

# A Food Retailer's Guide to Getting Started with Offering Local Food

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# **About this Practitioner Paper**

This paper is an introductory guide for food retailers who want to begin offering local foods to their customers. Readers are coached through considering their strengths, challenges, allies, and opportunities, as well as what goals can help them measure and communicate their successes.

# Getting Started with Local Food for Food Retailers

Many businesses, institutions, and food pantries are striving to offer healthy, local, and sustainable food choices. If offering local products is new to your business, this short paper will help you make a plan to get started with offering local products to your customers. You can also use this process to increase the number and variety of those local offerings over time.

## Why Buy Local? Why Promote Local?

There are many compelling reasons to include local products, such as:

- Purchasing local food means that more of the money spent on food stays in the local economy. In other words, buying local means keeping a portion of our food dollars circulating locally.
- Telling the "local story" is a powerful way to engage and educate your customers and build your brand in the community.
- Offering local and seasonal products can increase sales and drive customer foot traffic.
- Locally-grown produce may be several days fresher than produce transported long distances. This translates into better merchandising appeal and longer shelf life.
- There are likely people in your area who are producing culturally appropriate foods; offering their products may attract new customers to your store.

## Assess, Prioritize, and Set Goals

It is important to understand that integrating local purchasing into your business plan is a process. If offering local options is new to your business, take some time to consider what it will take to have local options and set some goals. Below are some questions to help you get started.

### Strengths

- What are we already offering that is produced in our city, state, or region?
- What resources do we already have access to that can help us source local products?
- Who might become important partners or advocates? (e.g., a local food council, the state department of agriculture or health, farmer networks, cooperative extension from your state's land grant university, food system organizations, or other business owners)

### Challenges

- · What have we tried in the past that didn't work?
- Who on our team might resist offering local? What are their concerns?
- What training might our staff need? (e.g., sampling local products, meeting producers, talking points about taste and preparing local products)

### **Opportunities**

- What do we already know about our customers' preferences that can help us select appropriate local options?
- What are our city, state, or region's best local options? (i.e., what can be grown well here or what is the area known for?)
- What popular items can be sourced locally?
- What ethnic or racial communities shop at our store? What new customers could we attract if we bring in new options? Consider whether there are culturally appropriate food options that would appeal to either existing or new customers. Can you source these locally?
- Who do we know who could help us source locally?

# What does "culturally appropriate" foods mean?

What are your favorite foods, or the foods you eat most often? Now, imagine that you traveled somewhere and could not find those foods to eat. This is a basic way to think about what "culturally appropriate" foods means. They are foods that are standard in some places and cultures but not available everywhere.

## Set Measurable Goals

What can you realistically plan to achieve and how will you know that you have achieved it? What information or data can you reliably measure? What information will help you make the case to continue to provide local options, or expand the number of local options offered?

Here are some examples of indicators to consider. Measure what makes sense for your store, depending on the size of your business and staff, as well as your capacity.

- Sales increases (e.g., point of sale (POS) data for specific items)
- Cost reductions, (e.g., labor costs or cost of goods from year to year or month to month)
- · Customer/employee satisfaction
- Number of customers
- · New customers
- · Vendor satisfaction
- Change x% of offerings to local options
- · Gross margin
- Produce department shrink/waste (unsold produce that is thrown out)

Figure 1. Some ways a food retailer can source and promote local foods (Scalera, 2021).



## **An Ongoing Process**

Offering locally produced options has many benefits. It invests money back into the community your business serves, it can increase sales, and it can draw new customers into your store. Using the process described here, you can get started with local offerings and tracking your efforts in a way that works for your business. Revisit this process as you continue to increase the variety of locally sourced products that you offer.

# References

Scalera, L. (2021). *Some ways a food retailer can source and promote local foods* [Graphic]. Michigan State University Center for Regional Food Systems.



# About

#### About the Authors

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## About the Michigan State University Center for Regional Food Systems

The Michigan State University Center for Regional Food Systems advances regionally-rooted food systems through applied research, education, and outreach by uniting the knowledge and experience of diverse stakeholders with that of MSU faculty and staff. Our work fosters a thriving economy, equity, and sustainability for Michigan, the nation, and the planet by advancing systems that produce food that is healthy, green, fair, and affordable. Learn more at foodsystems.msu.edu.

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#### **The Nutrition Incentive Hub**

The Nutrition Incentive Program Training, Technical Assistance, Evaluation, and Information (NTAE) Center is led by the Gretchen Swanson Center for Nutrition. In partnership with Fair Food Network, they created the Nutrition Incentive Hub, a coalition of partners to support this work, including the National Grocers Association Foundation, Farmers Market Coalition, Michigan Farmers Market Association, Ecology Center, Betty Irene Moore School of Nursing at UC Davis, Colorado School of Public Health, Ingredients Consulting, University of California San Francisco, and University of Michigan, among others. These partners are practitioners, retail experts, researchers, and evaluators from across the country bringing decades of experience and leadership in technical assistance, training, reporting, and evaluation. The Nutrition Incentive Hub is dedicated to building a community of practice to maximize program impact and ensure that all Americans have access to the healthy foods they need.

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