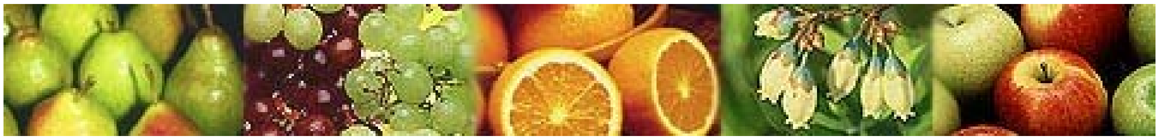

Rhode Island Consumers' Preferences for Locally-Produced Food: Report on Results from a 2006 Survey

By

Cathy A. Roheim, Catherine Durham, Robert King,
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Rhode Island Consumers' Preferences for Locally-Produced Food: Report on Results from a 2006 Survey*

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Introduction

Consumers are increasingly interested in a wide variety of attributes of the food they purchase, including how it was produced and where it was produced. One attribute consumers often focus on is where their food is produced. Some studies have shown that U.S. consumers prefer food produced within the U.S. rather than imported, particularly for fresh fruits and vegetables. In the case of some foods, consumers appear to prefer food produced even more locally.

In a recent study conducted in Rhode Island, consumers were surveyed to determine their preferences for 'locally' produced fresh foods. Three primary questions were asked of 500 Rhode Island consumers in the summer of 2006:

1) Do you prefer to purchase locally-produced food?
2) What are the most important reasons for buying locally-produced fresh foods?
3) What region defines 'local' in food production to you?

Recently, farmers in Rhode Island have implemented marketing programs emphasizing that their products have been produced in Rhode Island, such as "Rhody Fresh" milk, and retailers are frequently marketing 'locally-grown' products on their shelves. Results of this report will show that, in spite of the fact that Rhode Island has a total land area of 1,045 square miles (not including Narragansett Bay), equivalent to one-third the size of Yellowstone Park, products from Connecticut and Massachusetts are not considered 'locally produced' by the majority of Rhode Island consumers surveyed. In fact, almost half of southern Rhode Island consumers surveyed consider 'locally grown' fruits and vegetables even more narrowly to be from southern Rhode Island.

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Background

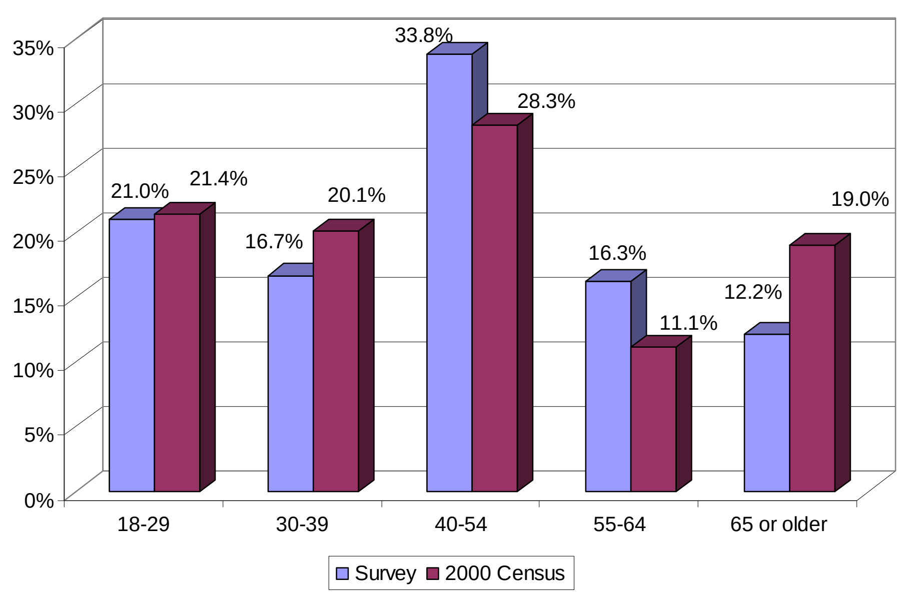
An in-person survey of 500 consumers was conducted during the last week of July and first week of August 2006. Consumers were intercepted while shopping at one of 6 locations: North Providence Stop N Shop Supermarket, Middletown Stop N Shop Supermarket, Dave's Market in Wickford, Belmont's Market in Wakefield, Goddard Park Farmers' Market in East Greenwich, Aquidneck Island Farmers' Market in Newport, and the Hope High School Farmers' Market in Providence, with generous permission of each location. The survey consisted of 52 questions eliciting consumers' preferences related to ecolabeled and organic agricultural food products, including locally grown. Respondents answered the surveys on tablet and laptop computers set up on site, taking approximately 20 minutes per person. Some individuals responded on paper copies if he or she was uncomfortable with computers. Each respondent was paid $5 cash upon completion of the survey.

Results

Demographics

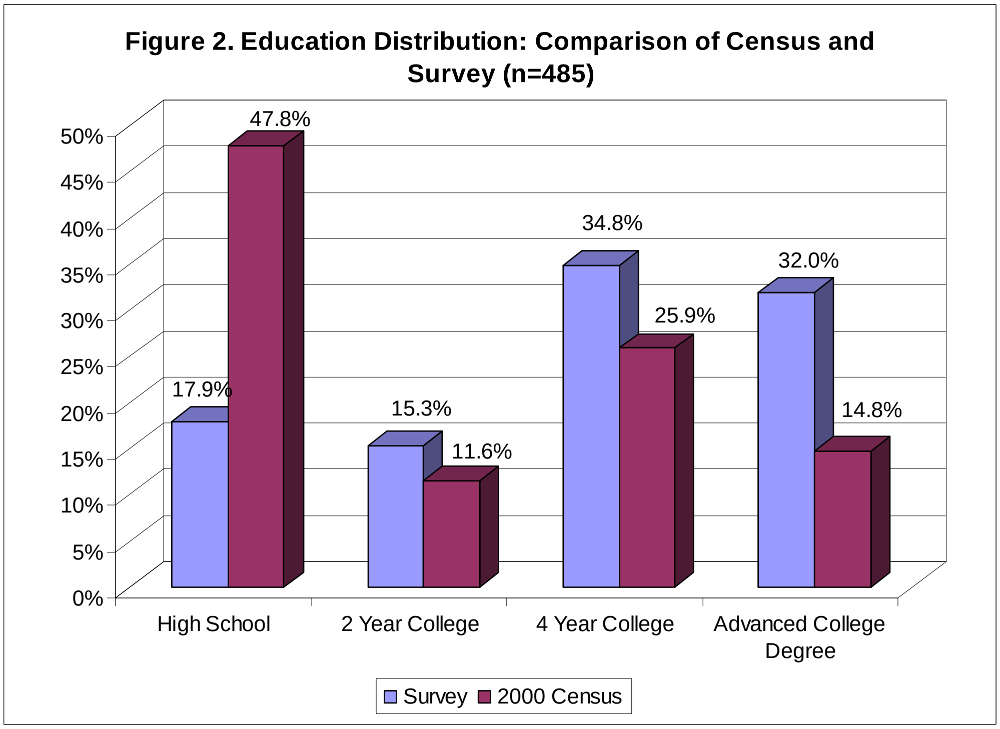
Figures 1 – 5 present the demographic characteristics of the respondents in the sample. Of the 500 surveys completed, 485 were usable.[2] Figure 1 shows the distribution of the ages of the respondents, and compares the sample to the population of Rhode Island as captured by the 2000 Bureau of the Census data. The sample did a very good job representing the various age groups, although it does slightly over sample the 40-54 and 55-64 age groups, while under sample the 30-39 and 65-older age groups.

Figure 1. Age Distribution: Comparison of Census and Survey (n=485)



[2] Of the 15 surveys not included in the remainder of the analysis, the majority were paper surveys which had been incompletely filled out or in which some other data problems had occurred.

Figure 2 shows that the education distribution of the sample over samples those with an advanced college degree, while is significantly under samples those with a high school degree. This is correlated with the results shown in figure 3, in which those with a household income of less than $40,000 are under sampled, which those with a household income of over $100,000 are over sampled.



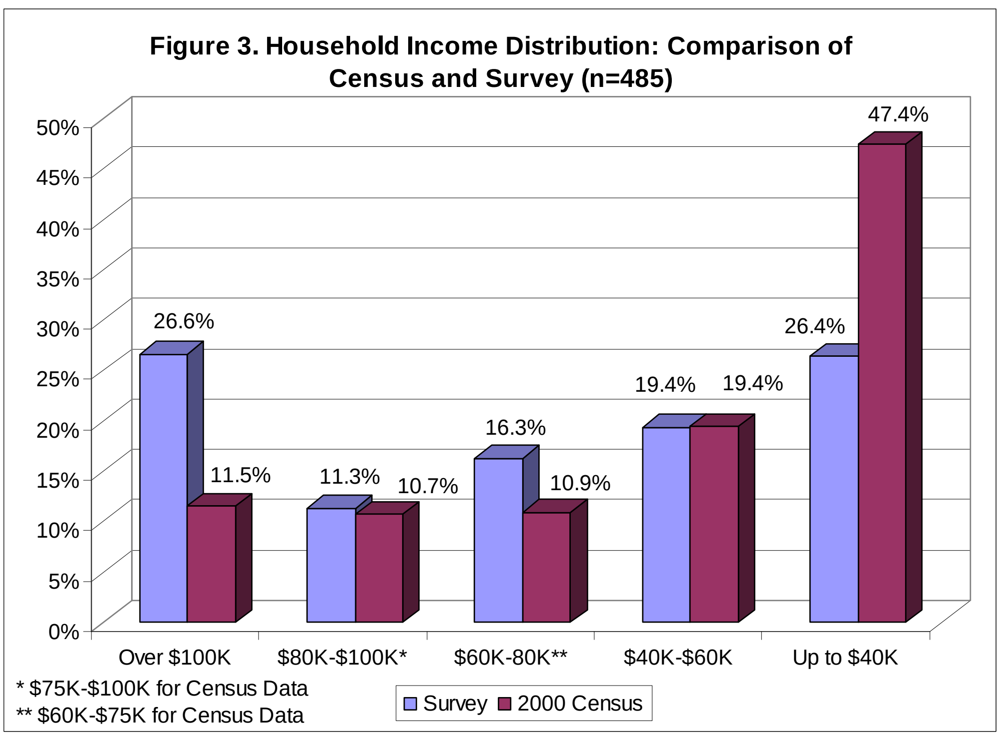


Figure 4 shows that the majority of the survey respondents are employed full time outside the home.

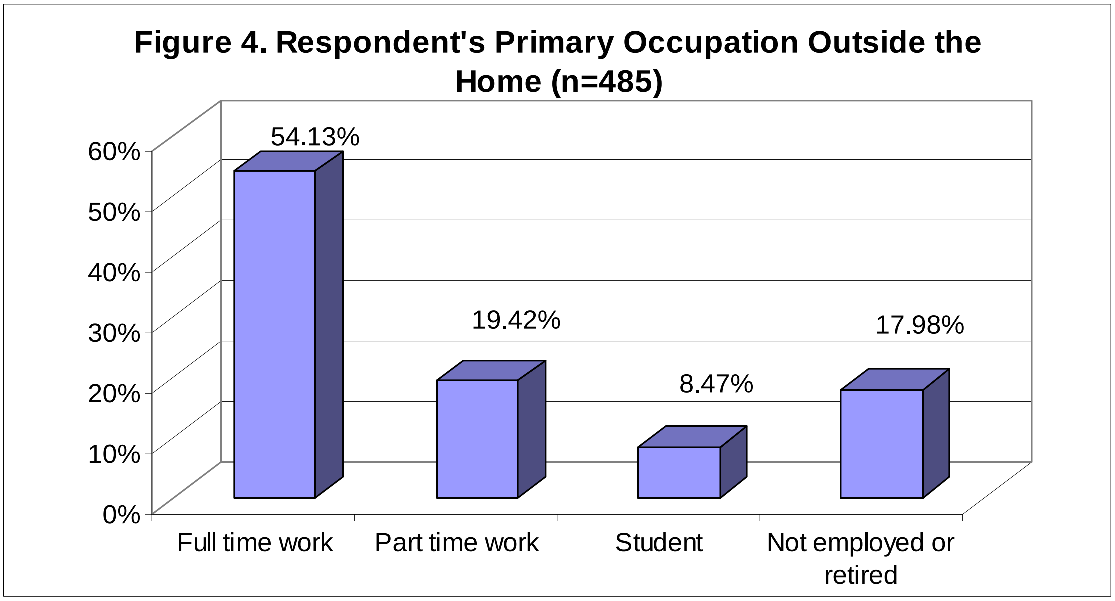
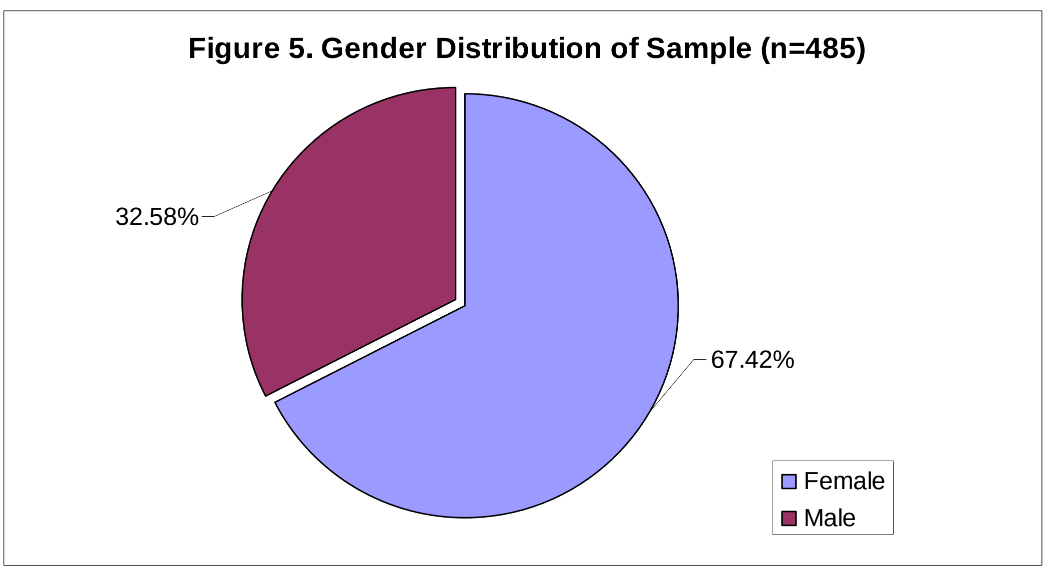


Figure 5 shows that approximately two-thirds of respondents were female.[3]



[3] This percentage may not be a round number because some respondents may not have answered this question.

Food Shopping Behavior

Figure 6 shows that, in almost 50% of the cases, the person answering the survey is the person responsible for the household's food shopping. In all, more than 80% of the respondents are responsible for more than 50% of the household's food shopping. Thus, these individuals are likely to be concerned and possibly knowledgeable about the attributes of the food the household tends to purchase.

Figure 6. Percentage of Household Food Shopping Done by Respondent (n=485)

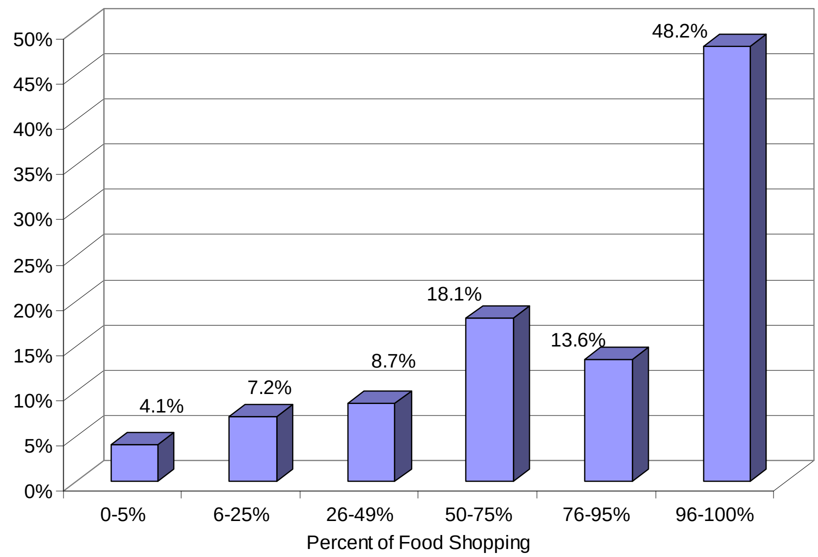
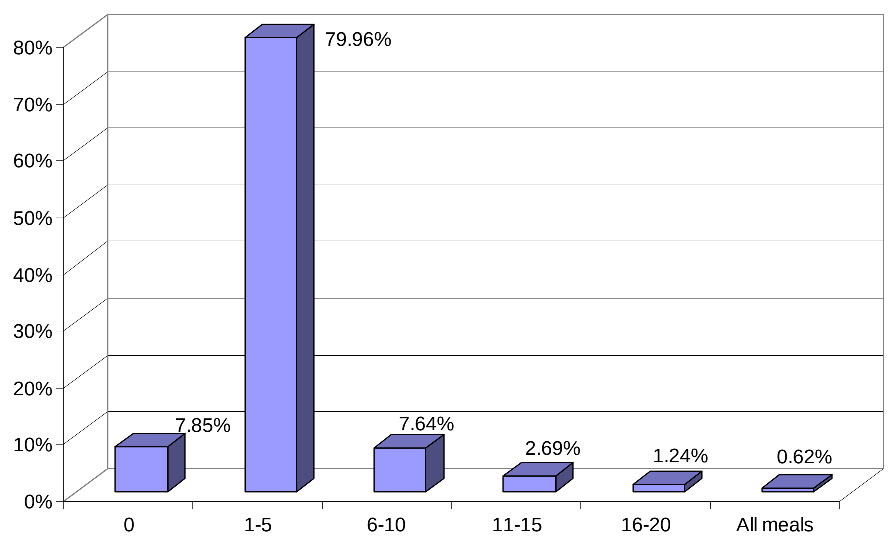


Figure 7 shows that approximately 80% of respondents purchase between 1 and 5 meals away from home per week. Given that the majority of the respondents work full time outside the home, this may represent buying lunch away from home.

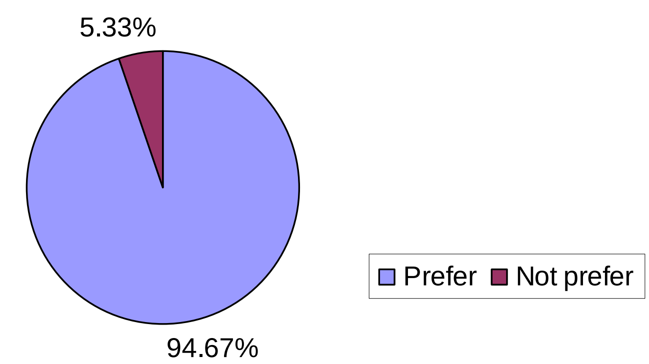
Figure 7. Number of Meals Bought Away from Home Per Week by Respondent (n=485)



Question I. Do you prefer to purchase locally-produced fresh foods?

Figure 8 shows that approximately 95% of respondents answered 'yes' to the question 'do you prefer to purchase locally-produced fresh foods?'

Figure 8. Percent of Respondents Who Prefer to Buy Locally Produced Fresh Foods (n=485)



Question II. What are the most important reasons for buying local?

The following figures analyze the most important reasons respondents buy local. The specific question to which they responded was written as follows:

Rank the following reasons, numbering from most important (1) to least important (7) for buying local

Rank	Concept
______	To get better quality and freshness
______	To lower environmental impacts /lower transportation
______	To support small businesses
______	To help the local economy
______	Food safety traceability
______	Because I get a better price
______	Other

The reasons provided to the respondents were based on extensive discussions had with Rhode Island consumers in two focus groups conducted during the winter of 2006 as to reasons why they bought locally grown produce.

Figure 9 shows the reasons respondents most often ranked as first for buying locally. Of those 466 respondents who prefer to buy locally produced food, over 57% chose getting better quality and freshness as the most important reason.

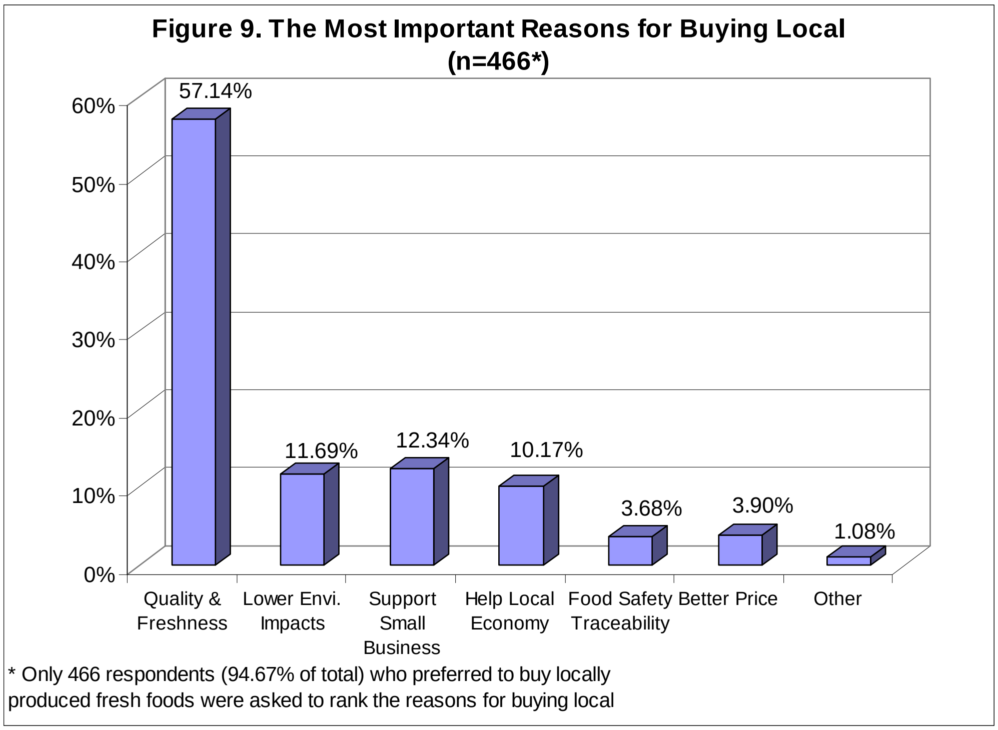
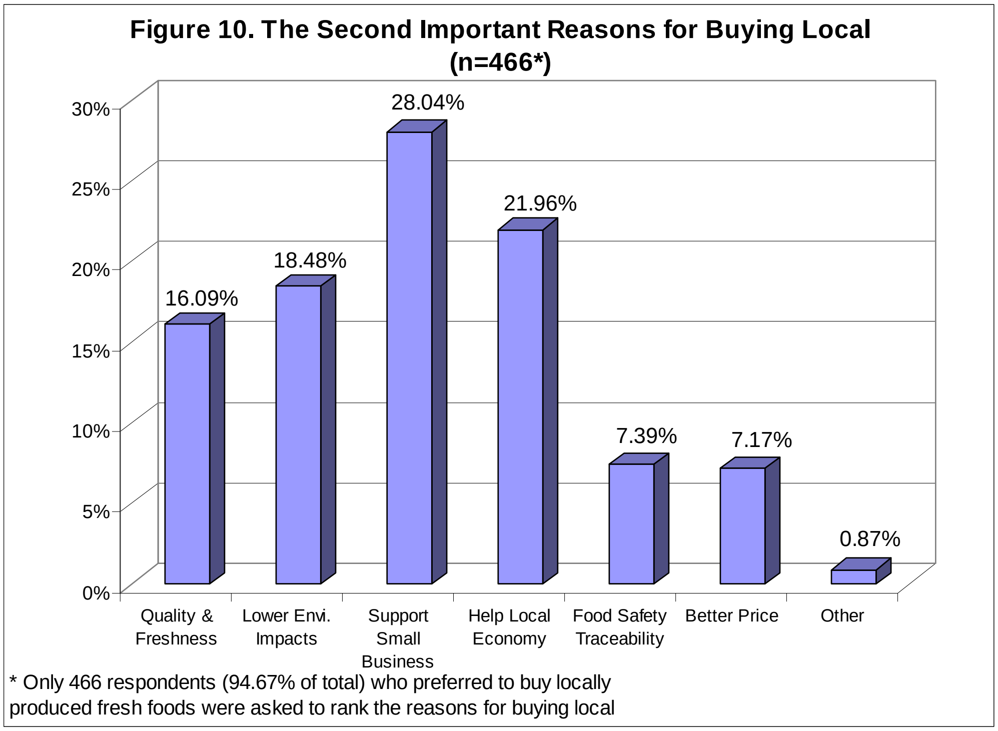


Figure 10 shows the reason respondents most often ranked second for buying locally to support small business. One could argue that supporting small business and helping the local economy are very similar as the local economy is likely to be made up of small businesses, particularly in Rhode Island. Helping the local economy was another popular reason ranked second.

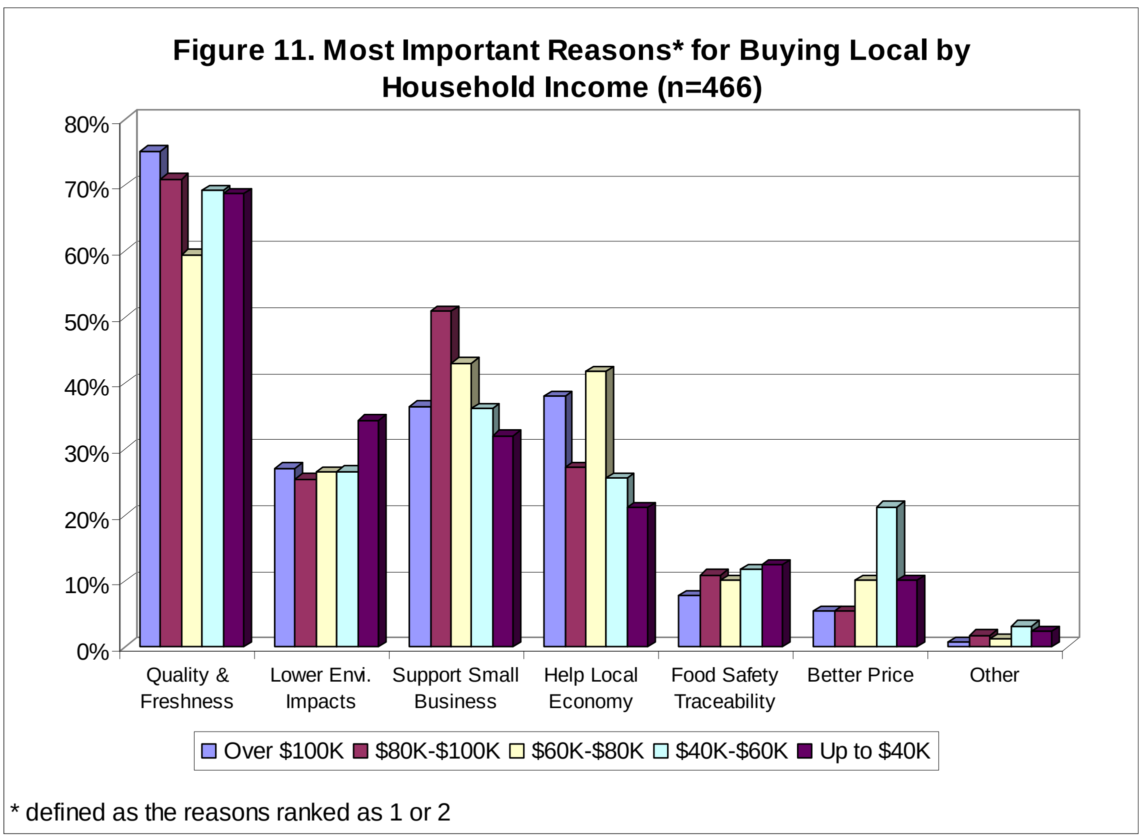


Figures 11, 12 and 13 combine responses for those which ranked as either the first or second most important reasons for buying locally-produced food. For each reason, respondents are separated according to their income group, age group or the survey location to determine if there are any differences in reasons for buying local within those groups.

In figure 11 displays the most important reason for buying local based upon respondents' income group. For example, obtaining better quality and freshness was most important across all income groups. Seventy-five percent of those with an income level above $100,000 ranked it most important, while only 60% of those with an income level between $60,000-$80,000 ranked it most important. This is a statistically significant difference.[4]

Buying locally to obtain a better price was most important for 20% of those in the $40,000-$60,000 income group, at least twice as many as those in the other income groups. This is also a statistically significant difference.

Finally, more respondents in the $60,000-$80,000 and $80,000 - $100,000 income groups indicated that helping to support the local economy and supporting small businesses were most important than those in the $40,000 or less group. The differences are statistically significant.



[4] All statistical tests are significant at the 95% level.

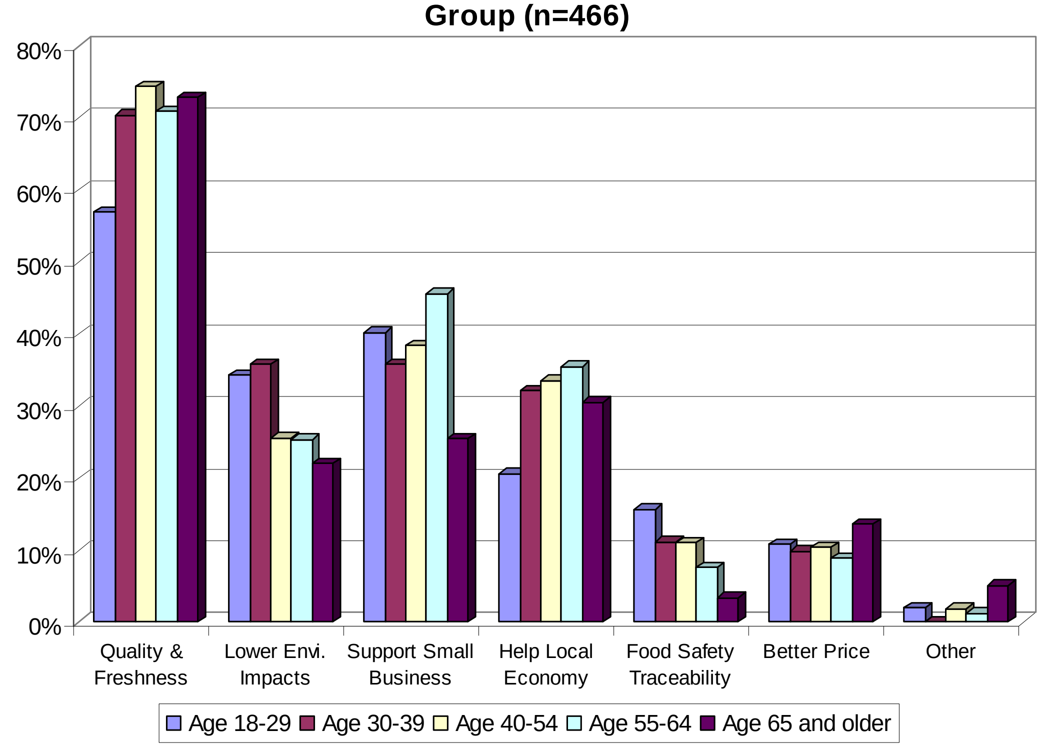
Figure 12 shows the most important reasons for buying locally by age groups. In this case, buying locally for quality and freshness was less important to those in the 18 – 29 age group than those in age groups above that. This is a statistically significant difference.

Buying locally because there are lower environmental impacts or lower transportation effects was more important for those in the 18-29 and 30-39 age groups than in older age groups. This is also a statistically significant difference.

Supporting small businesses is less commonly the most important reason to buy local for the age group 65 and older than for the other age groups. This is a statistically significant difference.

Finally, buying locally to help local economy is less important for the age group 18-29 than for the other age groups. This is a statistically significant difference.

Figure 12. Most Important Reasons* for Buying Local by Age Group (n=466)



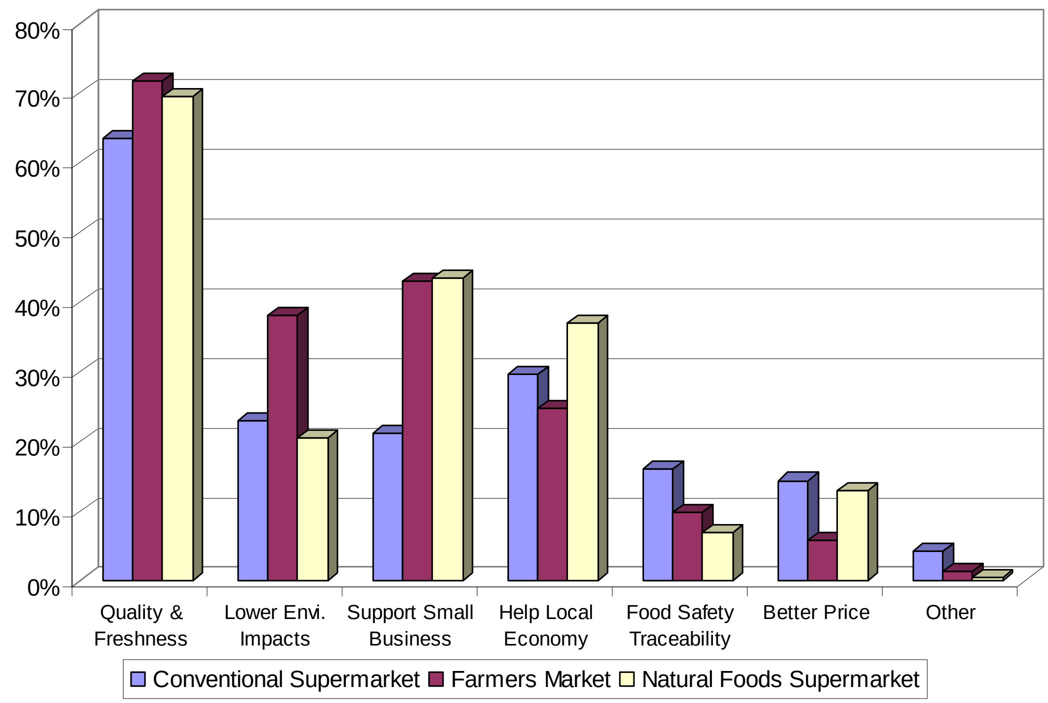
* defined as the reasons ranked as 1 or 2

Figure 13 shows the most important reasons for buying locally by survey location. In this case, the locations are categorized according to whether the location was a farmers' market, a conventional supermarket, or what we specified as a 'natural foods' supermarket.[5]

Those who responded to the survey at farmers' markets are more likely to choose lower environmental impacts and lower transportation as the most important reasons for buying locally than those who responded at supermarkets, of either type. This is a statistically significant difference.

The other instance is that of those who responded to the survey at either the natural foods stores (which happen to be locally-owned markets) or the farmers' markets are more likely to choose supporting small business as the most important reasons for buying locally than those who responded to the survey while shopping at the conventional supermarket. This is a statistically significant difference.

Figure 13. Most Important Reasons* for Buying Local by Location Type (n=466)



* defined as the reasons ranked as 1 or 2

[5] A similar survey was also conducted in Oregon and Minnesota, in which case 'true' natural foods markets were utilized as survey sites. For comparison purposes to those other survey sites, we have specified Dave's Market in Wickford and Belmont's Market in Wakefield as 'natural foods markets' as they do carry a significant proportion of natural, organic and specialty foods. Stop N Shop is considered a conventional supermarket.

Question III. Which region defines 'locally' produced for you?

Products are often marketed as 'locally' grown, yet the meaning of the word 'local' can be different for different people. It can of course be a function of one's location to start with – in other words, 'local' for a northern Rhode Islander may be different from 'local' for a southern Rhode Islander even though the number of miles between the two locales is not large. However, it is possible that 'local' may also convey coming from the Northeast region of the U.S., as opposed to, for example, being from California.

To determine which regions Rhode Island consumers associated with the term 'local,' two questions were asked specific to this issue – one for fresh fruits and vegetables, the other for processed and packaged foods. The questions read as follows:

1. When selecting fresh fruits and vegetables, which of the regions below most closely signifies locally grown to you?

- South County
- Newport County
- Southern Rhode Island
- Northern Rhode Island
- All of Rhode Island
- All of Rhode Island and Southeastern Massachusetts
- All of Rhode Island, Connecticut and Massachusetts
- New England
- Rhode Island, Connecticut, Massachusetts, New York, Pennsylvania and New Jersey

2. When selecting processed and packaged foods, which of the regions below most closely signifies locally grown to you?

- South County
- Newport County
- Southern Rhode Island
- Northern Rhode Island
- All of Rhode Island
- All of Rhode Island and Southeastern Massachusetts
- All of Rhode Island, Connecticut and Massachusetts
- New England
- Rhode Island, Connecticut, Massachusetts, New York, Pennsylvania and New Jersey

There is no county in Rhode Island officially designated as 'South County,' and there are conflicting views regarding exactly which areas of Rhode Island are contained within the area known as South County. Some view it as only the coastal beach communities of Narragansett, South Kingstown, Charlestown and Westerly, while others essentially consider it synonymous with the governmental entity of Washington County. We made an error here in that we should perhaps have specified Washington County as the option as it is the more agrarian portion of southern Rhode Island than the coastal communities. However, it turns out this error has no impact upon the following reported results.

Figure 14 shows the results for question 1. Thirty-six percent of the respondents indicated that they defined 'locally-grown' as having been produced in the area of Rhode Island in which they responded to the survey, designated in the graph as "Survey Region". In other words, if the respondent took the survey at either the Hope Street farmers' market in Providence or North Providence Stop N Shop, then a portion of those respondents answered Northern Rhode Island most closely signified locally grown and would be counted as having answered 'survey region' as their answer. Similarly, if the respondents who took part in the survey at any of the southern Rhode Island survey locations answered South County, Newport County or Southern Rhode Island, then they too were counted as having answered 'survey region' as their answer. Taken together, 36.21% of the respondents viewed their survey region as 'local.' A slightly smaller percentage of respondents, 28.6%, defined local as coming from anywhere in Rhode Island. There is, however, a caveat for this figure which will be further explained after figure 18, below.

Figure 14. Respondent's Definition of "Local" for Fresh Fruits and Vegetables (n=485)

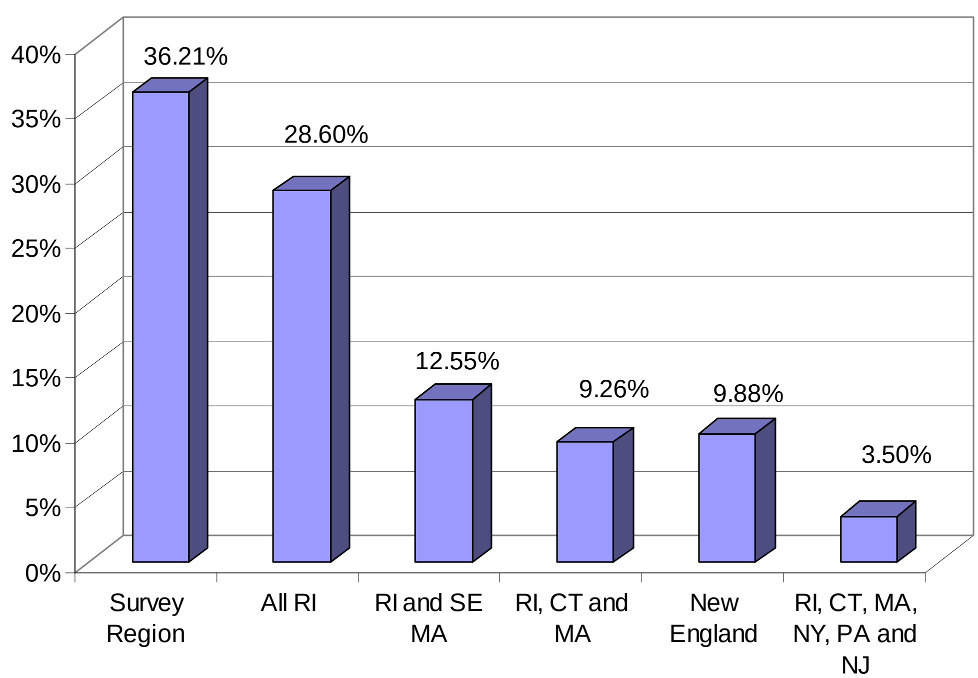


Figure 15 shows a more even distribution between very local within Rhode Island and all of Rhode Island for processed and packaged foods, although fewer respondents have a preference for locally produced processed and packaged foods relative to fresh. Respondents were more willing to allow for all of New England as a definition of 'local' for packaged and processed foods than they were for fresh foods.

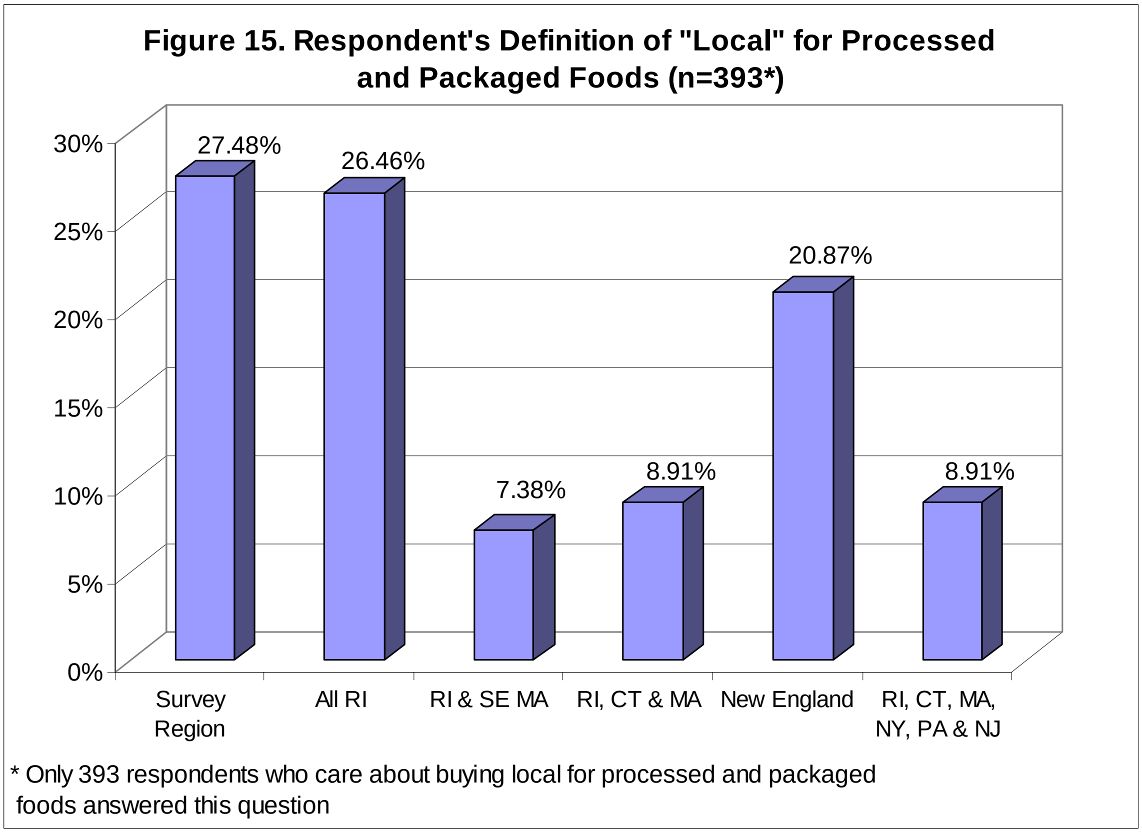


Figure 15. Respondent's Definition of "Local" for Processed and Packaged Foods (n=393*)

* Only 393 respondents who care about buying local for processed and packaged foods answered this question

Figures 16, 17 and 18 are similar to earlier figures in that they break down respondents' answers to their definitions of local, particularly applied to fresh fruits and vegetables, according to respondents' background information, in particular, income and age groups, and survey location.

Figure 16 shows how definitions of local vary by respondent according to respondents' household income groups. Over 45% of those in the $60,000-$80,000 income group responded with the most narrow of definitions for 'local,' statistically more so than for the other income groups. A larger percentage of those with incomes of less than $40,000 were willing to define New England as local than the other income group, and this is a statistically significant difference.

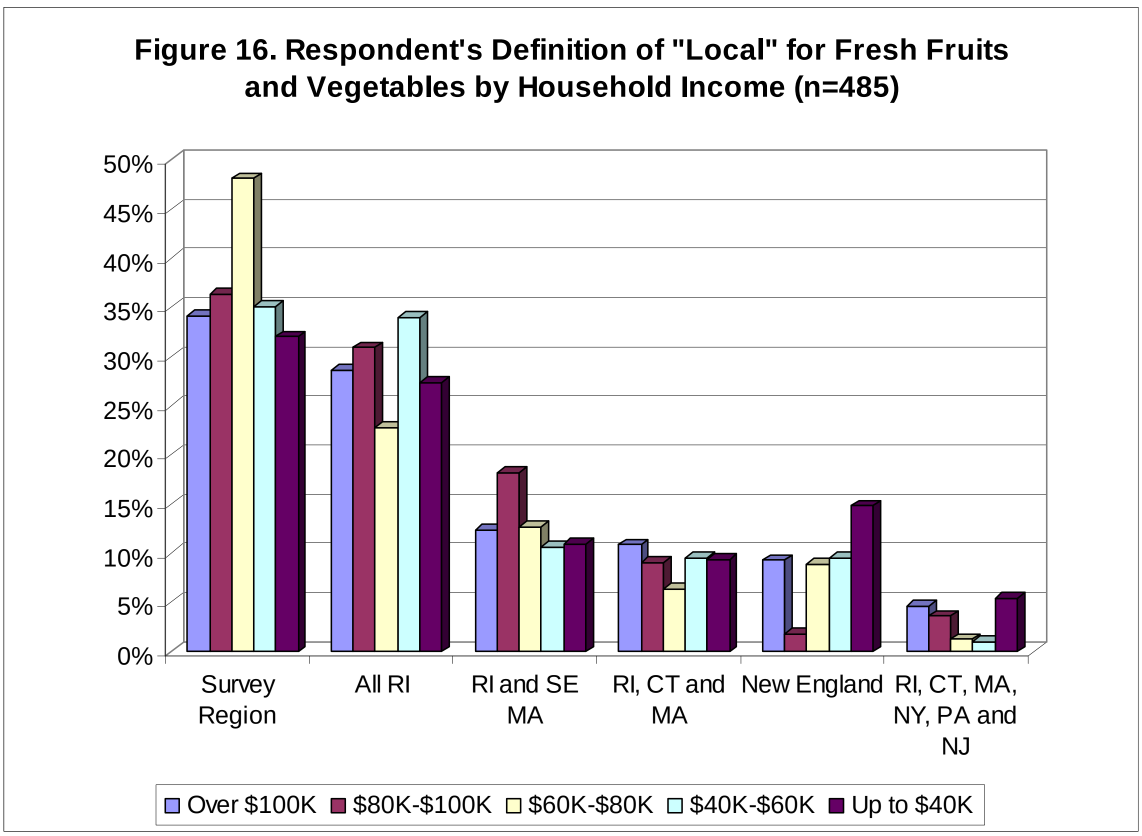
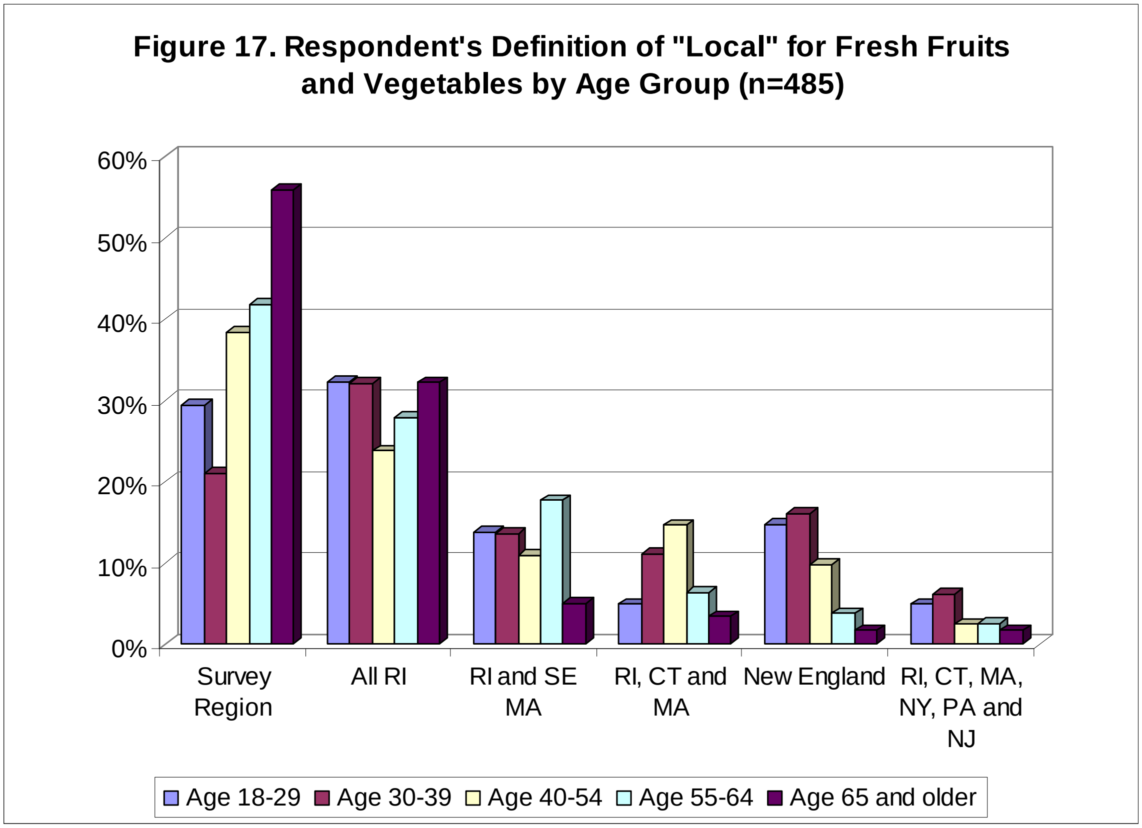


Figure 17 shows that those in the 65 or older age group were more likely to choose the narrowest definition of local relative to the other age groups, particularly relative to the youngest age groups. This is a statistically significant difference.



Finally, figure 18 shows that those who shop at the natural foods markets (Dave's Market in Wickford and Belmont's Market in Wakefield) were far more likely to indicate the narrowest of definitions for local – the survey region – than those who shopped at farmers' markets or at the conventional supermarkets, and were less likely to name Rhode Island-wide as 'local.' This is a statistically significant difference. Thus, it is this set of respondents that in large part generates the results seen in figure 14, above. If this subset of respondents is removed from the analysis, then 'local' is defined as 'All of Rhode Island' by the majority of respondents to the survey.

Figure 18. Respondent's Definition of "Local" for Fresh Fruits and Vegetables by Location Type (n=485)

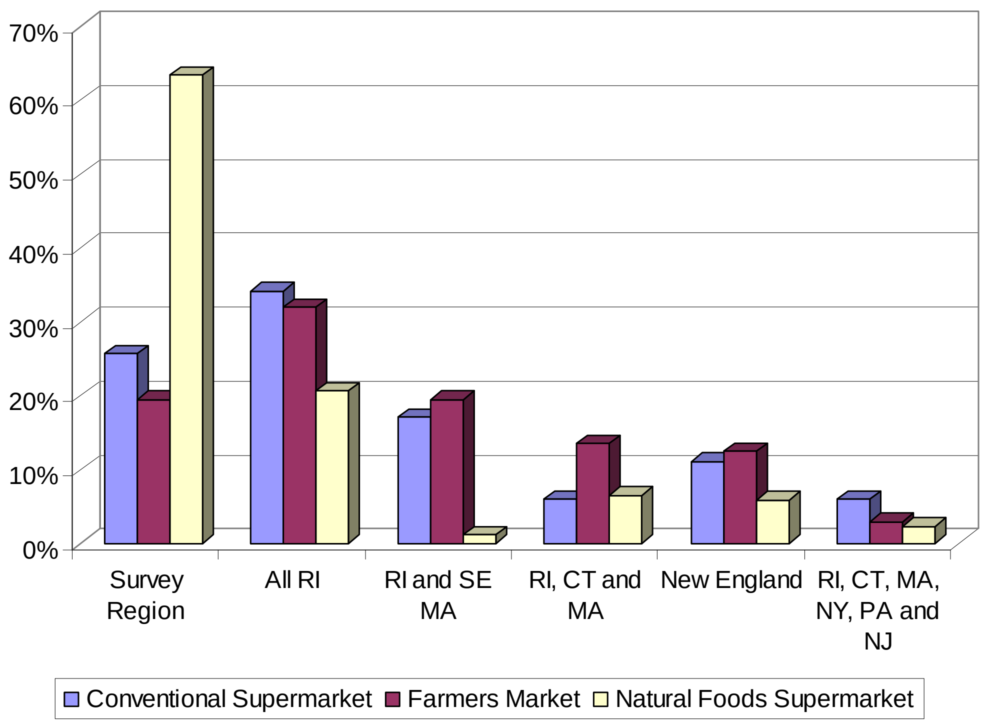


Table 1 displays the percentage of respondents choosing particular regions as their indicator of 'local' by each survey location. This table shows that those respondents in the southern portion of the state were more likely to link South County, Southern Rhode Island, or Newport County to 'local' than those in the Providence or North Providence were to link either Northern Rhode Island or Southern Rhode Island with 'local.'

Table 1. Percentage of Respondents Choosing Particular Regions as Indicators of "Locally Grown" Fresh Fruits and Vegetables (n=485), by Survey Location

Area / Survey Location	South County	Southern RI	Newport County	Northern RI	All RI	RI and SE MA	RI, CT & MA	New England	RI, CT, MA, NY, PA & NJ
Wakefield Belmont Market* (n=70)	47.47	9.09	0	2.02	24.24	1.01	5.05	8.08	3.03
Wickford Dave's Market* (n=99)	60.00	12.86	0	0	12.86	1.43	8.57	2.86	1.43
East Greenwich Goddard Park Farmers Market (n=28)	14.29	14.29	0	3.57	39.29	7.14	14.29	3.57	3.57
Newport Aquidneck Island Farmers Market (n=49)	1.45	8.70	34.78	0	20.29	14.49	7.25	7.25	5.80
Middletown Stop N Shop** (n=40)	2.50	10.00	40.00	0	20.00	17.50	2.50	5.00	2.50
North Providence Stop N Shop** (n=77)	3.90	3.90	1.30	18.18	25.97	16.88	7.79	14.29	7.79
Providence Hope High School Farmers Market (n=102)	3.88	0	0	6.80	26.21	26.21	17.48	18.45	0.97

* defined as natural foods supermarket
** defined as conventional supermarket
RI is Rhode Island; SE MA is Southeastern Massachusetts; CT is Connecticut; NY is New York; PA is Pennsylvania; NJ is New Jersey.

Conclusions

Results of this survey show that this sample of Rhode Island consumers has a preference for locally-produced foods because a majority of them believes locally-produced foods will be of higher quality and freshness. Those who shop at farmers' markets support 'locally produced' because of its lower environmental impacts and transportation effects, more so than those who shop at supermarkets, while those who shop at locally-owned supermarkets were more likely to buy 'locally produced' to support small businesses. Products from neighboring Connecticut and Massachusetts are not considered 'locally grown' by the majority of Rhode Island consumers. In fact, almost half of southern Rhode Island consumers surveyed consider 'locally-produced' fruits and vegetables even more narrowly to be from southern Rhode Island.

A caveat should be noted that a large portion of those surveyed from southern Rhode Island (n=169) were surveyed from supermarkets (Dave's in Wickford and Belmont's in Wakefield) which cater to a clientele that may be different from those who shop at the more conventional supermarkets such as Stop N Shop or Shaws (perhaps more affluent, slightly older). Results may have been different had more of the respondents been surveyed at alternate locations – perhaps indicating that anywhere in Rhode Island would have been defined as 'local' as opposed to the more narrow definition. In addition, while we attempted to screen for tourists or summer residents, some of these individuals may have entered into our sample and were more likely to have been part of the sample in these locations than in other locations around Rhode Island.

The implications of this survey are positive for the agricultural producers of Rhode Island who are marketing their produce within the state as 'locally produced' as it shows that at least this sample of Rhode Island consumers have a pre-disposition to these products.

The implications for retailers are that signage or labeling of the products indicating that 'local' in fact specifically means 'produced in Rhode Island' would likely be preferred to more vague signs or labels. Furthermore, products from outside Rhode Island might not be as preferred to similar products from within the state.

The implications for policy makers may be to expand the "Rhode Island Grown" program, initiated in 1980. Such programs identify products to consumers which are produced within their state, allowing the consumer to choose these products in the marketplace. Although this survey was conducted in early August 2006, the "Rhode Island Grown" logos were not present on point of purchase signs at any of the farmers markets at which we surveyed. According to officials at the RI Division of Agriculture, they are not used in retail outlets across the state where our survey's shoppers indicated a preference for locally-produced products. Given the results of this survey, increased identification of locally-grown products may well produce market benefits to producers.

In short, while this survey was not conducted on a random set of consumers across the entire state, it does serve as a useful indicator of motivations of Rhode Island food purchasers in their purchases of 'locally-produced' products and their definitions of 'local' which was unknown to this point. Further research is warranted to determine if these results vary by type of food product (e.g. meat, fish, fruits and vegetables, dairy) to assist the array of Rhode Island producers.