

Day Two - Case — How do we develop innovative and effective ways to better connect consumers with local food producers?

One of the most significant challenges in urban agriculture and local food involves creating efficient markets; markets where the transaction costs are low and where it is easy for customers to connect with providers (and vice versa).

Larger organizations use scale to reduce these transaction costs. For example, a multi-national firm such as Coca Cola can allocate massive amounts of money in their advertising and promotion to encourage people to buy their products. Given their huge volume of sales, the cost per unit (per bottle or can) of this advertising is minuscule. Unfortunately, local food producers, even though their products are healthier and much more beneficial, don't share this advantage. As a result we must think differently.

Creating efficient markets is a challenge facing all small businesses. They must rely on imperfect methods - attracting customers to a retail store, encouraging them to attend a farmer's market on a Saturday or week-day evening, or participating in CSAs. All of these ideas that have promise but also have limitations.

As we look at the growing of CSAs as a means to market and distribute local food one of the challenges is to find efficient ways to link buyers and producers. Can we use some of the innovation enablers discussed earlier to help?

One approach involves a project launched by an US company.

One Straw Farm launches Kickstarter campaign to build apps.



“Imagine, with a few finger flicks on a smartphone app, you can learn whether you'll be getting zucchini or tomatoes, strawberries or potatoes, from a farm each week, then browse for home-spun recipes and connect with other like-minded consumers.

One Straw Farm, one of Maryland's largest independent agricultural operations, wants to build that app — and bring a new level of tech savvy to community-supported agriculture.”

One Straw Farm (<http://www.kickstarter.com/projects/neylano/one-straw-farm-mobile-apps?ref=live>) (note the video of the concept on the web site)

As you will see at the Kickstarter site, unfortunately, this initiative did not obtain its required funding so it was not successful. Here is an example of an idea that may have had promise that did not come to fruition. However, the challenge remains. How might we use technology, or any other means, to create better linkages, information sharing and communication between producers and consumers? What would be the elements of such a technology?

For example, if we think about Amazon, in particular their original mandate of selling books online, they have created a means to

- allow consumers to search among a vast repository of books, including descriptions of the contents,
- offered commentary and reviews to allow people to make informed choices,
- aggregate and curate books (suggesting combinations and potential bundles),
- facilitate the purchase transaction in an efficient, simple way,
- organize and coordinate the delivery of the product, by working with courier companies,
- provide advice and information (such as reading lists, resources for book clubs, etc.)

Finally, they do this in a way that minimizes the cost to the consumer.

Discussion Question:

If one wanted to create a similar resource that could better link consumers with producers, for example, CSA providers, what might be included? What would the resource look like?