

Local Products: the Local Purchasing Challenge

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Presentation Outline

- Feasibility study into the Market Opportunities for Local Produce in Pembrokeshire for PLANED
- Changing relationships between production and consumption
- Research methodology
- Positives for Pembrokeshire
- The local purchasing challenge

Methodology

- Street interviews with >100 consumers in three different locations (Crymych, Tenby and Milford)
- Focus group discussions with:
 - Intermediate food purchasers (local retailers, B&Bs, restaurants and pubs)
 - Producers
 - Wholesalers

Positives for Pembrokeshire

- Pembrokeshire has a good geographical identity
- Support through the Pembrokeshire Quality Produce Mark and the Haverfordwest FM
- A high % of consumers buy at least some 'local' produce
- Support for the local economy
- Local produce is instinctively considered to be of a better 'quality'
- Many consumers and commercial purchasers are prepared to pay a price premium

The local purchasing challenge: quality and value

- Produce that is simply differentiated as being local is not sufficient
- *‘If local produce is fantastic, use it. If it’s not fantastic, why would you use it?’ (Purchaser FG)*
- The necessary price premium needs to represent value for money
- ‘Matching quality and price with consumer expectations. Price is always an issue
- Quality and value for money may be very subjective

The local purchasing challenge: market aware

- Producers must be more aware of the market
- No good producing a wonderful product if there is no demand at the price being charged
- They must be profit motivated/business savvy
- Convenience – both for individual consumers, but also commercial purchasers
- Local produce needs reliable and safe distribution mechanisms

The local purchasing challenge: market access

- Large-scale wholesalers: Convenience versus local produce
- Small-scale producer access to markets
- Producer-owned distribution system
- Local wholesalers
- Supermarkets
- Local shops/retailers

The local purchasing challenge: developing local infrastructure

- Processing, transport and distribution
- Key local bodies should help facilitate greater supply chain collaboration and communication
- Working with local wholesalers
- *‘They don’t realise that they have to sacrifice margin to grow it’ (Wholesaler FG)*
- Supporting local retail outlets
- Providing start-up units

In Summary

- The power and organisational capacity of supermarkets
- Any solution needs to be genuinely 'embedded' at a local level
- Value needs to be retained at a local level
- Local infrastructure needs to provide a robust foundation for the development of local products
- Tap into the potential scale of public procurement
- Ultimately to maximise the market opportunities for local produce in Pembrokeshire