

Local love

An appetite for locally sourced food is growing. But is it sustainable?

Rosalind Stefanac | September 10, 2020

AS THE COVID-19 PANDEMIC IS EXPECTED TO GO ON FOR THE FORESEEABLE FUTURE, CANADIANS are not only staying closer to home, they're opting for foods produced closer to home, too.

Already, more than half of Canadians (55%) say they currently buy local to support the environment and 41% would consider buying local, according to Mintel's latest *Sustainability in Food—Canada* report. And as consumers settle into this new pandemic lifestyle, COVID-19's impact on food systems is making them think twice about longer-haul imports when making produce purchases.

According to a Food Secure Canada report on *Growing Resilience and Equity*, released in May 2020, COVID-19 has exposed Canada's overreliance on long-distance import/export food chains that are too vulnerable to market, labour and border disruptions. (We currently import 30% of food, yet export 50% of what we grow.) Instead, the report calls for the need to implement more resilient and diversified food systems that can "revitalize communities" and ensure access to healthy and fresh foods while supporting lower-emission food systems.

Based on qualitative research, Shelley Balanko, senior vice-president at the Hartman Group, says consumers certainly are talking about a preference for regional food supply chains. "Right or wrong, there is a heightened trust now around food safety with local producers," she says. "There's this belief that folks producing food near you won't put you in harm's way, whereas there is this unknown entity on the other side of the [traditional] supply chain."

If eating local goes mainstream post-pandemic, however, Balanko says consumers will have to change their whole mindset around the kinds of fresh foods they can eat year-round. "Yes, more and more consumers will be paying attention to the issues of food safety and access, but as a culture we've gotten used to eating [fruits and vegetables] out of season," she says. "We'll see if this continues, but for now it's definitely a trend to watch."

In the meantime, some grocers are already gearing up for what they expect will be a much more locally conscious consumer in the aftermath of COVID-19. In June, Fresh St. Market in British Columbia partnered with 20 local farms (<https://www.canadiangrocer.com/products-2/fresh-st-market-goes-hyper-local-with-new-farm-partnerships-95366>) to bring hyper-local fresh fruits and vegetables into its five stores every Saturday. Produce category manager Aaron Usher says the Farm to Fresh St. Market program allows customers to get produce that was literally picked on a Friday for their Saturday shop. "It feels like a farmers market, as shoppers don't quite know what they're going to get," he says. "We also have the ability to work with smaller farmers who may not have the capacity to service the big stores, but are still developing some unique new crops."

Usher says Fresh St. Market has always had a mandate to carry B.C.-grown foods whenever possible. But with COVID-19 he expects customers' desire for local produce will be even stronger this summer as they continue to cook meals at home. "This program is our way to increase our customers' access to locally grown foods while strengthening our relationship with farmers," he explains. "Hopefully by doing this we can help, in our own small way, to move more locally grown produce through the system."

(<https://www.canadiangrocer.com/wp-content/uploads/2020/09/Cal-Gary-Co-op-products.jpg>) Calgary Co-op is also placing bets on a growing love of local among its more than 440,000 members. Beginning several months before the crisis, the grocer had already banked on doubling the number of local items in its stores to 2,500. Recently, it also launched two new brands—Cal & Gary's and Founders & Farmers—with products curated specifically to local tastes. The brands feature items like Alberta-raised beef burgers, local produce and breads; even product names play on local "Calgaryisms," such as Stampede City Trail Mix.

The co-op's senior director of private brands, Chris Gruber, says the advantage in creating product lines like these is an ability to "create a much deeper connection with our members looking for high quality and unique, local attributes" when it comes to the groceries they purchase. In addition to the 600 products launched already, members can also expect another 250 fresh and frozen private-label items this fall, centred around entertaining in the festive season.

Ken Keelor, CEO of Calgary Co-op, says one silver lining to the pandemic has been an opportunity for locally sourced foods and private labels like these to really grow. "The sentiment among our members is that they want to invest their dollars in the local economy now more than ever," he says, noting there is sense of reliability and trust inherent to buying locally sourced items. "[Our members] know these suppliers and can even drive by their premises."

Across the pond, the pandemic has prompted several U.K. retailers to place a heavy emphasis on promoting local, too. Waitrose is helping support local artisan cheesemakers by offering a special cheese selection box filled with British cheeses, while Morrison's is offering British food boxes filled with local meats, dairy and vegetables. It's then donating one British pound sterling (about C\$1.72) from each box that it sells back to local farming charities.

PRICE A KEY FACTOR FOR MAINSTREAM GROWTH

Yet even with consumers' growing interest in locally sourced foods, analysts say value will play a key factor in whether this trend goes mainstream and takes root long-term, especially as economies continue to suffer post-COVID and people tighten their budgets for the foreseeable future. While there may have been a perception pre-pandemic that consumers should pay a premium for local because it costs more to produce, Hartman Group's Balanko says shoppers these days will be putting their money where they see good value and placing a greater focus on "conscious consumption." She notes: "COVID has shone a light on injustice issues and marginalized groups and there is this sense that it is no longer OK for food that is healthier and local to cost more."

Joel Gregoire, Mintel's associate director of food & drink in Canada, points out that even if more consumers demand locally sourced foods at lower prices, a lack of supply could make that unsustainable. "There has been a lot written already about farming challenges in finding people to pick produce and keeping workers from abroad safe," he says. "Plus, part of sustainability when it comes to food is making sure those doing the work are paid a decent wage."

He expects the changes we'll see in food choices post-pandemic will centre more around how food is presented (such as online delivery) rather than food types. "I'm not overly convinced that these behaviours people have adopted during COVID will remain once we get past the pandemic," he says. "Eating behaviour is almost glacial in how it changes—it doesn't happen overnight."



More than locally sourced foods, shoppers will be looking for transparency with sustainable sourcing and value, believes Amar Singh, principal analyst with Kantar Consulting. “There are definitely seasonality factors when it comes to fresh produce in Canada and growing food here is relatively expensive,” he says. “I see shoppers in Canada paying more attention to ingredient lists and ‘clean’ product lines—and pricing will always be important.”

In fact, Singh says the potential for local to go more mainstream, ultimately, depends on manufacturers and retailers keeping prices low enough to drive growth. “At the end of the day, we are value hunters at heart, and price sensitivity is a big factor in our purchasing decisions,” he says, pointing to retailers like Loblaw who he says have done a great job in providing private-label, locally sourced produce (such as strawberries) at an attractive price point.

“Supporting the local economy is one factor that could drive this trend in the short term,” he says. “But if retailers, suppliers and farmers can work together to bring in locally produced products at a decent price point going forward, there is a chance for sustainable growth.”