

# **Local Foods and Short Food Supply Chains: Consumer and Producer Perspectives**

**Insights from Research Project “*Short Food Supply Chains and Local Food Systems in the EU : A state of play of their socio-economic characteristics*”**

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# Research Methods



- Systematic review on ‘short food supply chains’ (SFSCs) and ‘local food systems’ (LFS)
  - Examined social, economic and environmental impacts, plus institutional support
  - Primarily peer-reviewed, published research
  - 380 papers reviewed
- Database construction ongoing; detailed case studies to follow

# Context: Growing Interest in Local Foods



- Growing citizen, policy and research interest in local foods
  - E.g. 54% of 26,713 EU citizens ‘totally agree’ that there are benefits to buying local food Eurobarometer (2011)
- In terms of research: many qualitative case studies, but fewer large scale, quantitative or comparative studies



# **Consumer Perspectives on Local Food / Short Food Supply Chains**

# Reasons for Buying Local

- environmental concerns (e.g. food miles)
- perception that local foods are high quality, natural, fresh and tasty
- the enjoyment of shopping at local outlets – including the importance of ‘trust’ in producers
- to support local farmers, economies and communities



**Typical consumers are women, aged 45+, married, more formal qualifications....**

# Trust and social interaction are key factors



Inter-personal relationships between producers and consumers are essential:

- Builds trust
- The consumer knows the farmer and holds them responsible
- The farmer conveys information about the products

(Sinnerick 2007; Kirwan 2004; Sage 2003; Hendrickson and Heffernan 2002; Smithers et al 2009)

# A virtuous circle?



- Shopping 'local' is motivated by particular attitudes and values...
- Behaviours and knowledge can also change
  - e.g. involvement in CSA and Farmers Markets leads to behaviour change in food consumption and beyond (Cox *et al* 2008; Hayden and Buck 2011; Pascucci *et al* 2011; Saltmarsh *et al* 2011)
- CSAs in particular try to build communities and relationships around food growing – this is important for consumers AND producers

# Some challenges (1)



- Although consumers like the idea of ‘local’ food – they don’t always know what it means - potential for misleading claims on packaging (e.g. Khan and Prior 2010; McEachern *et al* 2010)
- 53% of citizens agreed it would be useful to have labels identifying local products (Eurobarometer 2011)
- But other studies suggest ‘label fatigue’ and distrust of food assurance schemes in general (Eden *et al* 2008).

# Some challenges (2)



- The range of products can be limited
- Products can be difficult to find
  - Only 19% of citizens 'totally' agree that local products are easy to identify (Eurobarometer 2011; confirmed by other studies)
- Products can be perceived as expensive
- Time pressures of modern life restrict ability to find and then cook local foods



# **Producer Perspectives on Local Food / Short Food Supply Chains**

# Farm Level Economic Impacts (1)



- Commonly claimed that LFS/SFSCs lead to increased income for producers
  - Price premium
  - Greater share of profit when cutting out ‘middlemen’
  - Opportunity to add value through on-farm processing
  - Potential to link into tourism trails
  - Direct sales allows for better understanding of consumer demand
- Few quantitative studies (e.g. data on turnover, labour costs, transaction costs, input costs not always available)

# Farm Level Economic Impacts (2)



- Increasing profits may not be the key indicator of ‘success’ for small scale producers involved in SFSC and LFS:
  - sustainable livelihoods,
  - ability to live according to ethical / environmental values
  - long term resilience
- Some studies suggest that SFSCs and LFS are a complementary route to market for successful enterprises (e.g. Sage 2003; Ilbery and Maye 2005; Lawson et al 2008)

# Some Challenges for Producers

- Some studies highlight the labour costs of direct marketing (e.g. Hinrichs 2000)
- Costs of transport can hinder delivery based schemes
- Costs of meeting hygiene requirements
- Relative importance of local sales or SFSCs will vary according to size of enterprise and proximity to markets



# Concluding Points



- Sustained and growing consumer interest in buying local foods and supporting local producers
- Consumers often associate local with ‘quality’ and ‘environmentally friendly’
- Poor availability of local foods can be a problem – variations across regions
- Evidence about extent to which consumers ‘trust’ food labels *in general* is unclear – but direct relationship with producer is important
- Producers face logistical and regulatory challenges

Thank you for your attention!