Farm to Restaurant: Exploring the Availability of Locally Grown Food and Obstacles to Its Use in Seacoast New Hampshire Restaurants

Lily Harris
*University of New Hampshire, Durham*

Follow this and additional works at: [https://scholars.unh.edu/inquiry_2017](https://scholars.unh.edu/inquiry_2017)

**Recommended Citation**

[https://scholars.unh.edu/inquiry_2017/14](https://scholars.unh.edu/inquiry_2017/14)
Research Article

Farm to Restaurant: Exploring the Availability of Locally Grown Food and Obstacles to Its Use in Seacoast New Hampshire Restaurants

—Lily Harris

The United States is among the top agricultural producers in the world in total revenue, behind only China and India. Much of this production occurs in the vast agricultural regions of the Midwest and West (Low and Vogel, 2011). Western and midwestern states have a growing movement toward buying and using locally grown food. This trend has also become notable across the New England states. Currently, University of New Hampshire Professor John Halstead is working with two other head researchers at the University of Vermont and the University of Maine to conduct a USDA-funded, multiyear study on direct-to-consumer markets in New Hampshire, Maine, and Vermont. The study is titled “Sustaining and Enhancing Local Agriculture in Rural Areas: Assessing Key Producer and Consumer Issues in Northern New England.” They are looking at local agriculture supply and demand through direct-to-consumer marketing channels, including Community Supported Agriculture (CSA), farmers’ markets, and farm stands (Halstead, 2013). My research, which is associated with the USDA project but on a more local scale, is a related but unaddressed portion of the study about marketing channels that are not direct-to-consumer, but specifically to restaurants. My study provides valuable information about what restaurants in the Seacoast area know about their local food industry and whether or not they are taking advantage of the available supply.

As an environmental and resource economics major at the University of New Hampshire (UNH), studying the marketing chains of local...
agricultural products seemed a great way to integrate my interests in economics, the environment, and how to effectively feed the population. I first became involved in the larger USDA project in the winter of 2015 when I worked as a scribe in focus groups of New England farmers. These focus groups aimed to identify the farmers’ concerns, growing practices, and constraints to expansion. I also assisted with data entry. I then received a 2016 Summer Undergraduate Research Fellowship (SURF) to conduct my own study. I worked very closely with my advisor, Professor Halstead, and a graduate student in resource economics, Amanda McLeod. Amanda and I worked together on all aspects of this project and her participation was essential to its success.

Our research takes into account the perspectives of all members of the marketing chain and seeks to identify what information these individuals are missing about the availability of local food products as well as the purchasing habits of restaurants. Those involved in the local agriculture and restaurant industries likely will be very interested in our results for this reason. We hope our findings will facilitate better communication between all members of the marketing chain and make local food more available to consumers at restaurants.

Why Local Food and Why Restaurants?

The sale of local agricultural products to restaurants is considered part of an intermediary marketing channel. An intermediary marketing channel is one that includes multiple steps. The producer of the product sells it to another entity that is not the final consumer of the product. In 2008, $2.7 billion of local food sales, over half of that year’s total sales of $4.8 billion, were made through intermediary channels, such as restaurants and supermarkets (Low and Vogel, 2011).

The current trend toward local food consumption is concentrated in the Northeast and the West Coast of the United States. Most of the research done on local farm-to-restaurant distribution, however, has focused west of New England. A 2003 Colorado study conducted phone interviews to investigate marketing and buying habits of restaurant food purchasers. The results showed that restaurants did not realize that local farms could provide equivalent or higher-quality goods, or that local food was even an option for their business (Starr et al., 2003). A similar study in Iowa in 2005 surveyed local food producers about perceived benefits and obstacles in marketing to local restaurants and found that only 25 percent of respondents were selling to restaurants at the time. The researchers concluded that extension efforts to connect local food producers and restaurant buyers would increase direct sales between them (Gregoire et al., 2005). Other related studies in Utah (Brain et al., 2015) and Oregon (Stephenson and Lev, 2004) show a similar lack of connection between producers and restaurant buyers in their regions. These results highlight the obstacles preventing restaurants from offering more local food on their menus and illustrate the potential undersupply of local agricultural products to restaurants.

Designing and Conducting the Survey

To carry out our research we conducted an interview-based survey of local restaurants in the Seacoast region of New Hampshire. Amanda and I collected qualitative data from the interviews and compiled it into an Excel document shared only with our mentor, Professor Halstead.
We derived the initial draft of our interview questions from existing surveys used in similar research projects across the country. We compiled and adapted applicable questions to the specific needs of this project. When we achieved an acceptable first draft, we sought out people who could help us refine our list of questions. The people we spoke with were involved in some aspect of the bridge between local food and restaurants. Two of these people were in charge of different local food collectives, which are groups of farmers who have come together to provide more reliable product at a higher volume for wholesale. We also spoke to UNH Cooperative Extension agents and with someone who helps connect restaurant start-ups with local food sources. Since these people are already involved in bridging the gap between restaurants and farmers, they have experience with what information is available and what information is missing. We asked them what they thought would be most valuable for us to ask restaurants and what the food collective managers and farmers would want to get out of our survey. We used the information they provided us to further revise our questions. (See Appendix for our final interview questions.)

We reached out to many local restaurants to find out whether they would be interested in participating in the project. We contacted them through both e-mail and telephone, but mostly by phone as it yielded a higher response rate. We identified restaurants using a comprehensive list previously compiled by Dr. Robert Robertson, associate professor in the Department of Natural Resources and the Environment at UNH. The list included restaurants ranging from ice cream shops to full-service, fine dining restaurants in towns along the Seacoast. We completed twelve interviews during the summer of 2016 in Portsmouth, Rye, Hampton, North Hampton, and Durham, New Hampshire. Amanda and I conducted most of the interviews, but Professor Halstead sat in on the first few to make sure they went smoothly.

During the recruitment phone call to restaurants, we asked who made most of the purchasing decisions and set up an appointment to interview that person at their restaurant location, if possible. During the interview, we collected data by scribe. In interviews with only one of us present, that person acted as interviewer and scribe simultaneously. When both of us were present, we alternated asking questions and scribing at each different restaurant.

The largest obstacle we faced was coordinating meetings with collaborators. It was difficult to get meetings with professors and cooperative extension staff in the process of revising our interview questions. Those people are all exceptionally busy. They wanted to help us but were very strapped for time. We were able to solve that problem for the most part by accommodating their schedules as much as we could, and often meeting them where they work so as to avoid inconveniencing them. We also ran into problems with setting up appointments at restaurants. In some cases, we did not hear back from the restaurants at all, or we could not reach those in charge of purchasing. In other cases, the restaurant staff were unable to meet with us because they were too busy. Many said that it was peak tourist season on the Seacoast, and they could not fit us in. We contacted a large number of restaurants in multiple ways to mitigate this issue.

The data resulted in an aggregated case-study-based analysis of Seacoast restaurants’ perceptions and use of local food distributors. It was not possible to use any data analysis software for this particular project as the data were entirely qualitative and variable. Our findings give a preliminary
image of some restaurants’ opinions and perceptions of the local food market in the Seacoast area. Further research should be conducted to clarify the information that restaurants and farmers are missing about the quality and availability of local agriculture.

**What We Learned**

The results of this study showed a wide range of behavior across restaurants in regard to purchasing decisions. Some restaurants stated that they purchased very little local food, and some said they went out of their way to provide local food options to their customers. As for why the restaurants purchased locally, a common reason cited was the freshness of produce and a desire to support the local economy and community. They also stated that it was a good selling point for their customers. Most everyone stated that their purchasing decisions were based on a combination of quality, price, and freshness. Many stated that price was secondary to the other factors, which was a bit of a surprise. The majority of restaurants stated that sourcing local food increased their costs, but was still a profitable asset to their business. They also stated that they could charge a premium for locally sourced menu options.

Restaurants stated many obstacles to sourcing local food. One concern that came up often in interviews was the availability of local food. Some buyers stated that the food was limited by season and some asserted that it was of a lower quality than food from national sources. Many restaurants stated that they would like to buy meats locally, but meats are less available in this area. Some identified certain produce items, such as onions and fruits, that they could not buy locally in big enough bulk for their needs.

Some restaurants stated that another obstacle is that the customer service offered by local growers is less extensive and food delivery is unreliable. Some felt that local farmers could not accommodate some of the odd hours or volumes that the restaurant required. One restaurant was part of a small chain of restaurants in New England. They stated that they are not able to make most of the purchasing decisions because these decisions are made at the corporate level.

The results show that the majority of restaurants are happy with what they currently source locally and perceive local food as a strength of their business. Most of the major obstacles identified boil down to poor communication channels between the restaurant sector and the local agricultural sector. There seems to be a disconnect between perceived availability of local food by restaurants and by the local producers themselves. In the preliminary interviews we conducted with the food collectives, they stated that the farmers seemed confident in the possibility for local food supply to meet the demand of restaurants.
The issue is communication between the sectors and the investment of time required to initiate the flow of food. Neither the restaurants nor the producers have the extra time to create channels of communication and supply. If solutions could be developed for the obstacles that were brought up in the interviews, local growers could see a significant increase in demand for their products. A policy decision, such as public funding for the creation of a database of local farms and their products, may be able to open communication channels between farmers and restaurant food buyers.

Further research will make solutions and actions more clear. Amanda and I plan to continue this work with a more extensive and quantitatively measurable project during the next year.

**Looking to the Future**

This research is important to the field of agricultural economics, to agricultural and restaurant businesses, and to my educational and professional goals. I gained numerous skills from this research that will be extremely valuable in my professional future. I learned communication skills with peers, superiors, and survey participants and how to work effectively on a team. I hope to pursue a master’s degree in a field of economics when I graduate from UNH. My ultimate career goal is to go to medical school. The networking, communication, and interpersonal skills I built through this project will be a competitive advantage as I apply to and move through my advanced degrees.

As for our research project, we succeeded in introducing a previously unexplored area in the current economic research base: Northeastern United States intermediary local food marketing chains. We plan to spread this information to the survey participants and other interested parties through publication in *Inquiry* and also through the further research we plan to conduct in the next year. We hope it will spur new studies that might propose solutions to the market failure and create efficient ways for farmers to have a wholesale outlet in restaurants in the Seacoast.

*This project would not have been possible without the contribution of Amanda McLeod, who collaborated with me on all aspects of the research process. Thanks go to Professor Robert Robertson, the UNH Extension staff, and all those who participated in the survey for their help during the course of this project. I would like to thank Mr. Dana Hamel and the Hamel Center for Undergraduate Research for providing the funding for my Summer Undergraduate Research Fellowship (SURF). The SURF project gave me the opportunity to gain valuable real-world experience by extending my education beyond the classroom. I would like to extend my gratitude to my faculty mentor and academic advisor, Professor John Halstead, for his instrumental support on this project, and for his guidance in my undergraduate career thus far. He has encouraged me to pursue many opportunities and has worked with me to ensure that I have every option open to me as I move forward.*
Appendix

Survey Questions:

1. What is your position/title?
2. Is this restaurant part of a chain, a franchise, or independently owned?
3. What food-service segment would your establishment most identify with?
4. What type of food do you typically market?
5. Who makes the purchasing decisions for your establishment?
6. Approximately what percentage of the food you purchase is locally sourced? Are there plans to increase this percentage? Why or why not?
   a. Would you be able to supply us with the percentages of locally sourced fruits, vegetables, meats, or anything else you would like to add?
   b. Of the locally grown products, which do you purchase most often?
   c. If no local purchasing: What has prevented you from doing so?
7. How much of your food is processed or canned?
8. Do you feel that local suppliers have a wider variety of products than national sources?
9. Why do you continue to purchase local food?
10. What is your preferred food distributor despite any obstacles that might be associated with it?
11. What is most important to you when making purchasing decisions?
12. If you are comfortable and able to, would you be willing to provide us with information on what local farms you are specifically purchasing from, and how long you have been buying from them?
13. What are some obstacles to sourcing local foods that you have faced? How have you worked around these issues?
14. Do you perceive local foods as a profitable asset to your business despite these obstacles?
15. How do you go about finding new suppliers and ingredients?
16. Does your menu feature seasonal items?
17. Based on your experience, do customers seem to favor these menu options over nonlocal or nonseasonal items?
18. What are some products that you would like to buy locally, but the availability is limited or nonexistent?
19. Are local suppliers able to meet your demand adequately?
20. Do you find that sourcing local foods has increased your expenditure costs?
21. Do you feel that you can charge a premium for locally sourced menu options?

Bibliography


Author and Mentor Bios

Lily Harris’ diverse interests and ambitions are represented in her work at the University of New Hampshire (UNH). She is an environmental and resource economics major, chemistry minor, premedical track, and member of the Honors in Major program at UNH. In 2016 she completed a Summer Undergraduate Research Fellowship (SURF) project under the mentorship of Dr. John Halstead. She had previously worked with Dr. Halstead and his graduate students on research related to local agriculture and was so interested in the topic she decided to pursue it further. Through her SURF project, she applied her classroom knowledge to a real, tangible result. In doing so, she built skills that will be beneficial in any future work: interpersonal and interviewing, problem solving, troubleshooting, and grant writing. Lily feels that her decision to publish in Inquiry led to valuable experience preparing a professional article, which will benefit in her eventual application to medical school. Lily is from Amherst, Massachusetts. She will graduate from UNH in May 2018.

John M. Halstead is professor of environmental and resource economics in the Department of Natural Resources and the Environment. He has been at the University of New Hampshire (UNH) for twenty-nine years. Professor Halstead specializes in environmental, regional, and agricultural economics. He became involved with Lily’s Summer Undergraduate Research Fellowship (SURF) project when she was looking for a chance to build her research experience after working on his USDA grant-funded project. Professor Halstead says that Lily is “exceptionally bright and fun to work with” and looks forward to working more with her during her senior year at UNH. Professor Halstead has mentored several undergraduate McNair fellows and others for their senior thesis work. Lily is the first Inquiry author he has mentored.

Copyright 2017, Lily Harris