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Engaging Consumers in the Dynamic Local Foods Marketplace

Timothy Woods and Dawn Thilmany

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This theme is the second in a *Choices* series examining local food coming of age. While the first theme focused largely on policy, rhetoric, and economic impacts, this theme focuses on the consumer viewpoint. Where, how, and even why people make their food purchase decisions has direct implications for local food system engagement opportunities for producers.

Many of the recent and disruptive changes that have been observed in the U.S. food system include major food retailer mergers, last mile distribution strategies, consumer search and procurement technology, and consumer demand for better communication and assurances about the credence attributes associated with their food. These have each in their own way created currents that impact the direction of local food systems.

The U.S. Department of Agriculture Ag Marketing Service has monitored growth in farm markets—in terms of number, sales, and influence—since the mid-1990s. During this time, various economists have studied shopper trends at these markets (e.g., Brown, 2001; Brown and Miller, 2008; Nie and Zepeda, 2011; Zepeda, 2009; Zepeda and Li, 2006). As market numbers have leveled off and veteran markets have themselves adapted to changing patron preferences and behavior, these markets benefit from continued examination.

Zepeda and Carroll look at the Dade County Farmers' Market in Madison, WI, one of the oldest and most established farm markets in Wisconsin, in an effort to provide current insights into consumer shopping patterns, product preferences, and market experiences. This article offers a useful insight into a mature market. Their results suggest that the quality of the market experience and loyalty factors that have always been a trademark of farm markets still drive expenditures per visit. Expected factors (income, value-added products, nutrition awareness, and others) also play an important role explaining expenditures. As consumer purchasing approaches evolve, however, farm market vendors will benefit from knowing how to keep their engagement with these buyers relevant.

Consumer demand for clarity and objectivity in local branding, a task picked up by many state departments of agriculture, has evolved along with the changing local foods landscape. Naasz, Jablonski, and Thilmany examine Colorado Proud purchase patterns in an effort to characterize dimensions of value (experience, credence, and search) that may influence the value placed on state brands procured through traditional market channels relative to direct purchases from producers. This article considers the public/private roles of branding, as the authors propose and examine an array of private and public attributes often bundled in local food products that may inform state program managers on how to frame and promote their state brands.

The final article explores grocers' newer entry into the local food marketing space, a strategy that may align with the state brands also considered in this issue. This growth is in tandem with the USDA's observation of the increasing importance of intermediated partners in local food distribution (Low et al., 2015; Low and Vogel, 2011). Woods, Asgari, and Rossi extend a framework of legitimacy out of the business school literature for grocers and other retailers to consider in order to better engage those who value locally sourced products. They argue that trust is particularly important within this consumer group and that some retailers may weaken overall

opportunities for local products through this channel if they implement practices with weak transparency regarding what they are actually selling as local. The authors draw on a national survey to explore what they identify as core consumer preferences and find that retailers can potentially draw on improving signaling strategies that include better certification and support of related values reflected through partnerships and conducted across the local supply chain. Potential strategies include emphasizing quality aspects of locally sourced products as well as adapting in-store shopper engagement to emphasize the relational and community aspects of local products.

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Who Shops at a Mature Farmers' Market?

Lydia Zepeda and Kathryn A. Carroll

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Keywords: Agricultural markets, consumer expenditures, market saturation

Growth in the number of farmers' markets is slowing. As of August 2017, there were 8,687 markets, double the number from 10 years ago but only a 0.2% growth from the previous year (U.S. Department of Agriculture, 2018), indicating that growth in the number of markets has leveled off. Many parts of the country, particularly in urban areas, are witnessing a saturation of farmers' markets. Producers complain that maintaining a presence at multiple markets has increased costs more than it has added revenues (Zepeda and Reznickova, 2018). These vendors question whether adding markets increases the number of shoppers or just makes it more convenient for those customers currently shopping at farmers' markets.

With the number of farmers' markets leveling off, what do we know about the shoppers who visit these established, mature markets? What are they buying? What are impediments to further growth? We conducted a survey of shoppers at one of the oldest and largest producer-only farmers' markets in the country to find out.

About the Survey

The Madison, WI, Dane County Farmers' Market (DCFM) is 45 years-old, the oldest and most popular of 11 markets in a city of 200,000 and one of the oldest and largest farmers' markets in the United States. This established, mature market sees thousands of visitors each summer Saturday and is restricted to four blocks of sidewalk around the capitol building. Given the space restrictions, high foot traffic, and flat fee for a stall, it has consistently had a vendor waiting list of about 10 years. Despite this, many current vendors complain that their revenues are not proportional to the foot traffic.

Given concerns about market saturation at this mature market, the DCFM manager requested that we conduct a consumer survey to find out who is buying, how much they are buying, and the obstacles to purchasing more. The DCFM board reviewed, modified, and approved the questionnaire in January 2015, and the University of Wisconsin human subjects internal review board approved the protocol and questionnaire (Zepeda and Carroll, 2016). The DCFM board agreed to fund participant incentives in the form of $1 coupons for DCFM products. Ultimately, $732 in coupons were distributed to participants. Thus, the only cost to DCFM went straight to vendors. All other costs for the project were provided free of charge. The authors and 15 volunteer enumerators collected data from February 7 through December 19, 2015, at all four DCFM sites: late winter market, Saturday summer market, Wednesday summer market, and early winter market.

We chose enumeration to ensure a high response rate, a representative sample, and because pre-testing showed that enumeration was faster than self-administration. Enumerators used tablets displaying a Qualtrics survey. They approached customers at random, asked them to participate in a DCFM-approved survey, screened for consumers over 18 years, obtained informed consent, and distributed a $1 DCFM coupon. In total, 732 questionnaires were completed. Overall response rate was high: 62.4%.

Who Shops at this Mature Market?

Visitors to the DCFM are not "average" food shoppers. While their incomes are higher than the U.S. average (31% have household income above $96,000, compared to 20% of U.S. households), the characteristic that most distinguishes them is that they are far more educated than the average American. They are twice as likely to have completed a bachelor's degree (77% vs. 32% of U.S. population) and more than three times as likely to have completed a graduate or professional degree (38% vs. 12%). The average age is somewhat younger: just under 46 years old, versus 50 years for the U.S. population. Household size of DCFM visitors is smaller than the U.S. average (2 vs.2.5 people), but the proportion of children under 18 is similar (20% vs. 21%). Since the University of Wisconsin-Madison has 45,000 students, it should not be surprising that shoppers at the DCFM are highly educated, young, and have small households and few children. While these shoppers may not be similar to the average US shopper, they are reflective of the residents in the town where the farmers' market is located. These results are consistent with Aguirre (2007), Zepeda (2009), and Conner et al. (2010), who found no significant difference in education, age, or income between farmers' market shopper and non-shoppers in the United States and Michigan.

Consistent with findings about farmers' market shoppers by Conner et al. (2010), DCFM visitors are also more likely to be white than the average U.S. resident (89.6% vs. 78%). Again, this reflects the population of the market location: 86% of Dane County residents are white, and 81.5% of respondents lived in Dane County. Schupp (2016) explains the prevalence of white shoppers using farmers' markets, which tend to be located in neighborhoods with significantly more white people than the U.S. population as a whole. Zepeda and Nie (2012) found the presence of a farmers' market significantly increased the probability that residents made purchases. Indeed, close to a quarter (22.4%) of DCFM visitors walk to the market, indicating that they live very close to it.

Another distinguishing characteristic of DCFM visitors is consumer-supported agriculture (CSA) membership. About 2% of households in the United States are CSA members (Zepeda and Li, 2006), compared to 18% of respondents. Half also visit other farmers' markets regularly, and just under half have their own vegetable gardens. It would appear that these shoppers are highly involved in sourcing local foods and that shopping at a farmers' market in this case complements rather than replaces other local sources of food.

How Much do they Spend, What Do they Buy, and Why are they There?

Contrary to the perceptions of vendors that few people buy things at the market, 95.1% of participants surveyed bought food at the DCFM. Those who made purchases spent $28.46 during their visit. For comparison, respondent households report spending $110.06 a week on all groceries (including toiletries and alcohol). Thus, DCFM purchases represent over a quarter (25.9%) of respondents' weekly grocery expenditures. Expenditures per visit at the early winter and late winter markets were actually higher ($35.20 and $26.93, respectively) than at the summer market ($26.15).

What is interesting is that older shoppers buy significantly more at the market than younger shoppers ($p < 0.001$ using a two-sample rank-sum test). Shoppers 55 and older spend an average of $30.57 per visit, while those under 55 spend $24.88 per visit. This is related to significant income differences by age of DCFM attendees. Respondents 55 and older have an average household income of $95,562, while those under 55 make $78,758. Since income is a key driver of food expenditures, it is expected that older, well-to-do customers buy more.

Looking at the types of products purchased, 81% purchase fresh vegetables, 59% baked goods, 41% cheese, 37% fresh fruit or berries, and 15% eggs. Cut flowers and bedding plants are only offered at the summer market and are purchased by 28.4% and 16.9% of shoppers, respectively. In general, shoppers assume that DCFM products are certified organic, although only 10% of the produce vendors are certified.

While over 55% of respondents say that buying fresh produce is the primary or secondary reason for being there, more than two-thirds identify entertainment ora social outing as the primary or secondary reason for being there. However, vendors' perceptions of summer market visitors as "tourists" should be modified to recognize that nearly half (44.3%) are regular shoppers (visiting at least 2–3 times a month) who bring others with them to the market. On average, visitors to the DCFM shop in groups of 2–3 people.

The upshot is that the perception of a social outing is central to why visitors go to the DCFM, even among the most dedicated shoppers. Many businesses spend huge sums of money trying to create an image of entertainment; the DCFM has it for free. Visitors also gave high marks to vendors for service; more than two-thirds *strongly* agreed that vendors are knowledgeable and helpful, that they could easily communicate with vendors, and that the stalls were clean and sanitary.

What are the Obstacles?

Why visitors did not spend more money at the DCFM varied by market, and the reasons given were diffuse. At the late winter market, located in a nearby senior center, 17% said prices/lack of income were prohibitive, while only 11% said the market does not carry what they are looking for, and 10% said the vendors do not take credit cards/they had no cash on them. At the outdoor summer market, a total of 432 obstacles were given, 33.5% of which concerned congestion: there simply was not enough space or it took too long to shop. The next most frequent complaints were difficulty or distance carrying items (15.3%), and not going home straight afterward/not having anywhere to store items (14.1%). Congestion (17.9%) was also cited as the primary reason shoppers did not buy more at the early winter market, located indoors in a convention center, while 15.4% indicated it was too difficult or too far to carry items, 14.8% complained about parking availability or cost as an impediment, and only 12.8% complained that the prices were too high. Vendors also complained about the crowds at the summer market and saw them as an impediment to sales. Since the summer market is located on the perimeter of the Wisconsin State Capitol and regulated by state law, it is not possible to expand the venue, nor is it possible to close the streets. Extending the hours is unlikely; the market is already open from 6:15am–1:45pm. Since many vendors travel over an hour each way to the market, they complain the market is open too long already. However, prior to 10am the market is not as crowded, so one solution is to encourage shoppers to come early and perhaps incentivize early shopping by providing specials.

Overall, customers are happy with the selection of products that are available; only 14% of summer visitors would like to see more items, compared with 29% of early winter customers and 33% of late winter customers. While a few customers wanted products that simply could not be produced out of season or in Wisconsin's climate, most suggestions implied there is scope to increase sales by providing beverages, prepared foods, more dairy products, more protein, and a greater variety of vegetables that could be grown in the climate/season. Given that the majority of visitors were primarily there as an outing, and many are concerned about carrying or storing purchases, it should not be surprising visitors wanted drinks and ready-to-eat food.

With regard to credit cards, almost half of summer shoppers indicated the acceptance of credit cards would increase their purchases. Yet fewer than 21% of vendors accept credit cards and only 25% would consider using them. The majority of vendors (54%) would not consider accepting credit cards. The DCFM encourages shoppers to use one of the nearby ATMs. However, this means a delay in purchase, an extra inconvenience, possibly an ATM charge, and maybe interest charges if they are using credit rather than debit cards. These factors make it less likely that someone who is new, or an infrequent visitor, will purchase anything. Although there is resistance by vendors, accepting credit cards might increase sales. Furthermore, rather than millennials, it is older shoppers who prefer credit cards. Credit card preference increased with age and is significantly higher among those over 55 than among those under 55. This is interesting because respondents over 55 also buy $5.69 more per visit than those under 55.

What Factors Impact Purchases?

We use a lower-limit Tobit statistical model to examine how demographics, shopping habits, eating habits, and perceived impediments affect consumer expenditures at the DCFM. We chose a lower-limit Tobit model because it allows us to consider the 5% of those surveyed who did not purchase anything. We use dummy variables to see how purchases changed among the different markets, which reflect different locations and seasonal differences in products offered. To examine demographic characteristics, we include variables for gender, age, education, income, and the presence of children under 18 in the household. Shopping habits include dummy variables for the primary food shopper, shopping alone or by oneself, buying from the same vendor(s) at each market visit, and types of products purchased, as well as a variable for the number of vendors purchased from. Impediments to shopping include variables for distance traveled to the market, whether crowds were perceived as problem, whether one was able to carry items, and whether shoppers would buy more if vendors took credit cards. Eating

habits included number of dinners prepared per week and a dummy variable for eating five fruits and vegetables a day.

The Saturday summer market is the baseline. At that market, the average respondent spent $29.41 per visit. We found no significant differences in expenditures for the winter markets but significantly lower expenditures for the Wednesday summer market, averaging $5.91 per visit less (Table 1). While seasonality affects the food offered at the winter markets, it does not appear to affect the amount spent, implying that shoppers make seasonal changes in their purchases. The high level of local food sourcing (e.g., CSA membership, gardening) is also indicative of seasonal variation and preferences in foods consumed. The Wednesday summer market has fewer vendors and customers than the Saturday summer market. It caters to people working downtown; they may buy less because they have no place to store purchases until after work.

Table 1. Lower-Limit Tobit Model of DCFM Expenditures per Visit ($USD)

Variable	Parameter	Std. Error
Constant	-24.33***	8.56
Summer Wednesday Market (1 = yes, 0 otherwise)	-5.91**	2.67
Late Winter Market (1 = yes, 0 otherwise)	-0.33	2.97
Early Winter Market (1 = yes, 0 otherwise)	0.18	3.13
Children < 18 (1 = yes, 0 otherwise)	2.05	2.53
Female (1 = yes, 0 otherwise)	-1.44	1.57
Graduate degree (1 = yes, 0 otherwise)	0.29	1.80
Age (10 years)	6.02*	3.19
Age squared (10 years)	-0.63*	0.33
Household income ($10,000)	0.63***	0.17
Shopping alone (1 = yes, 0 otherwise)	-4.45***	1.69
Primary food shopper (1 = yes, 0 otherwise)	2.28	1.82
Buy from same vendors (1 = yes, 0 otherwise)	4.03**	1.66
Number of vendors	4.99***	0.59
Buy cheese (1 = yes, 0 otherwise)	4.45**	2.16
Buy other value added (1 = yes, 0 otherwise)	5.78***	1.85
Eat 5 FAV a day (1 = yes, 0 otherwise)	3.57**	1.70
Dinners cooked per week	0.91*	0.49
Crowded (1 = yes, 0 otherwise)	-5.17**	2.30
Can't carry (1 = yes, 0 otherwise)	-4.92**	2.32
Distance traveled (1 if ≤10 min, 0 otherwise)	-0.76	1.86
Credit card (1 if increase purchases, 0 otherwise)	1.27	1.65

Note: Single, double and triple asterisks (*, **, ***) indicate significance at the 10%, 5%, and 1% level, respectively.

Of the demographic variables, when shopping and eating habits were included, only income significantly affected expenditures ($p < 0.001$). However, the effect was tiny; each $10,000 in annual household income increased expenditures by only 63 cents. Since people attending these markets had similar characteristics, it should not be surprising that education, gender, and the presence of children were not significant, while age was only significant at the 10% level.

In contrast to demographics, there was greater variation in shopping habits, several of which were significant and had large effects on purchases. Shopping alone significantly reduced purchases, by $4.45 per visit, while being the primary shopper had no significant effect. Buying from the same vendor at each visit increased purchases by $4.03, while each additional vendor a shopper bought from added $4.99. Buying cheese increased purchases by $4.45 per visit, while buying value-added products other than cheese increased purchases by $5.78 per visit.

Eating habits also impacted expenditures. Each additional dinner cooked at home per week had a weak effect, increasing expenditures by 91 cents (at the 10% significance level). However, eating five servings of fruit and vegetables per day had a large impact on purchases ($3.57 per visit, significant at the 5% level). We found no significant relationship when we replaced the 5-a-day variable with a dummy variable for following the MyPlate

guidelines for fruits and vegetables. One of the advantages of enumerating the survey was that we noted that respondents took more time and appeared to be more careful in answering how many servings of fruits and vegetables they ate versus whether half their plate contained fruits and vegetables. This may be because the number of servings is concrete and neutral, whereas asking whether their plate contained half fruits and vegetables conveys a social norm; thus, their quick responses to MyPlate may reflect social desirability bias.

Significant and large barriers to DCFM purchases at the 5% level were perceptions that the market was crowded or being unable to carry one's purchases. Seeing the market as crowded reduced purchases by $5.17 per visit, while being unable to carry purchases reduced expenditures by $4.92. Distance traveled did not affect purchases; those who traveled less than 10 minutes did not spend differently that those who traveled further. Nor did credit card preferences have a significant impact on purchases when other factors were considered. We also examined interactions between credit card preferences and the demographic variables; none were significant, so we did not include them in this final model.

What does this Mean for Mature Markets?

We found that—despite vendors' perceptions that most visitors were "tourists" who did not buy from the market—95% of those surveyed at the DCFM made purchases. Purchases averaged $28.46 per visit, equaling a quarter of their household grocery budget. Thus, visitors are indeed spending quite a bit of their food budget at the farmers' market, and most are repeat customers.

Demographics did not have much impact on purchases when shopping and eating habits were taken into account. Income increased purchases, but the effect was small, and age was only marginally significant. Nor did demographics significantly interact with credit card preferences. Instead, we found that consumers' shopping behaviors had large and significant effects on purchases and that perceptions of the market being crowded or carrying purchases being difficult were large and significant barriers to purchases.

Eating five servings of fruits and vegetables a day also had a large significant impact on purchases. In terms of farmers' market customers, promoting five-a-day fruit and vegetable consumption would appear to be an effective marketing strategy to increase sales. The marginal impact on purchases among customers who ate five a day was four times that of an additional dinner cooked at home per week.

The results suggest strategies that this mature farmers' market could adopt to encourage purchases; however, they may not be generalizable to other farmers' markets because each farmers' market is unique. These strategies include capitalizing on visitors' positive perceptions of vendors by encouraging visitors to develop relationships with vendors and buy from multiple vendors and encouraging vendors to feature more value-added products. While adding new types of value-added products could benefit vendors, local stakeholders would have to first convince the State of Wisconsin Department of Administration, which sets rules about what products can be sold at the DCFM. Market layout is also important; as attendance at a mature market increases, steps must be taken to ensure sufficient shopping space and highlight less-crowded shopping times. Markets should also consider strategies that would aid consumers in carrying and transporting their purchases. Another interesting finding is that older customers prefer credit cards. They also buy more and have higher incomes than younger shoppers, so expanding credit card acceptance could increase purchases among existing customers.

On the whole, vendor frustration that the market had become a tourist destination should be tempered by the realization that 95% of those attending the market are making purchases and that their purchases represent a quarter of their weekly grocery bill. Rather than trying to change shoppers, an alternative is to give them what they want. Most visitors were specifically at the summer market as a group social outing. These visitors already buy a substantial amount of food; it may not seem that way to vendors because shoppers buy from a few of the 40–50 vendors and shoppers are part of a group. However, shopping groups spend more than single shoppers. Furthermore, 90% of those attending the market are repeat customers, and the main reason they attend the market is that they see it as a fun outing. It is clear from the lack of seasonal variation in the value of purchases that customers are willing to buy what is available seasonally.

Vendors can capitalize on attendees' positive attitudes toward the market by cultivating relationships with customers, expanding value-added offerings, encouraging customers to come when the market is less crowded, and identifying ways to make it easier for customers to carry their purchases. While shoppers purchase less if there are crowds or they perceive carrying their purchases to be difficult, they can also carry products in their stomachs. Vendors should recognize that some visitors are eager to buy food and drink to consume on-site. Vendors should also see the popularity of mature markets such as the DCFM as a potential asset to their sales and capitalize on it. Given that 90% of customers are repeat customers, the results suggest that vendors should develop relationships with customers and encourage them to also buy from other vendors in order to increase sales. Future research could examine whether there are generational differences among shoppers, in terms of what market aspects are most valued, and the effectiveness of promoting five-a-day as a marketing strategy.

The relationship between vendors and customers is particularly important as the primary reason for attending this large, established farmers' market is as a social outing. Customers are there to have a good time, to socialize, to be part of their food system and their community. This is a tremendous asset for vendors: Their products and the purchase experience are enhanced by this entertainment atmosphere. Strategies that may extend to other markets include developing a sense of rapport with shoppers to ensure repeat business, encouraging buying from multiple vendors, and featuring value-added products.

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State Branding Programs and Local Food Purchases

Elizabeth Naasz, Becca B.R. Jablonski, and Dawn Thilmany

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Despite growth in local food sales, the definition of "local," a term that is not defined or regulated by the federal government, remains unclear (Martinez et al. 2010; Low et al. 2015). Although there is no official national designation for "local" food, some individual USDA programs use a broad (maximum) definition of less than 400 miles from product origin or within the state in which the product is produced (Tropp, 2013). State branding programs can fill this gap, designating products as locally grown or processed (Onken and Bernard, 2010). State branding programs are the broadest, most inclusive messaging for local foods. These programs are commonly publicly funded and therefore need to be inclusive of a wide range of agricultural and food businesses. Accordingly, the criteria to qualify (geography), rigor of membership (license agreement vs. detailed application) and level of oversight (laissez faire vs. audit or inspections) may vary across programs. One might hypothesize that more targeted or focused definitions of local may resonate with some consumers; depending on their standards, state branding programs will vary in effectiveness. Subsequently, the most particular consumers may perceive that state brands do not provide sufficient information and instead choose to shop at specific locations that align with their perceptions of authentically local (i.e., farmers' markets, on-farm stands). Yet little research examines how consumers interpret state brands.

This article focuses on how state branding programs interact with consumers' product choices and, more specifically, whether those factors and motivations vary by type of shopping location (e.g., retail, direct markets). Overall, we find that the factors that affect consumers who purchase Colorado Proud products and the factors that affect consumers who shop at direct markets are not closely related. This implies the need for targeted marketing strategies to influence consumers' purchases depending on food buyers' differing perceptions.

State Branding Programs

State branding programs—initiatives intended to increase sales of locally grown and processed products by differentiating products produced within the state—exist in all states across the United States. Since each state operates its own program, each is unique in terms of funding, criteria and requirements to participate, level and type of promotional activity, and oversight (Onken and Bernard, 2010). One common aspect is that state branding programs use logos to indicate to consumers where the product was produced (Figure 1).

Figure 1. Selected State Branding Program Logos

These programs generally reflect the most all-encompassing definition of local, both in terms of their statewide geographic designation and the inclusion of locally processed or manufactured items in addition to items grown or raised in the state. As 90% of these programs are

maintained by each state's Department of Agriculture (Onken and Bernard, 2010), such public agencies must be inclusive of the broadest range of stakeholders.

The Colorado Proud program, established in 1999, is run by the Colorado Department of Agriculture through their Markets Division. Any agricultural or food item that is grown, raised, processed, or produced by a company operating within the state of Colorado is eligible to use the Colorado Proud logo on its packaging. There is no charge to participate, and members are given access to no- or low-cost promotional materials, market development, and promotional opportunities. Approximately 2,500 companies are currently part of the Colorado Proud program (Colorado Department of Agriculture, 2017). Similar to other states, the Colorado Department of Agriculture has clear guidelines on the use of the logo, but there is no standard oversight or enforcement of the program or use of the logo (Colorado Department of Agriculture, 2017). The program is well known and recognized by Coloradans: 86.6% of state residents reported awareness of the Program in a 2016 statewide survey (Colorado Department of Agriculture, 2016).

What Types of Product Characteristics Drive Food Purchases?

Previous research on U.S. consumers details how the products they buy and where they make food purchases are changing. For example, in 1990, 80% of food for at-home consumption was purchased at supermarkets; by 2014, that number dropped to 65% (Ver Ploeg, Larimore and Wilde, 2017). The USDA Economic Research Service has calculated food at home expenditures since 1987, and annual data are available starting in 1929. In their calculation, production value or sales is equal to total expenditures. Food at home expenditures include food stores (excluding sales to restaurants and institutions), other stores (including eating and drinking establishments, trailer parks, commissary stores, and military exchanges), home delivery and mail order, farmers, manufacturers and wholesalers, home production, and donations.

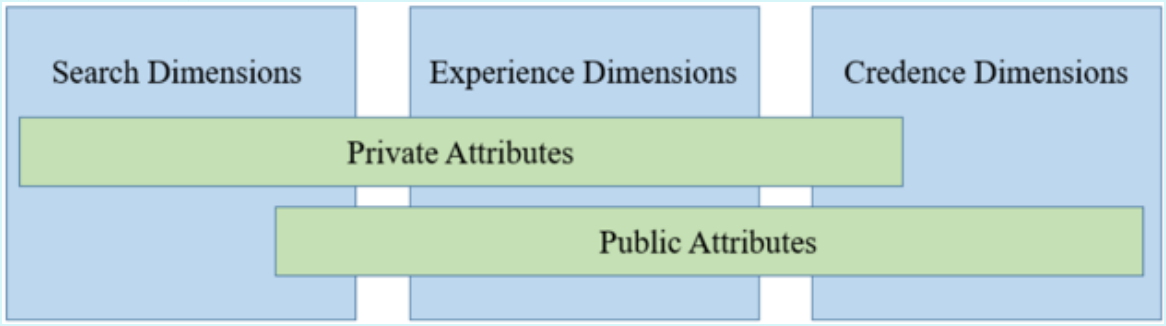
Other studies focus on how consumers make decisions about where to shop and what products to buy. We divide these drivers into various categories to more effectively categorize how consumers make choices (Box 1). These drivers include private and public attributes and can be classified by search, experience, and credence dimensions. These attributes and dimensions can influence consumers during different stages of purchasing and consuming a product or influence where they choose to purchase foods, thereby aligning with some important elements of state branding programs. Consumers often use a combination of private and public attributes as well as search, experience, and credence dimensions to choose what products to purchase as well as where to shop (Grunert, 2002).

Box 1. Overview of Food Attributes

- **Private attributes** benefit the individual by directly supporting their personal needs and wants (e.g., taste, convenience, and price).
- **Public attributes** benefit the broader population or society's needs and wants (e.g., positive impact to the economy and/or environment).
- **Search dimensions** are product qualities or attributes a consumer can see when they purchase a product, (e.g., color or information presented on a sign or label).
- **Experience dimensions** are product qualities or attributes that a consumer only learns of or forms perceptions about once they have consumed a product (e.g., taste, safety).
- **Credence dimensions** are product qualities or attributes that a consumer cannot verify or understand themselves (e.g., local, fair trade, or organic), so they commonly rely on others to provide trustworthy information.

Figure 2 highlights how private and public attributes may overlap with the three types of dimensions but not with one another. Private attributes are most likely discovered through search and experience history, as one can discern eating quality, freshness, and safety from purchase, preparation, and consumption of the product. In contrast, public attributes are more likely perceived and discovered through credence dimensions, such as labels and information from trusted third parties (Martin et al., 2016). These dimensions may not only influence product choices but also influence and be influenced by where food is purchased.

Figure 2. Overlap of Private and Public Attributeson Dimensions



Examining Food Purchase Behavior of Colorado Households

A 2016 survey of 1,000 Coloradans provides an interesting opportunity to explore how food product attributes (including source information) and other consumer issues affect decisions to purchase Colorado Proud products as well as where consumers choose to shop. The Public Attitudes about Agriculture in Colorado survey conducted by the Colorado Department of Agriculture and Colorado State University's Department of Agricultural and Resource Economics is the most recent data from a continuing effort that has taken place every 5 years since 1996. This survey asks Coloradans to answer questions on a variety of topics, including perception of the safety of the food produced by Colorado farmers and ranchers, consumer's trust of information from particular source, how consumers define local, trust of products labeled as local, familiarity with Colorado Proud, factors that are important to consumer purchasing decisions, and consumer motivations for purchasing more Colorado produce. A national survey group, TNS (www.tns-usa.com) conducted the Internet-based survey using a panel of Colorado residents between August 24 and September 6, 2016.

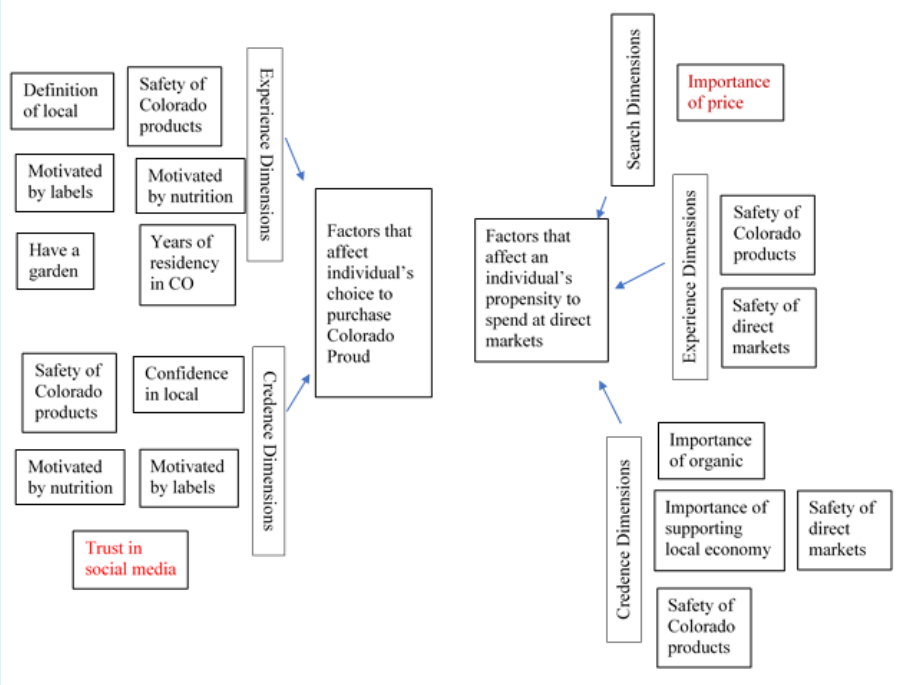
Our sample includes 992 usable responses and is representative of Colorado's demographic profile according to the U.S. Census data. The only area where this dataset is not representative is among 18–24-year-old males; the market research group confirmed that this is to be expected, as this group tends to be less engaged overall in responding to surveys. Among respondents, the average length of residency in Colorado was 16 years, the average age was 48, 58% of respondents were female, and median household income was $50,000–$75,000. Beyond demographics (and relevant to our analysis), respondents reported that an average 4.5% of their total household food expenditures were spent at direct markets (farmers' markets, farm stands, and CSAs). And 59.6% of respondents had heard of or and purchased Colorado Proud products.

We used a probit model to examine the search, experience, and credence factors that influenced the purchase of Colorado Proud products. We then used a negative binomial model to do the same for the purchase of fruits and vegetables through direct markets. Interestingly, we found some important differences between these groups, indicating that consumers purchasing Colorado Proud products are motivated by different dimensions than consumers interested in purchasing Colorado-grown vegetables and fruits through direct buying transactions at farmers' markets and other venues that farmers may operate. These buyer groupings are not completely independent, as some direct buyers also look for Colorado Proud (though they are a much smaller group), so this overlap should be considered when interpreting the results.

Figure 3 provides information about the factors that either positively or negatively (in red) and significantly affect a consumer's decision to purchase local products, with the left describing key factors for Colorado Proud buyers and the right describing factors influencing consumers who choose to buy direct from producers. To facilitate

discussion of what these patterns may signal about different types of Colorado food buyers, we consider some (but not all) of the significant factors, motivations, and perceptions that describe these buyers.

Figure 3. Significant Factors Affecting Decision to Purchase Local: Colorado Proud Label vs Direct from Producer



Note: Items in red have a negative impact.

As discussed previously, Colorado Proud incorporates a broad definition of local, and the differences we find may be a result of consumers' own definitions and perceptions of that program's standards. We find that an individual who believes local to be defined as "products that are produced within the state of Colorado" is 6.3% more likely to purchase Colorado Proud products than individuals with a different definition. However, consumers buying direct want an even closer source of produce or do not perceive all products labeled with Colorado Proud to align with their definition of local. Alternatively, since Colorado Proud only requires processing in the state, some consumers may instead seek products that are both produced and processed in-state, information they could more likely validate through a buying relationship with the producer or manufacturer.

Because differential perceptions of Colorado products and information sources is a key differentiator among food buyers, we integrated several concepts, including motivations (importance of), perceptions (confidence in), and sources of (labels) information on search, experience, and credence attributes.

We find that Colorado Proud consumers are most frequently influenced by experience dimensions, especially perceptions of safety, nutrition, and labeling. Consumers can evaluate these factors after consuming the product, but their confidence in some of those perceptions could be strengthened through labels that are more aligned with credence attributes such as Colorado Proud. Beyond product attributes, we found that years of residency in Colorado significantly influenced experience dimensions, perhaps because an individual who has lived in Colorado longer has had more opportunities to try, evaluate the quality of, and develop confidence in at least a subset of Colorado Proud offerings.

A key credence dimension that positively influences consumers who seek out Colorado Proud products is their definition and confidence in the authenticity of local products. Since the consumers who purchase Colorado Proud products are motivated by labels (and do not trust social media), they find value from labels that indicate information (even if imperfectly aligned with the program's primary focus of local). It is interesting to note that the less an individual trusts social media, the more likely they are to purchase Colorado Proud products. This group broadly trusts information from official sources rather than informal networks such as social media, consistent with previous findings on trust (Martin et al., 2016).

The Colorado Proud label is intended to verify that a product is grown, raised, or processed in-state, per the Colorado Department of Agriculture license agreement signed by all who use the logo; without this verification, consumers would have no information from a third-party organization that the product is local. However, depending on perceptions related to the effectiveness of the license agreement and whether it is sufficient to verify local with no direct policing or monitoring of participants, the Colorado Proud program may not be sufficient for some consumers. For a comparison, we now turn to how direct market shoppers' perceptions, motivations and values may differ from those seeking Colorado Proud labels (although there may be overlap across these groups, direct market shoppers are a more narrowly defined group).

Compared to Colorado Proud consumers, direct market shoppers value credence dimensions more in their food buying decisions, including assigning a higher level of importance to organic methods or fair returns to producers and their communities. Given that producers and direct market shoppers interact directly at these markets, producers themselves can speak to and provide evidence for a variety of credence dimensions. In short, a label may not be enough evidence to provide assurances for this subset of consumers; instead, they turn to producers for information.

Direct market consumers place higher importance on organic and supporting the local economy than Colorado Proud consumers. Similarly, these direct buyers report higher perceptions of safety for Colorado products and, more specifically, products from direct markets. The safety of Colorado products and of products at direct markets, however, could be considered either a credence or experience dimension. The categorization of safety relies on whether past experiences (good or bad) or third-party audits are more influential in the formation of a consumer's perception; which criterion is used may vary by consumer.

Surprisingly, the only search dimension found to be statistically significant for direct buyers was price; those who place a high importance on price are less likely to spend their food dollars at direct markets. It appears that individuals are negatively influenced by prices at direct markets due to perceptions of higher prices (whether accurate or not).

Looking Forward to the Future of State Branding Programs

Overall, we find that the factors that affect consumers who purchase Colorado Proud products and the factors that affect consumers who shop at direct markets are not closely related, or, perhaps, those who shop directly have a more complex set of motivations and perceptions than the broader Colorado Proud consumer group. Individuals purchasing state-branded products are more likely to look for a combination of experience and credence dimensions due to their individual experiences with local food as well as the certification guaranteed through the Colorado Department of Agriculture. On the other hand, individuals shopping at direct markets focus more on credence dimensions. We believe that consumers' direct interaction with individual producers allows producers to testify to certain attributes of the products or outcomes associated with consumers' buying dollars (i.e., improving the farm's viability and/or economic benefits to the community or environment). Thus, direct markets may provide a marketing service of value to the subset of consumers seeking local foods.

These findings imply potentially different marketing strategies to influence various local food consumers' purchases, including clearer approaches to reach, inform, and verify the authenticity of local food offerings to consumers. Perhaps it is fine to continue to let state brands be a substitute for direct markets, giving sufficient assurances to consumers who are satisfied with the product dimensions, quality, and labels available for local foods in retail markets. Another option is to explore whether state branding programs could look into framing higher standards and oversight of state-branded local products to further strengthen consumer confidence in the products across a wider range of food buyers. However, such programming (and its associated costs) would only make sense if there is evidence for participating producers that they will receive higher price premiums or market access through a more nuanced and well-regarded state brand.

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Trust Signals and Legitimacy in Local Products for Local Markets

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JEL Classifications: D12, M2, Q13
Keywords: legitimacy, local foods, strategic positioning, trust

Retail markets for locally sourced food products have grown well beyond farmers' markets. Food retailing opportunities embraced by grocers, restaurants, and others seek to capture a slice of the lifestyle of health and sustainability (LOHAS) pie. LOHAS consumers are demonstrated social influencers with buying habits that are less price sensitive, values-driven, and intensely loyal, currently making up about 22% of the U.S. shopper population (Wells and Haglock, 2008; Drake et al., 2016; National Marketing Institute, 2017). Increased retailer engagement with local farms is a key signal of shared values important to this group. In this paper, we apply the concept of legitimacy—developed in the business strategy literature—to understand how retailers can use local food sourcing to establish themselves as viable market partners with LOHAS consumers. We differentiate consumers as "core," "midlevel," and "periphery" local food consumers, as a measure of their relative preferences for local sourcing, similar to approaches used by the Hartman Group's (2008) study of organic food preferences.

Local sourcing by retailers is inherently problematic, especially when using intermediated distribution. Without having direct interactions with producers, consumers rely on in-store signage, product labelling, and/or recognized farm brands to identify local items. However, the criteria for what counts as local can vary by store; something "local" can be from within the county, state, region, or even the United States. Local could refer to "not from Mexico," as one author of this manuscript was told by a store manager. In some cases, local can refer to the manufacturing location of a processed food or beverage, as in Kentucky's state branding program (Downs, 2016).

Even when products are identified as originating from within a very short radius from their places of sale, consumers may find reasons to doubt the accuracy of these claims. A telling series of articles in the *Tampa Bay Times* (Reily, 2016) highlights the difficulties of verifying local food provenance, which are becoming more widely experienced. This pointed exposé uncovered weak or nonexistent links between products promoted as local in retail settings and actual farmers in the Tampa Bay area.

Reily waved the food fraud flag, calling for more direct-to-consumer (DTC) engagement, but consumer engagement isn't always practical. Consumer are more likely to engage with DTC market channels if they have a higher income, education, and overall demand for produce (Stewart and Dong, 2018). Similarly, having leisure time and interest in activities such as food preparation and gardening are associated with DTC engagement. These attributes outline a particular type of consumer that is not representative of the wider U.S. population. As such, the majority of consumers will experience local food only in the context of intermediated channels. Additionally, local food marketing through intermediated channels is three times the sales value of that marketed directly to the consumer (Low and Vogel, 2011; U.S. Department of Agriculture, 2016). Intermediated markets for local products, while inherently struggling with certain weaknesses, are not going away, especially as consumer demand continues (National Grocers Association (NGA), 2015). Indeed, intermediated markets often provide useful services to growers and retailers, with efficiencies in aggregation and distribution, food safety verification, sustainability, and marketing (Brunori et al., 2016; Low et al., 2015).

Retailers' value-signaling strategies merit consideration—both for fair representation and for effective engagement of consumers valuing local products. Weak efforts have been made to develop industry-standard

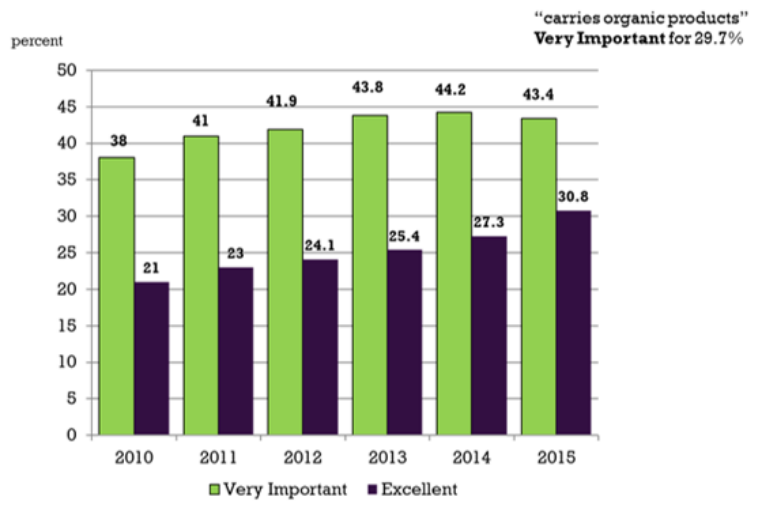
definitions of local—using food miles, for example—but the attribute is difficult to define. Retailers and distributors don't always have an incentive to exercise full transparency as they try to approximate the "local" value proposition to their shoppers. Further, without strong standards, it is inherently difficult to exclude bad actors who introduce questionable products and also contribute to a market of "lemons" (Akerlof, 1970). Retailers sometimes use "local-washing"—similar to its cousin "greenwashing"—strategies to remediate their image when coming under fire for practices perceived to be unsustainable (Zanasi et al., 2017). While greenwashing has led to the creation of indices to measure violation and other prescriptive consumer protection measures, the concept of local-washing is less developed. Local-washing, if considered as the act of over- or mis-promoting products as being local, has the same potential to undermine the value or equity of local brands through similar systematic misrepresentation.

At the same time, many retailers have a history of working to offer local products, long before the concept of "local food" became an important marketing category. In recent years, local-sourcing has become complicated by emerging food safety and audit requirements for producers (e.g., good agricultural practices) when working with larger grocery chains and their distributors. Additionally, certain chains require product volumes that can serve multiple store locations with a consistent supply throughout the year as a precondition for accessing a local store. As such, few locally oriented producers have the requisite scale and/or consistent quality to work with medium/large distribution networks (Rossi, Meyer, and Knappage, 2018). The evolution of retail decision-making and distribution structure has created barriers to entry for smaller-scale local producers, which can diminish the overall supply and visibility of local items at certain retailers, even when these items are present. Retailers, then, would benefit from reconsidering how to achieve legitimacy for their local products in a way that is more visible and trustworthy to LOHAS and general consumers.

The concept of legitimacy has been the focus of a growing literature in strategic management, exploring and measuring signals of trust across prospective partners in a value chain. Suchman (1995) considered the various components of legitimacy as the "generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (p. 574). Later, Zimmerman and Zeitz (2002) adapted the framework as a more explicit strategic course pursued by firms seeking to enter an industry, suggesting that legitimacy should be regarded as the "social judgment of acceptance, appropriateness, and desirability, enables organizations to access other resources needed to survive and grow" (p. 414).

In the case of local food markets, more traditional retailers are in many cases challenging the standards of more traditional direct market channels and actually pursuing market entry and legitimacy, seeking—with mixed success—a larger share of the LOHAS market and local core and to legitimize their products as "local" against the mix of more traditional vendors that have occupied this space (farm markets, CSAs, etc.). Figure 1 uses data from the NGA to show how consumer perceptions of the performance of their primary grocer around local food offerings has steadily improved. Many cooperative grocers are able to source locally, largely because they are owned and operated locally. Engaging local producer suppliers is often a core mission of these stores. Owner–shoppers have their own demanding standards to recognize local (Katchova and Woods, 2013).

Figure 1. Offers Locally Grown Produce and Other Local Packaged Foods ("very important"), Rate Your Primary Store's Performance ("excellent")

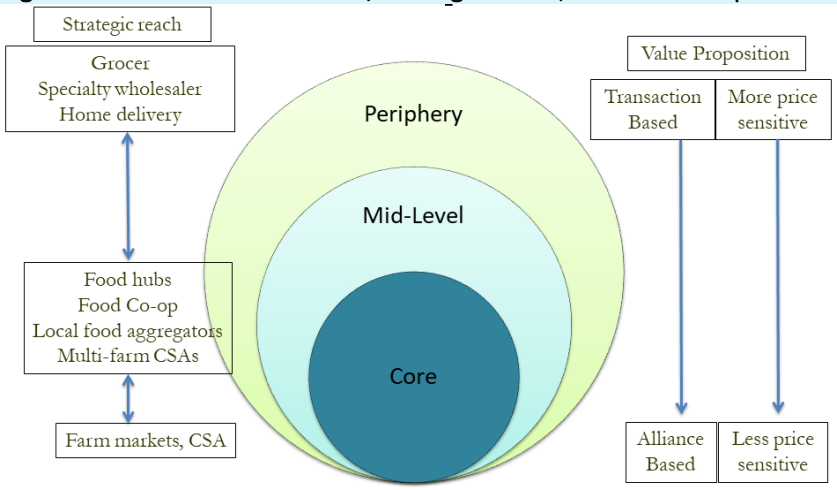


Source: NGA, 2015 Consumer Survey Report and previous issues.

The strategic management literature identifies four broad classes of legitimacy: i) regulatory—relating to compliance with various market or product standards or regulations; ii) normative—business behavior related to societal norms and values; iii) cognitive—relating to the product or service quality expectation of the market, and ive) industry—derived from industry's practices, norms, standards, and technology, as well as past actions of industry members. Legitimacy frames conventional grocers as entities that need to overcome the liability of newness, the reputation-building required of new entrants into a market. This is particularly the case as grocers seek to establish themselves as a legitimate market partner for local core consumers, even as many retailers have historically had some relationship with local growers.

Woods and Tropp (2015) summarized this market tension by exploring the strategic reach and battle for the local food market share between DTC retailers (farmers) and conventional grocers. The former start with a strong and incumbent position of legitimacy, with core consumers placing a particularly high value on the bundle of attributes associated with local products. The latter may be drawn to local core consumers due to their lower price sensitivity, market loyalty, and preference for differentiated products. Figure 2, adapted from Woods and Tropp, represents the consumer types, the

Figure 2. Local Food Consumers, Strategic Reach, and Value Propositions



Source: Adapted from Woods and Tropp (2015).

Table 1. Legitimacy Types and Representations in Local Food Markets

Legitimacy Type	Representative Variable	Corresponding Statement of Agreement
Regulatory	CERTLOCAL	To sell local foods, the item must have a "local food" certification by an organization (e.g., USDA, State Department of Agriculture, State Producers Association).
	CERTDIST	The definition of local food should be standard in terms of geographic distance.
Normative	TREATEMPL	When buying local foods, it is important for me that the producer of the item treats employees fairly and responsibly.
	ENVPRACT	When buying local foods, it is important for me that the producer of the item uses environmentally friendly practices.
	SMALLFAIR	Buying local foods will support small farmers and make sure that farmers receive fair returns.
Cognitive	LOCQUAL	Local foods are fresher and have higher quality than non-local foods (e.g., taste, appearance).
	LABELTRUST	When buying directly from the producer, I know the item is local and no certification label is needed.
	HEALTH	Local foods are usually healthier than non-local foods.
	SAFETY	Local foods (even without certification) usually meet food safety requirements.
Industry	DIRPUR	It is important for me to buy local foods directly from the producer (i.e., farmers/vendors)
	CONVCHEAP	It is more convenient and cheaper for me to buy local foods from big-box stores.

strategic reach compression to consumers of different values around local food, and the corresponding value proposition.

Asgari (2016) attempted to explore these initial linkages through a national survey of food consumers. Consumers were classified by how important local food purchases were to them (creating periphery, mid-level, and core groups) and asked to address a series of representative questions related to the four legitimacy groups, summarized in Table 1. Ordered logit models were used to examine determinants of variation as to the extent to which consumers agreed with the representative statements applying each type of legitimacy to the local food context. The dependent variable was created using a 4-point scale (where 0 = "strongly disagree" and 4 = "strongly agree"). Table 2 reports summary statistics. Table 3 defines periphery, mid-level, and core in the context of local food preferences in this study.

Table 2. Sample Descriptive Statistics (*N* = 612)

Variable	Description	Freq/ Mean
SECSHOP	= 1 if respondent is not the primary shopper, and 0 otherwise	32%
CORE	= 1 if respondent belongs to the core group, and 0 otherwise	16%
MIDLEVEL	= 1 if respondent belongs to the mid-level group, and 0 otherwise	38%
PERIPHERY	Reference consumer segment	46%
MALE	= 1 if a respondent is male, and 0 otherwise	48%
AGE	Continuous variable representing respondent's age (years)	47
EDU	Continuous variable representing respondent's years of education (years)	15
INCOME	Continuous variable representing respondent's annual income ($thousands)	74.0
URBAN	= 1 if respondent is living in an urban area, and 0 otherwise	32%
SUBURB	= 1 if respondent is living in a suburban area, and 0 otherwise	43%
RURAL	Reference market	25%
YRSRES	Continuous variable representing respondent's length of residency (years)	10
NORTH	= 1 if respondent is living in the northern regions of the United States	24%
SOUTH	= 1 if respondent is living in the southern regions of the United States	32%
WEST	= 1 if respondent is living in the western regions of the United States	27%
EAST	Reference region	17%

Table 3. Defining the "Core" Local Consumer

"How Important Is Local Food to Your Consumer Choices?"	Local Food Orientation (percentage of sample)
Not at all, slightly important, neutral	Periphery (45.4%)
Moderately important	Mid-Level (38.2%)
Very Important	Core (16.3%)

Local Values and Legitimacy at the Core

Several compelling observations are evident in the basic purchase patterns of core, mid-level, and periphery groups shopping for local products at different types of markets. Grocery and, in some cases, restaurants would typically be regarded as more dependent on intermediated services. The frequency of purchases of local products in all settings, as reported in Table 4, is higher for core consumers, as expected. Core consumers also place proportionally higher emphasis on DTC purchases at farmers' markets but still purchase very actively at the grocery, suggesting that this channel remains important to this consumer segment. Additionally, peripheral and mid-level consumers are more likely to acquire local foods in a retail grocery setting. While it is not possible to compare actual expenditures, these findings emphasize the relative importance by frequency of intermediated

local products across all types of consumers. In a related paper, Zare and Woods (2018) provide a more detailed analysis of these purchase patterns.

Table 4. Means of Local Product Purchase Frequency in Last 12 Months (*N* = 612)

	Local Consumer Type		
Market	Periphery	Mid-Level	Core
Farmers' market purchase	3.76	5.76	9.23
Grocery purchase	5.65	9.14	9.99
Restaurant purchase	2.49	4.09	4.55
No. of obs.	278	234	100

We estimated ordered logit regressions using explanatory variables that included local preference measures and other demographic determinants to explain shopper agreement with various strategies corresponding to the four legitimacy categories. Table 5 reports the regression results examining the relationships among various legitimacy measures and consumer types.

Table 5. Ordered Logit Regression Results on Importance of Selected Legitimacy Measures for Local Food Purchase Frequency

Legitimacy Type	Representative Variable	Midlevel	Core	Other Significant Variables
Regulatory	CERTLOCAL	0.516***	0.641***	Male (+), income (−), urban (+)
	CERTDIST	0.641***	0.862***	Urban (−)
Normative	TREATEMPL	0.754***	1.167***	Suburb(−)
	ENVPRACT	0.894***	1.483***	Age (−)
	SMALLFAIR	0.864***	1.595***	Sec shop (+), Income (−)
Cognitive	LOCQUAL	0.787***	2.225***	Income (−)
	LABELTRUST	0.287*	0.151	Urban (−), Yrs res (−), South (−)
	HEALTH	0.780***	1.864***	Income (−), Urban (−)
	SAFETY	0.377**	0.256	Age (+), Urban (−)
Industry	DIRPUR	0.875***	2.032***	
	CONVCHEAP	0.097	−0.231	Edu (+), Income (−), Urban (+)

Note: *, **, *** indicate statistical significance at the 90%, 95%, 99% level, respectively. Statement agreement used five categories, ranging from "strongly disagree" to "strongly agree," as the dependent variable. "Periphery" consumers are the reference variable.

Most regulatory legitimizing involves some kind of certification that independently verifies some aspect of an attribute. In the case of local products, core and mid-level consumers place more value on statements of local certification compared to periphery consumers. State branding programs have already been widely utilized by retailers in this capacity (see Naasz, Jablonski, and Thilmany in this *Choices* theme). Standards that would enforce distance definitions of local were similarly more strongly supported by core consumers, although more difficult to apply. Retailers could improve in-store consumer education via signage to explain the meaning and criteria of various certification and branding programs. This approach may bring more attention to products and farms that already exist as part of the store's supply. They may also consider identifying specific farm brands or displaying a

map that locates specific farms and product sources. In any case, the opportunity for transparency in defining "local" in terms of distance to sources is a viable merchandising strategy particularly valued by core consumers.

Shoppers bundle many types of variously related normative values into their purchase preferences for local food (Bond, Thilmany, and Bond, 2008). The measures explored here—fair treatment of employees, producer care for the environment, and supporting fair returns for small farmers—are representative of a wider list of normative values that core and mid-level consumers bring to their purchase decisions. Normative factors of legitimacy are important across each of the values explored here. Frequent consumers of local food strongly embrace these related values. Retailers entering this space would do well to pay particular attention to clearly and credibly communicating how retailer–farmer partnerships achieve these outcomes. Retailers could develop ways to highlight the stories of farms, their families, and their workers for specific seasonal products. Storytelling and quotes may be an effective way of engaging the normative values of the core local consumer.

Local food shoppers hold strong beliefs about the qualities inherent in local food, seeking a cognitive legitimacy in market partnerships, particularly associated with quality and health. The association of local with higher quality is one of the strongest measures distinguishing core from other types of consumer. These quality measures seem to go beyond safety. "Artisanal," "small batch," and "fresh" are quality signals that work in the farm market setting that could be translated into the grocery merchandising of local products. Processed local products can present added challenges. There appears to be some evidence that labels connected with local food production in the grocery setting are actually not strongly trusted by core consumers. Effective engagement of core shoppers throughout the grocery store will require more than generic logos indicating "local." The comparatively lower trust in grocery labels for processed local products underscores the potential for local-washing; savvy food consumers recognize this. Core consumers do not blindly embrace the relative safety of local products. While food safety may have some association with quality and health, these consumers appear to look to other mechanisms (besides simply local) to signal safety attributes. Communicating more details about production practices, safety standards, and nutritional attributes of local offerings can be ways to engage skeptical core local consumers.

Implications for Grocers and Other Retailers

Industry legitimacy, in the eyes of the local food consumer, relies on certain measures inherent in DTC interactions. Core local food consumers place a high value on direct producer relationships, as evidenced earlier by high farm market purchase frequency. This can translate to the retail setting, where these consumers still value this relationship. To provide a strong value proposition to these consumers, retailers must engage in efforts to share the stories, values, and human/environment interest details that drive these shoppers in the first place. These relationship- and information-intensive consumer interactions stand in contrast to simply offering convenience and low prices. While core and mid-level local consumers will consider and appreciate low-cost convenience, they require different types of signaling to grant trust and legitimacy to a product or industry.

Grocers and other retailers have an opportunity to pair the cost/convenience advantages of aggregation and distribution efficiencies with sincere messaging around local production to better engage with core and mid-level local food consumers. The careful attention to the messaging around local sourcing demanded by these shoppers can overcome a certain degree of concern about grocer performance around promoting local food and overcome the liability of newness—at least compared to traditional direct market sources. Strategic local messaging can also help outflank other grocers that are less attentive to core local values. These legitimacy strategies again are a representative, not exhaustive, list of strategies considered in local food marketing across the four legitimacy types. The goal here is to provide a framework that can hopefully lead to improved strategic positioning by all participants in the local foods marketing system.

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