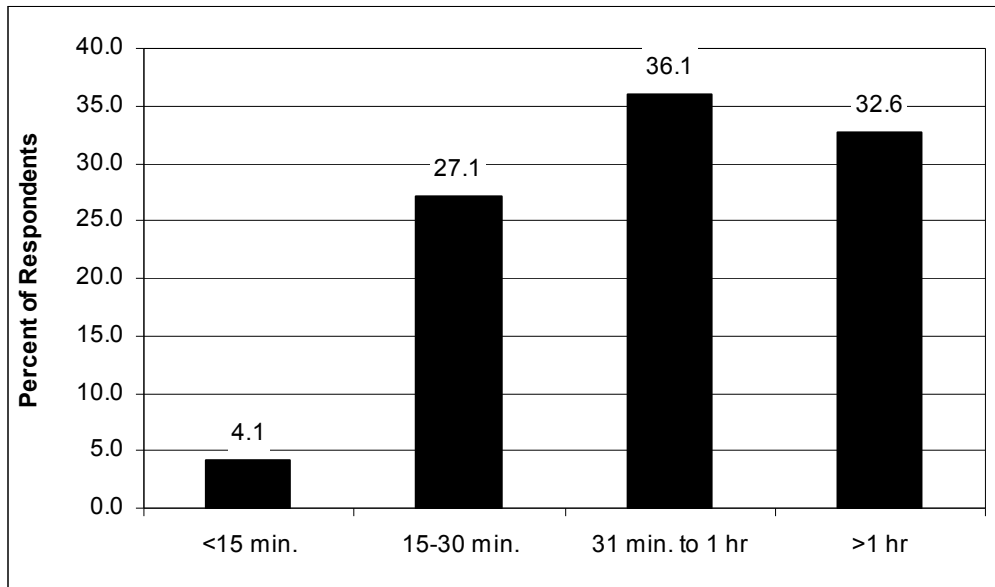
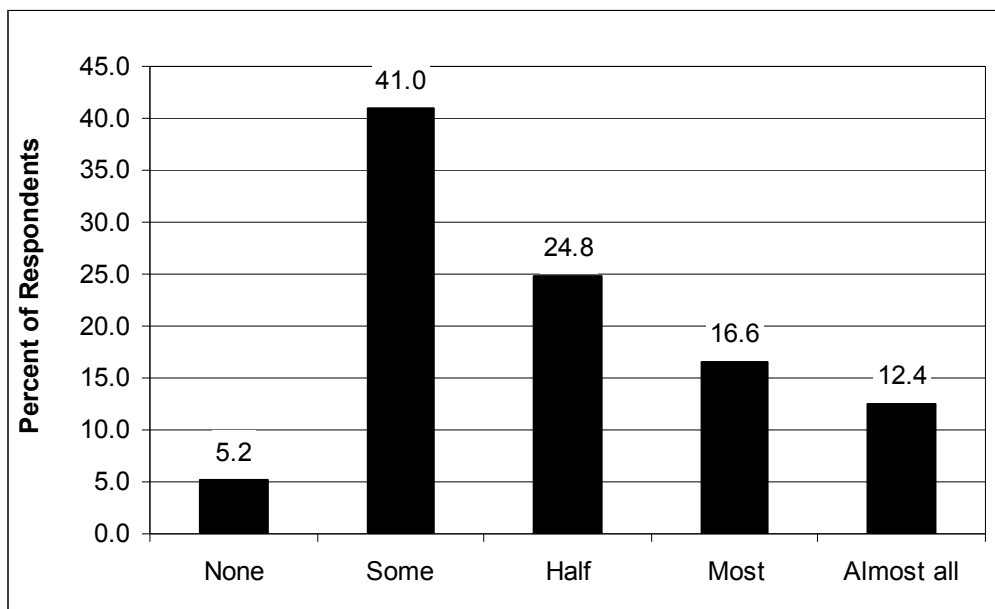


Chart 14. Time spent talking with others at the market (BC: n=290)



The results of the above two questions are combined in Table 1 (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 1. Time spent at market talking with others (percentage) (BC: n=290)

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

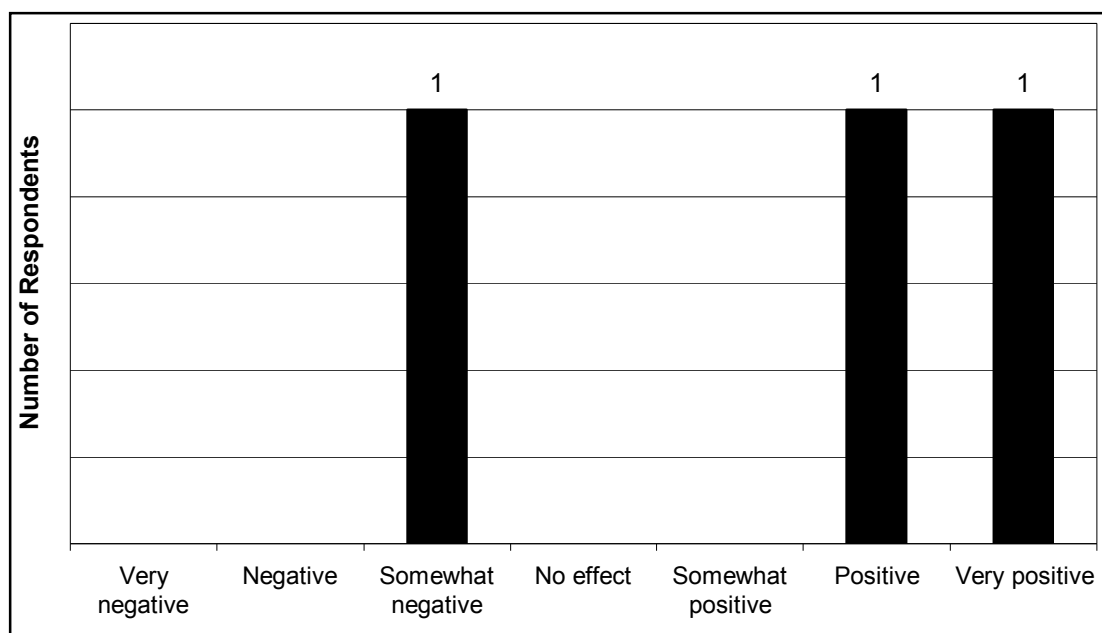
Business survey

There were several businesses located within visible range of the Moss Street Market, including a bike shop, small grocery, fish-and-chip shop, and convenience store. Based on availability of businesses for interviews, and whether they are open on market days, we conducted surveys with three neighbouring businesses (Chart 15).

The two businesses that reported positive impacts from the market said that the market increases foot traffic in the neighbourhood and brings more people into their stores. One of the surveyed businesses noted they sell related and complementary products to those offered at the market, and benefit both on market days and during the rest of the week when the market is not available. This business also recognized increased sales on market days relative to other times of the season. The other business recognizing positive impacts did not notice increased sales related to the increased foot traffic.

One surveyed business reported a slight negative effect of the market, because of competition and a shortage of parking.

Chart 15. 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 Moss Street 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 Moss Street Market, seasonally adjusted annual direct sales are:

$$\$25.39 \text{ per customer visit} \times 3,375 \text{ spending customers} \times 34 \text{ (adjusted) sessions} = \$2,396,000$$

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

Annual economic benefit (2012): \$3.6 million

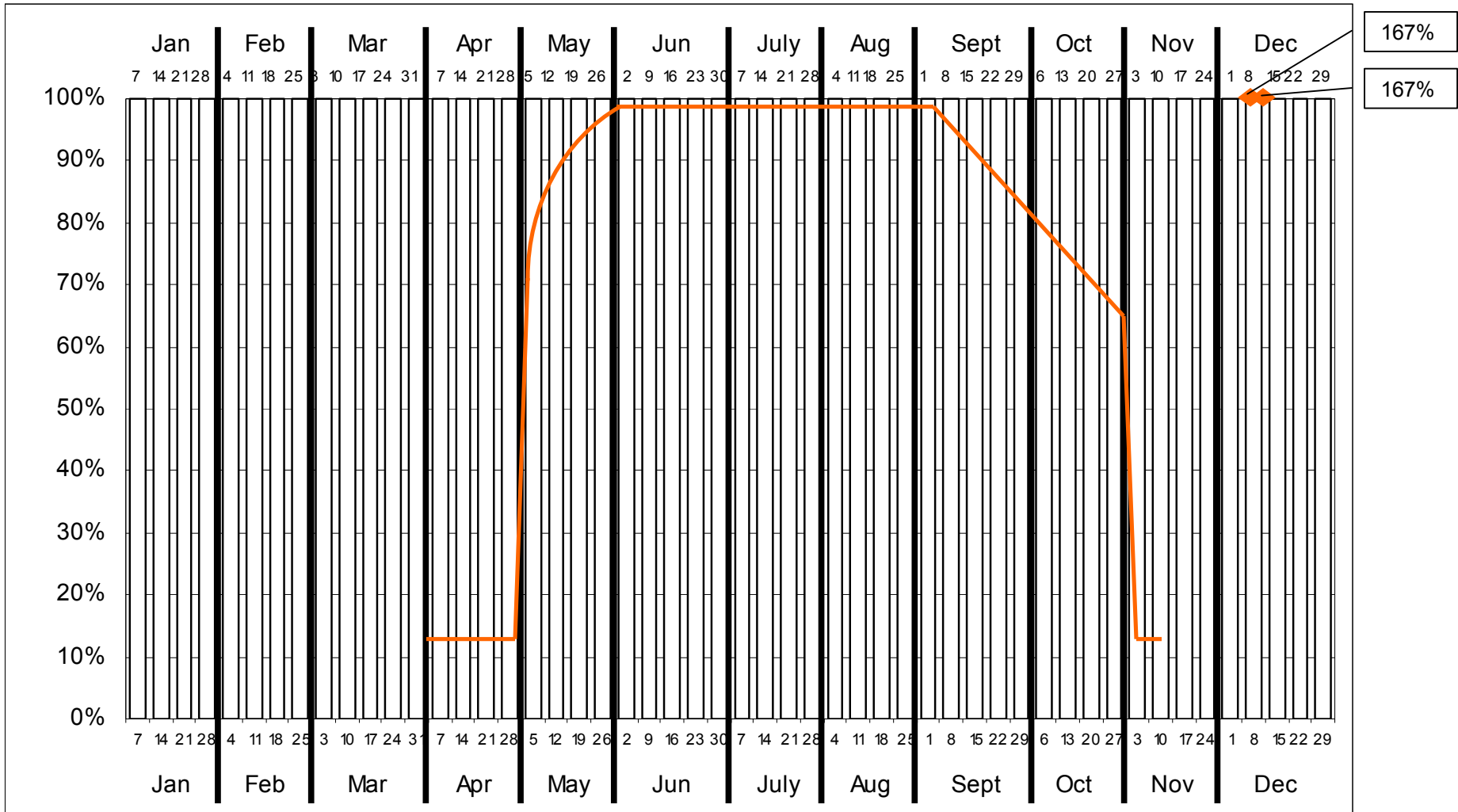
This calculation means that the Moss Street Market contributes an estimated \$3.6 million to the local economy each year. These monies benefit not only market vendors but also the local businesses that supply these vendors.

In 2006, the economic benefit of the Moss Street Market was estimated at \$1.3 million.^{viii} This supports the general view that the market has grown over the past six years. The market has also extended its season since 2006, with the addition of half-markets in April and mid-way through November, and with the full market running from the beginning of May until the end of October.^{ix} The estimated economic contribution for the 2012 market between mid-May and mid-October (the 2006 market season) is approximately \$2.7 million. When considering only the estimated economic benefit for the period of the market season that overlaps with the 2006 market season, the impact of the Moss Street Market has increased significantly.

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 Moss Street 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 **\$1.7 million.**

Appendix: Seasonal activity chart for Moss Street Community Market



Acknowledgements

The BC Association of Farmers' Markets and the project team would like to thank the Moss Street Community 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.

^{ix} In 2006, the market ran from mid-May to mid-October, for a total of 22 sessions.