

Opinion Leadership and the Perceived Economics of Local Food¹

Layne S. Marshall, Melissa R. Taylor, and Alexa J. Lamm²

Introduction

The number of farmers markets in the United States has grown 180% from 2006 to 2014, with a total of 8,268 operating farmers markets in 2014; this signifies a local food-purchasing behavior trend (Low et al., 2015; Low & Vogel, 2011). The production and consumption of foods is an exponentially large industry in the United States, and in recent years, interest in locally produced foods has risen (Low et al., 2015). A study found that, in Florida, sales of locally produced foods had grown to more than \$8.3 billion annually (Hodges & Stevens, 2013). Many enthusiasts of the local food movement push the idea that supporting local farmers supports the local economy (Roper & Rumble, 2014). Sonntag (2008) found that for every \$100 spent at an average grocery store, \$25 is re-spent locally, compared to every \$100 spent at a local farmers market which translates to \$62 being re-spent locally. The direct and indirect effects on the local economy as a result of a shorter supply chain provide more tangible economic benefits to the local community than if purchased from a large corporation thousands of miles away (Kaplan, 2010). If the food producer retains a greater proportion of the food dollar, the local economy will be positively influenced by moving away from non-local food sources (Canning, 2011). Purchasing locally produced foods can support employment of those involved in the ownership and management of smaller farms, who can then maintain their careers in a time of urban sprawl and shifting agricultural practices (Dunning, 2013; “Land

Use,” 2012). Although many individuals imagine the typical local farm as being smaller scale than the rest of the industry, larger producers are still capable of producing and supplying the local community with locally-produced food.

While there are a lot of economic benefits to selling food locally, only 7.8% of farms in the United States are targeting local consumers (Low et al., 2015). Reasons for this are varied, but education is needed to encourage producers to keep their products local and to encourage the public to purchase local products. Opinion leaders, or individuals who have a large amount of influence within their respective social circles, can influence people within their communities whether that be consumer circles or producer organizations (Valente & Pumpuang, 2007). Leveraging opinion leaders to disseminate information can assist in greater access to hard-to-reach populations, but also allows Extension professionals to do more with less. Therefore, Extension professionals should consider targeting their programs at opinion leaders (Norwood, Oltenacu, Calvo-Lorenzo, & Lancaster, 2015).

This EDIS document is the third in a series discussing how Extension can more efficiently encourage citizens to join the local food movement by focusing utilizing and leveraging opinion leaders. The entire series includes the following EDIS documents:

1. This document is AEC606, one of a series of the Department of Agricultural Education and Communication, UF/IFAS Extension. Original publication date August 2016. Reviewed February 2019. Visit the EDIS website at <https://edis.ifas.ufl.edu> for the currently supported version of this publication.
2. Layne S. Marshall, undergraduate research intern; Melissa R. Taylor, research coordinator; and Alexa J. Lamm, assistant professor and associate director, Department of Agricultural Education and Communication, UF/IFAS Center for Public Issues Education, Gainesville, FL 32611.

The Institute of Food and Agricultural Sciences (IFAS) is an Equal Opportunity Institution authorized to provide research, educational information and other services only to individuals and institutions that function with non-discrimination with respect to race, creed, color, religion, age, disability, sex, sexual orientation, marital status, national origin, political opinions or affiliations. For more information on obtaining other UF/IFAS Extension publications, contact your county's UF/IFAS Extension office.

U.S. Department of Agriculture, UF/IFAS Extension Service, University of Florida, IFAS, Florida A & M University Cooperative Extension Program, and Boards of County Commissioners Cooperating. Nick T. Place, dean for UF/IFAS Extension.

1. Opinion Leadership and the Perceived Health Benefits of Local Food (<http://edis.ifas.ufl.edu/wc266>)
2. Opinion Leadership and the Perceived Effects of Local Food on the Local Community (<http://edis.ifas.ufl.edu/wc267>)
3. Opinion Leadership and the Perceived Economic Benefits of Local Food (<http://edis.ifas.ufl.edu/wc268>)

Indirect Economic Benefits of the Local Food Movement

Beyond the direct economic benefits to local producers and consumers, there are other notable factors influenced by a local food presence. A study conducted in 2008 found a positive association between the presence of local community gardens in urban residential areas and an increase in nearby real estate values (Voicu & Been, 2008). Restaurants that advertise and serve local food are more likely to have an increase in popularity and therefore sales (“Top 2016 Food Trends,” 2015). When consumers choose to dine at restaurants that serve local food, the profit made has “twice the usual impact of household spending” on the local economy than if from a restaurant that does not serve locally produced goods (Sonntag, 2008, p. 18). In 2002, a study of over 800 farmers market customers found that 60% of the shoppers also visited nearby stores on the same day (“Measuring the Impact,” 2015). Another indirect effect considers local food providers as role models for “sparking a culture of entrepreneurship in communities” (Dunning, 2013, p. 2).

Marketing Locally Grown Food

Evidence suggests that labelling produce with a sticker identifying it as a locally grown product is associated with greater produce sales (Rumble & Roper, 2014). This marketing technique can create a more official representation of produce and can connote high quality and freshness (Roper & Rumble, 2014). An experiment conducted in Arizona found that consumers are willing to pay more for locally grown spinach marked with the “Arizona Grown” label over locally grown spinach that was not labeled (Nganje, Hughner, & Lee, 2011). This implies that consumers perceived the term “locally grown” as an indicator of safety and quality in their food supply (Nganje et al., 2011).

Willingness to Pay

When looking at consumer behaviors and the economic motivations behind food purchases, studies suggest people

(especially Caucasian/White women of middle to upper class) are willing to pay more for a product if they know it is locally grown (Burnett, Kuethe, & Price, 2011; Low et al., 2015; Thilmany, Bond, & Bond, 2008). Many consumers have started showing interest in product attributes, such as sustainability practices, animal welfare, and the point of origin of products they are looking to purchase (“Food Retailing,” 2007). Additionally, one study found that consumers’ willingness to pay for local food can be independent from the values associated with product freshness, meaning some consumers are willing to pay a premium for local food even when given various other food options of similar quality (Darby, Batte, & Roe, 2008; Ruehle & Goldblatt, 2013).

Current Research on Local Food Opinion Leaders

The role of opinion leaders could be an extremely helpful and much more efficient method of helping change doubtful opinions or perceptions about local food. If more opinion leaders were involved with marketing the economic benefits of local food production, a greater proportion of the general public could be motivated to participate as well. Opinion leaders are more likely than the general public to share information about the extra indirect advantages to local food placement in residential areas, in close proximity to other businesses and retail stores, and as options on restaurant menus. This, in turn, could help in the spread of more community gardens and farmers markets.

The UF/IFAS Center for Public Issues Education recently conducted a national study to further understand the role of opinion leaders in the local food movement. Details on the survey itself, the methods, and the resulting demographic characteristics of the identified opinion leaders can be found in the first EDIS document of this series found at <http://edis.ifas.ufl.edu/wc266>. This EDIS document specifically looks at opinion leaders’ thoughts regarding the economic benefits of purchasing local food.

Demographics

A table displaying the survey respondent demographics can be found in the first EDIS document of the series titled *Opinion Leadership and the Perceived Health Benefits of Local Food* found at <http://edis.ifas.ufl.edu/wc266>. Opinion leaders were more likely to be female (60.3%), and 45.5% described themselves as Caucasian/ White (Non-Hispanic). The largest number of respondents were aged between 20–39 (60.9%). Fifty-three percent identified as Democrat and the majority of respondents listed their political values as moderate (38.4%). Opinion leaders were more likely to

hold a higher level of education than overall respondents. Finally, 38.1% reported earning \$75,000 to \$149,999. When opinion leader respondents were asked to indicate where their home was located in relation to the city center or town nearest them, 67.4% indicated living within the city center compared to the 74.2% indicated by the overall respondent population of 1,023 individuals.

Impact of Food Purchasing Behaviors on the Local Economy

Respondents were asked a variety of questions, including their level of agreement with several statements about how their personal spending effects their community's economy using a five-point scale of 1 = *Strongly Disagree*, 2 = *Disagree*, 3 = *Neither Agree nor Disagree*, 4 = *Agree*, and 5 = *Strongly Agree*. The results are shown in Table 1. Ninety-four percent of respondents agreed or strongly agreed that their community's prosperity is important to them, and 84% believed there is high importance in knowing that the money they spend benefits their local community.

Discussion

The strategic use of opinion leaders could be extremely influential in furthering the purchase of local foods in communities across the nation. Extension professionals should encourage opinion leaders to act as communication strategists within the community by genuinely explaining their personal endorsement of local foods (Nisbet & Kotcher, 2009). The findings of this study show that many opinion leaders already value the importance of their personal spending and its effect on the local community. They also agree that access to local food is very important. Reach out to individuals who are already passionate about consuming local foods and positively influencing their local neighborhood community and encourage them to share their ideals with others. This could not only change purchasing behaviors, but also make that change more effective in the community. The findings revealed 94.4% of the 156 individuals prompted to answer the question "The prosperity of my neighborhood community economy is important to me" agreed or strongly agreed. Opinion leaders who already recognize the benefits of local food should be used to reach the general public who are passionate about their local economy but do not realize how locally-grown food can play a role in positively influencing it. Extension professionals should use these crucial opinion leaders to efficiently disseminate information about the possible economic benefits of adopting new personal attitudes and behaviors about local food (Canning, 2011; Sonntag, 2008).

Opinion leaders can transform the perceived product attributes of local goods in the eyes of the influential consumer community. In order for an increase in local food consumption to be successful, Extension professionals should encourage more opinion leaders to recognize the impacts of their spending on their local community's economy and to share their ideals with others. The results of this study indicated 47% of respondents agreed or strongly agreed that it is alright if the money they spend does not benefit anyone in their neighborhood community. By encouraging opinion leaders to place more value on the local economic impacts of their personal spending, they can promote greater participation in the purchasing of locally grown foods and revitalize overall attitudes towards supporting the local food movement (Keller & Berry, 2003).

References

- Burnett, P., Kuethe, H., & Price, C. (2011). Consumer preference for locally grown produce: An analysis of willingness-to-pay and geographic scale. *Journal of Agriculture, Food Systems, and Community Development*. Retrieved from <http://dx.doi.org/10.5304/jafscd.2011.021.013>
- Canning, P. A. (2011). A revised and expanded food dollar series: A better understanding of our food costs. *ERR 114, United States Department of Agriculture, Economic Research Service*. Retrieved from https://www.ers.usda.gov/webdocs/publications/44825/7759_err114.pdf
- Darby, K., Batte, M. T., Ernst, S., & Roe, B. (2008). Decomposing local: A conjoint analysis of locally produced foods. *American Journal of Agricultural Economics*, 90(2), 476–86. doi: 10.1111/j.1467-8276.2007.01111.x
- Dunning, R. (2013). Research- based support and extension outreach for local food systems. Center for Environmental Farming Systems. Retrieved from <https://cefs.ncsu.edu/wp-content/uploads/research-based-support-for-local-food-systems.pdf>
- Food retailing in the 21st century: Riding a consumer revolution. (2007). Food Marketing Institute. Retrieved from <http://www.fmi.org/docs/media-backgrounder/foodretailing.pdf?sfvrsn=2>
- Hodges, A. W., & Stevens, T. J. (2013). Local food systems in Florida: Consumer characteristics and economic impacts. *Unpublished report, Food and Resource Economics Department, University of Florida*. Retrieved from <http://www.fred.ifas.ufl.edu/pdf/economic-impact-analysis/Florida-statewide-local-food-survey-2-6-13.pdf>

- Kaplan, J. (2010). Eat local: Does your food travel more than you do? *National Resources Defense Council*. Retrieved from <http://www.nrdc.org/health/foodmiles/>
- Keller, E. B., & Berry, J. L. (2003). *The influential: One American in ten tells the other nine how to vote, where to eat, and what to buy*. New York, NY: Simon & Schuster.
- Land use and urban sprawl. (2012). Clean Water Action Council. Retrieved from <http://www.cleanwateractioncouncil.org/issues/resource-issues/land-use-and-urban-sprawl/>
- Low, S. A., Adalja, A., Beaulieu, E., Key, N., Martinez, S., Melton, A., Perez, A., Ralston, K., Stewart, K., Suttles, S., Vogel, S., & Jablonski, B. R. (2015). Trends in US local and regional food systems: A report to Congress. AP-068, *United States Department of Agriculture, Economic Research Service*. Retrieved from https://www.ers.usda.gov/webdocs/publications/42805/51173_ap068.pdf
- Low, S. A. & Vogel, S. (2011). Direct and intermediated marketing of local foods in the United States. *United States Department of Agriculture, Economic Research Report Number 128*. Retrieved from https://www.ers.usda.gov/webdocs/publications/44924/8276_err128_2_.pdf
- Measuring the impact of public markets and farmers markets on local economies. (2015). Project for Public Spaces. Retrieved from <http://www.pps.org/reference/measuring-the-impact-of-public-markets-and-farmers-markets-on-local-economies/>
- Nisbet, M. C., & Kotcher, J. E. (2009). A two-step flow of influence: Opinion-leader campaigns on climate change. *Science Communication*, 30(3), 328–354. doi: 10.1177/1075547008328797
- Nganje, W. E., Hughner, R. S., & Lee, N. E. (2011). State-branded programs and consumer preference for locally grown produce. *Agricultural and Resource Economics Revitalization* 40(1), 20–32.
- Rogers, E. M. (2003). *The diffusion of innovations* (5th ed.). New York, NY: Free Press.
- Roper, C. G., & Rumble, J. N. (2014). *Talking local: Florida consumers' reasons for purchasing local food*. AEC511. Gainesville: University of Florida Institute of Food and Agricultural Sciences. <http://edis.ifas.ufl.edu/wc176>
- Ruehle, J., & Goldblatt, M. (2013). National retailers need to get smart about local groceries: Buying into the local food movement. *AT Kearney*. Retrieved from <https://www.fmi.org/docs/default-source/webinars/perspectiveon-marketedynamics.pdf?sfvrsn=2>
- Rumble, J. N., & Roper, C. G. (2014). *Talking local: Florida consumers' Fresh from Florida perceptions*. AEC516. Gainesville: University of Florida Institute of Food and Agricultural Sciences. <http://www.edis.ifas.ufl.edu/wc181>
- Sonntag, V. (2008). Why local linkages matter: Report findings from the local food economy study. Seattle, WA: Sustainable Seattle. Retrieved from http://www.farmland-info.org/sites/default/files/Why_Local_Matters_Seattle_1.pdf
- Social Networking Use. (2015). [Graph illustration of percent of internet users]. Pew Research Center. Retrieved from <http://www.pewresearch.org/data-trend/media-and-technology/social-networking-use/>
- Thilmany, D., Bond, C. A., & Bond, J. K. (2008). Going local: Exploring consumer behavior and motivations for direct food purchases. *American Journal of Agricultural and Applied Economics* 5, 1303–1309. doi: 10.1111/j.1467–8276.2008.01221.x
- Top 2016 food trends fuel evolution of menus. (2015). National Restaurant Association. Retrieved from <https://www.garestaurants.org/news/top-2016-food-trends-fuel-evolution-of-menus>
- Valente, T. W., & Pumpuang, P. (2007). Identifying opinion leaders to promote behavior change. *Health & Behavior*, 34(6), 881–896. doi: 10.1177/1090198106297855
- Voicu, I., & Been, V. (2008). The effect of community gardens on neighboring property values. *Real Estate Economics* 36(2), 241–283. doi: 10.1111/j.1540-6229.2008.00213.x

Table 1. Values of personal spending economic impact (n = 156).

	Strongly Disagree or Disagree %	Neither Agree nor Disagree %	Agree or Strongly Agree %
The prosperity of my neighborhood community economy is important to me.	5.6	94.4	94.4
I prefer that the money I spend stays in my neighborhood community.	10.7	85.1	85.1
It is important for me to know that the money I spend benefits those in my neighborhood community.	15.0	83.7	83.7
I am concerned about the economy associated with my neighborhood community shrinking.	15.6	78.8	78.8
I am alright if the money I spend does not benefit anyone in my neighborhood community.	20.8	47.4	47.4
I hardly think about whether or not the money I spend benefits anyone in my neighborhood community.	17.7	46.0	46.0