Marketing blueberries to local markets

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What are consumers thinking?

What are chefs/consumers thinking?

Credence attributes of food growing in importance

Who produced it?
How was it produced?
Where was it produced?
All have implications for local food systems and merchandising programs

What are consumers thinking?

1. Local meats/seafood (1)
2. Local produce (2)
3. Hyper-local (6)
4. Farm estate branded products (10)

Offers locally grown produce and other local packaged foods

Very Important

Source: Nat’l Rest Assoc, 2013
Source: NGA, 2015

How Local is Local?

Farmer only farm markets
Production within ___ miles
Regional Appalachians
State boundaries
Made in the USA?

Consumers increasingly care about food origin. Truth in advertising? Credibility for the ‘local’ brand.
Still a lot to learn about local definitions and bounds

- Defining and Marketing 'Local' Foods: Geographic Indications for U.S. Products – Giovannucci et al
- Batte, Hu, Woods, and Ernst

Local demand spreads across market channels

- Community farm markets
- On-farm retail
- Community Supported Ag (subscription)
- Home delivery
- Restaurants
- Grocery
- Farm to school
- Farm to college

Willingness-to-Pay Premium Estimates for Different Blueberry Product Attributes

<table>
<thead>
<tr>
<th>Product</th>
<th>Locally grown $</th>
<th>Organic $</th>
<th>Sugar-Free $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jam (10 oz)</td>
<td>1.14</td>
<td>0.76</td>
<td>0.96</td>
</tr>
<tr>
<td>Lime Jam (10 oz)</td>
<td>1.37</td>
<td>0.72</td>
<td>0.63*</td>
</tr>
<tr>
<td>Yogurt (12 oz)</td>
<td>0.86</td>
<td>0.83</td>
<td>1.29</td>
</tr>
<tr>
<td>Fruit Rollups (6 oz)</td>
<td>0.72</td>
<td>0.80</td>
<td>0.65</td>
</tr>
<tr>
<td>Dry muffin mix (10 oz)</td>
<td>1.63</td>
<td>0.26*</td>
<td>-0.43*</td>
</tr>
<tr>
<td>Raisinets (4 oz)</td>
<td>1.47</td>
<td>0.49*</td>
<td>1.12</td>
</tr>
</tbody>
</table>

All values based on a 99% confidence level except where noted by (*)

Source: Hu, Woods & Bastin 2009

Local Food Consumer Market

- Value Proposition
  - Strategic reach
  - Transaction based
  - More price sensitive

- Food hubs
  - Local food aggregators
  - Multi-farm CSAs

- Core
  - Farm market
  - On-farm retail, PYO
  - Single farm CSA

- Mid-Level
  - Specialty wholesaler
  - Home delivery service

- Periphery
Number of U.S. farmers markets up dramatically since mid-1990s

- From 1,755 in 1994 to 8,268 by 2014
- More than 5,000 new farmers markets since 2000, an increase of 175%


Source: USDA AMS 2014; USDA AMS Marketing Services Division
Farmers market information is voluntary and self-reported to USDA AMS

Communication & Relationship Building
- AZUR Restaurant & Patio Beaumont Centre
  3070 Lakecrest Circle, Suite 550
  Lexington, Kentucky 40513
  tel: 859.296.1007
  email: info@azurrestaurant.com
  blog: azurrestaurant.blogspot.com
  facebook: AZUR restaurant & patio
  twitter: twitter.com/AZURrestaurant
  gps coordinates: N 38 01.018
  W 84 33.268
Packaging and labeling for restaurants, auctions, and small wholesale

- Packaging Function: Protection, Education, Regulation...
- Industry standard cardboard boxes are the produce package of choice for most commercial buyers
- Packaging depends on the product
- No need to over package!

Packaging: Grocery/Wholesale

- Wholesalers and grocers look for “conventional” boxes
- Sanitation and durability
- Looking for traceability and function for packages down the road
- Prefer ‘farm identification’ labels and packaging
**Delivery – Using Distribution Partners**
- Specialty Distributors
- Local wholesalers
- Many products require maintaining the cold chain

**Sample Marketing Documents**

“And I’ve found probably the best way is just to try to put that farmer’s face on their food by actually building materials that have their pictures or little boxes and things like that…”

**Produce Traceability (PTI) and Country of Origin Labelling (COOL)**
- Pallet and bin traceability
- Large wholesales
- Produce auction labels

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**Missouri Blueberry School**

“On our menus, we write the menu according to where we’re getting the food… right now it’s Henton beef, Henton green beans. Whatever comes from whichever farm, it’s labeled.”

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**Stores with Local Grower’s Peach Boxes**

**Chef Ryan Kacenjar’s Saturday Farmers Market Menu**

- Terrine of Smoked Prestige Farms Chicken Breast
- Owl’s Nest Plantation Golden Beets
- Layered with Fire-Roasted Joseph Field’s Farm Red Bell Pepper and Fresh Herbed Goat Cheese with Tarragon Vinaigrette
- Charleston Pimento Cheese
- Home-made Pimento Cheese with Fresh and Pickled Vegetables
- Fried Zucchini Flowers
  - Kennerty Farms Zucchini Flowers filled with a Tender Locally Caught Shrimp Mousse
  - Fried to a crisp in a light Palmetto Ale Batter
  - with Sweet and Spicy Joseph Field Farm Red Chili Pepper Jelly
- Fish and Grits
  - Pan Roasted Locally Caught Red Snapper
  - served with a Mepkin Abbey Oyster Mushroom Grit Cake made with Anson Mills Stone Ground Grits, Finished with a Light Sherry Jus and Fresh Joseph Field’s Farm Sugar Snaps
- Plum Upside Down Cake
  - Owl’s Nest Plantation Golden Plums Cake
  - served with White Chocolate Almond Mousse and Slow Ice Cream made in House from the same Plums

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**5/7/2015**
Marketing

- Nice opportunity to tell farmer stories
- Local labels much more critical in product buying environments (retail)

“Marketing support varies depending on the volume. With more volume we expect more support from the vendor.”
Jamie Postel, Produce Buyer
Meijer Grocery Stores, Union City, Ohio

Quick Read (QR) Codes

- Grocery retailers doing their best to source as locally as possible
- State-level promotions growing in popularity
- Rarely able to promote at farm-supplier level

Piazza Produce: “Buy Fresher” Program

Source: Georgia Grown Promotion
Source: Source: Kentucky Department of Agriculture

SELL SELL SELL

INCREASED MOVEMENT CASES
- TOMATOES 21 TO 63
- GREEN PEPPERS 19 TO 29
- SQUASH 14 TO 38
- ZUCCHINI 21 TO 47
- EGGPLANT 5 TO 12
- CUCUMBERS 21 TO 55
- GREEN BEANS 6 TO 34

Source: Fresh Trends 2012

5 state Regional sourcing
Volume & quality
Dierbergs, St. Louis area

In-Store Producer Promotion

Kroger Homegrown program

“Regional” Produce

“Super local farm estate branded” Produce
Many Grocers Actively Seeking to Develop “Local” Sourcing and Promotion

- Whole Foods
- Local Producers Loan Program
- Piggly Wiggly
  - “Local Since Forever” 2012 Campaign
- Harris Teeter
  - Expanding “regional” and “local” merchandising initia

Kentucky Blueberry Growers Association Farm to School

- Fresh market
- Value-added products – season extension/processed products
- Sensory study at schools to identify top preferred products

3 C’s of Farm to School

- Community
  - Engage the community
- Cafeteria
  - Use the cafeteria to promote local foods and farms
- Classroom
  - Implementing a Farm to School curriculum and learning experiences

“3 C’s of Farm to School”

- Student Rating of Favorite and Least Favorite Blueberry Product

<table>
<thead>
<tr>
<th>Product</th>
<th>Fresh Market</th>
<th>High School</th>
<th>Least Favorite Market</th>
<th>High School</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blueberries</td>
<td>3.58</td>
<td>3.54</td>
<td>3.58</td>
<td>3.54</td>
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<tr>
<td>Collard Green</td>
<td>3.50</td>
<td>3.53</td>
<td>3.50</td>
<td>3.53</td>
</tr>
<tr>
<td>Spinach</td>
<td>3.25</td>
<td>3.25</td>
<td>3.25</td>
<td>3.25</td>
</tr>
<tr>
<td>Broccoli</td>
<td>3.50</td>
<td>3.50</td>
<td>3.50</td>
<td>3.50</td>
</tr>
<tr>
<td>Kale</td>
<td>3.50</td>
<td>3.50</td>
<td>3.50</td>
<td>3.50</td>
</tr>
</tbody>
</table>

“3 C’s of Farm to School”

- We did a taste testing with heirloom tomatoes and the farmer actually came and was passing out the tomatoes, and we said this is the farmer... The kids were just like ‘Oh wow, a real life farmer!’ It was just really exciting.”
  - Fayette County FSD