

ECONOMIC AND SOCIAL BENEFITS ASSESSMENT

FINAL REPORT

Main Street Station Farmers' Market

Vancouver, British Columbia

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



BC ASSOCIATION OF
FARMERS' MARKETS



UNIVERSITY OF
NORTHERN BRITISH COLUMBIA

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EXECUTIVE SUMMARY

The demand for locally produced fresh, nutritious food by local consumers has grown rapidly over the past ten years. So too has the number of farmers' markets. As the most visible and accessible component of our local food systems, farmers' markets have strengthened their role as providing unique places for local producers and local consumers to connect. Although this role of farmers' markets within local food systems is well recognised, it is important to know not only what markets contribute to local areas but also to know how much they contribute.

This final report presents the findings from the assessment completed for the Main Street Station Farmers' Market on July 4, 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 Main Street Station Farmers' Market:

- **The estimated economic benefit of the Main Street Station Farmers' Market on the local economy is approximately \$1.9 million annually**
- **The estimated number of market customers on assessment day: 4386 customers**
- **Over 310 market visitors participated in the study**
- **Average customer spending per visit: \$24.73**
- **47.6% of the survey respondents visit the market either 'regularly' (almost weekly) or 'frequently' (2-3 times per month)**

The Main Street Station Farmers' Market began in 2009 and has since provided an opportunity for Vancouver market goers to shop for quality local and organic products during the week. The market is located in Thornton Park where vendors and food trucks line up to provide a bustling community atmosphere with plenty of green space to relax, and enjoy dinner and great entertainment.

Located between the Main Street Skytrain Station and Pacific Central Station, the market brings together a high volume of shoppers, commuters and travelers from all over the city. The average crowd count per hour is amongst the highest of all markets we assessed in BC, coming second only to the Kitsilano Farmers' Market. The majority of these customers

(79.6%) travel to the market by means other than driving. On the day of the assessment, one third (33.3%) of customers walked to the market, almost a third (30.5%) came by public transit, and an additional 15.7% of customers biked to the market.

The Main Street Station Market receives more first-time visitors than the average who attend other markets we assessed in BC and the average attending other markets in Canada. The market also receives more regular shoppers than other markets we assessed in BC, but fewer regular shoppers than the national average. This is likely because the Main Street Market is a relatively new market when compared to the other well-established weekend markets that take place in Vancouver. Almost half of shoppers only started coming to the market this year. These are strong indicators that the Market's customer base is steadily increasing, and that those customers who currently visit the market, will continue to do so on a regular basis.

While average customer spending at this market is lower than other markets we assessed in BC and lower than other medium-sized markets in Canada, the market still provides economic and social benefits to this area. One nearby business owner commented that the market was an extremely important event in that it provides a much needed community atmosphere and a space for community members to connect in this area of Vancouver.

As consumers become increasingly conscious about the importance of supporting local food systems, the economic and social benefits of farmers markets will continue to grow, thereby increasing the number of shoppers, vendors, and amount customers are willing to spend. By providing a space for producers and consumers to connect, the Main Street Station Farmers' Market plays an important social, environmental, and economic role in this Vancouver community.

DESCRIPTION OF MARKET

Main Street Station Farmers' Market

Market Website: www.eatlocal.org

Located at the bustling commuter intersection at Main and Terminal, access by bus and Skytrain is exceptional at this very central location. The market vendors line up on the east side of Thornton Park on the sidewalk along Station Street. There is ample room for pedestrians to walk along the sidewalk or detour into the park if they wish.

You can expect to find a great selection of vendors at this market - everything from produce to meat and cheese, baking and more! Have dinner at the market as vendors will be offering hot food on-site too. Stick around for a chef demonstration or relax in the park on a warm summer evening.

Availability:	Open from June 6 to October 3 Wednesdays, from 3 to 7pm
# Vendors:	35
Location:	At the eastern edge of Thornton Park, in front of the Pacific Central Station at Station and Terminal
Contact Info:	Roberta LaQuaglia, Operations Manager 2-1163 Commercial Drive Vancouver, BC V5L3X3

RESEARCH METHOD

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

1) Rapid Market Assessment:

The Rapid Market Assessment (RMA) technique was developed by researchers at Oregon State University for studying farmers' markets. This method has been implemented successfully in markets throughout Oregon and Washington states. The RMA method consists of three parts: customer survey; crowd count; environmental observations. The environmental observations are optional for markets in this present study and so are not included in this report.

- a) Flip-chart survey: The flip-chart survey method engaged consumers in friendly interaction through multiple-choice questions posted in large print on flip charts. This approach has a high response rate, thereby increasing validity and accuracy.

The set of questions used for the survey (Box 1) were developed in two parts. The first four questions were developed by the research team and 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. How did you get to the market today?

- 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 Main 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 sunny and warm. There were approximately 30 vendors present

Crowd count

The total estimated number of people attending the Main Street Farmers' Market on July 4, 2012 was 4,386.

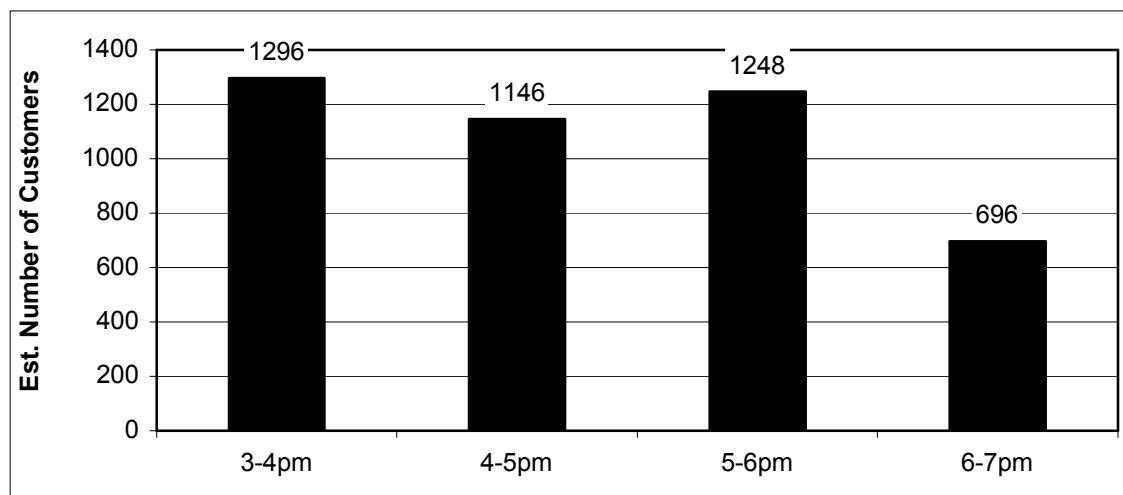
The actual and extended counts for the assessment are shown in Table 1. The total estimated counts are also shown in Chart 1.

Table 1. Estimated Crowd Count

Time period	Count period	Actual count	Extended total
1st hour (3:00-4:00)	3:25-3:35am	216	1296
2nd hour (4:00-5:00)	4:25-4:35am	191	1146
3rd hour (5:00-6:00)	5:25-5:35pm	208	1248
4th hour (6:00-7:00)	6:25-6:35pm	116	696
Estimated total crowd count on July 4, 2012			4386

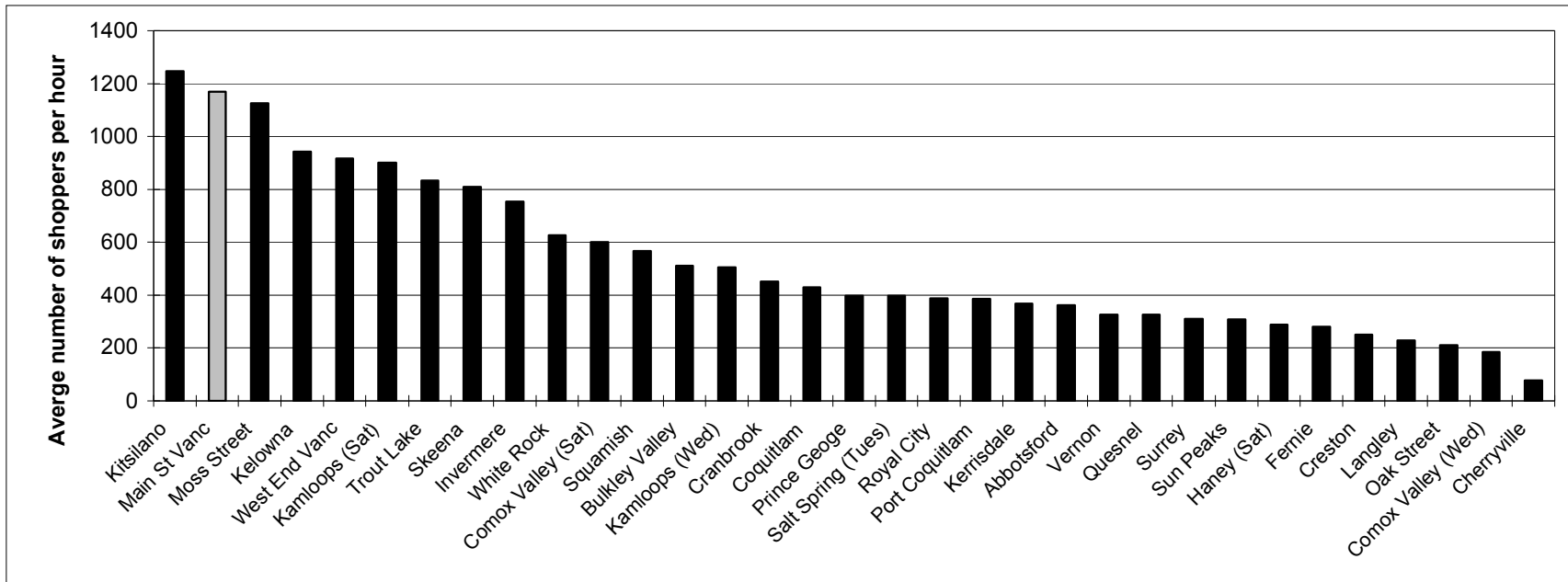
Chart 1 shows the estimated crowd totals for each hour. Market attendance started high and remained relatively steady for the first three hours, then declined in the final hour.

Chart 1. Crowd counts by the hour



As shown in Chart 2 (next page), the number of shoppers attending the Main 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 2. Number of shoppers at BC farmers' markets (average hourly crowd at peak of season)



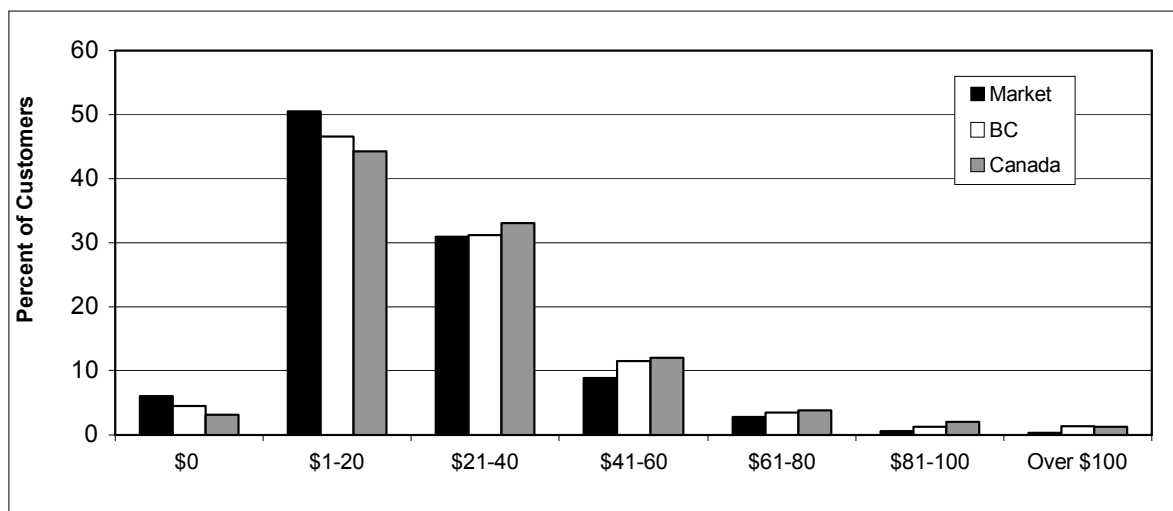
Flip-chart survey

Approximately 317 people responded to the dot survey, which is about 7% 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?

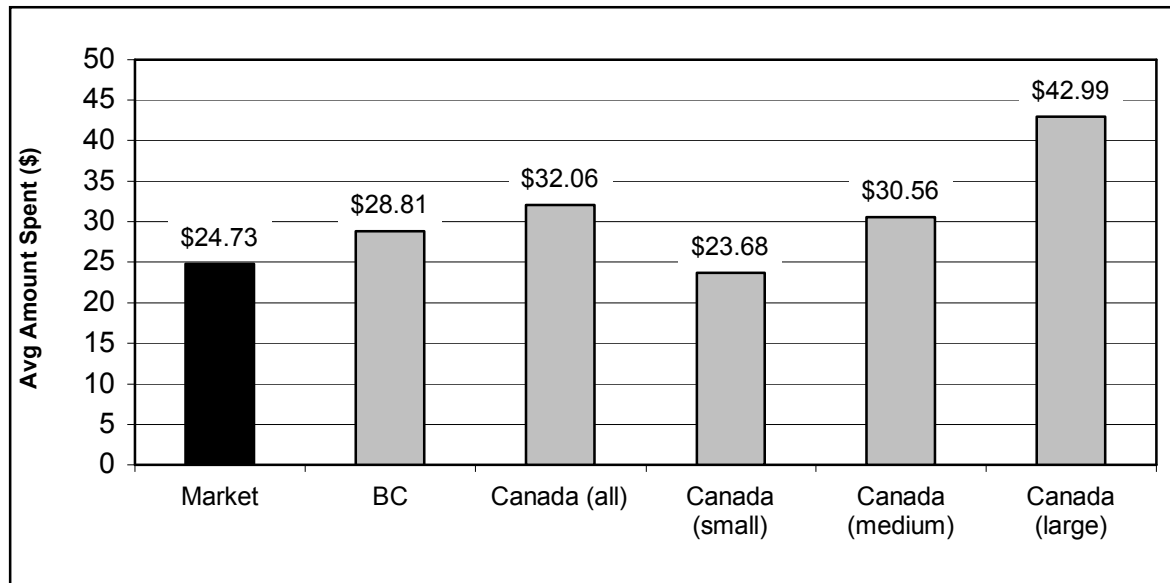
Overall, respondents spent an averageⁱⁱ of \$24.73 each on the day of the assessment. As shown in Chart 3, about half of the customers surveyed (50.5%) said they would spend up to \$20 at the market that day, with an additional third (30.9%) saying they would spend between \$21 and \$40.

Chart 3. How much have you spent, or do you plan to spend, at the market today? (Market: n=317; BC: n=9,819; Canada (medium): n=996)



The results shown in Chart 4 (next page) illustrate how the Main 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 medium-sized market, the Main Street Market has a lower average amount spent per customer than other markets that we assessed in BC, and other medium-sized markets in Canada.

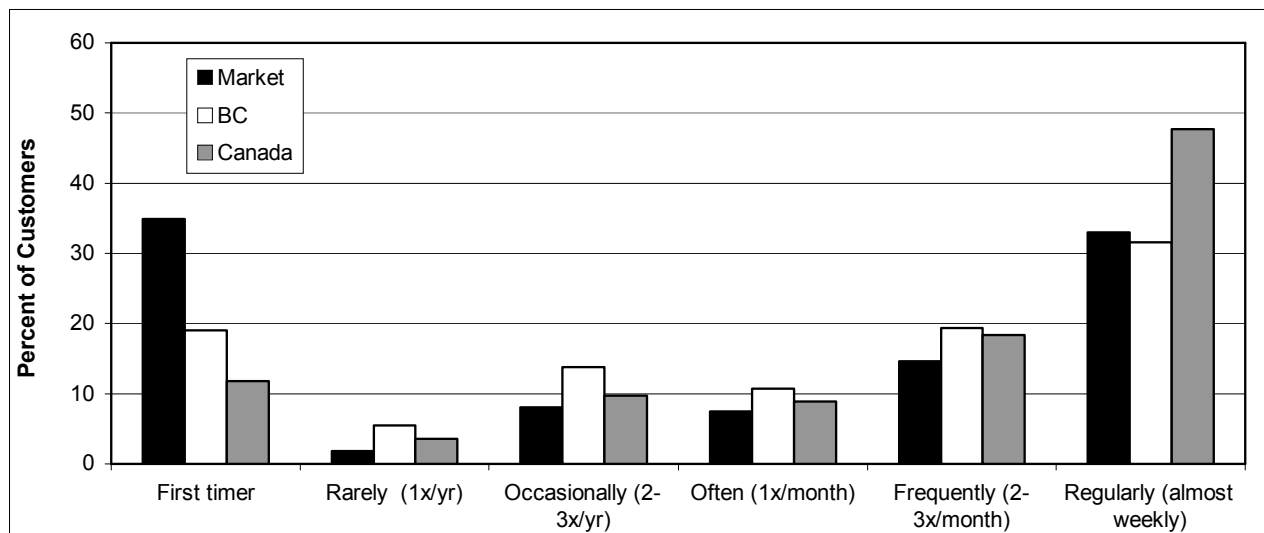
Chart 4. Average amount spent by market shoppers
(Market: n=317; BC: n=9,819; Canada: n=3,167)



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

As shown in Chart 5, the Main Street Market has a high frequency of both regular and new shoppers. One in three customers (33.0%) shop regularly at the market. First-time visitors to the market accounted for 34.9% of respondents. The Main Street Market has a higher percentage of first-time visitors than the average attending other markets that we assessed in BC, and other markets in Canada.

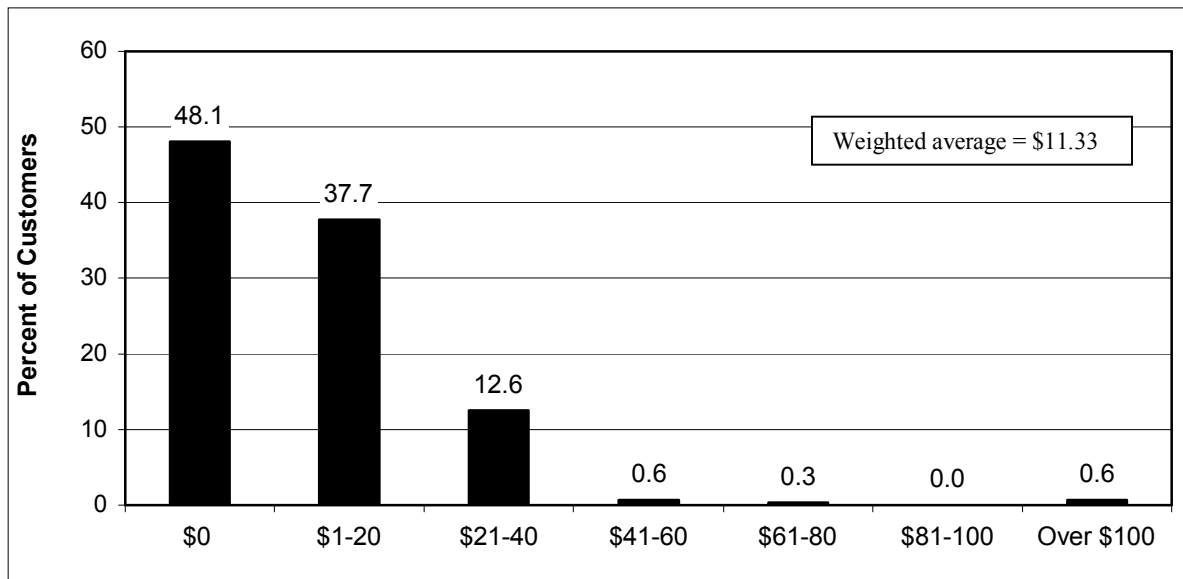
Chart 5. How often do you come to this market?
(Market: n=321; BC: n=9,874; Canada (medium): n=996)



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 51.8% of respondents saying they would do additional shopping at neighbouring businesses that day. More than a third (37.7%) of customers surveyed said they would spend up to \$20; an additional 12.6% said they would spend between \$21 and \$40.ⁱⁱⁱ The average amount spent per customer at neighbouring businesses was \$11.33. Given the variability among markets, no comparison is made with BC or national results.

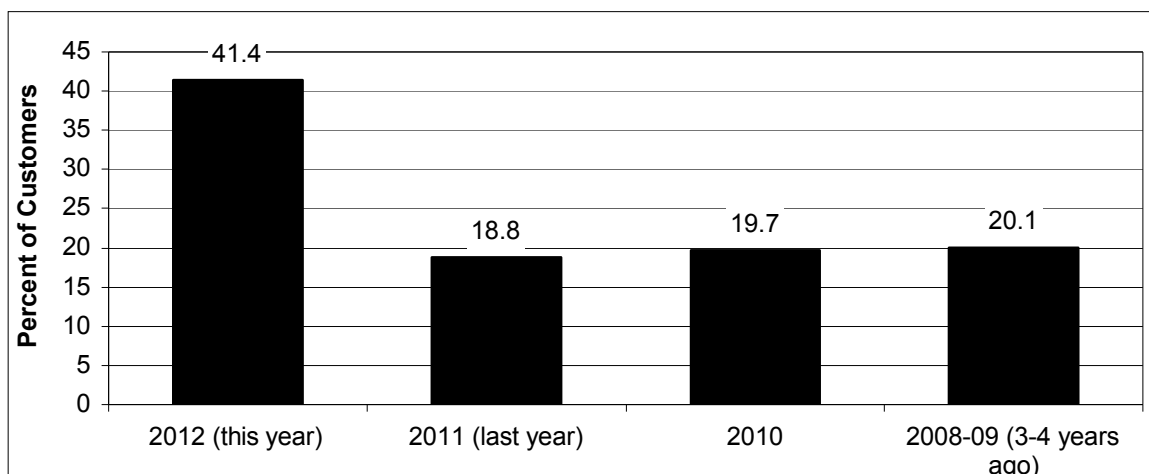
Chart 6. If you plan to do additional shopping or eating while in this area of town today, how much do you plan to spend? (n=310)



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

As shown in Chart 7 (next page), your market has a good portion of long-time, loyal customers. More than half of all customers surveyed (58.6%) have been coming to this market for at least one year, and 20.1% of customers have been coming to the market for 3 years or more. In addition to returning customers, there were also 41.4% of respondents who were first-season visitors to this market.

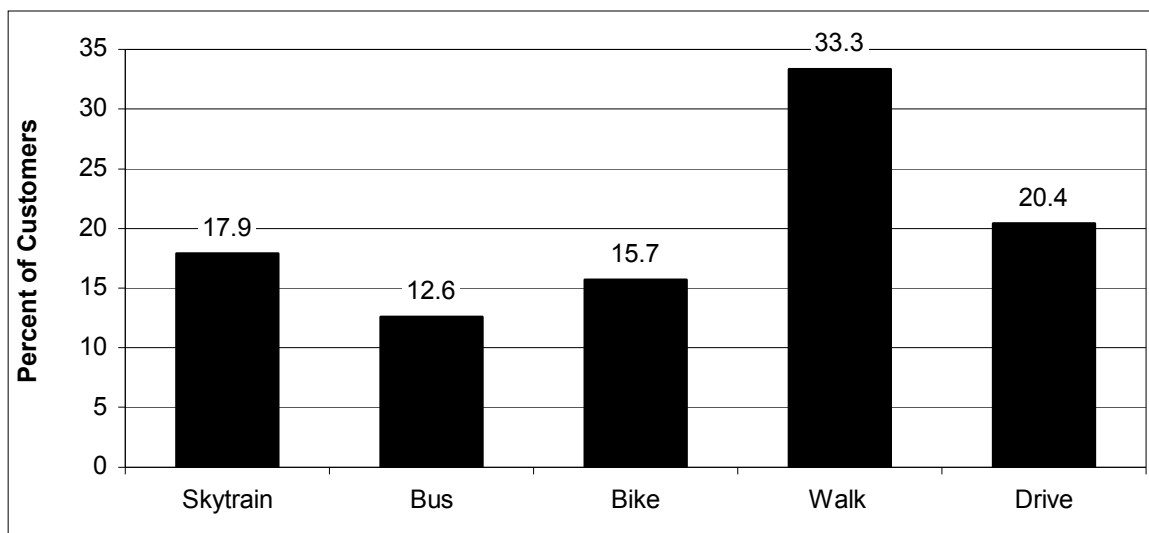
Chart 7. When did you start shopping at this farmers' market? (n=319)



Question 5. How did you get to the market today?

Chart 8 shows that most (79.6%) customers travelled to the market by means other than driving. One-third (33.3%) of customers walked to the market, and almost a third (30.5%) came by public transit. An additional 15.7% of customers biked to the market.

Chart 8. How did you get to the market today? (n=318)



Market surveys

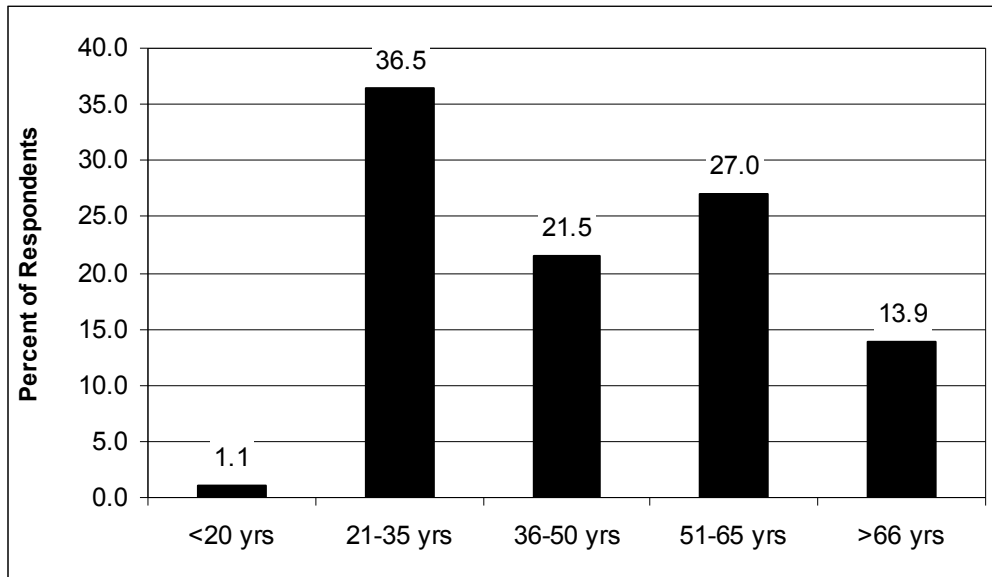
Customer Survey

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.

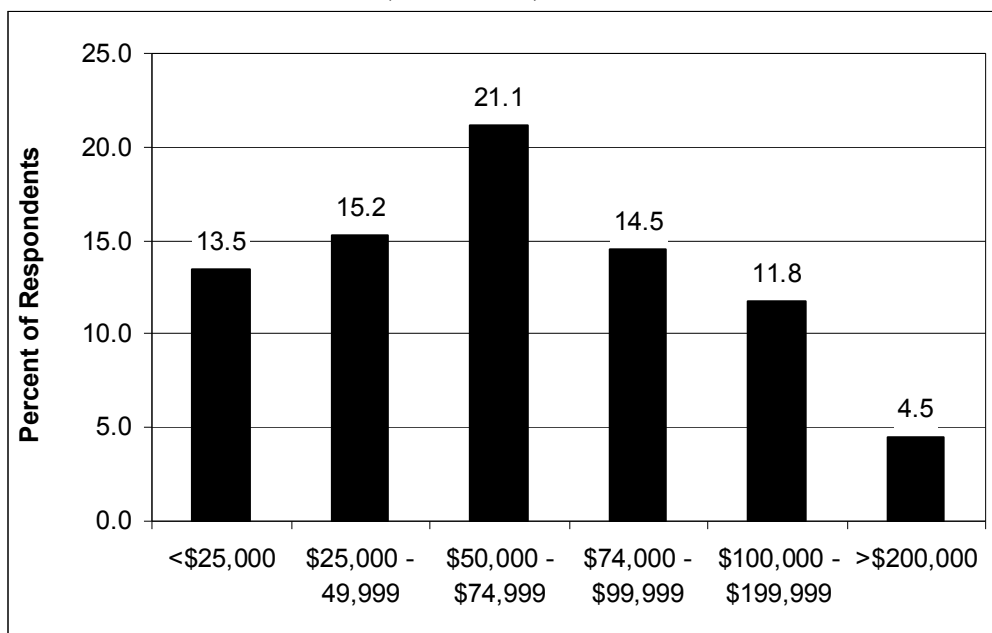
The results in Chart 9 show the age range of farmers' market customers in BC.

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



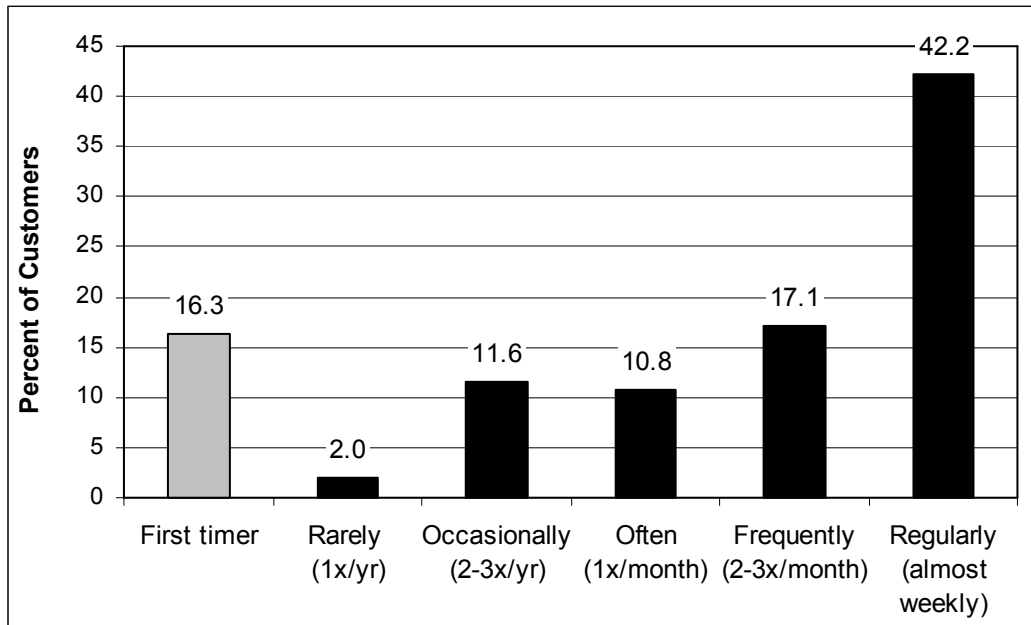
The household income of shoppers at farmers' markets in BC is shown in Chart 10. The results show that people from households with a range of incomes shop at BC's markets.

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



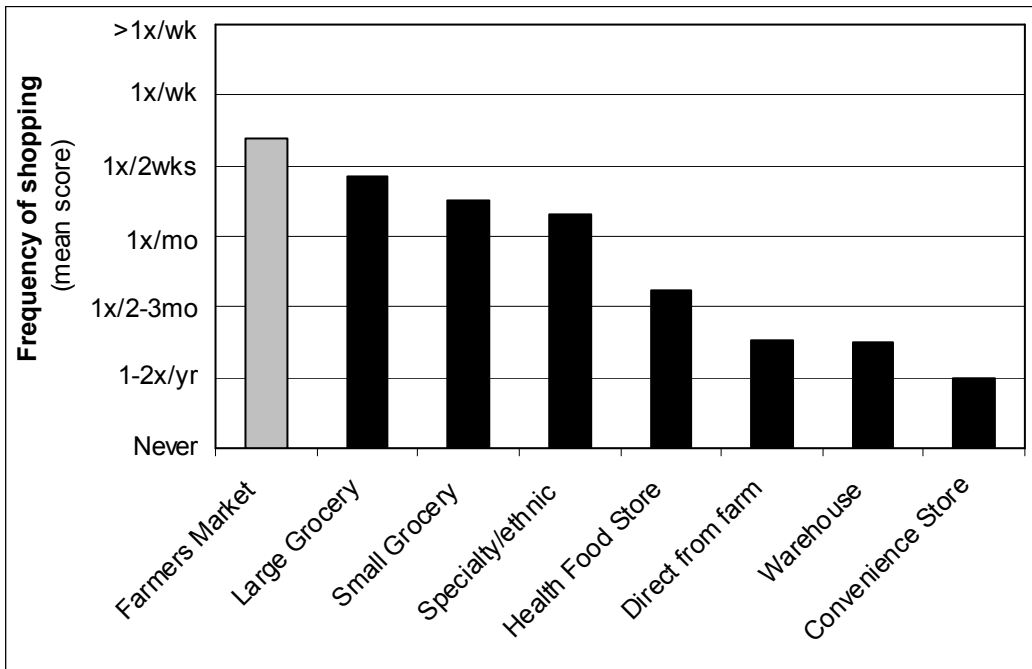
Over 40% of customers surveyed in BC shop at the market regularly (almost weekly), with an additional 17% shopping at least two to three times per month (Chart 11). Together, these results indicate that almost six of ten shoppers can be considered among the core group of market shoppers at BC markets, 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.



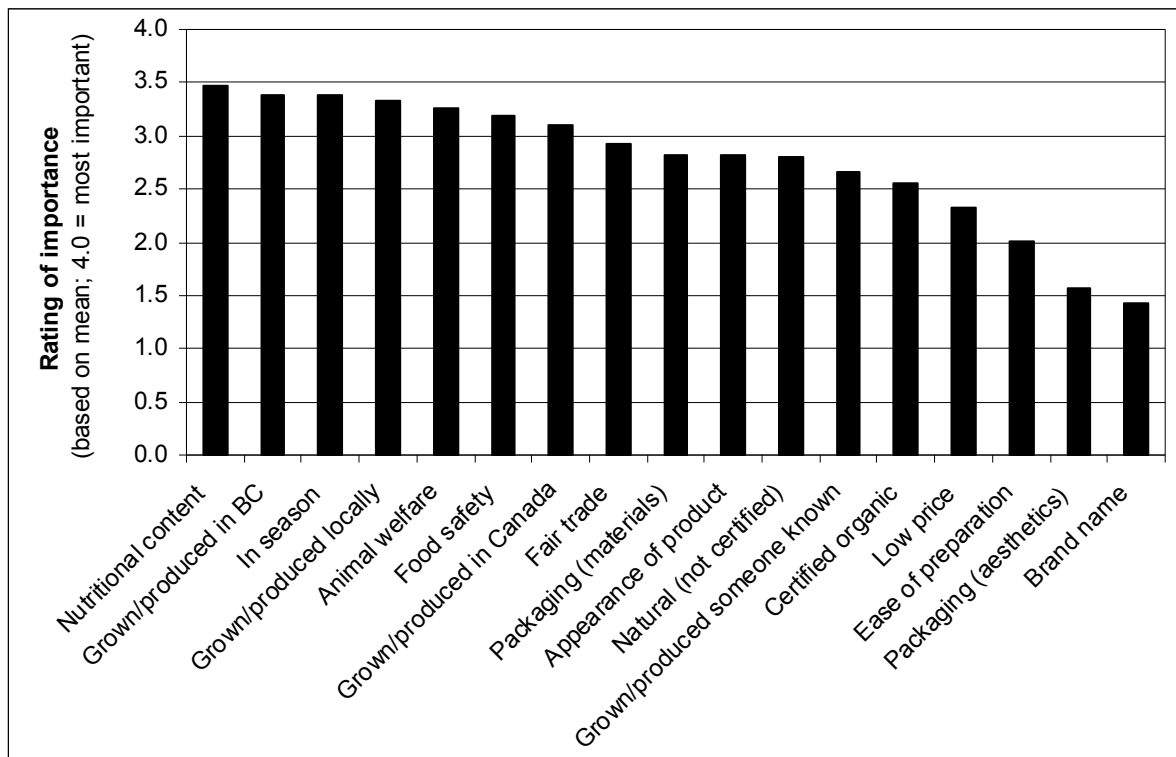
Part of the answer to explain the shopping pattern of market customers is evident in Chart 13, which shows the relative importance of factors customers consider when buying food.

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)

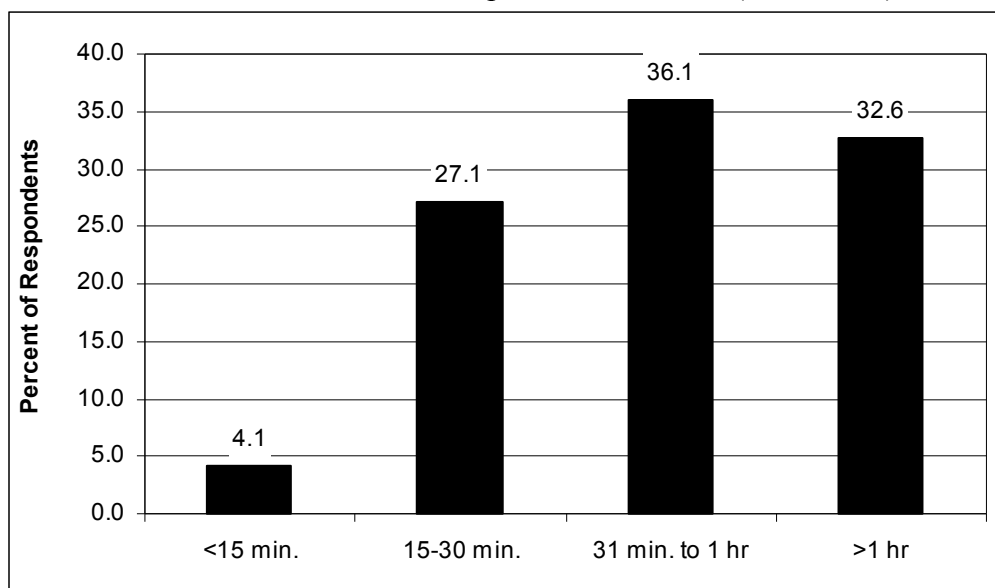
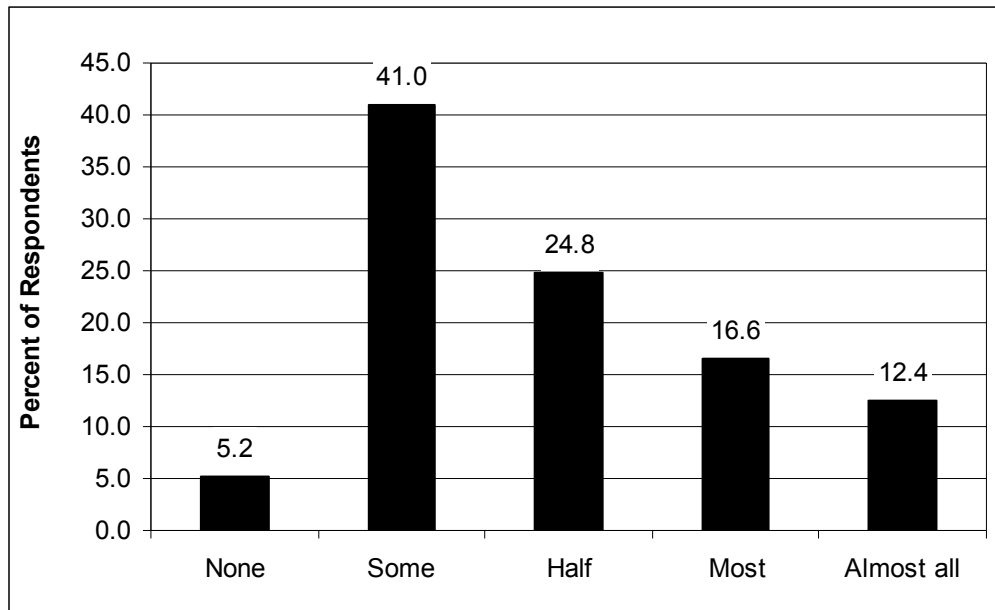


Chart 15. Time spent talking with others at the market (BC: n=290)



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)

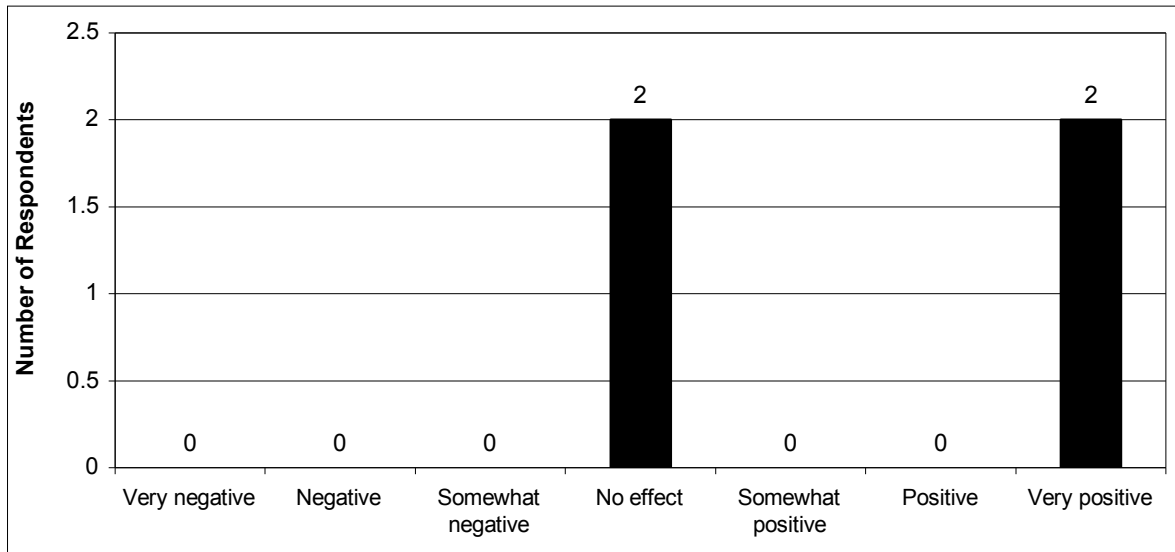
		How time spent					Total
		None	Some	Half	Most	Almost all	
Time spent at market	<15 min.	1	2	0	0	0	4
	15-30 min.	2	17	5	3	0	27
	31 min. to 1 hr	1	16	11	5	4	36
	>1 hr	1	7	9	9	8	33
Total		5	41	25	17	12	100

Business survey

There were several businesses located within visible range of the Main Street Market, including fast food restaurants, coffee shops, and convenience stores. Based on availability of businesses for interviews, and whether they are open on market days, we conducted surveys with four neighbouring businesses (Chart 16).

The two businesses that reported impacts from the market said that the market is good for getting people downtown and into their stores. One business said that the market is great for the neighbourhood as it creates a strong community feeling. Both businesses also reported a slight increase in sales during the market season, as compared to the winter season.

Chart 16. Effect of market on neighbouring businesses (n=4)



Economic Benefits

The information collected in this assessment enables us to measure the economic benefits of the Main 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:

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

For the Main Street Station Farmers' Market, seasonally adjusted annual direct sales are:

$$\$24.73 \text{ per customer visit} \times 3509^{viii} \text{ spending customers} \times 18 \text{ (adjusted) sessions} = \$1,278,000.00$$

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

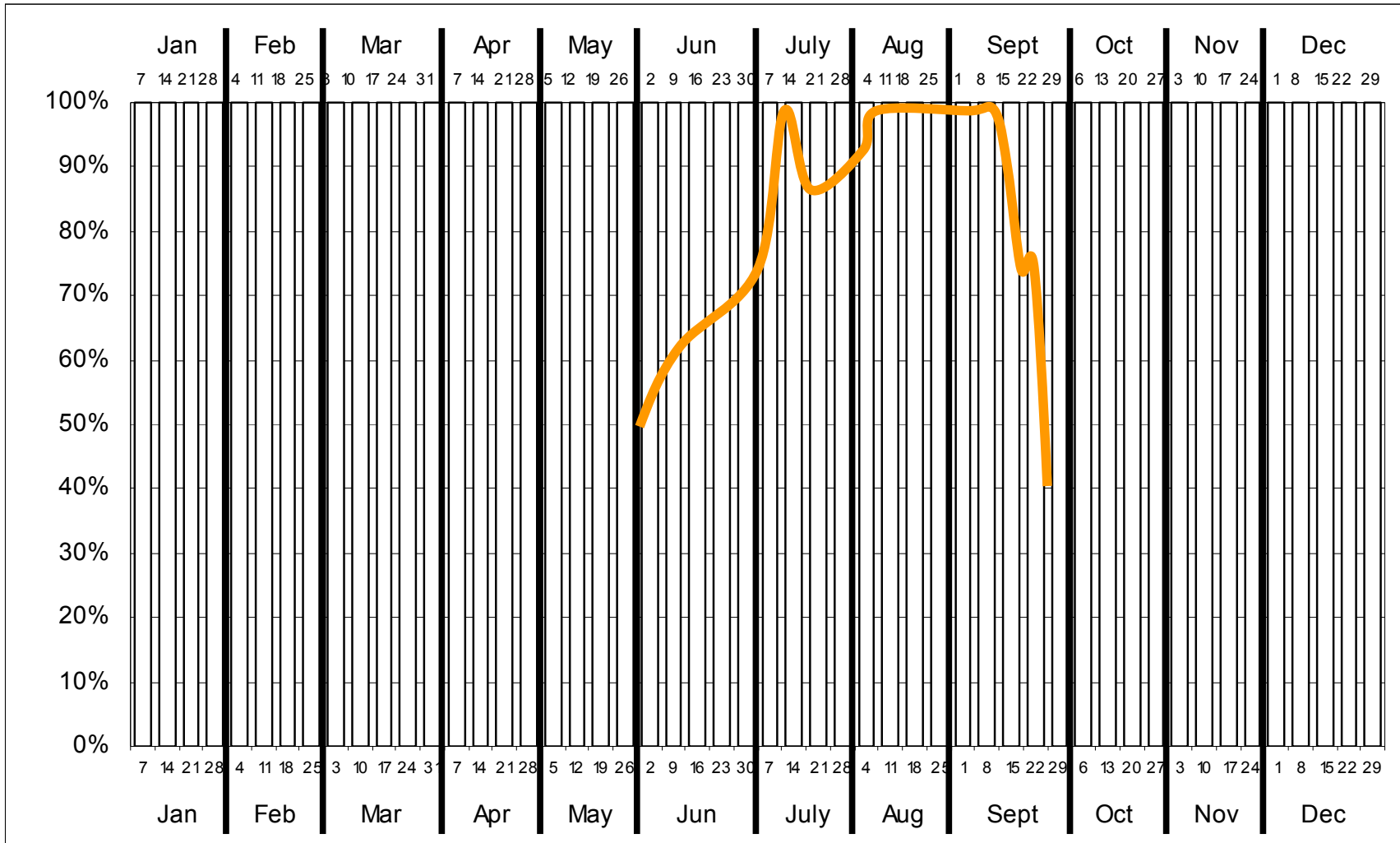
Annual economic benefit (2012): \$1.9 million

This calculation means that the Main Street Market contributes an estimated \$1.9 million 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 Main 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 **\$456,000**.

Appendix: Seasonal activity chart for Main Street Station Farmers' Market



Acknowledgements

The BC Association of Farmers' Markets and the project team would like to thank the Main Street Station 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} This market is located between two public transit stations, and receives substantial traffic from people walking through from one station to another. While these through-travelers may not buy anything, they are still potential customers and thus included in the overall crowd count. An adjusted count was used in calculating the economic benefit to more accurately reflect the number of the crowd likely to be a paying customer at this market. It was estimated that between 15% and 20% of the crowd was passing through on the way to the station, and economic benefits were calculated for both of these assumptions, producing a range of estimated benefit.