

Spring 5-18-2018

Restaurants Going Local: Motivations and Challenges for Sourcing Local Food

Mark Robert Holmes

University of Guelph, mholme07@uoguelph.ca

Rachel Dodds

Ryerson University, r2dodds@ryerson.ca

Katarina Pranjic

Ryerson University, kpranjic@ryerson.ca

Jessica Krecisz

Ryerson University, jkrecisz@ryerson.ca

Hannah Taylor

Ryerson University, htaylor@ryerson.ca

Follow this and additional works at: https://scholarworks.umass.edu/ttracanada_2018_conference



Part of the [Food and Beverage Management Commons](#), [Food Studies Commons](#), [Operations and Supply Chain Management Commons](#), and the [Tourism and Travel Commons](#)

Holmes, Mark Robert; Dodds, Rachel; Pranjic, Katarina; Krecisz, Jessica; and Taylor, Hannah, "Restaurants Going Local: Motivations and Challenges for Sourcing Local Food" (2018). *TTRA Canada 2018 Conference*. 13.

Retrieved from https://scholarworks.umass.edu/ttracanada_2018_conference/13

This Refereed academic paper for presentation is brought to you for free and open access by the TTRA Canada at ScholarWorks@UMass Amherst. It has been accepted for inclusion in TTRA Canada 2018 Conference by an authorized administrator of ScholarWorks@UMass Amherst. For more information, please contact scholarworks@library.umass.edu.

Title: Restaurants Going Local: Motivations and Challenges for Sourcing Local Food

Introduction: Visitors to destinations are frequently looking to partake of the local fare when travelling, either away from home or to another country (CRFA, 2016). Couple this with the local food movement and the increasing propensity for sustainable travel (Dodds and Holmes, 2017; Loureiro and Umberger, 2005), it begs the question of why restaurants might look towards sourcing locally and the barriers they face. This paper looks to investigate the greatest motivations for restaurants to implement local food in regard food quality, guest interests and appreciation, and social and environmental justice. As well, looking to gain an understanding of the barriers they face and strategies they use to overcome these barriers. This study also considers the wider sustainability implications of using local food. By focusing on how current restaurants can utilize local food, and mitigate barriers to achieving such outcomes, locations can begin to increase the representation of local food on menus. It is also useful to understand restaurants opinions on offerings such as local food to consumers from a Canadian context. By looking to have restaurants increase their use of local ingredients, destinations can improve regional economic development all the while providing the tourist with greater opportunity to experience what the local terroir has to offer.

Methods: The purpose of this research was to determine drivers and barriers for the use of local food in restaurants. This paper uses a case study approach and determined whether chefs and restaurateurs were in consensus surrounding future food procurement and trends. In the fall of 2014, semi-structured stakeholder interviews were held with 46 restaurants located in Toronto - the largest City in Canada (Toronto, 2016), and most culturally diverse city in the world (Davis, 2016). The participants of each completed interview were either the chef of the restaurant and the owner or manager of the establishment, chosen because these participants were most knowledgeable and able to answer the questions posed during the interview. Utilizing Grounded Theory (Corbin and Strauss, 1990), interviewees were asked questions pertaining to restaurants characteristics (age, mission/values, type), impacts (both positive and negative) of local food procurement, motivations to use locally sourced food, and what barriers they faced when acquiring and using local food, which were followed up with probing questions.

Analysis: Meeting the demands of locals and visitors for dishes made from locally sourced food presents both challenges and benefits to restaurants in the city of Toronto. The findings of this research can be broken down into five subsections: seasonality, economic support, social justice, product quality, and availability of local supply.

The recurring discussion on seasonality in literature is consistent with Scanlan et.al. (2002), who also found product availability to be a limiting factor for using locally sourced products, and Ohberg (2012), who list lack of availability as a limiting factor. Seasonality affects menu creation and consistency due to the drastic differences between Ontario's summers and winters. With product availability heavily dependent on the season, restaurants are frequently forced to choose between their commitment to local sourcing and guest wants/needs.

A vast majority of respondents agreed that locally sourcing food creates higher financial barriers than sourcing non-locally, which is supported by research conducted by Frash *et al.* (2015) and contrary to the findings of Sharma, Gregoire, and Strohhahn (2009). More and more customers are demanding locally sourced foods, although customers may not always be willing to put their money where their mouth is. Respondents explained that purchasing local food at higher rates than non-local sources forces menu item price points to increase. However, 78% of restaurants believe that guests show an explicit interest and appreciation for the use of local ingredients.

Over a third (37%) of respondents noted that using locally sourced food is a long-term investment, not only to the economy but also to local communities. Local economic development is heavily emphasized with sourcing locally, keeping small family farms in business, supporting local communities etc. (Hinrichs, 2000; Winter, 2003;

Weatherell *et al.*, 2003). Devotion to local food through repeat purchases and the development of farmer-restaurant relationships, as proposed by Halweil (2002), sustains the movement, enabling the farms to continue production each year and it ensures that money is kept within the community and utilized to maintain production. More than half (57%) of respondents stressed the importance of farmer relationships, finding that having an active relationship with one's supplier allows constant communication, enabling operators to regulate the product on a daily basis.

This study found that the top motivation for a restaurant to source local ingredients is the desire to improve the quality of food that is served to guests. Study participants strongly believe that local food is substantially higher quality and noticeably better in taste than food purchased from external sources, supporting research by Halweil (2002). Restaurants also propose that local foods allow them to differentiate themselves to retain existing and attract new customers, consistent with the findings of Grunert (2005). While they may be motivated to utilize local food, restaurants face numerous barriers, with the two most common barriers being lack of availability and a minimal amount of resources, supporting the findings of Smith and Hall (2003) who examined restaurants in New Zealand's wine industry. This study determined that these barriers are relevant to Toronto based restaurants that have limitations based on small growers and production power.

Conclusions and Discussion: The past decade has witnessed a significant change in the way food is sourced. While the 20th century witnessed a shift from small scale local farming to mass-production and processing, the 21st century is witnessing a desire by consumers to revert to a more locally supported diet (Frash, DiPietro, and Smith, 2015; LeSage *et al.*, 2007; NRA, 2016). This shift is driven by both the consumer demanding local products (CRFA, 2010; Frash, DiPietro, and Smith, 2015; Halweil, 2002), but it can also be argued that it has also been driven from the restaurateur looking for local, unique, fresh, seasonal ingredients that reduce their impact on the environment. While past studies have looked at the factors affecting the decision to move towards sustainable offerings in other industries (Dodds *et al.*, 2013), there are few studies that look at sustainable restaurant offerings (Sharma *et al.*, 2014) and the barriers they face (Scanlan and Ass., 2000; Smith and Hall, 2003; Landman *et al.*, 2009; Ohberg, 2012). Although all restaurants may aim to achieve regional-self-reliance, there are barriers to this realization. These barriers include seasonality, availability, cost, and product quality.

Taking this research into consideration, restaurateurs and chefs can take steps to mitigate these barriers. First, the use of seasonal menus can change a barrier into an advantage, as it allows the chef creativity and the ability to offer their customers local ingredients at any time of the year. Second, through menu manipulation and creativity a chef can devise recipes that mitigate the unavailability of products not made locally, within reason. Third, restaurants can market their menu as seasonal and local, reducing the consumer's shock at the higher prices that may be charged due to the increased cost of producing local ingredients (Schubert *et al.*, 2010). By utilizing local food, the restaurateur is also able to offer tourists with a menu that is truly based on the geography of the region. Fourth, local food is typically of higher quality and freshness (Edwards-Jones, 2010; Painter, 2007), and is not subjected to the turmoil of long distant transportation (Lea, 2005; O'Kane, 2012; Watson, 2015), this decreasing its chance of being of inferior quality, especially if the restaurant is using a seasonal menu.

When considering the wider sustainability implications of using local food, this research also brings forth two conclusions related to the need for relationship building and increased promotion. First, a strong relationship between restaurants and farmers is essential in enabling restaurants to source locally, as it establishes the trade model required to meet consumer needs. Second, as there is a substantial consumer interest in local food and appreciation for its use in restaurants, further efforts to promote the local food usage in restaurants can be adopted. Overall, restaurateurs and chef's use local products based on strong belief that it provides a healthier, fresher, and better tasting option for the customer, all the while aiding in the survival of local small to medium sized enterprises.

References:

- Canadian Restaurant and Food Association (CRFA) (2010). "Canada's restaurant industry", available at: https://www.restaurantscanada.org/Portals/0/Non-Member/2013/Report_IpsosPublicOpinion_Dec2010.pdf (23 July, 2016).
- Canadian Restaurant and Food Association (CRFA) (2016). "The discerning diner: What Canadians want from their food experience", available at: file:///Users/rachaeldodds/Downloads/Discerning_Diner_Preview.pdf (23 July, 2016).
- Corbin, J. M., and Strauss, A. (1990). "Grounded theory research: Procedures, canons, and evaluative criteria", *Qualitative sociology*, 13(1), 3-21.
- Davis, E. (2016). "BBC names Toronto the most multicultural city in the world", available at: <http://notable.ca/bbc-names-toronto-the-most-multicultural-city-in-the-world/> (29 July, 2016).
- Dodds, R., & Holmes, M. R. (2017). "Local versus visitor perceptions of farmers' markets", *Journal of Food Products Marketing*, 23(2), 167-185.
- Dodds, R., Graci, S. Ko, S. and Walker, L. (2013). "What drives environmental sustainability in the New Zealand wine industry?: An examination of driving factors and practices", *International Journal of Wine Business Research*, 25(3), 164 – 184.
- Edwards-Jones, G. (2010). "Does eating local food reduce the environmental impact of food production and enhance human health?", *Proceedings of the Nutrition Society*, 69, 582-591.
- Frash, R. E., DiPietro, R. and Smith, W. (2015, May). "Pay more for McLocal? Examining motivators for willingness to pay for local food in a Chain restaurant setting", *Journal of Hospitality Marketing and Management*, 24(4), 411-434.
- Grunert, K. (2005). "Food quality and safety: consumer perception and demand", *European Review of Agricultural Economics*, 32, 369–391.
- Halweil, B. (2002). "Home grown: The case for local food in a global market", available at: <http://www.worldwatch.org/system/files/EWP163.pdf> (April 7, 2017).
- Hinrichs, C.C. (2000). "Embeddedness and local food systems: Notes on two types of direct agricultural market", *Journal of Rural Studies*, 16, 295-303.
- Landman, K., Blay-Palmer, A., Kornelsen, S., Bundock, J. and Davis, M. (2009). "Models and best practices for building effective local food systems in Ontario", available at: <http://www.communitycouncil.ca/sites/default/files/11f-models-best-practices-dec2009.pdf> (July 29, 2016).
- Lea, E. (2005). "Food, health, the environment and consumers' dietary choices", *Nutrition and dietetics*, 62(1), 21-25.
- LeSage, M., Savilonis, K., Franklin, T., Morin, M., Pauling, J. and Wasielewski, L. (2007). "2007 Chain restaurant industry review", available at:

http://www.bluemaumau.org/sites/default/files/GE_Capital_Solutions_Chain_Review.pdf (July 29, 2016).

- Loureiro, M. L. and W. J. Umberger. 2005. "Assessing Consumer Preferences for Country-of-Origin Labeling." *Journal of Agricultural and Applied Economics*, 37(1), 49–63.
- National Restaurant Association (2016). "2016 restaurant industry forecast", available at: <http://imis.restaurant.org/store/detail.aspx?id=FOR2016FMT> (July 29, 2016).
- O'Kane, G. (2012). "What is the real cost of our food? Implications for the environment, society and public health nutrition", *Public Health Nutrition*, 15(2), 268-276.
- Ohberg, L. A. (2012). "What's stopping us? Identifying barriers to the local food movement using Ontario, Canada as a case study", Master of Arts, University of Toronto, Toronto, Ontario.
- Painter, K. (2007). "An analysis of food-chain demand for differentiated farm commodities: Implications for the farm sector". Washington State University, Washington State, USA.
- Scanlan and Associates, Huber, G. and Karp, R. (2000). "Practical farmers of Iowa: Grocery and hotel, restaurant and institutional study", available at http://www.iatp.org/files/258_2_96632.pdf (accessed 28 July, 2016).
- Schubert, F., Kandampully, J., Solnet, D., and Kralj, A. (2010). "Exploring consumer perceptions of green restaurants in the US", *Tourism and Hospitality Research*, 10(4), 286-300.
- Sharma, A., Moon, J. and Strohbehn, C. (2014). "Restaurant's decision to purchase local foods: influence of value chain activities", *International Journal of Hospitality Management*, 39, 130-143.
- Smith, A., and Hall, C. M. (2003). "Restaurants and local food", in Hall, M.C., Sharples, L., Mitchell, R., Macionis, N. and Cambourne, B. (Ed.) *New Zealand in Food tourism around the world: Development, management and markets*. Butterworth-Heinemann, Burlington, MA, 248-268.
- Toronto (2016). "Toronto facts", available at: <http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=57a12cc817453410VgnVCM10000071d60f89RCRD> (July 29, 2016).
- Watson, M. (2015). "Farm-to-Table", available at: <http://localfoods.about.com/od/localfoodsglossary/g/Definition-Of-Farm-To-Table.htm> (July 29, 2016).
- Weatherell, C., Tregear, A. and Allison, J. (2003). "In search of the concerned consumer: UK public perceptions of food, farming and buying local". *Journal of Rural Studies*, 19, 233-244.
- Winter, M. (2003). "Embeddedness, the new food economy and defensive localism", *Journal of Rural Studies*, 19, 23-32.