Buy Slocal

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Economic Benefits

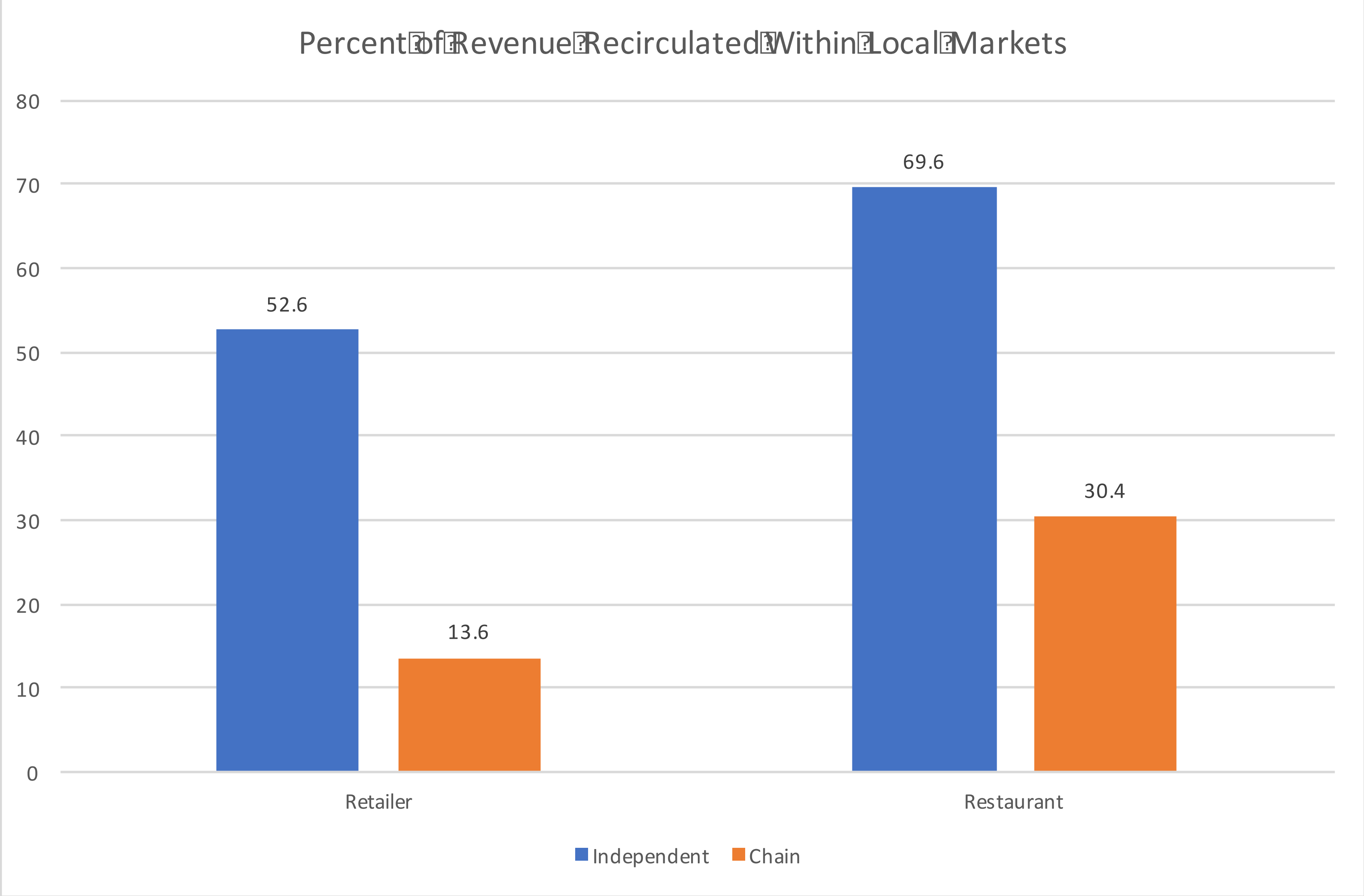
Economic Impact of Local Foods

- Local food purchases in FL led to 183,625 jobs and $10.47 billion in value-added (Hodges, Stevens, Wysocki, 2014)
- $1 million in local food sales generated more total regional sales, employment and GDP than conventional food sales (Rossi, Johnson and Hendrickson, 2017)

Economic Impact of Independent Businesses

- Civic Economics Impact Studies
- Independent businesses provide info on
  - Profits paid out to local owners
  - Wages paid to local workers
  - Procurement of goods services for internal use
  - Procurement of local goods for resale
  - Charitable giving within the community

Impact of Independent Businesses



Economic Impact of Buy Local

- Certified South Carolina Grown led to 11.1% increase in farmers' market sales and 8.9% increase in profitability (Hughes and Isengildina-Massa, 2015)
- Jersey Fresh provided $32 in returns for fruit/veggie producers for each $1 spent on program (Adelaja, Brumfield, and Lininger, 1990)
- Independent businesses in "Local First" communities had average revenue growth of 7.4% in 2015, compared to 4.2% (AIB)
  - 64% reported the initiative had positive effect

Buy Local Practices

Consumer Attitudes Toward Local

- Value-added local food products (meats, salsa, jam) are potential areas for DTC growth (Thilmany and Woods, 2018)
- “Artisanal”, ”small batch” and “fresh” are quality signals (Woods, Asgari, Rossi 2018)
- Contextual factors include availability, convenience, price, seasonal variety

Consumer Preferences for Local

- Fair returns to producers
- Support of local economy
- Animal welfare and environmental concerns
- Perceptions of safety, nutrition and labeling
- Perceived superior quality linked to freshness, healthiness, wholesomeness

Consumer WTP for Local

- South Carolina Grown: 27% for local produce and 23% for local animal products (Carpio and Isengildina-Massa, 2009)
- Arizona Grown: 27% for spinach (Nganje, Hughner, Lee 2011)
- New England Branded Products: No WTP for $5 specialty product; WTP for $20 product only in NH (Giraud, Bond, Bond, 2005)

Considerations

- Who will maintain and fund
- Criteria to apply
  - Local franchises?
- Level of oversight
- Logo
- Websites that highlight local businesses

Best Practices

- Require engagement of local residents and business owners
  - Can’t just be facilitated by local government
- Inclusivity of artists, restaurants, farmers
  - Not just “buy local” at retailers
- Don’t just target consumers
  - Schools, local government etc.
- Differentiated, specialty products

Questions?

Civic Economics

- National chain stores recirculate 13.6% of revenue within local markets
- Chain restaurants recirculate 30.4%
    - Bainbridge, WA (2012): 39.8% for retailers
    - Andersonville, Chicago (2012): 46.9%, 72.7%
    - Charleston, SC (2013): 57.8%, 68.8%
    - Hudson Valley, NY (2014): 60.4%, 77.1%
    - Louisville, KY (2012): 55.2%, 67%
    - Milwaukee, WI (2012): 44.1%, 52.5%
    - Raleigh, NC (2012): 51.1% for retailers
    - Salt Lake City, UT (2012): 52%, 78.6%
    - Six Corners, Chicago (2012): 70.7% for retailers
    - Albuquerque, NM (2013): 39%, 77.3%
    - Wayne County, UT (2013): 65.9%, 75.7%
    - Ogden, UT (2012): 48.3%, 56.7%

Colorado Proud Case Study

- Only requires processing in the state
  - Not local enough for some consumers
- Consumers more likely to believe local=state
- Consumers distrust social media for info
  - Trust official sources more