BUILDING CONNECTIONS: FROM FARM TO RESTAURANT
Project Report

Institute for Sustainable Food Systems

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Interior Health

The Institute for Sustainable Food Systems (ISFS) is an applied research and extension unit at Kwantlen Polytechnic University that investigates and supports sustainable agriculture and regional food systems as key elements of sustainable communities.

We focus predominantly on British Columbia but also extend our programming to other regions. Our applied research focuses on the potential of regional food systems in terms of agriculture and food, economics, community health, policy, and environmental integrity. Our extension programming provides information and support for farmers, communities, business, policy makers, and others. Community collaboration is central to our approach.

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Building Connections: From farms to restaurants: Project Report 2020.

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- Downtown Penticton Association
- Land 2 Table network
- University of British Columbia-Okanagan
- Okanagan College
- Blackbird Organics
- Similkameen-Okanagan Organic Producers Association
- LocalMotive Organic Delivery
- Tsawwassen First Nation (TFN) Farm School

Disclaimer

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Executive Summary

The “Building Connections: From Farm to Restaurant” project aimed to understand the demand, advantages, challenges and opportunities for farm to restaurant supply channels in the South Okanagan. The study was divided into three parts: a consumer survey, chef-farmer in-depth interviews, and a networking event for chefs and farmers to meet and build business relationships.

The online consumer survey assessed 655 BC residents’ opinions and attitudes towards restaurant meals prepared with local ingredients. Survey results revealed that the majority of participants consider it important that their restaurant meals contain local ingredients and are willing to pay a premium. Despite the consumer interest, only a quarter of consumers stated that they found it easy or very easy to find restaurants that serve local food. Hence, there is more opportunity for local food sourcing by chefs and advertising of locally sourced ingredients on the menu.

The 41 in-depth interviews with farmers and chefs in the Okanagan region focused on the advantages, challenges and opportunities of the farm to restaurant marketing channel. The most important theme cited by chefs and farmers is building and maintaining relationships as they are the key to successful businesses. Other themes discussed include payment/price, local products, volume, orders, timing/location, menu, delivery/distribution, advertising, marketing channel, type/size of operation, work/labour, consumer perception and local food awareness, and willingness to engage in the marketing channel.

A networking event was organized on March 10th 2020, in the city of Penticton, to present preliminary results of the study, facilitate networking and connections between chefs and farmers and identify potential next steps to advance farm to restaurant marketing channels in the region. Over 50 chefs and farmers participated in this event. According to the event feedback survey, participants found the sessions very or extremely valuable, with most citing the opportunity to meet chefs/farmers and make new connections, and to learn more about the perspectives of the other participants.

Next steps/opportunities to develop a farm to restaurant marketing channel that came out of this study include 1. Hold more networking events (like the mixer event held as part of this project) 2. Encourage existing wholesalers/distributors, and grocery stores to carry more local products. 3. Encourage new wholesalers/distributors to establish, with a focus on local food. 4. Form a farmers co-operative to achieve economies of scale and provide a one-stop shop for chefs 5. Support and encourage the expansion of local meat processing opportunities in the region (abattoirs, mobile abattoirs, on-farm slaughter).

1. Introduction

This report presents findings from the Building Connections: From Farm to Restaurant project. The main goals of the project are to advance our understanding of restaurants' decision-making in buying local food, gain insight into farm-to-restaurant distribution strategies, and to further the provincial and local efforts in creating direct connections (networks) between farmers and restaurants in the South Okanagan.

The project consists of three main parts:

1. A **consumer survey** of restaurant patrons to learn about their perceptions and preference for restaurant meals prepared with local ingredients.
2. **In-depth interviews** with restaurants and farmers to understand factors that influence chefs and farmers' decisions to engage in the direct distribution of local food from farms to restaurants
3. A **networking event** that brings together farmers and restaurants and that supports the provincial and local efforts to create direct connections (networks) between farmers and chefs in the Okanagan.

Results from this study will identify next steps and innovative ways to scale-up local food procurement by restaurants in the South Okanagan region.

1.1. Background

In British Columbia, food purchased from restaurants accounts for approximately 30% of total food expenditures (Statistics Canada, 2018). With one-third of the provincial food market, restaurants can play an important role in the local/regional food system by using locally grown products as ingredients in the meals they offer. By using local products, restaurants can support local farmers, diversify their markets, provide consumers access to local food, and thereby promote local food economies and food security in our communities.

Studies indicate that restaurant patrons are responsive to locally produced meals and willing to pay price premiums (Frash, Dipietro and Smith, 2015) especially when they have additional information about the particular farm that their food comes from (Cambell and Dipietro, 2014). Hence, it is important for this study to gather information from restaurant patrons and learn about consumers' preference and perception of meals prepared with local ingredients. The results can provide evidence of demand for locally grown products in a restaurant setting. This can then increase chefs' confidence in pursuing local food for their establishments.

Restaurants that served local ingredients cited the superior quality of locally produced food and their willingness to support local communities as reasons to choose local. Concurrently, lack of convenience, price and insufficient knowledge of local farms act as the main barriers preventing restaurants from buying local (Inwood et.al, 2009; Dela Rosa et.al, 2018). Sharma et.al. (2014) suggested that relationships between farmers and hospitality businesses are weak because of a lack of communication and interaction. Some work has occurred to address these challenges in the South Okanagan-Similkameen by a local farm distribution service building farm to restaurant connections (Tumbach, 2019), and is ripe to be scaled up.

1.2. Research questions

1. What are consumers' perceptions and preferences for restaurant meals with local ingredients?
2. What factors influence a restaurants' decision to purchase directly from farmers?
3. What are successful farm-to-restaurant distribution strategies?
4. What advantages, barriers and opportunities exist in the farm to restaurant marketing channel?
5. What are the next steps and innovative ways of scaling-up local food procurement by restaurants?

2. Data Collection

2.1. Online survey of restaurant patrons

The primary purpose of the online survey was to gather information regarding consumer's perception and preference for restaurant meals with local ingredients, and to find evidence of demand for local food by restaurant patrons. This information can contribute to an increase in restaurant chefs' confidence in pursuing local ingredients.

The consumer online survey included data from individuals who satisfied all of the following criteria:

1. Above age 16.
2. Residents of BC.
3. Purchased a restaurant meal in the past 30 days (in-person, pickup or delivery)

The survey was designed by the Institute for Sustainable Food Systems (ISFS) at Kwantlen Polytechnic University. It was reviewed and validated by food system experts and local government professionals before 20 consumers participated in a test run of the survey.

The survey was administered online via Survey Monkey™ from Sep 25th to October 31st , 2019, and required approximately 10 minutes to complete.

The web-link was made available to residents of BC via social media (local government and supportive organization's social media, ISFS social media, TFN Farm School social media, paid advertisements on Facebook etc.), and distributed among professional and personal networks via email. Upon survey completion, 5 participants were selected randomly and awarded a $100 gift card to a local restaurant in their area.

2.2. In-depth interviews with chefs and farmers

The in-depth interviews with restaurant owners and/or chefs, farmers and a few other industry stakeholders were conducted to gain a deeper understanding of the factors that influence:

- Restaurants' decisions to purchase local food directly from farmers;
- Farmers' decisions to sell products directly to restaurants; and
- The advantages, challenges and opportunities associated with the direct farm to restaurant market stream.

With a better understanding of farm and restaurant decisions about the marketing channel they use and the challenges, advantages and opportunities they face, we will be better equipped to make recommendations on supporting direct farm to restaurant marketing.

Farmers were identified using a directory compiled (for previous research) using publicly available information such as member lists from the BC Fruit Growers' Association, BC Farmers' Market Association website, Certified Organic Associations of BC and farm websites or social media sites. Next, 20 farmers were randomly selected and contacted by phone and asked to participate in an in-depth interview. Sampling and contacting continued until 20 willing farmers were confirmed. We also used personal contacts to connect with some farmers.

To identify restaurants in the City of Penticton area, the Interior Health Online Inspection Report portal for businesses for the Southern Interior area known as "The Hedgehog Portal" was searched for restaurant businesses using the key terms "restaurants" and "catering". Fast food chain restaurants, concessions, bakeries, supermarkets, convenience stores, childcare centres, retirement homes, wine tasting rooms and wineries and pubs without kitchens were excluded. Next, all restaurants on the list were contacted by email, phone call or in-person visits and asked to participate.

While conducting the interviews with restaurant owners/chefs, if it was revealed that they had existing relationships with farmers, we asked for referral to the farms (Snowball sampling method). A $50 incentive was offered to participants completing an interview.

Farmer participants were asked about their farm characteristics, marketing channels, why they chose to sell or not sell to restaurants, what tasks were involved and the advantages and challenges of restaurant sales, whether they were happy selling to restaurants, and if they have the capacity to sell more to etc. Those who did not sell directly to restaurants were asked what would need to change for them to decide to do so.

Chefs were asked about their restaurant characteristics, supply streams etc. Chefs who buy ingredients from local farmers were asked why, what type of ingredients they bought, what tasks were involved and what the advantages and challenges were in buying directly, whether they were happy buying from farmers, and if they had the capacity to buy more etc. Those who did not buy local ingredients were asked what prevented them from doing so and what would need to happen for them to decide to do so.

2.3. Networking event to connect chefs and farmers

Purpose:

The purpose of the networking event was threefold:

1. To present preliminary results of both the consumer survey and interviews to local farmers, chefs, and relevant stakeholders and project partners;
2. To facilitate networking and connections between local chefs and farmers.
3. To identify potential next steps to advance farm to restaurant marketing channels in the region.

Research Scope:

Research team members invited all local chefs/restaurant owners in the City of Penticton for whom email contact information was available, as well as all farmers in the Regional District of Okanagan-Similkameen for whom email contact information was available. As this was a pilot project with the City of Penticton as the key partner, we limited the scope as such, but more farmers and restaurants exist outside of these areas and could be included in subsequent events if desired to increase attendance and connections. Ultimately over 60 chefs/restaurant owners and 130 farmers were invited. In addition, project partners and relevant local stakeholders (eg. existing or emerging businesses related to farm to restaurant distribution, local economic development and local government representatives) were also invited.

Format:

The event was held at a local brewery over an afternoon on a weekday, in order to facilitate chef/restaurant participation. To begin, the research team presented the project purpose and results from both the consumer survey and interviews using powerpoint. Following this, facilitated breakout groups were held to discuss potential next steps to grow farm to restaurant connections in the region, and a final networking event rotated chefs and farmers in a “speed dating” activity to encourage a maximum number of connections to be made.

3. Results

3.1 Results from the online survey of restaurant patrons

Participant profile

A total of 655 restaurant patrons completed the online survey. All 655 participants were above age 16, resided in BC and purchased[1] a restaurant meal either from a fast food chain restaurant or a non fast food restaurant within the 30 days prior to taking the survey. Most individuals (69% of respondents) consumed meals at non-fast food restaurants 1-5 times during the past month.

A total of 109 survey respondents (17%) resided in the Okanagan-Similkameen regional district (RDOS). Sixty-one respondents (9%) were from the North Okanagan (RDNO), and 27 participants (4%) were from the Central Okanagan regional district (RDCO). These three regional districts are delineated as the Okanagan bioregion by the Institute for Sustainable Food Systems (ISFS) (Robert et. al, 2018). The Mainland/South West region generated 358 responses (55%). Sixty-four responses (10%) were from the Vancouver Island and Coast region, 36 (5%) were from the rest of the province.

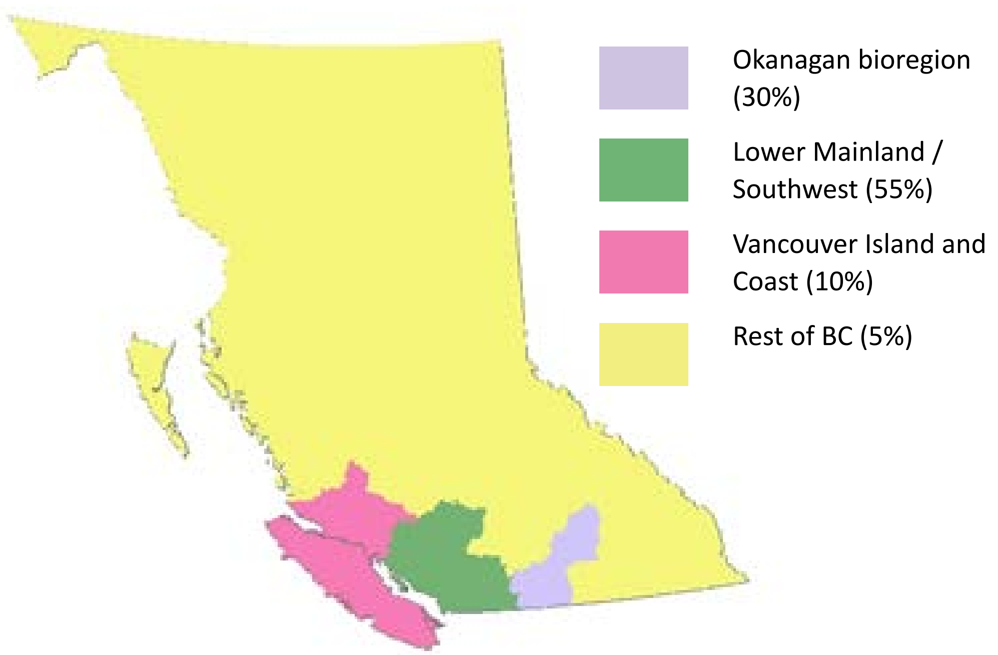


Figure 1: Online survey responses by region

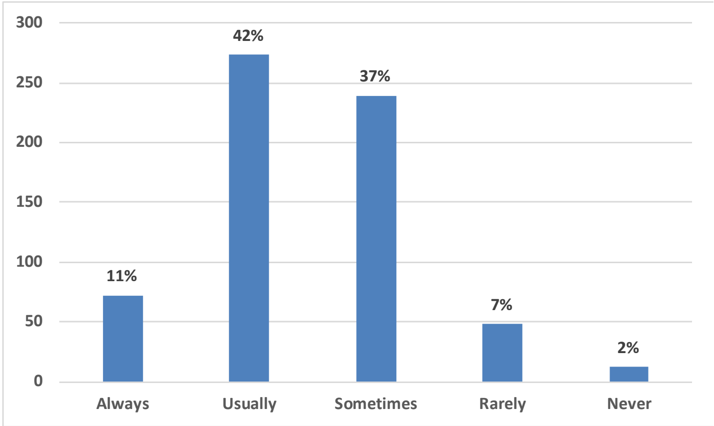
Participant Demographics

Eighty percent of the survey respondents identified as female. Almost half (49%) were between the ages 30-49. Sixty-one percent of participants had at least a bachelor's degree. The median household income is in the range of $80,000 – $99,999, which is in line with the median total income of $84,850 for all families in BC (Statistics Canada, 2020). Sixty-eight percent of respondents were married or in a domestic partnership. Sixty-nine percent of participants had no children under age 16 living at home. Eighty-seven percent of respondents usually ordered meals at "moderately priced" restaurants where the main entrée cost between $11 to $20.

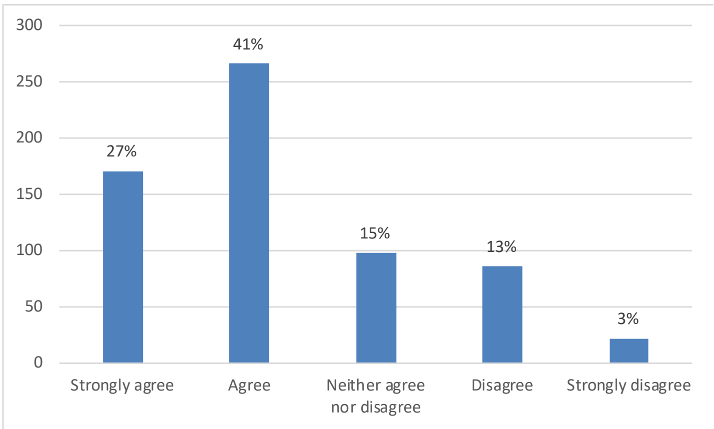
Local Food Awareness

Almost all participants were aware of the term "local food". Participants were asked to select from popular definitions from the literature or come up with their own definition. Only 4 out of 644 respondents (0.6%) selected the option "I have not heard of the term "local food". In Canada, there is no standard definition for "local food". Therefore, for the purpose of this study, we defined "local food" as food produced and consumed within your region[2].

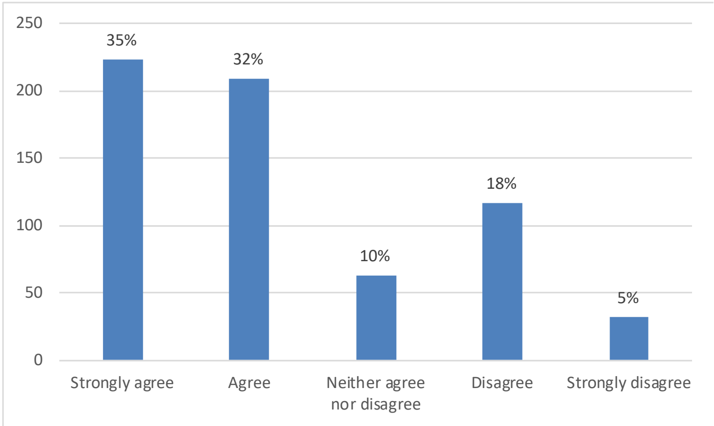
Additionally, three questions were asked to assess participant's knowledge and behaviour towards "local food". The statements were as follows: "I shop for local food to cook at home", "I have knowledge of what food is available locally in a given month" and "I can name at least three local producers/farmers in my region". Fifty three percent of respondents cited that they "usually" or "always" shop for local food to cook at home. Sixty-eight percent "agreed" or "strongly agreed" that they have knowledge about which foods are available in any given month. Sixty-seven percent of participants "agreed" or "strongly agreed" that they could name at least three local producers/farmers in their region. These answers reveal almost all consumers in the survey (99.4%) have heard of the term "local food", and more than half have basic knowledge of local food, and purchase local food to cook at home.



GRAPH 1: "I SHOP FOR LOCAL FOOD TO COOK AT HOME"



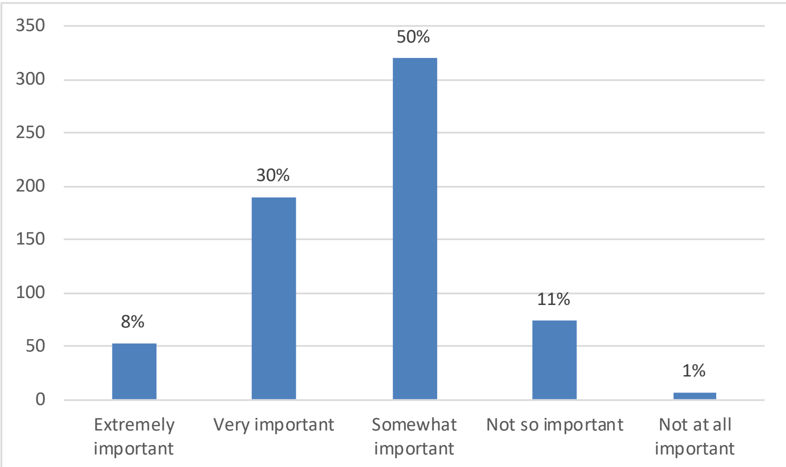
GRAPH 2: "I HAVE KNOWLEDGE ABOUT WHAT FOODS ARE AVAILABLE LOCALLY IN A GIVEN MONTH"



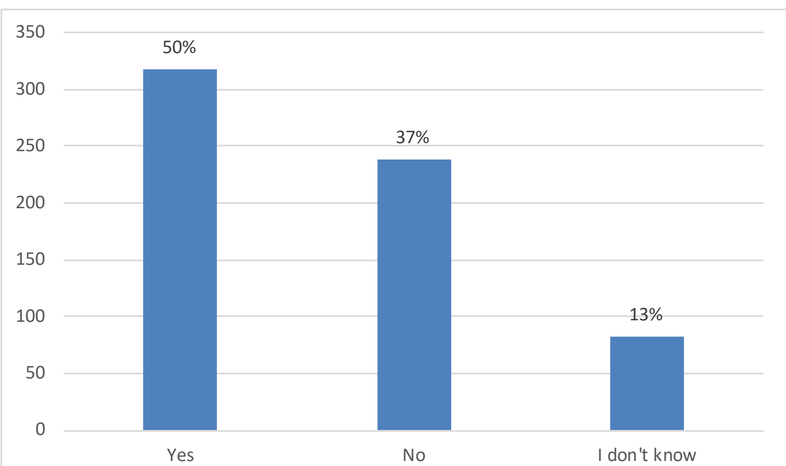
GRAPH 3: "I CAN NAME AT LEAST THREE LOCAL PRODUCERS/FARMERS IN MY REGION"

Attitudes towards local ingredients in restaurant meals

The previous section reported that 53% of survey respondents “usually” or “always” shop for local food to cook at home, indicating that half of the survey participants prefer local food. This section outlines the preference for local food, in the context of a restaurant.



GRAPH 4: IMPORTANCE OF LOCAL INGREDIENTS IN RESTAURANT MEALS



GRAPH 5: ADVERTISEMENT OF LOCAL INGREDIENTS IN RESTAURANT MEALS

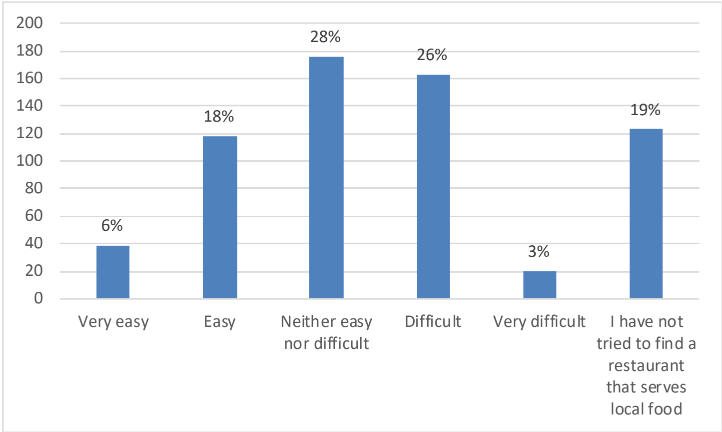
When it comes to restaurant meals, the majority of the participants consider it important (in various degrees) that their restaurant meals contain local ingredients. Thirty-three percent of participants cited that it is “extremely important” or “very important” that their restaurant meal is made with locally sourced ingredients, and 50% answered that it is “somewhat important”. Only 11% said that it is “not so important” and 1% mentioned that it is “not at all important”.

Participants were also asked about specific food categories that they prefer to have locally-sourced in their restaurant meals. Ninety-two percent of respondents said they prefer to have locally sourced vegetables, 69% wanted locally sourced meat and poultry, and 68% preferred to have their fruits sourced locally.

Local food marketing in restaurants

Survey participants were asked whether they have seen local food advertised in the restaurants they purchased a meal from in the last 30 days. Half of the respondents answered that they had seen local food being advertised, 37% had not seen this, and 13% replied that they did not know.

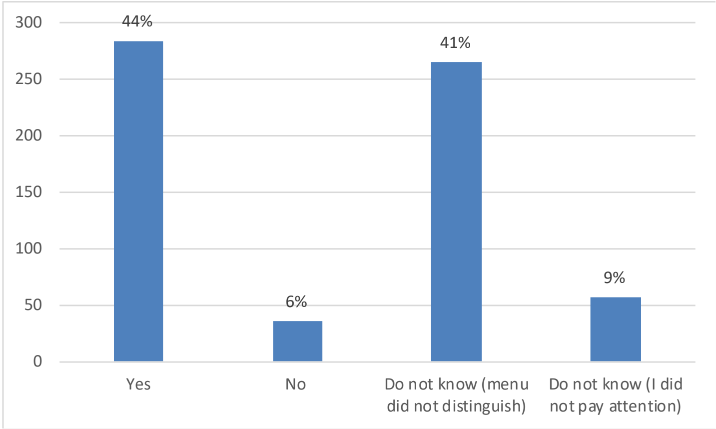
When asked about the difficulty in finding a restaurant that serves local ingredients, only 24% of respondents answered it was "easy" or "very easy" to find a restaurant that served meals with local ingredients. This indicates that either the majority of restaurants do not advertise that they serve meals with local ingredients, or that there aren't sufficient restaurants that serve meals containing local food compared to the demand, and therefore that more local sourcing is needed.



GRAPH 6: FINDING MEALS USING LOCAL INGREDIENTS

Local food purchasing behaviour of restaurant patrons in BC

In order to measure purchasing behaviour, survey participants were asked whether they have purchased a restaurant meal containing local ingredients in the past 30 days. A total of 44% respondents answered "yes". Fifty percent of the participants did not know whether they ordered a locally sourced meal, out of which 41% did not know because the menu did not indicate the source of the ingredients, and 9% did not know because they did not pay attention. Only 6% did not purchase a meal containing local ingredients.



GRAPH 7: PURCHASE OF MEALS WITH LOCAL INGREDIENTS

Assessing consumers' readiness to pay a price premium for meals containing local ingredients

To assess consumers' readiness to pay a price premium for meals containing local ingredients, respondents were given a hypothetical scenario and question.

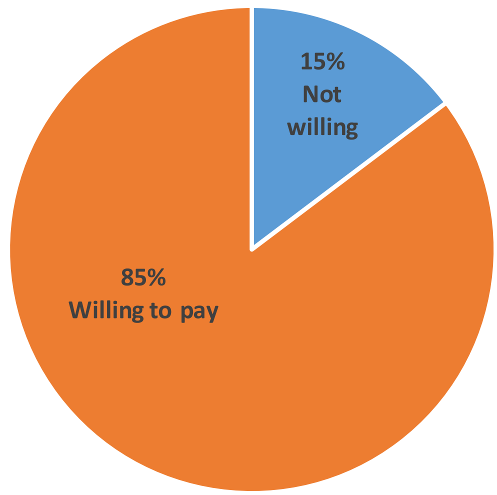
The hypothetical scenario asked the participant to imagine that they were at a restaurant and wanted to order a salad (pictured at right) which is made of non-locally grown mixed greens, tomatoes, beets and red cabbage.

Next the participant was offered the choice of substituting the salad ingredients with locally grown vegetables. The participant was told that this was a hypothetical scenario and that they would not actually have to pay any money, but that it was important that they make their decision as if they are actually facing this choice at a restaurant. Moreover, they were reminded that by deciding to pay more for a salad they would have less money available for other purchases. The question was as follows:

Thinking about the salad you want to order, please answer the following: The salad costs $7. If you choose to substitute the ingredients with locally made vegetables it will cost $1 more. Will you substitute your salad ingredients with locally grown vegetables?

Each participant was randomly assigned one of six salad prices and premiums[3].

The majority (85%) of respondents cited that they were willing to pay a premium for local vegetables in their restaurant meal.



GRAPH 8: RESPONDENTS WILLING TO PAY FOR LOCAL VEGETABLES IN THEIR RESTAURANT MEALS

Reasons for preferring local food at restaurants

Consumers who stated that they would pay a price premium to have local ingredients in their restaurant meals were asked to select the three most important factors that influenced their decision to pay more for a salad made with local vegetables. The most cited top three factors were as follows:

1. Support for local farmers (419 individuals out of 547 (77%) ranked this as one of the top 3 factors)
2. Reduction of environmental impacts (316 individuals out of 547 (58%) ranked this as one of the top 3 factors)
3. Freshness of local products (302 individuals out of 547 (55%) ranked this as one of the top 3 factors)

Other factors that influenced consumer decision to pay more include support for the local economy (41% of individuals), taste (39% of individuals), healthiness (23% of individuals), support for animal welfare (14% of individuals), safety (13% of individuals), and support for better work conditions for farm workers (12% of individuals).

3.2 Results from In-depth interviews with farmers and chefs

Profile of Farmers interviewed

We conducted a total of 21 interviews with farmers. Farmers in this study included 15 that grow fruits and/or vegetables, 5 farmers in livestock and/or meat processing and one manager of a butcher shop. Most farms were located in Penticton and surrounding areas including Naramata, Okanagan Falls, Kaleden, Cawston, and Summerland. A few farms/suppliers were from the North Okanagan, and were included specifically to obtain more information about meat production as there are very few meat producers in the South Okanagan. The farms that participated in the study were mostly small-scale. Nine out of 21 farmers (43%) interviewed directly sold to restaurants in 2019.

Profile of Chefs interviewed

A total of 20 chefs participated in the in-depth interviews. They included 17 chefs, 1 restaurant owner and 2 restaurant managers. All were from restaurants within the City of Penticton except one chef from Okanagan Falls. Most restaurants sourced food locally (17 out of 20 restaurants (85%). However, the proportion of locally sourced food compared to the total food bought at restaurants was less than 10%.

3.2.1. Themes arising from the interviews

In assessing farmers' and chefs' experiences or opinions on the challenges, advantages, and opportunities of farm to restaurant direct marketing, we coded the ideas brought up into the following categories (in-order of occurrence from most to least); chef-farmer contact/communication/relationship, payment/price, local products, volume, orders, timing/location, menu, delivery/distribution, promotion/advertising, marketing channel, type/size of operation, work/labour, consumer perception and local food awareness, and willingness.

Findings about meat were separated as the landscape of local-sustainable meat and direct farm to restaurant sales is more complex and beyond the scope of this research. Therefore, a summary overview for meat is presented following the themes.

Chef- Farmer Contact/Communication/Relationship

Communication is key to building good business relationships and good relationships are good for business. Face to face interactions, regular communication, visiting farmers markets, and participating in networking events help build a trustful relationship between farmers and chefs. Chef visits to the farm and farmer visits to the restaurants can be especially beneficial in developing farmer and chef relationships and also create more networking opportunities and connections. Moreover, they are also very meaningful experiences as chefs get to see where the food they cook comes from and farmers can experience the satisfaction of seeing their produce transformed into delicious meals.

However, building good relationships can be a challenge for both chefs and farmers as time is constrained by their busy livelihoods. Chefs highlight the difficulty in reaching farmers during the growing season, especially those who do not use cell phones. On the other hand, farmers can be reluctant to invest time and effort in building relationships with chefs, citing the high turnover in the restaurant industry. Some farmers mention that their contacts with certain restaurants are lost when chefs move on, while others can maintain their contacts as well as establish new ones. This range of experience often comes down to the time and effort that both chefs and farmers are willing to invest.

A farmer and chef relationship built on trust can allow chefs to work together with farmers on the menu before the growing season so that the farmer can grow exactly what the chef needs and facilitate smoother delivery (eg. when the farmer is granted access to the restaurant to enable delivery at all hours).

In some cases communication is poor and can lead to a lack of follow through on purchases/deliveries, or feedback. Farmers value both positive and negative feedback from chefs on produce quality and price. However, there are instances where chefs may simply stop ordering rather than communicate the ways in which a particular product or price isn't meeting their needs, thus allowing no room for improvement on the farmer's part.

Payment/ Price

In terms of payment and price, farmers need to be paid a certain price for their product to cover the high costs of production, particularly on a smaller farm where economies of scale are lower. As a result, discounts need to be extremely minimal or non-existent. At the same time, margins for restaurants are tight and so price matters. Therefore, pricing can be a challenge for both parties. Nevertheless, when a product is in season or if the product is unique, buying from a local farmer can be cheaper than buying from a distributor.

According to some farmers interviewed, one of the top advantages of selling products directly to restaurants is the price they receive for their products. These farmers are usually able to sell at market price or above.

Farmers consider selling to restaurants a reliable source of income as their sales are guaranteed, especially if they have an established contract. However, some have also experienced issues in receiving payment on-time, or at all. Many farmers are able to get the prices they need via direct sales to consumers, hence they do not bother with restaurant sales.

Record keeping is very important in the restaurant business. Chefs often need receipts of sale and prefer to pay via credit card or e-transfer. However, this requirement can be a challenge or not possible for some farmers. As a result, many sales may not go through or continue.

Local Products (Quality, Uniqueness, Availability)

Freshness, quality and flavor are of utmost importance to chefs and those standards can be met by local farmers who are passionate about what they do and put great care into their products. Some chefs appreciate being able to check on the quality of local produce before they purchase. However, in some instances, quality, flavour, and consistency may be challenges where storage and distribution infrastructure are lacking (eg. coolers and refrigerated vehicles) and farms are smaller.

Additionally, local farmers could supply chefs with specialty products that are hard to find through conventional distributors (such as squash blossoms, haskap berries, edible flowers and various herbs), though in some cases these unusual products may not be in demand by consumers, or chefs may not know how to use them.

In general, a year-round supply of local products is not often possible, with a few exceptions like garlic, carrots, and beets. These crops were identified as good starting points for restaurant relationship building.

Communicating and learning about product availability early in the season is an important first step to ensure that farmers will have the products that chefs want, exactly when they want them, and that chefs can use local products when they are available.

In cases where local food products are high quality, the right product and the right price, there are opportunities for market growth. In-demand commodities mentioned included salad greens, herbs, tomatoes, non-GMO produce, and local dairy. There is also an opportunity for chefs to take "B" grade produce or "seconds" for processing. In addition, there is an opportunity for farmers to educate chefs about new or unique products.

Volume

It can be a challenge to match the chef's demand for a given produce to a farmer's supply of the produce. Sometimes chefs need a large volume of a specific product and often local farmers may have a shortage of that product or conversely, restaurants may not order enough product to make the transaction worthwhile for the farmer. Sometimes, chefs may have a lack of storage space for products and resort to making frequent small orders. This makes it difficult for some farmers who do not want to deliver (in small quantities) more than once a week.

If volume can be determined prior to the growing season, it can help match the demand to the supply. However, some farmers may not have the capacity to grow the required volume. Restaurants have the capacity to buy more produce from farmers and are willing to work with producers to negotiate the correct quantities. However, farmers cited the risk involved with growing a specific quantity of product for a chef, if that chef later decides not to buy the produce or in case of crop failure.

Orders

It is time consuming for farmers to have to deal with late, small, or inconsistent orders from restaurants. At the same time, chefs having to order produce from multiple farmers requires a lot of time, coordination and communication. Sometimes orders may be wrong, or products not available. In this context, online ordering from conventional distributors becomes extra appealing.

Both parties suggested that an online ordering system would be helpful in this regard. Online ordering software (such as Local Line) provides an opportunity to reduce administrative time spent on orders and streamline the process. Farmers would receive a tallied order sheet, making picking and packing easy. Chefs would be able to see the product, know how much of the produce is left and able to order at any time without having to worry about disturbing anyone. Conversely though, some chefs favoured door to door sales where they can inspect the product before they purchase it on the spot.

Other suggestions included farmers sending weekly fresh sheets, chefs being able to order via text messages, standing orders, and a farmer's cooperative that could present one fresh sheet for restaurants to order from.

Farmers are very committed to filling orders by chefs, and identified pre-ordering (early in the season) as helpful in determining planting plans to ensure they can meet the ordered demand. As well, pre-orders provide the opportunity for farms to source the product from other farmers if necessary to meet the demand and ensure that Chef orders are fulfilled.

Timing/location

Seasons and weather affect what is available and it changes from year to year; what chefs can buy locally severely declines during winter. Local farmers cannot fully satisfy demand for a product when it is not in season. As well, in the Okanagan, many restaurants close down in the winter. As a result, some farmers mentioned that they are able to sell more produce/products during winter to restaurants in other geographic locations (such as Vancouver).

Menu

Chefs are sometimes challenged by their menus - many have fixed menus which may be difficult or expensive to change to accommodate seasonally available local products. Restaurant patrons often want to see the same menu items whenever they dine. There is work to be done to build consumer trust with respect to flexible menus. Chefs who can keep the menu flexible using ingredient substitutions, offering specials, or changing the menu with the seasons can help accommodate local and seasonal food. Some chefs have noted that more and more, consumers are supportive of flexible menus. At the extreme end, one farmer noted that having an on-farm restaurant where the menu changes to fit the seasons and menu price reflects the quality of the ingredients was working well for their farm - people expect to pay more and have little selection on the menu as part of the farm to table experience. In general, chefs prefer to feature high quality local food whole on their menus as opposed to processed (eg. poached egg vs. creme brulee).

Delivery/ Distribution

Many chefs do not have time to pick up products from farmers and require delivery at specific times (challenging for busy farmers). Chefs might not be available when a delivery is made, resulting in farmers having to transfer products themselves. Last-minute orders from chefs to farmers can make delivery logistics challenging, while late deliveries (due to a variety of circumstances) are problematic for restaurants with tight schedules. Some chefs and farmers do have positive experience with on-time deliveries and flexibility from both parties.

The greater distances between orders in the Okanagan region (compared to more compact cities like Vancouver) consume precious time during delivery days. Farmers saw consolidating multiple deliveries on a certain day (rather than single trips), scheduling deliveries to coincide with other trips, or having the chef pick-up as opportunities to streamline distribution. Aggregating deliveries (eg. joining up with another farm to share delivery), and regionally-based delivery (carried out by a delivery / distribution service rather than individual farmers) were also seen as opportunities, linked in with online ordering and a virtual/wholesale market. It was also suggested that existing wholesalers/distribution companies could also increase their market share of local products.

Promotion

Advertising produce or restaurants via word of mouth is very common between chefs and farmers. For example, if a farmer does not have certain products that a chef needs, they may refer the chef to a different local farm. Vice versa, if a chef is impressed with products from a certain farm, they may also recommend other chefs source from that farm.

Additionally, There is potential for restaurants to actively promote the local farms they feature, and for farmers to direct customers to the restaurants using their products. The consumer survey identified that many consumers did not know if their restaurant meals contained local food. This suggests an opportunity to further the promotion currently occurring, for mutual benefit.

Marketing channel

Many farmers mentioned farmers' markets as a venue to meet and make connections, as well as to connect consumers with local food and raise the general public's awareness. Farmers' markets were also mentioned as a potential venue for a "chef CSA" or similar pickup location that could aggregate many farmers' products to more efficiently serve the restaurant market.

Other farmers felt that selling to restaurants had benefits compared to farmers markets. With restaurant sales, farmers can harvest the day of delivery, don't have to store the product overnight, and can use less packaging. In addition, sales are guaranteed and there is much less waste.

However, farmers stated that having more than one marketing channel was beneficial, so that they could always have a back up sales stream. For example, they could fill orders from chefs on a Friday and sell their remaining product at the market on Saturday, or vice-versa (chefs could buy remaining produce after the market).

Type/size of operation

Participants noted that smaller restaurants that are not higher-end "farm to table" restaurants, and average $20 a plate, cannot afford to source locally due to their low profit margins. The mismatch in size between farms and restaurants is often an issue in chef/farmer business' relationships. Farm-to-restaurant establishments are often smaller in size and do not make large enough orders. On the other hand, small farms often have a hard time keeping up with orders from large restaurants.

Labour

Farm to restaurant procurement can come with additional labour requirement for both chefs and farmers. It is a lot of work to develop and maintain individual relationships. Both parties have to be committed to put in the extra work required. This can be challenging since both chefs and farmers are very busy.

Consumer perception and local food awareness

Chefs and farmers participating understand that there is a high value in locally produced food; it is high quality, environmentally friendly, worth the price, and supports the local community, individuals and families. Farmers described the satisfaction they receive when their product is valued by their community, and take pride in seeing their food prepared and presented creatively. They enjoy it when they have the opportunity to dine at the restaurants which use their products. Farmers believe that when restaurants acknowledge the source of the ingredients, consumers are able to see the connection and develop a better relationship with their food. This presents an opportunity: while some restaurants already have a dedicated community of consumers who are willing to pay a premium for local food, new customers can learn from chefs and restaurants who share their appreciation and value for buying local.

In general, chefs and farmers noted that public perception and understanding regarding local food is increasing. More and more, people in the Okanagan are thinking about where their food is coming from and seeing its value as more than a commodity. Chefs cited plant-based products, organic produce, and health foods as growing trends. Despite this, when it comes to actually supporting local purchasing and paying more for the increased quality and advantages, they noted that some people might not follow-through. The growing demand might indicate opportunity for sector growth, but this may need to be accompanied by additional education/marketing so that consumers feel good about their choice to support local producers.

Willingness

There is willingness from both farmers and chefs to engage more in farm to restaurant channels. Farmers have capacity to sell more to restaurants and are willing to grow crops desired by chefs. To be successful though, chefs should be willing to work with the price and seasonality of local farm products.

3.2.2. Meat-specific issues

According to the chefs interviewed, many are interested in sourcing good quality, sustainably produced local meat. Consumers are also interested in knowing where the meat comes from. This implies a growing demand for local meat.

One of the largest and most commonly cited challenges relating to the production of local meat is processing. On-farm processing of meat has become a challenge, as it is heavily regulated by higher levels of government and cannot be done without a license. Regulated processing centers can be located far from farms, making transport stressful on the animals and costly for the producer. These regulations (though not intentionally) actively discourage small scale local production. The slaughter system is set up in support of big producers, not family farms.

Chefs cited that it is difficult to find local meat because there are only few meat producers in the region (which may also be due to the challenges experienced by meat producers around slaughter and processing). Existing meat farmers find that they can take advantage of the opportunities that may arise as a result (eg. less competition in supplying local meat to restaurants, or even supplying organic manure to other farmers etc). In terms of opportunities for raising meat, producers mentioned the possibility to run livestock under the multitude of orchards in the Okanagan (citing European examples), but that under current health regulations this would not be permitted.

Chefs may not want to purchase whole animals more commonly sold by local producers, since many parts are less marketable and require particular knowledge to prepare. Cold storage can be a limitation as well. Storage issues (cooler/freezer space), can also be an issue. Some producers identified themselves as having the ability to do custom processing for specific needs. Chefs corroborated the need for a butcher who could process whole animals and re-sell desired cuts to restaurants. Still other chefs stated that they were looking for off cuts for smoking, a less common demand (and potential opportunity). Flexible menus could enable restaurants to purchase unusual cuts to feature, thereby making use of the entire animal. In terms of products like cured meat and sausages, there are no local Okanagan suppliers, so there may be a market opportunity there.

Some restaurants serve a lot of meat dishes, and local farmers (who are mostly smaller-scale) may not be able to supply the required volume. In addition, small producers have higher production costs per animal, resulting in a higher cost for local meat, which some chefs cannot justify. Many of the meat producers interviewed would have the capacity and interest in supplying local restaurants if the demand for their product existed at a viable price. Conversely, some chefs interviewed held the opinion that meat should be treated more as a garnish rather than mainstay in our diet, thereby reducing the amount of meat purchased by their restaurants.

3.3 Results from the networking event with farmers and chefs

The networking event was held on March 10th, 2020 from 2-4pm at Slackwater Brewing in Penticton, and was attended by 21 chefs and 24 farmers, plus 7 other stakeholders, for a total event participation of 52. As mentioned previously, the event began with informal networking, followed by a half hour powerpoint presentation by the research team to present the project objectives, and consumer survey and interview results. Following this, 6 breakout groups were facilitated in a discussion about potential next steps to further develop farm to restaurant marketing channels in the region. The final activity was a “speed dating” networking event whereby chef and farmer participants rotate through short networking sessions to make as many connections as possible.

Outcomes:

During the breakout sessions, participants were assigned to 6 different groups and participated in facilitated discussions. The central questions addressed were as follows:

What initiatives/actions/changes would help to grow farm to restaurant marketing in the South Okanagan? What resources would be needed to support this change/action/initiative? What resources exist locally?

Groups primarily addressed the first question. There were several common ideas that emerged across the groups, which are summarized below:

- Create a **directory of farmers and chefs**/purchasing managers who are looking to sell/source locally. This gives both parties a go-to reference to aid farm to restaurant connections.
- **Establish a Food Hub/cooperative of local farms** - This could exist both online, as well as having a physical location. Such a co-op could be based on existing models , and enable resource sharing, collaboration on ordering, delivery, processing, promotion, marketing, communications, and relationship-building. It could potentially serve as an aggregation service to address issues of volume, and ease the burden on individual farmers, as well as a go-to location for chefs seeking local products.
- Establish ongoing **communication/networking opportunities** for farmers and chefs
- Adopt **online ordering systems** on the farm – eg. Local Line
- **Educate consumers** re: benefits/value of local food, seasonality (both youth and adults)

In addition, during the networking session, non-farmer/chef participants (members of local government, economic development organizations etc.) participated in a discussion as to how they could best support the initiatives that were suggested.

In terms of resources - participants identified the need for funding for all initiatives. One potential funding source for co-op development was Cooperatives First, which currently provides funding to support feasibility studies. No other funding sources were identified during the session, however potential partner organizations mentioned included Kwantlen Polytechnic University, the Penticton Farmers Market, and the Chef's Association. One example of online software cited was Local Line, and examples of food hubs included the Vancouver Farmers Market Direct, and Edmonton's Jasper Place Wellness. It is worth noting that significant work is occurring in Summerland around a food and beverage processing hub which could also be a potential partner.

At the conclusion of the event, A feedback form was distributed to gather information about the utility of the event and potential improvements to subsequent events. A total of 17 forms were received (15 at the event, and 2 online following the event).

Of these, participants found the sessions very or extremely valuable (4 or 5 out of 5), with most citing the opportunity to meet chefs/farmers and make new connections, and to learn more about the perspectives of the other participants as the reason for its value. When mentioning key learnings from the event, the demand for local food in restaurants was important, as well as the perspectives of farmers/chefs in terms of procurement. The "speed dating" networking event was stated as the most useful activity, while a few also appreciated the facilitated brainstorm session. Suggestions for improvement included more time for the networking portion of the event, introductions to all participants rather than the "speed dating" format, a review of breakout group outcomes with the larger group, holding more sessions like this, and the distribution of a contact list to facilitate follow-up.

In summary, the networking event was a success, with over 50 participants and a balance of chefs and farmers. Suggestions for next steps to support farm to restaurant sales in the future include a directory of interested parties; a farmer co-operative to realize economies of scale in marketing, ordering, distribution, and logistics; ongoing communication and networking activities; the establishment of online ordering for farms; and consumer education to continue to increase the demand for local food. Event participants found the session very useful in making new connections and learning about the other party's perspectives and procurement challenges. There were good learnings to improve future events, and a strongly expressed desire to see more events and activities like this in the future.

4. Discussion

The results of the consumer survey demonstrate that there is consumer demand for local food in restaurants, and the attendance at the networking event would seem to suggest that there is a growing network of farmers and chefs interested in selling or purchasing local food, respectively. Given the apparent consumer demand and willingness among chefs and farmers, what are the appropriate next steps to support the growth of farm to restaurant marketing channels in the South Okanagan?

4.1 Next steps/opportunities to develop farm to restaurant marketing

While many advantages to local sales/purchasing were cited by both chefs and farmers, challenges were also identified. Opportunities identified through all phases of the research which address multiple challenges and have potential are outlined below:

- Hold more **networking events** (like the mixer event held as part of this project) in the off-season to enable farmers and chefs to connect at a time that is usually less busy for both.
- Encourage **existing wholesalers/distributors,** and grocery stores to carry more local products.
- Encourage **new wholesalers/distributors** to establish, with a focus on local food.
- Form a **farmers co-operative** to achieve economies of scale and provide a one-stop shop for chefs. Components of this cooperative could include:
    - Aggregation of product from multiple farms to address volume issues and better match supply with demand
    - Shared online ordering platform (eg. Local Line) to reduce administrative burden for farmers and simplify ordering for chefs
    - Streamline payment for both chefs and farmers
    - Online directory of members with available product (including “B” grade products for processing) and contact information to make ordering easy for chef (rather than many multiple small orders)
    - Shared distribution for increased efficiency and to minimize burden on farmers and chefs
    - Could share recipes and menu ideas to assist chefs with seasonal menu planning to take advantage of more local produce
    - Could also engage in consumer education activities/advertising and promotion of local food through a co-op/hub “brand”. This could combine several next steps and address several challenges.
- Support and encourage the **expansion of local meat processing opportunities** in the region (abattoirs, mobile abattoirs, on-farm slaughter)

The identified next steps address all of the key theme areas raised by interview participants: relationship-building and communication; payment/price; farm products; volume; orders; timing and location; menu; delivery and distribution.

How such initiatives could be implemented remains to be seen. Perhaps a first step would be to identify likely agencies or organizations who could assist in moving some of these actions forward. Potential partners include the South Okanagan Food Processing Hub forming in Summerland, the Penticton Farmers Market, Local Motive organic delivery, City of Penticton Economic Development office and others. Local and regional government organizations (eg. municipal governments, regional districts, and health authorities) can also play a role in facilitating the type of actions outlined here, by removing regulatory barriers and helping to support and connect relevant parties and resources as possible.

4.2 Limitations to the research

A number of data limitations exist in this study.

First, in the consumer survey, participants were not randomly selected, so there is inherently a bias toward respondents who have internet access, and an interest in supporting local food systems. The survey also occurred during the fall, outside of the peak restaurant dining/growing season, and so this may have affected response.

For the in-depth interviews, although the research team started out attempting a random sample of chefs and farmers, in order to solicit enough responses, interviews were conducted with any willing party, so once again there is a self-selection bias in favour of farmers and chefs interested in this farm to restaurant relationship. For both the interviews and networking event, this pilot project chose to focus its scope on restaurant businesses within the City of Penticton, and farms in the Regional District of Okanagan-Similkameen. While general trends would likely be similar, certain results may therefore not be representative of all other areas in the Okanagan, or BC.

4.3 Recommendations for future research

As outlined earlier, while the online consumer survey was administered province-wide, the in-depth interviews and networking event held as part of this pilot study were limited in scope to the South Okanagan and Similkameen regions. While the results (key issues) raised by participants in this study are likely similar to those facing farmers and chefs in other areas, they could be built upon to tease out additional context-specific nuances for other jurisdictions interested in undertaking similar analysis (for example the Central Okanagan Economic Development Commission and / or the Land to Table Network in the North Okanagan). Expanding the study to these additional areas would give a more fullsome picture of the farm to restaurant supply chain in the whole Okanagan Bioregion.

4.4 Shifting Contexts: The impacts of COVID-19

Since the declaration of the COVID-19 pandemic and resultant restrictions and implementation of physical distancing rules in mid-March, 2020, much has shifted in the local food, tourism, wine, and restaurant industry in the South Okanagan. Many restaurants are closed or only offering take-out service, and upon reopening will have new restrictions that may affect their demand for product. In addition, farmers have been affected, with the closure of the in-person Penticton Farmers' Market and a shift to an online market on the Local Line platform with centralized customer pickup. Many may have excess product with their usual restaurant clients closed, and may be struggling to market all their produce. Some may have a hard time operating due to the uncertainty of foreign labour situations. In BC, Canada, and throughout the world, disruptions to existing global supply chains have occurred as result of the pandemic, which has closed processing plants and fast-food restaurants which are usually a market for specific items. Shortages and panic-buying have led to difficulties in Canadian's ability to access food (Brewster, 2020).

As a result of global supply chain disruptions, local food, farming, farmers' markets, and gardening have seen a surge in interest and popularity, as people seek alternatives to the global food system, seeking a more resilient food supply. A recent survey conducted by the Institute for Sustainable Food Systems (ISFS) on consumers' food access perceptions and concerns during the COVID-19 pandemic found that many British Columbians believe that the a local/regional level food system is more reliable than the global food supply chain (ISFS, forthcoming).

As a result of these large and continuing shifts, some of the findings and recommended next steps may need to adjust to a new restaurant dining context, or may already be occurring (for example, the online farmer's market with centralized pickup aggregating products from many farms). As restaurants slowly begin to reopen, further research will be needed to determine how to implement the recommended next steps given the significant changes to the current context of restaurant dining and food procurement.

5. Conclusion

This project sought to understand the challenges, advantages, and opportunities that exist in the farm to restaurant marketing channel in the South Okanagan. The project conducted three discrete research activities to do so - a consumer survey of restaurant patrons, in-depth interviews with chefs and farmers, and a networking event and focus group.

The consumer survey revealed that the majority of participants consider it important that their restaurant meals contain local ingredients and are willing to pay a premium for local vegetables in their restaurant meals. Moreover, almost half of the respondents have purchased meals containing local ingredients in the last 30 days. When asked why they prefer to choose meals containing local ingredients, supporting local farmers was the most popularly cited reason. These results indicate that consumers in BC are willing to purchase restaurant meals containing local ingredients.

However, the survey also revealed that on the supply side, there seem to be a lack of restaurants that serve meals using local food. This may be related to restaurants not engaging in active marketing and therefore not differentiating their product (restaurant meal) as “locally sourced,” or because there aren’t many restaurants using local ingredients to create their meals. Thus, we conclude that there is room to develop a market for restaurant meals prepared with local food.

In-depth interviews with chefs and farmers identified advantages, challenges, and opportunities relating to (in-order of occurrence from most to least); chef-farmer contact/communication/relationship, payment/price, local products, volume, orders, timing/location, menu, delivery/distribution, promotion/advertising, marketing channel, type/size of operation, work/labour, consumer perception and local food awareness, and willingness.

From the interview and focus group results, some potential “next steps” emerged that would support the development of stronger farm to restaurant connections in the future. These included more networking events, promotion of local products, and the development of a co-operative to aggregate products from local farmers and streamline ordering, payment, distribution, and marketing, in a hub for chefs who could easily access products from many farms at once. A number of potential existing partners and fewer funding sources were proposed, and a first step could include reaching out to these entities to determine interest and capacity to support such an initiative.

Of course, given the COVID-19 pandemic that swept through BC near the end of this project, the context has shifted and it remains to be seen how restaurant dining will unfold in the coming months and years. It is likely safe to assume however, that the increasing interest in more local/regional food systems that has been fueled by challenges in the dominant global-industrial food system supply chains during the pandemic will continue to increase demand for local product in restaurants in the future, and so continuing to build these connections and relationships can only be a positive activity as we seek the strongest path forward toward economic reform and revitalization in our “new normal” world.

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Endnotes

1 Purchased a meal at a restaurant, or ordered a pick up or delivery of a restaurant meal.

2 In this instance, “your” refers to the survey participants. An example was provided to help survey participants identify various regions in BC, as follows: This was the example provided in the survey “if you live in Vancouver or Surrey your region is Metro Vancouver. If you live in Victoria or Nanaimo your region is Vancouver Island. If you live in Penticton or Kelowna your region is Okanagan. If you live in Cranbrook or Nelson your region is the Kootenays”

3 The salad costs $7, premium $1. The salad costs $8, premium $4. The salad costs $10, premium $7. The salad costs $12, premium $2. The salad costs $14, premium $5. The salad costs $17, premium $3.