Creating local food connections

A survey of local chefs and restaurants to better understand the uptake of, and satisfaction in, local produce within the Sunshine Coast and Gympie regions.

A report for the Queensland Department of Employment, Economic Development and Innovation

By Boardroom Business.

July 2011

Report Authors

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Acknowledgements

We wish to thank all the participants in the survey for their valuable time and input, in particular we would like to thank the many industry leaders who helped distribute the survey across both regions.

Particular thanks goes to the staff at the Sunshine Coast regional office of the Queensland Department of Employment, Economic Development and Innovation for their guidance and support throughout this project, in particular Celena Ross.

Boardroom Business and the Queensland Government Department of Employment, Economic Development and Innovation would like to especially thank the Sunshine Coast Daily and the Gympie Times for their generous donations of prizes, provided as an incentive for survey participation.

We would also like to thank Lynne Wilbraham and her team from the Economic Development Unit in Gympie Regional Council, Colleen Lucas and Sofia Bjorkland from the Sunshine Coast Daily, Tracey McKean from The Gympie Times, Martin Duncan from Freestyle Tout, Petra Frieser from Local Harvest, John Elliott and his team from the Sunshine Coast Council, Graeme Twine from Suncoast Fresh, Lloyd Moore from the Restaurant and Catering Industry Association, Lucy Whitehill, Helen Flanagan from Noosa Style Magazine, Simon Jackson from Bistro C, Linda Tabone from Suncoast Limes, Grant McDonagh from Sunshine Coast TAFE, Jenny from Belmondos, Alice Howard-Vyse and Julie Shelton from Slow Food Sunshine Coast.

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The information contained in this publication is intended as background information for policy development and general business support.

This report is being distributed to the participants in the survey and provides information designed to help users of the information with their own business, strategy development and/or other needs.

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Executive Summary

A survey of the restaurants and cafes in the Sunshine Coast and Gympie regions of Queensland, Australia was undertaken during May and June 2011.

The purpose of the survey was to gain detailed insight into the attitudes and behaviours of local chefs and restaurant managers in relation to the purchase of local foods. This information will, in turn, inform the Queensland Government's broader strategy to assist the entire local food and beverage value chain.

Over 100 responses were captured by the online survey (an 8% sample size) resulting in an enhanced understanding of industry commitment in relation to the purchase of local produce. The survey also identified barriers or impediments affecting the decision-making process.

The majority of respondents demonstrated a strong preference for local foods with 92.2% indicating they already purchase local foods for their eateries, and 74% stating they were committed to sourcing local produce.

However, this supportive attitude appears to be at odds with actual purchasing patterns, with the majority of respondents buying produce from a variety of sources, predominantly local distributors, with a mix of local, non-local and unknown sources.

The survey revealed a disparity between purchasing factors that respondents considered to be highly important ('overall quality of produce', 'sufficient quantities available reliably' and 'price competiveness') and corresponding levels of satisfaction, which were ranked as 'adequate'.

Overall, a range of impediments and barriers to action were identified by participants in relation to the purchase of local foods. These include economic barriers (price competitiveness, competition barriers, poor economic conditions generally), knowledge barriers (insufficient knowledge of origin of produce and where to purchase local foods) and access barriers (inconsistent supplies, inconvenient, no central access point).

A wide variety of supporting comments which further detail these sticking points were provided by participants, as well as a range of suggestions on how these could be overcome.

A major concern to participants was the lack of visitors to the region and rising overheads and utility costs.

Those who feel connected or have strong relationships with the local food supply network are great ambassadors for local produce, with comments reflecting both pride in, and advocacy for, the local food movement.

Given that a commitment was demonstrated towards local foods, an opportunity exists for the industry to collectively work together towards overcoming some of the barriers to supply.

Opportunities also exist for distributors to play a more active role in sourcing local foods and better promoting themselves as local food suppliers to meet this increasing demand.

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Project objectives

The knowledge resulting from this survey will contribute to the Sunshine Coast and Mary Valley Food Futures Project. Specific project objectives include:

1. Enhance coordination, connectivity and cooperation between enterprises along the food value chain of the Sunshine Coast and Gympie regions.
2. Increase local distribution networks for Sunshine Coast and Gympie Food particularly focusing on medium size enterprises and linkages between the Mary Valley and coastal catchments.
3. Increase food based tourism opportunities on the Sunshine Coast and Mary Valley regions.

Survey objectives:

Create a tool to identify existing local supply chains and opportunities to reduce the reliance upon the purchase of produce outside the region.

Develop and conduct the survey as a baseline study designed to identify chefs and restaurant owner's attitudes, understanding and behaviours towards the purchase and consumption of local fresh food. Specific objectives include:

1. Measure current chefs / restaurant owner's behaviour in relation to the purchase and consumption of locally produced foods in both the Sunshine Coast and the Mary Valley regions.
2. Measure awareness of locally produced foods.
3. Understand impediments to greater purchase of locally produced foods.
4. Identify purchases from outside the Sunshine Coast and Mary Valley regions.
5. Understand the profile of participants to identify key issues identified by the industry
6. Communicate Queensland Department of Employment, Economic Development and Innovation's (DEEDI) long term interest and support for the sector.

This survey will complement the broader range of activities being undertaken by DEEDI and was conducted with the full understanding that this survey of local eateries only captures a small part of that vast economic, social and environmental Queensland food value chain.

The information gathered will inform broader regional strategies and be used to help inform the development of project-based activities.

"With more than 90% of agricultural employment and almost 60% of food processing jobs in Queensland based regionally, regionalisation presents both challenges and opportunities to the Queensland food industry."

Source: Food for a growing economy, Queensland Government DEEDI

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Methodology

The survey was primarily conducted online and supplemented by one-on-one interviews.

Target participants for the survey were chefs, managers and owners of Sunshine Coast and/or Gympie based restaurants, cafés, clubs and other eateries with any form of seating capacity.

The survey opened on ***15th May 2011***

The survey closed on ***15th June 2011***

The survey was made available online via a dedicated web page. It was promoted throughout media outlets and via established local food industry groups and networks.

Participation was anonymous.

Prizes were offered and email addresses were collected and isolated from the data for purposes of a) the prize draw and b) communicating the survey results upon completion.

The prizes offered were: a) $2000 advertising voucher from the Sunshine Coast Daily and b) $500 advertising voucher from the Gympie Times.

The prize was drawn on the 13th of July using a random generator and witnessed independently.

The survey results were compiled using the industry standard methodology, utilising the SPSS data tool.

There were 103 survey responses in total.

Note: Not every respondent answered every question resulting in floating charts in some cases.

In addition to our target survey participants, the project activity was supplemented by interviews with select local fruit and vegetable distributors.

Questions asked included:

- What would you like to buy more of from Sunshine Coast and Gympie growers if you could, for your customers?
- What are the barriers that local growers need to overcome in order to supply more fruit and vegetables to local eateries
- What strategies or initiatives do you think could be created to help the local fresh fruit and vegetable industries grow and thrive?

Responses to these additional questions are included in analysis in the commentary section (p.24) .

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Overview of the local food and beverage industries

Industry profile

Using ABS business counts from June 2009 we have estimated that there are approximately 1,145 food and beverage businesses on the Sunshine Coast and 119 in the Gympie region[1].

Food and beverage businesses include cafés and restaurants, takeaway food services, catering services, pubs taverns and bars, and clubs (hospitality).

103 survey responses equate to a sample size of approximately an 8% from the sector.

These businesses service an estimated Sunshine Coast resident population of 323,419 and an estimated Gympie region resident population of 49,334, according to 2009 data from the Australian Bureau of Statistics.

The Sunshine Coast Regional Food Security Report (Shelton & Frieser, 2009)[2], detailed found the Sunshine Coast region does not produce sufficient quantities of food to meet local consumption needs in every food category, with the exception of milk and poultry.

The food and beverage industry however, does not rely solely on local residents. With a strong tourism sector both regions are heavily dependent upon tourism activity which, in turn, widens the local food production versus consumption gap.

Sunshine Coast Tourism snapshot

Sunshine Coast visitors (day trippers, domestic overnight and inbound) spent just over $2bn on the Coast during 2010, accounting for 17% of gross regional product. Total spending however has recently fallen by 9.2% due to a drop in domestic overnight spending and also a 6.5% drop in the day trip market.

The Sunshine Coast had 7.5 million visitors in 2010 (down 7.1%) including 4.5 million day trippers, 2.6 domestic overnight visitors and 283,000 international visitors.

Total visits to the Sunshine Coast (day trippers, domestic overnight and international overnight) is 7.4m visits per year.

Day trippers form the largest visitor segment (4.5m in 2010), but they spend much less per trip than overnight visitors.

Source: EMDA summary report for Sunshine Coast Destination Ltd Dec 2010

1Determined using ABS Business count figures for the ANZSIC code Accommodation and Food Services for each region. This resulted in 1468 businesses for the Sunshine Coast and 119 for the Gympie region however we needed to subtract those businesses classified as accommodation. Using state-wide figures it was determined that 22% of businesses across the state made up the accommodation component of the dataset and this was therefore subtracted from each of the regional counts.

2 Shelton & Frieser. 2009

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Value Chain

The Sunshine Coast and Gympie food and beverage businesses are part of a much larger value chain which includes primary production inputs, growers, producers, processors, transporters, wholesalers and retailers.

According to the Queensland Government the food value chain is worth $18.7 billion, and supports 267,000 Queensland jobs[3].

The food industry is a strategic priority for the Queensland Government with the Hon Tim Mulherin, Minister for Agriculture, Food and Regional Economies stating "food for a growing economy is about redesigning the Queensland food story. We must shift our thinking to see our food for what it is – the result of a complex, dynamic value chain that affects every aspect of Queenslanders lives.[4]"

Consumer Trends

Research on current consumer trends points to an increasingly informed consumer who frequently makes purchasing decisions based on environmental and social values.

> *"More and more people want to know how their food is made. Consumers are now actively seeking information about the seasonality of food, the diversity of local food production and how to use traditional products in innovative ways. They are interested in the environmental, health and ethical features of their food.[5]"*

The decision to purchase local foods is strongly motivated by environmentally sustainable values, including concern for 'food miles', but also encompasses notions of regional economic sustainability through the perceived support of local farmers, businesses and, in turn, local jobs.

Research has also found that whilst consumers' purchasing decisions may be influenced by strong, 'green' attitudes, often these do not translate directly into purchasing behaviours. This 'attitude-behaviour gap' is illustrated by UK studies that found whilst 30% of consumers report that they are very concerned about environmental and/or social issues, they struggle to translate this concern into 'green' purchases with actual purchasing of environmental goods and services as low as 4-10%[6].

Culinary Tourism is also a consumer trend. Everybody who travels must eat, and the evident interest in world cuisine is underscored by the current popularity of food and cooking TV shows.

Business forecaster IBISWorld states that the cooking school sector will grow by 30% in the next 12 months, driven by a resurgent interest in creating food. The growth will also extend to the commercial catering schools who train entrants to the café and restaurant industry.

IBISWorld also forecasts 22% revenue growth in the restaurant and café industry over the next five years[7].

3 DEEDI, 2011 4 DEEDI, 2011 5 DEEDI, 2011 6 Vermier & Verbeke, 2004 7 IBISWorld, 2011

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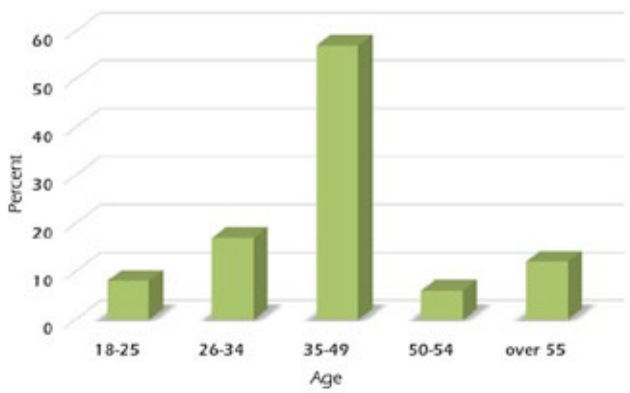
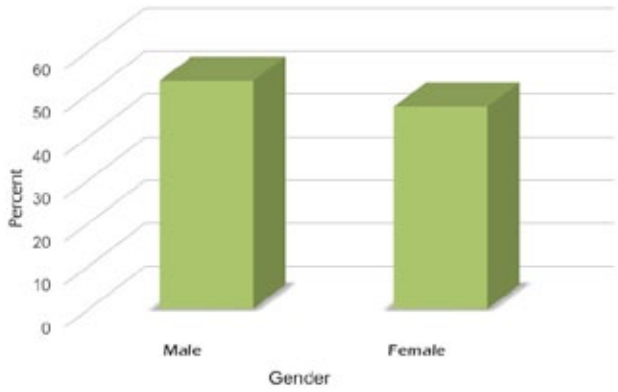
Survey questions and responses

SECTION: Demographics

Q1 *Age of respondent*



Q2 *Gender of respondent*



The majority of respondents were in the 35 - 49 age bracket with a balance of both male and females.

Q3 *Job title of respondent*

The majority of respondents (as indicated by the table below) were either owners of the business, chefs and/or managers.

What is your job title?	*# of Responses*	*% of Responses*
Business owner	39	39.4%
Chef / Owner	17	17.2%
Head Chef	11	11.1%
Manager	10	10.1%
Other	10	10.1%
Chef	9	9.1%
Executive chef	3	3.0%
Total	99	

Table 1; Source: Boardroom Business 2011

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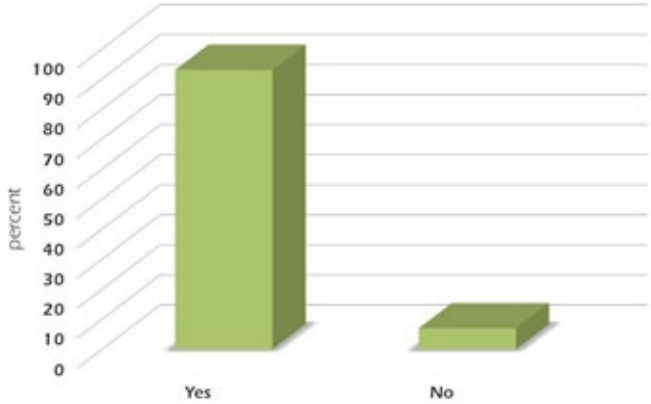
Q4 *Are you involved in the stock purchasing at this eatery?*

98.1% of respondents answered 'yes' to this question, the remaining percentage answered no.

Q5 *Do you purchase local produce for the menu selections at this eatery?*



92.2% of respondents answered 'yes' to this question.

SECTION: Eatery Characteristics

Q6 *Type of Eatery*

Type of Eatery	*# of Responses*	*% of Responses*
Restaurant	41	39.8%
Café	30	29.1%
Bar	3	2.9%
Takeaway with seating	15	14.6%
Catering	1	1.0%
Other*	13	12.6%
Total	103	

Table 2; Source: Boardroom Business 2011

*B&B, bakery, cooking school, function centre, juice bar, patisserie and training.

Q7 *Is the eatery part of a larger franchise?*

12.7% of respondents answered 'yes' with the remaining 87.3% as not part of a franchise.

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Q8 *Postcode of Eatery*

Postcode	*Suburb name*	*# of Responses*	*% of Responses*
4567	Noosa Heads	15	15
4566	Noosaville	15	15
4552	Maleny	9	9
4558	Maroochydore	9	9
4570	Gympie	9	9
4565	Tewantin	8	8
4557	Mooloolaba	6	6
4573	Coolum Beach	6	6
4560	Montville	5	5
4562	Eumundi	5	5
4561	Maroochy River	2	2
4574	Obi Obi	2	2
4006	Fortitude Valley	1	1
4012	Wavell Heights	1	1
4053	Stafford Heights	1	1
4152	Carina Heights	1	1
4551	Caloundra	1	1
4559	Woombye	1	1
4563	Cooroy	1	1
4564	Twin Waters	1	1
4572	Alexandra Headland	1	1
	Total	100	

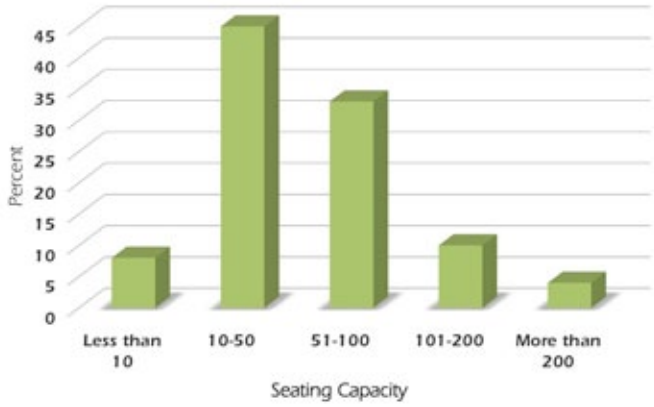
Table 3; Source: Boardroom Business 2011

Three respondents answered that they had more than one eatery in other postcodes.

The majority of responses came from the Sunshine Coast region (87%) with the remaining coming from Gympie (9%) and Brisbane suburbs (4%).

Of the Sunshine Coast regional responses, the majority of those came from the northern region.

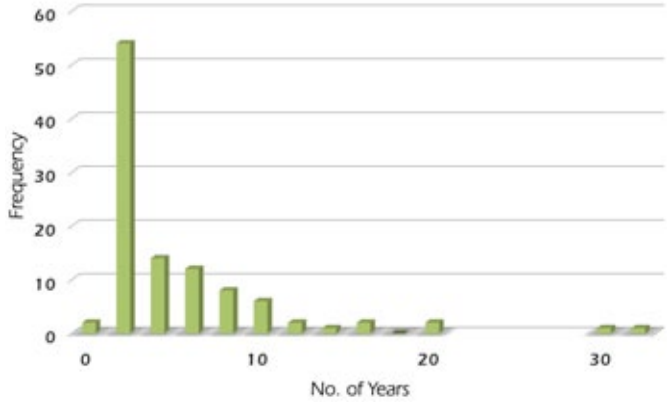
Q9 *Seating Capacity*



The majority of respondents (45.1%) had seating capacity for 10 – 50 customers, followed by 33.3% with seating capacity for 51-100 customers.

SECTION: Industry Experience

Q10 *How long have you worked at this eatery? (in years)*



The average length of work at the specific restaurant is 4.52 years with a range of less than one year to 35 years.

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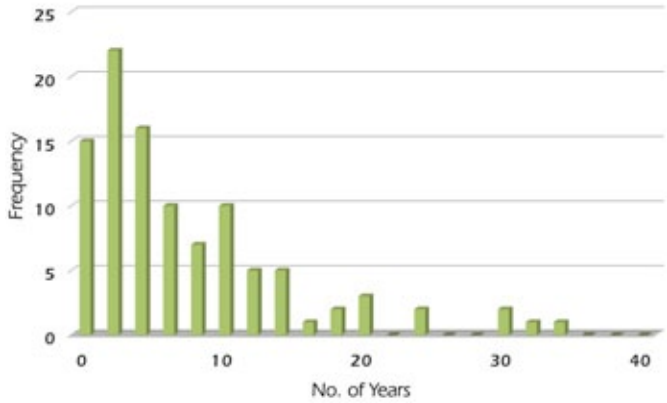
Q11

How long have you worked in this industry in this region? (in years)

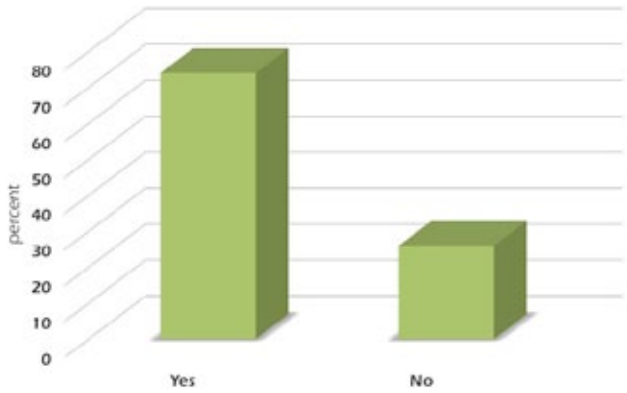


The average length of time working in this region in the industry is 7.75 years and a range of 1 year to 35 years.

SECTION: Overall attitude towards local practice

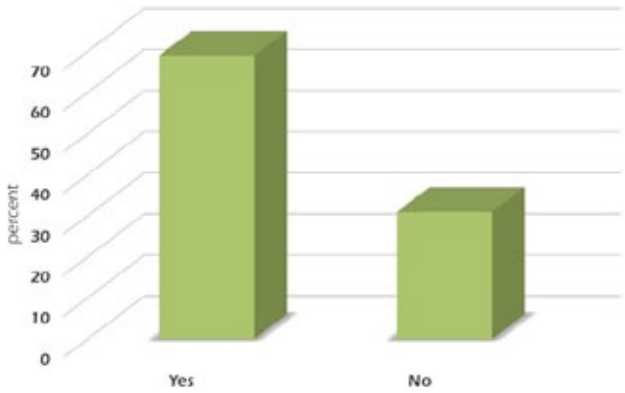
Q12

Do you have a purchasing commitment to buy local produce generally?



Q13

Overall, would you say that you are satisfied with the local supply of local produce?



74% of respondents answered 'yes' they do have a commitment to purchasing locally however only 69.1% answered that they were satisfied with the supply of local produce.

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SECTION: Current purchasing behaviour: ***Please indicate the approximate volume of food regularly purchased (in percentage terms) form the following sources:***

Q14 *Fruit Purchases*

	Local Grower or Producer Direct	Non-Local Grower or Producer Direct	Rocklea Markets	Local Distributor (sourcing mostly local foods)	Local Distributor (sourcing a mix of local & non-local foods)	Other Distirbutor (ie. non-local &/or not supplying local foods)	Retailer	Overseas	Produce my own	Don't know
None	3	14	17	4	3	13	12	25	17	9
Less than 10%	14	6	2	7	2	7	17	5	12	2
10-25%	22	6	4	4	9	4	4		4	
26-50%	10	5	3	9	9	1	1			
51-75%	6	1	5	7	7	2				
76-90%	2	3	2	1	7		1			
More than 90%	7	2	6	21	20	1	3	1	2	
Don't know	2	3	5	3	1	2		1	1	1
Total	66	40	44	56	58	30	38	32	36	12

Table 4; Source: Boardroom Business 2011

Q15 *Vegetable Purchases*

	Local Grower or Producer Direct	Non-Local Grower or Producer Direct	Rocklea Markets	Local Distributor (sourcing mostly local foods)	Local Distributor (sourcing a mix of local & non-local foods)	Other Distirbutor (ie. non-local &/or not supplying local foods)	Retailer	Overseas	Produce my own	Don't know
None	3	14	13	6	6	14	11	27	18	12
Less than 10%	12	6	5	7	2	7	17	1	12	3
10-25%	20	6	3	7	8	1	1	1	3	
26-50%	9	5	1	7	4	1	4			
51-75%	2		4	3	7	2	1			
76-90%	2	1	1	3	6	1	1			
More than 90%	8	1	10	14	28	2	3		1	
Don't know	1	3	3	1	2	2	1	1	1	1
Total	57	36	40	48	63	30	39	30	35	16

Table 5; Source: Boardroom Business 2011

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Q16 *Herb Purchases*

	Local Grower or Producer Direct	*Non-Local Grower or Producer Direct*	*Rocklea Markets*	*Local Distributor (sourcing mostly local foods)*	*Local Distributor (sourcing a mix of local & non-local foods)*	*Other Distirbutor (ie. non-local &/or not supplying local foods)*	*Retailer*	*Overseas*	*Produce my own*	*Don't know*
None	11	16	16	8	9	13	15	24	12	14
Less than 10%	7	5	4	6	6	5	9	1	8	
10-25%	9	3	4	3	3	4	2		7	
26-50%	7	2	1	5	4	1	1		4	
51-75%	2	1		4	3				1	
76-90%	1			2	6	1	1		1	
More than 90%	10		5	16	19	1	3		1	
Don't know	1	1	2	2	1	1	1		2	
Total	48	28	32	46	51	26	32	25	36	15

Table 6; Source: Boardroom Business 2011

Q17 *Meat and Poultry Purchases*

	Local Grower or Producer Direct	*Non-Local Grower or Producer Direct*	*Rocklea Markets*	*Local Distributor (sourcing mostly local foods)*	*Local Distributor (sourcing a mix of local & non-local foods)*	*Other Distirbutor (ie. non-local &/or not supplying local foods)*	*Retailer*	*Overseas*	*Produce my own*	*Don't know*
None	16	20	24	10	8	14	17	25	25	15
Less than 10%	5	4	1	5	3	3	11	1	1	
10-25%	4	3		4	6	2	1	1		
26-50%	4	1		8	9	6				
51-75%	1		1	3	2	1	1			
76-90%	1			3	5	2	2			
More than 90%	6	3	3	12	28	11	2			
Don't know	1	1	2		1	1	1		1	1
Total	38	32	31	45	62	40	35	27	27	16

Table 7; Source: Boardroom Business 2011

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Q18 Seafood Purchases

	Local Grower or Producer Direct	Non-Local Grower or Producer Direct	Rocklea Markets	Local Distributor (sourcing mostly local foods)	Local Distributor (sourcing a mix of local & non-local foods)	Other Distirbutor (ie. non-local &/or not supplying local foods)	Retailer	Overseas	Produce my own	Don't know
None	22	24	26	15	9	21	23	21	25	17
Less than 10%	5	2		1	3	4	6	4	1	
10-25%	1			1	3	1	1			
26-50%	5	2		10	7	2				
51-75%				2	3	1	2	1		
76-90%	1	1		4	7					
More than 90%	2		1	14	29	3	3			1
Don't know	1	1	1	1	1	1	1		1	2
Total	37	30	28	48	62	33	36	26	27	20

Table 8; Source: Boardroom Business 2011

Q19 Organic Food Purchases

	Local Grower or Producer Direct	Non-Local Grower or Producer Direct	Rocklea Markets	Local Distributor (sourcing mostly local foods)	Local Distributor (sourcing a mix of local & non-local foods)	Other Distirbutor (ie. non-local &/or not supplying local foods)	Retailer	Overseas	Produce my own	Don't know
None	24	25	25	16	18	23	25	26	22	20
Less than 10%	10	4	1	4	7	2	5		3	
10-25%	2	1		3	4	2	2			
26-50%	1	2		3	2				1	
51-75%	1	1	1	1						
76-90%	2		2		2					
More than 90%	3		1	7	12					
Don't know	1	1	1	2	2	1	1	1	1	2
Total	44	34	31	36	47	28	33	27	27	22

Table 9; Source: Boardroom Business 2011

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Q20 *Please list your current three main suppliers of fresh produce grown in the Sunshine Coast/Gympie region.*

A wide variety of suppliers were listed, with the full details provided in Appendix A. The majority of respondents referenced established wholesale businesses, however in addition to wholesalers a list of individual producers can also be compiled from this data as the respondent would often include a local producer or grower alongside the name of the wholesaler in their top 3.

The most frequently mentioned suppliers for fresh produce grown in the regions were: Suncoast Fresh, Makris Wholesale, Uppercut Meats, Noosa Red Tomatoes, Premium Fresh, Southern Cross Fisheries, Spanner Crab Noosa, Cotton Tree Meats, Erbachers, Viande, Farmers Gate, Irwins and regional farmers' markets.

In addition to listing suppliers, some respondents chose to comment directly on this question. These comments include:

"Don't buy local produce as it is too dear."

"After 7 years in the this industry… watched Noosa thrive with fresh food businesses. Now we only have one and I must order from them and them only. No competition."

"Hard to tell what percentage is local from our distributor."

"We have no say in the purchase of our supplies as we are part of a bigger franchise. This gets frustrating as a chef but is part of the job when you work for the big guys."

"Local growers from Noosa to Palmwoods - sorry cannot provide their details - it is a well kept secret - you understand Remaining produce comes from a local distributer who grows as well as sources food from within region and nationally".

Q21 *Please list any foods and ingredients that you would like to see available from local producers. List as many as you wish, as this information will be used in discussions with local growers and distributors.*

Seventy-nine different food items were listed in this section and these were spread across all the major food categories except grains and dairy.(see Appendix B for full details). The majority of responses detailed fruits, vegetables and herbs as well as variety of seafood and meats (including organic, game and poultry).

Of note are the items identified as being in short supply locally during one-on-one interviews with local fruit and vegetable distributors, these include: Continental cucumbers, regular tomatoes, capsicums, eggplant, wild rocket, baby spinach, and asian vegetables.

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In addition to listing food ingredients, a number of respondents chose to provide additional comments.
A selection is as follows:

"One of our biggest sellers is a mesculin mix however we struggle to get good quality supplies locally. Wild rocket is a huge opportunity for local growers"
- Anonymous Distributor

A market exists for niche products.
- Anonymous survey respondent

"Its not so much a specific ingredient that I get frustrated in getting, its more access to local pristine produce that does not seem to make it to our local markets as the big cities or export seems to take priority this is frustrating as it seems to break this cycle we need to pay more than anyone in many cases or tolerate lesser quality."
- Anonymous survey respondent

"Very well rounded range, however quality and irregular supply are issues as opposed to Sydney/ Brisbane/Perth. Quite poor really."
- Anonymous survey respondent

SECTION: Purchasing factors

Q22 *How important are the following factors in your decision to purchase local produce?*

	Not Important	*Low Importance*	*Moderate Importance*	*High Importance*
Overall quality of the produce	2.0%	0.0%	6.1%	91.8%
Sufficient quantities available reliably	1.0%	2.0%	21.4%	75.5%
Price competitiveness	2.1%	3.1%	36.1%	58.8%
Convenient access to suppliers	1.0%	4.2%	26.0%	68.8%
Timely deliveries	3.1%	1.0%	27.1%	68.8%
High quality customer service	1.0%	3.1%	30.9%	64.9%
Flexibility of ordering requirements	2.1%	4.3%	39.4%	54.3%
Professional relationships with the suppliers	2.1%	6.4%	35.1%	56.4%
Environmentally sustainable practices of suppliers	5.3%	7.4%	50.0%	37.2%
Organic produce certification	24.7%	31.2%	30.1%	14.0%
A commitment to buying locally	3.2%	3.2%	46.8%	46.8%

Table 10; Source: Boardroom Business 2011

Interestingly, the majority of respondents chose quality as the most important purchasing decision factor. Other factors rating highly include sufficient quantities available reliably, convenient access to suppliers, timely deliveries and high quality customer service.

Creating local food connections

SECTION: Satisfaction with local suppliers

Q23 *How satisfied with local suppliers are you on the following factors?*

	Not Important	*Low Importance*	*Moderate Importance*	*High Importance*
Overall quality of the produce	1.1%	6.5%	58.1%	34.4%
Sufficient quantities available reliably	1.1%	22.3%	55.3%	21.3%
Price competitiveness	4.3%	20.4%	61.3%	14.0%
Convenient access to suppliers	6.6%	11.0%	59.3%	23.1%
Timely deliveries	1.1%	13.2%	56.0%	29.7%
High quality customer service	1.1%	15.6%	47.8%	35.6%
Flexibility of ordering requirements	1.1%	7.7%	58.2%	33.0%
Professional relationships with the suppliers	1.1%	11.0%	52.7%	35.2%
Environmentally sustainable practices of suppliers	2.4%	17.1%	63.4%	17.1%
Organic produce certification	2.8%	22.2%	68.1%	6.9%
A commitment to buying locally	2.5%	11.1%	61.7%	24.7%

Table 11; Source: Boardroom Business 2011

Of the categories mentioned in the previous section as being 'highly important', most are rated only as 'adequately satisfied'. Sufficient, readily available quantities (rated 'high' in importance in the previous question) is one of the categories ranked lowest in terms of satisfaction, alongside price competitiveness and organic produce certification (see Table 11)

"While working on the coast in the role of head chef for the last decade I have seen an improvement in the availability of local produce it has always been an issue for me to source product locally. Too often product will travel to Brisbane market and return to the coast. I actively seek out local fruit and vegetable growers, fishermen, meat and poultry growers and would love to see them more readily accessible to me. Too often I come across a product and I will say to the farmer if you have been producing this product for the past however many years why haven't I heard of you?" - Anonymous survey respondent

"Noosa Farmers Markets take business away from local businesses. Often they are cash businesses who bring in product from outside the region and take away from those who are paying rents and employing locals. There needs to be a quality assurance system so customers know what is locally grown and what is not at these markets." - Anonymous survey respondent

SECTION: General business trends

Q24 How do you rate the following general business trends as they apply to your business over the next 12 months?

	Not Important	Low Importance	Moderate Importance	High Importance
Wage pressures / industrial relations	3.1%	5.1%	26.5%	65.3%
Government red tape	8.4%	16.8%	34.7%	40.0%
Industry regulations / fees	6.3%	11.6%	34.7%	47.4%
Australian dollar	5.2%	22.7%	32.0%	40.2%
Additional taxes and levies (i.e. carbon tax, flood levy)	7.3%	7.3%	33.3%	52.1%
Rising overheads and utility costs	3.1%	4.2%	21.9%	70.8%
Rising transport costs	6.3%	14.6%	31.3%	47.9%
Cost of food and/or produce	0.0%	4.1%	27.8%	68.0%
Supply of food and/or produce	0.0%	7.2%	37.1%	55.7%
Price pressure from competitors	7.2%	19.6%	35.1%	38.1%
Price pressure from customers	3.1%	21.9%	29.2%	45.8%
Number of visitors to the region	2.1%	1.0%	12.5%	84.4%
Availability of skilled labour	6.2%	13.4%	22.7%	57.7%

Table 12; Source: Boardroom Business 2011

Of most importance to the respondents was the number of visitors to the region, reflecting the region's strong reliance upon the tourism industry. Wage pressures, rising overheads and utility costs and cost of food/produce were also of high importance.

"Pressure with food costs & overheads is making it harder for restaurants to make a living, many iconic restaurants have shut down in my area over the last 12 months. It is a shame to see locally grown produce moved to Brisbane then back up again to us. More contact with the local growers and suppliers would lessen the carbon footprint and the costs associated with running a restaurant and supplying food to our market and would fill the growing need to know where are food is coming from."

- Anonymous survey respondent

"I would like to see a directory of local suppliers made available to industry wishing to utilise local produce. It was difficult as a new business to find local produce suppliers, other than the larger operators who did have an online presence. We even scrambled to write down numbers from delivery vans driving past! A centralised website or directory with all local producers is needed."

- Anonymous survey respondent

SECTION: Marketing

Q25

Do you:
i) Actively promote local foods or produce in your marketing and menu?

64.6% of respondents answered 'yes' – they are actively promoting local foods in their marketing and menus.

ii) Actively participate in local food and beverage events, such as Food and Wine Festivals and/or other marketing events?

41.2% of respondents answered 'yes' to this question, with the remaining 58.8% answering that they do not participate in local food and beverage events.

iii) Believe you have enough information about local events and marketing support to help promote your eatery?

Only 35.7% of respondents believe they have enough information about local events and marketing support, with the remaining 64.3% believe they do not have enough information.

SECTION: Concluding Comments

Q26

Any final comments?

Pertinent comments are highlighted throughout this document; further comments include:

"Can I tick skilled labour x 50? This is our biggest challenge, getting and keeping good staff"

"Award schemes for local businesses should always include % of local products and services used. Quality of local produce is excellent."

"Festivals and events are held in specific small areas and really only benefit a small number of 'lucky' businesses – sometimes even reduce our ability to operate successfully – this is a very 'cliquey' area. We pay high rent, high rates and tourist levy but are ignored."

"We tried sourcing local fruit and veg but found that there was no consistency of supply or quality. We also found the service was not very good so I would have to go to Woolworths to get the rest of what we needed. Being very time poor I have found it is simply easier to go to Woolworths first and then chase up the local suppliers for the things that I cant get at the supermarket. We would like to support local businesses but until they have the consistency that we need we will have to continue sourcing most of our produce from Woolies."

Creating local food connections

We have been an employer here on the Sunshine coast for quite a long time & have relied on local suppliers to help support our business with great success & enjoy being a "main stay" in the industry. We have also seen a great shortage of skilled employees on the coast & instead of complaining about we have started an RTO to enhance the skills of our & our peers apprentices to help lift the quality & care about the industry we love."

"Running a café and not a restaurant you cannot charge the higher prices for meals. Therefore, the hardest thing is having the time and money to source local produce. We realise in an ideal world this would benefit all to use local."

"There are NO ASIAN supplies full STOP. I am very keen to support local suppliers."

"We find most products are readily available and suppliers here are helpful and good to deal with. Strangely enough we find seafood is the hardest to get consistently."

"What happened to the Thomas Street Festival?"

"More help for smaller businesses instead of selling out to the larger ones with $."

"Farmers markets take business away from local businesses."

"Our restaurant grows its own herbs, lettuce and citrus where possible. A collective movement needs to engage with all restaurants to support our local farmers. People need to be aware of produce from overseas."

"Overall relationships with suppliers are great. The products they have to offer is up and down. Coming from the city I have adjusted to the 'Coast' way of doing things. As long as the self-funded retirees keep driving down the cost of goods and services (which I understand) there will be supply and quality issues on the coast with food services. The Coast has come along way and the direction we are heading in is great. We are still in our infancy compared with Brisbane/Sydney/Melbourne/Perth. Until we have skills levels and wage levels that represent the rest of the country there will be difficulties in staffing and quality production of food. I could go on… I should go on…however time is limited. Thanks for this survey. I hope some good will come out of it for all of us."

Commentary on survey findings

Profile

The respondent profiles represent the survey target audience, evidenced in the job titles provided (largely owner/operator run) and the types of eateries indicated. The majority of responses came from restaurants (39.8%), closely followed by cafés (%29.1%).

Attitudes

The majority of respondents demonstrated a strong preference towards local foods with 92.2% indicating that they do purchase local foods for their eateries. When asked about their commitment to local produce 74% of respondents answered positively, that they were committed to local produce. This is followed by a lower satisfaction rate (69.1%), and an even lower proportion of respondents (64.4%) actively marketing local foods in their menu or promotions (Table 13).

Do you purchase local foods?	*Do you have you a commitment to purchasing local foods?*	*Are you satisfied with local foods?*	*Do you actively market local foods on your menu/ promotions?*
92.2% YES	74% YES	69.1% YES	64.4% YES

Table 13; Source: Boardroom Business 2011

Purchasing patterns

Sympathetic attitudes and purchasing motivation toward local foods have not necessarily translated directly into behaviour, with a wide range of sources being listed for most food categories surveyed.

Participants were asked to nominate the percentage range from each source, for each of the major food categories. This resulted in a wide range of responses, often with an 'all or none' approach to many of the sources.

Respondents indicated that they received the majority of their produce from local distributors and supplemented with supplies from a range of sources, including local producers. This was further highlighted by the fact that respondents often included a local grower/producer alongside a major distributor in their list of top 3 suppliers.

The two distributor types accounting for the most frequent responses were those either sourcing a mix of local and non-local foods and those sourcing primarily local foods.

"I get most of mine from a local distributor – not sure from where or what percentage they get locally or otherwise – how can I tell?" ***- Anonymous survey respondent***

The various comments provided also indicate that, whilst a commitment exists towards local foods, there are numerous barriers and reasons why local food purchasing is not always possible.

Impediments

So, with a strong commitment to purchasing locally, what then are the barriers? Why the gap between attitudes and behaviours?

Examining the factors affecting purchase decisions for local produce and conducting a comparison of their importance with corresponding levels of satisfaction, provides some clues (Table 14).

	Importance	*Satisfaction*	
Overall quality of the produce	91.8% High importance	58.1% Adequate satisfaction	Major gap
Sufficient quantities available reliably	75.5% High importance	55.3% Adequate satisfaction	Major gap
Price competitiveness	58.8% High importance	61.3% Adequate satisfaction	Moderate gap

Table 14; Source: Boardroom Business 2011

As detailed in the table above, there appear to be large gaps between the 'importance' rating of certain purchasing considerations and the corresponding levels of satisfaction.

Further comments provided by respondents detail a range of additional impediments when purchasing local foods. In summary, barriers identified include:

Economic barriers:

- Perceived/real **price** differentials for local foods over and above other sources.
- Perceived/real **competition barriers**, i.e. not enough sources of supply for local foods.
- It has been a **tough financial year** for many with the lack of visitors a serious concern to most local eateries, closely followed by rising overhead and utility costs.

Knowledge barriers include:

- **Insufficient knowledge** of **where** to purchase local foods (frequently commented).
- **Insufficient knowledge** of **origin** of produce from their local distributor.

Access barriers include:

- **Supplies** of local produce are intermittent and/or **inconsistent.**
- **Convenience** is disappointing and access to local foods can be a 'hassle'.
- There is no **central access point** or central repository for local foods.
- Discontinued supply during the floods when the Rocklea markets were significantly disrupted – security of food access.

Other:

- An additional barrier identified during interviews was one faced by local producers, in that many growers had to lock in their supply to a major contract in order to secure their income stream, which often prohibited them from supplying the local market.

Creating local food connections

Awareness of local connections, including consumer marketing

Those who feel connected or have strong relationships with the local food supply network are great ambassadors for local produce, with comments reflecting both pride and advocacy for the local food movement.

Given that the majority of respondents (92.2%) purchase some local foods and have a strong commitment to purchasing locally (74%), it was surprising to see that fewer decide to actively market their choices of local produce (only 64.4% choose to promote local foods).

This may reflect the dissatisfaction with the supply of local foods and barriers highlighted above, resulting in some respondents not having the confidence to promote local foods.

The majority of respondents (64.3%) do not feel they are getting enough marketing support or information about local events that will support or enhance their business interests.

There is a pride in the local industry (demonstrated in the commentary) with some 'thanking' the government for taking the time to investigate their needs through this survey. There is also evidence that the sector is asking for more support to help overcome the barriers identified.

"It would be fantastic if some of these suggestions can actually come together to make a difference. I feel as though the Sunshine Coast could actually benefit by a significant wholesale market. It seems as though the region is growing at a rate and the struggle the local producers have would be much less if all local produce could be displayed at one place.....food for thought."

- Anonymous survey respondent

Conclusions

Overall, the eateries surveyed are largely disappointed with the supply of local produce and are struggling to overcome a number of barriers preventing them from sourcing their food locally.

Given that a commitment was demonstrated towards local foods, an opportunity exists for the industry to collectively work together towards overcoming some of the barriers to supply.

Opportunities also exist for distributors to play a more active role in the sourcing of more local foods and better promoting themselves as supplying local foods to meet that demand.

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Creating local food connections

Want to find out more?

If you would like to participate in local food and beverage industry activities or find out more information please contact:

Queensland Government Dept of Employment, Economic Development and Innovation (DEEDI):

Sunshine Coast Service Centre: Ph: 07 5451 6300

Maryborough Service Centre: Ph: 07 4121 1780

Gympie Service Centre: Ph: 13 25 23

www.deedi.qld.gov.au

A selection of web resources dedicated to local food and beverage industries:

www.seasonsofthesun.com.au

www.slowfoodsunshinecoast.org.au

www.sunshinecoastregionalfood.com/localharvest/

www.themaryvalley.com.au

www.foodq.com.au

www.qldfbi.com.au

This report has been produced by Boardroom Business and was commissioned by the Queensland Government Department of Employment, Economic Development and Innovation.

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