

# MAJOR GROCERY STORE SURVEY SUMMARY

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**Kathy Connor**

**Southern Maine Planning and Development Commission**

**for The York County Farmers Network**

## **Introduction**

This summary is a portion of a larger joint effort between the York County Farmers Network (YCFN) and the Southern Maine Planning and Development Commission (SMPDC) to utilize a USDA Local Food Promotion Program grant to investigate the possibility of establishing a food hub in York County, Maine. The first step in investigating this possibility was surveying the farmers and producers in York and southern Oxford Counties. The next step was surveying the buyers and potential buyers of the farmers' produce and products. The buyers were categorized as either institutions, grocery stores or restaurants. Each of these categories has specific requirements when buying food so surveys were developed to target those individual market segments as appropriate.

## **Survey Background**

This particular summary reports on the results from a major chain grocery store. Smaller independent grocery stores were asked to participate in the survey and while several agreed to do so, none of them actually ended up taking the survey. The results obtained from all the buyers' surveys will be important to the process of evaluating the feasibility of a food hub in York County.

## **Analysis of Survey Responses**

There were 29 questions in the survey "*York County Food Hub Feasibility Study – Survey for Wholesale Buyers (Stores)*" which SMPDC has developed graphics and provided explanation for. With three exceptions (those questions asking for identity information which remains confidential), all survey questions are represented through the sections below – in some cases, more than one survey question comprises a section.

# Grocery Store Buyers Survey Summary

## Section 1

As described in the introduction, the grocery store represented in this summary is a major chain grocery store which has multiple locations in York County. It serves over 1,000 customers a day in its stores, takes in well over \$100,000 in fresh produce sales annually and budgets well over \$100,000 for fresh meats annually.

The grocery store currently buys from over 150 producers in Massachusetts, Maine, New Hampshire, New York and Vermont. The store was unable to report what proportion of their annual budget that Maine-produced food represents and what proportion of their annual budget that fresh produce, meat, fish and processed foods each represent.

The responding store requires that all producers purchased from be GAP (Good Agricultural Practices) and/or GHP (Good Handling Practices) certified.

## Section 2

The grocery store reported that they want to purchase more local food and when presented with specific products in the list below, chose every item except for sweet corn.

<b>Produce/Products</b>	<b>Purchase?</b>
Salad greens (leaf lettuce, baby kale, mesclun, frisee etc.)	Yes
Head lettuce (iceberg, romaine etc.)	Yes
Cabbage (including bok choy)	Yes
Cooking greens (kale, chard, collards etc.)	Yes
Tomatoes	Yes
Corn	No
Peas (garden, snap or snow)	Yes
Beans (green or yellow)	Yes
Dry beans	Yes
Bell peppers	Yes
Hot or novelty peppers	Yes
Cucumbers	Yes
Radishes	Yes
Summer squash or zucchini	Yes
Eggplant	Yes
Broccoli	Yes
Cauliflower	Yes
Brussels sprouts	Yes

<b>Produce/Products</b>	<b>Purchase?</b>
Winter squash (acorn, butternut, delicata, hubbard etc.)	Yes
Carrots	Yes
Potatoes	Yes
Sweet Potatoes	Yes
Other root vegetables (beets, turnips, rutabagas, parsnips etc.)	Yes
Garlic	Yes
Onions	Yes
Mushrooms	Yes
Soybeans	Yes
Apples	Yes
Other tree fruit such as pears and peaches	Yes
Blueberries	Yes
Strawberries	Yes
Other berries such as raspberries or blackberries	Yes
Melons such as watermelon and cantaloupe	Yes
Specialty items (ramps, fiddleheads, garlic scapes etc.)	Yes
Beef	Yes
Pork	Yes
Chicken	Yes
Fish	Yes
Shellfish of mollusk type such as scallops, oysters, clams, mussels etc.	Yes
Shellfish of crustacean type such as lobster and crabs	Yes
Specialty meat items (duck, Cornish game hen, red deer venison etc.)	Yes
Eggs	Yes

### Section 3

The major grocery store currently works with a variety of hubs, distributors and direct vendors and has indicated in distributor contracts that local food is preferred. The store locations accept delivery of fresh produce/products daily. They do not use on-line ordering programs and typically plan 2-3 days ahead when planning for produce purchases. The responding store advertises that it stocks locally grown foods both inside and outside the store as well as on its website.

One of the survey questions asked how much more, as a percentage, the grocery store might be willing to pay for local food versus conventionally sourced food. The store declined to answer that question.

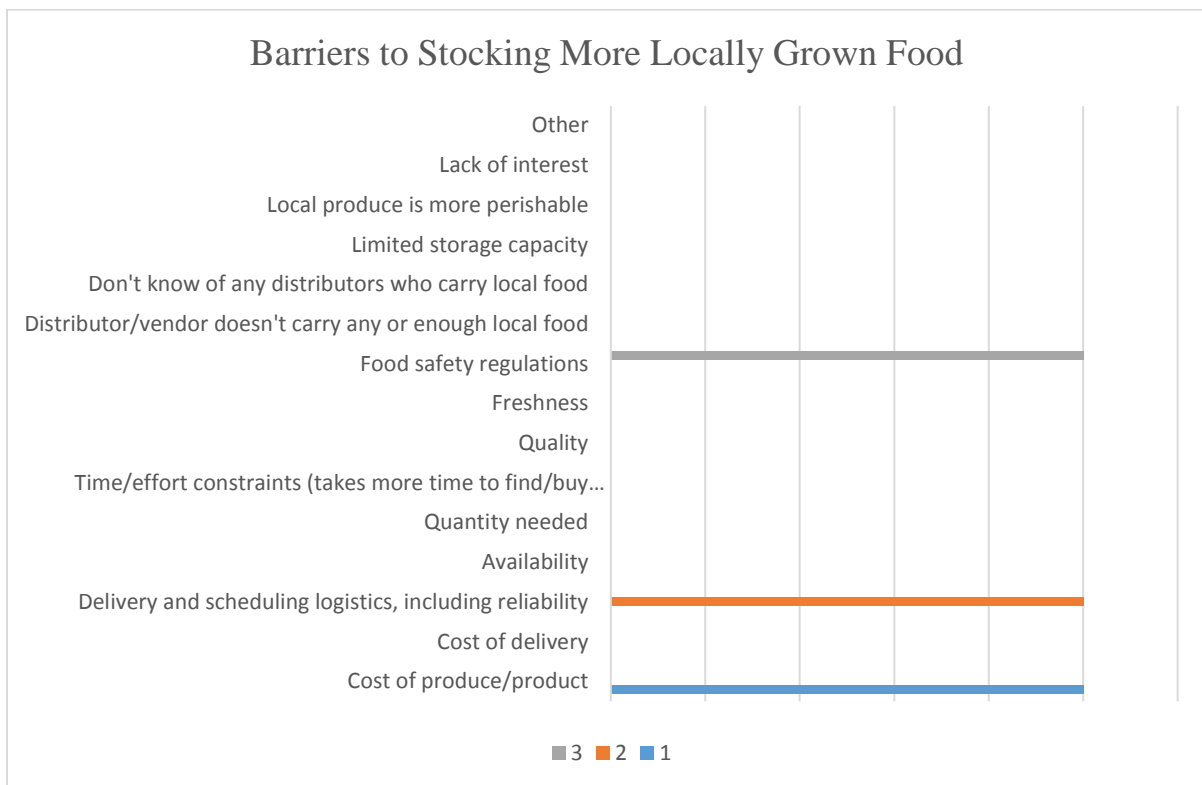
The responding store currently stocks locally processed food and would consider purchasing less than perfect produce if the cost was less. Some grocery stores across the country are starting to offer so-called “ugly” produce for a reduced price and there is movement towards educating consumers that produce doesn’t have to look perfect to be of good quality.

Section 4

The top three barriers that impede the major grocery store from purchasing more locally grown food were:

1. Cost of the produce/product
2. Delivery and scheduling logistics including reliability
3. Food safety regulations.

A lot of small farmers/producers are not GAP or GHP certified which prevents them from selling to the grocery store. Additional regulations which went into effect for large farms this year and will be phased in for other farms over time will also impact the grocery store’s ability to purchase locally grown food.



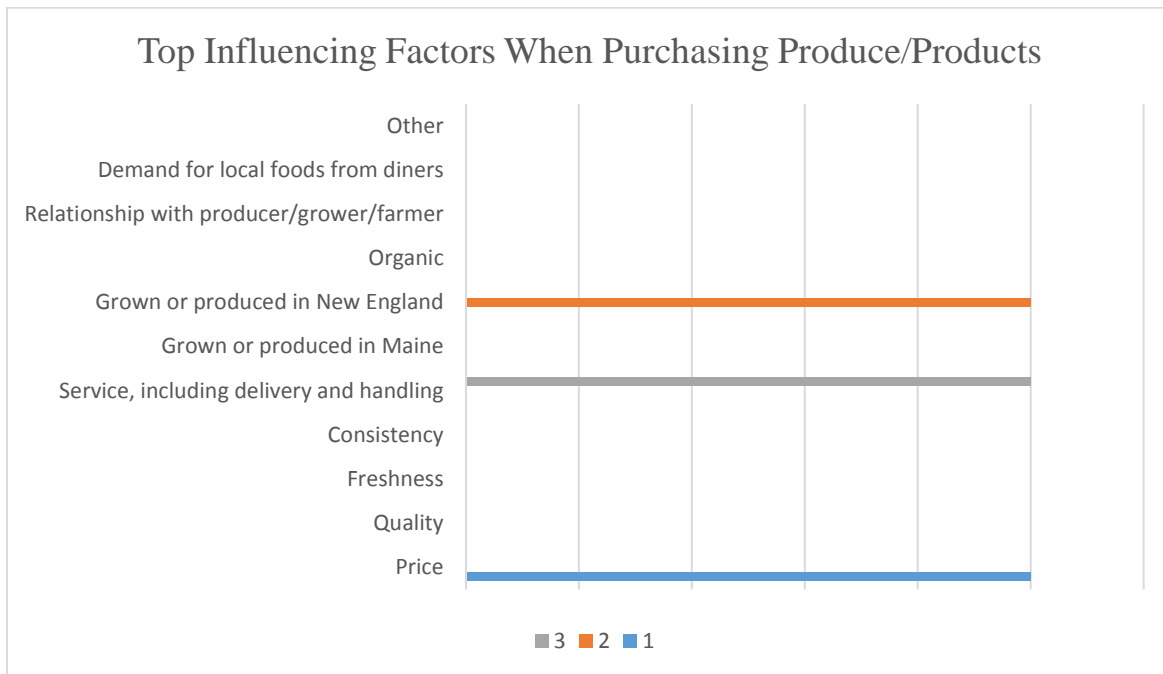
A typical food hub selling wholesale would act as a vendor or distributor to the grocery store. The hub would schedule deliveries to the store and negotiate prices with both the farmers and the grocery store. A food hub could also arrange to assist its farmer members with food safety certifications.

Section 5

When asked what their top three choices would be in terms of how each affects their decision-making when purchasing produce and products, the major grocery store chose:

1. Price
2. Grown or produced in New England
3. Service, including delivery and handling

The grocery store has locations in most New England states and New York so their second choice aligns with their proximity. The first and third choices are both factors that a food hub may have some success in providing value to both the farmers/producers and to the grocery store.



The survey asked if the major grocery store wanted a particular item that they had not been able to procure. Their reply was that they would especially like to source more locally produced meats. The responding store did not make any additional comments in response to the last question asking for anything else the store might wish to communicate.