

# Vacationer Supported Agriculture Summer 2019



**NC STATE**

**EXTENSION**

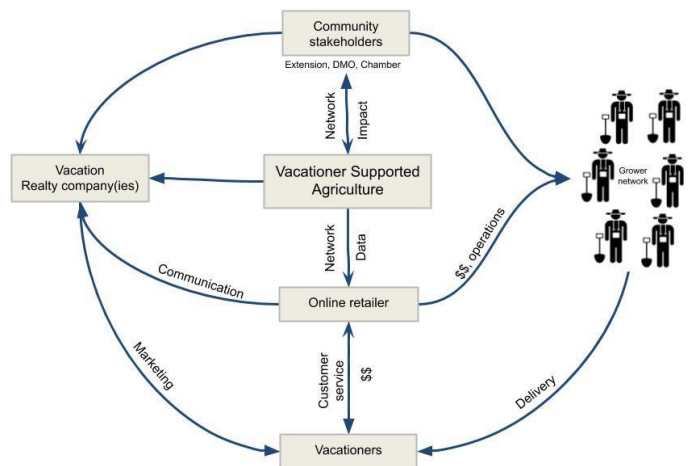
**P1tLab**  
People-First Tourism

Vacationer Supported Agriculture (VSA) is a project led by NC State's P1tLab and NC State Extension (Local Foods, Community Development, and Tourism Extension) aiming to connect **small farmers** with new opportunities to increase farm revenue through direct sales of fresh produce. VSA meets **discerning vacationers'** desires to: a) have convenient access to fresh local produce, b) connect with the place they are visiting by buying from local farms, and c) leave positive impacts in the destinations they visit, by coordinating the sale and delivery of produce bags from local farmers. VSA enables **vacation home realties** to showcase their commitment to the sustainable and equitable development of their local communities by recommending the produce bags to their guests. In each county, the **Extension Center** and **Tourism Authority** play the critical role of recruiting and supporting local farmer groups and vacation home rentals. In turn they receive records of the impact this initiative had on farmer revenue and destination competitiveness.




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## The VSA concept

The concept of Vacationer Supported Agriculture (VSA) consists of coordinating the sale of weekly fractions of farm production shares over the tourism season. A group of growers decide how many farm shares they want to sell, and vacation renters are invited to pre-buy a week fraction of those shares (i.e., vacationers can buy a bag of produce from farmers local to their host destination). The VSA project first works with farmers and local Extension agents to define the produce bags and their delivery to the vacation rentals; then the team works with realty companies and local tourism development authorities to promote the produce bags among vacationers. Finally, the team works with an internet retail company to administer the online pre-vacation sales and the disbursement of payments to farmers and delivery microentrepreneurs.



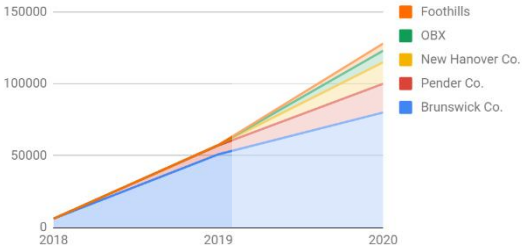
# Summary impacts from Summer 2019

		
<p><b>&gt;\$55k</b> Local farmer revenue</p>	<p><b>75%</b> Vacationers were satisfied</p>	<p><b>75%</b> Value realty's commitment</p>

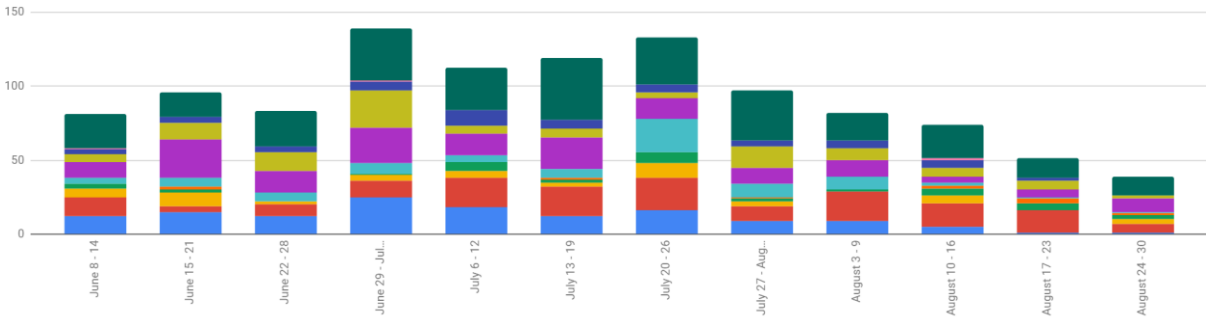
## Farmer revenue

During the summer of 2018 the VSA project generated \$6,123 of revenue in Brunswick County. In 2019 VSA generated a total of \$57,334 of revenue when expanded to three counties: Brunswick, New Hanover and Pender. This growth corresponds to an 850% increase.

For 2020 we intend to expand the project to more regions in the state, as illustrated in this image, and will target 100% growth.



Bag Sales By Vacation Week and Realty



\* Colors in this bar chart represent each realty partnering in this project. Individual impacts are kept confidential in this report and used only in direct communications with the partners.

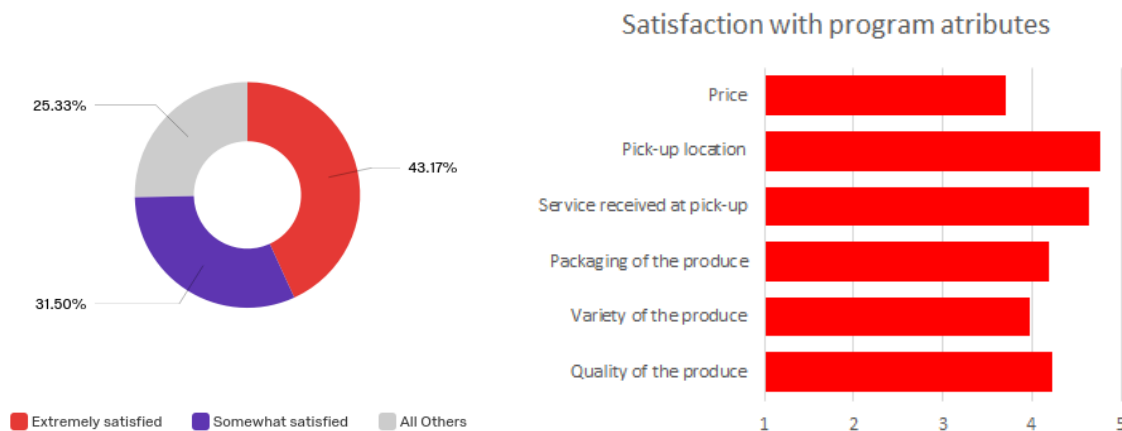
In VSA, vacation home realties have the critical role of encouraging their guests to consider purchasing bags of produce. According to the sales records from summer 2019 we are pleased to give an honorable mention to the following realty partners:



- [Tiffany's Beach Properties](#) (Bald Head Island) - for achieving highest proportion of guests buying bags in relation to estimated total number of guests; and for the ease of communication with our project team and with their guests.
- [Sunset Properties](#) - (Sunset Beach & Ocean Isle) - for generating the highest number of sales during the season.

Other vacation realties participating in VSA include our 2018 pilot partner [Cooke Realty](#) (Ocean Isle), [Alan Holden Vacations](#), [Hobbs Realty Vacations](#), and [Holden Beach Vacations](#) (Holden Beach), [Oak Island Accommodations](#) and [Margaret Rudd and Associates](#) (Oak Island), [Ward Realty](#) and [Island Real Estate](#) (Surf City), and [Bryant Real Estate](#) (Wrightsville Beach).

## Vacationer satisfaction



The donut chart shows that 75% of vacationers were either extremely (red) or somewhat (purple) satisfied. The histogram shows that location of pick-up and service received at pick-up are the two areas of most satisfaction among vacationers. Conversely, price and variety of the produce are the areas of least satisfaction.

The following quotes are representative examples of extremely positive comments:

- “The vegetables were very fresh and plentiful, we really appreciated having farm fresh veggies on vacation!”
- “Keep supporting local. Loved the details in the packaging and communication leading up to our arrival.”
- “It is a great program. We used all of the produce provided. Nothing went to waste. The taste of farm fresh/field ripen produce is so much better than what we get at the grocery store. I frequent a farmers market at home.”

The following quotes are representative of extremely negative comments:

- “More variety, quality for the cost. Felt more like a donation than buying produce we would eat.”
- “Realizing it is dependent on what is available, was expecting more vegetables like

lettuce, kale, etc. and melons were a little too ripe when received so did not keep. Blueberries and blackberries were fantastic. Overall we would try it again because we would rather support local farmers than Walmart or other chains”

- “Packaging could be better. Everything was crammed in together. Some vegetables were obviously old. Tomatoes should not be refrigerated. It seemed like everything had been sitting around for a week or more.”

Content analysis of all open comments on “ways to improve the project next year” revealed the following list of positive and negative feedback:

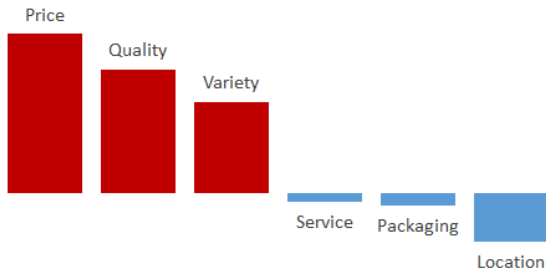
Positive
<p><b>Appreciative</b> of the opportunity to support local farmers            Enjoyed access to <b>fresh fruits and vegetables</b>            Bags were <b>plentiful</b> in quantity and variety            Customers felt good about being involved in an initiative that is <b>helping others</b>  <b>Communication</b> prior to arrival was helpful  <b>Convenience</b> of pickup and access to fresh produce</p>
Negative
<p>Disappointed with poor <b>variety</b> of produce (e.g., too much corn, expecting more fruits, greens)  <b>Quality</b> of produce was poor (e.g., overripe)            Poor <b>packaging</b> that damaged produce (e.g., bruised peaches)  <b>Quantity</b> was not enough for a family of 4 as advertised  <b>Communication</b> of bag contents was unclear (i.e., planned meals according to list)</p>

## Vacationer Intentions

An important indicator of the future success of VSA is vacationers’ intentions to recommend the produce bags to friends and their own plans to repurchase the bags on their 2020 vacation. Accordingly, data revealed that 68% of vacationers intend to recommend VSA to a friend, and 68% intend to purchase the produce bag next year.

Analysis was completed as to the extent to which the attribute-specific satisfaction mentioned earlier (i.e., satisfaction with produce quality, with produce variety, with packaging, with service at pick-up, with pick up location, and with price) influenced intention to recommend to a friend, and intention to purchase the bag next year. The height of each bar in the next charts represents the strength of each attribute in affecting future intentions.

### Intention to recommend to a friend



### Intention to purchase next year



■ Significant influence on intention    ■ Non-significant influence on intention

While packaging of the produce, service at pick-up, and pick up location are important aspects of the VSA experience, analysis showed that the quality of the produce, variety of the produce, and price are the three most important factors affecting vacationers' intentions to support the program next year. Hence, the VSA management team will work with suppliers and aggregators to increase the variety of produce, while making sure that it gets to vacationers in good condition. This is seen as a priority to reach a proposed goal of 80% customer satisfaction in 2020.

*"I really appreciated the option to get fresh local veggies. We bought two bags and were extremely satisfied with the quality and quantity of the veggies. Please continue to partner with the local farmers. It is a very nice perk to renting with you! We are shareholders in an organic farm in Illinois so we are used to getting fresh, local, seasonal veggies. We were quite pleased!"*

As reported, service and location of the pick-up are very important to the overall vacationer experience. Accordingly, we are pleased to give an honorable mention to the following community partner for their key role in the success of the VSA project:

- [Beach Mart](#) (Holden Beach) - for their efforts in creating bridges between the local community and the tourism infrastructure.

## Customer Service

We analyzed the customer service email threads of 45 vacationers that reached out to the online retailer to make an inquiry, a comment, or complaint (from a total of just over 1,000 vacationers that bought produce bags). The analysis revealed that these vacationers felt positively about the project but were sometimes dissatisfied with the quality of some of the produce as exemplified in this quote:

*“This year, for the first time, we tried one of your produce bags to support local farmers as well as eat better. Pick up was easy and most of the ingredients were fresh and delicious. It is a really neat idea and one that I hope flourishes for farmers as well as customers. I was however disappointed in the peaches and tomatoes enclosed in our bag as they were damaged (see attached pictures) and past their peak perhaps when they were packed? I feel you, like any business, would like to know the good as well as things that might need to be improved. I am only sending this as a suggestion for tweaking the level of ripeness and/or packing method for future customers. “*

Additionally, some complaints were caused by miscommunication. For example, on one occasion farmers included blueberries in packaging that was to be sent to Michigan (with labels that indicated they were berries from Michigan), so a few vacationers emailed complaining that the blueberries were not local as advertised. Discussions with the online retailer revealed that better information shared with vacationers during the week preceding their stay, resulted in less complaints. Some of this information updated vacationers about the condition of the local farms and specified the contents of their bags. Information seemed to help adjust vacationers’ expectations and help them prepare for their meals and plan for additional grocery shopping.

Lastly, examining these email threads revealed that an individual visit by the farmer with flowers and replacement produce was extremely effective in recovering the vacationers’ good-will with the project. These recovery processes are evident in the quotes below, however the process is costly to farmers and does not reach dissatisfied vacationers that do not complain.

*“[The farmer bringing a replacement bag] did indeed make it by today and I must say this was way beyond expectations. The quality and quantity [of produce] are exceptional. We had some of the produce with dinner tonight and it was as good as we had hoped. Thank you again for the quick follow up. We will participate again next year and will recommend this program to others.”*

*“[The farmer] came by and not only brought more veg but also a pretty bouquet and homemade jam. A very nice surprise. Thank you, and her, for tasty and thoughtful treats.”*

## **Overall Recommendations for 2020**

The findings reported in this document suggest that the majority of vacationers (75%) were satisfied with the VSA project and with the realties’ support of the project (75%). The project generated approximately \$55,000 of revenue to participating grower groups. Vacationers were very satisfied with the pick-up experience and location and were least satisfied with the quality and price of the produce. Packaging emerged as an attribute that seems to be negatively influencing the quality and quantity of produce due to the smaller size of the bags used. The small bags potentially negatively affected the quality of items packed at the bottom (e.g., peaches).

In preparation for the 2020 season, the VSA project team will be sharing this report with current and future farmer groups to identify ways for them to offer better quality and variety of produce in relation to the price charged. The goal will be to reach a higher satisfaction and perceived value while maintaining a feasible revenue model for the farmer groups. The team will also plan to begin comparing vacationers' satisfaction across the various farmer groups and jointly explore strategies to reward quality of product and service.

The project team will also carefully re-examine the packaging method (e.g., larger bags, boxes) employed in this project. The size of the bags seems to have led farmers to offer less product to each vacationer, and to struggle to protect fragile items from being crushed. The farmer groups' cold chain infrastructure and the preferred method of pick-up by vacationers will also have to be considered when making decisions for the best packaging option for 2020.

Communication with vacationers will also have to be improved, to include email reminders a few days before pickup (i.e., Thursdays) with information about the season, the condition of local farms and harvests, and a detailed list of what they will have in the bag. Some level of variability can and will always be expected, but aligning vacationers' expectations in this way is expected to improve satisfaction. Web descriptions of the quantities and items that "might" be in the bag should be revised based to make the lists more accurate.

Additionally, this report revealed that vacationers are extremely satisfied with the opportunity to connect with local farmers and support their success. The project team will continue to explore efficient ways to make the farmers more integral of the VSA experience through additions to a communication strategy and through small changes to the delivery and pick-up process.

## How VSA has Evolved

VSA was piloted in 2018 in Ocean Isle Beach under the local name "Vacation Vittles". In that location, the produce was supplied by farmers from Brunswick, Bladen, and Columbus Counties. Cooke Realty was a key local partner, playing the important role of encouraging their vacationers and property owners to pre-order produce bags for the weeks they intended to be there at the beach. In addition, a local civic organization, Men and Women United for Youth and Families, involved its youth ambassadors in packaging the produce in the bags and in delivering them to vacationers on Saturdays when they checked-in at Cooke Realty.





In 2019 the farmer group operating VSA in Ocean Isle Beach (Brunswick Co.) expanded their involvement to Holden Beach, Bald Head Island, Oak Island, and Sunset Beach. The local civic organization, Men and Women United for Youth and Families continued to lead the aggregation, packaging and delivery of produce. In Topsail Island (Pender Co.) a multi-generation farming family provided, packaged and delivered the produce bags; and in Wrightsville Beach (New Hanover Co.) a local farmers market serviced the VSA project. As the project grows we are observing multiple ways to operationalize VSA markets:

1. A civic organization, non-profit, or an organization like 4-H aggregates produce from an informal network of farmers. They manage quality by sourcing from preferred farmers, and they generate additional benefits to local youth by involving them in the packaging and delivery process. This model seems to have a larger capacity to scale-up but it struggles with quality assurance.
2. A single farmer grows, packages and delivers produce. This model seems to ensure a deeper connection between vacationers and farmers, and seems to result in higher quality produce. This model resembles the traditional CSA model and might be most suitable to larger farmers that might have a gap of CSA sales during peak summer season. This model does not engage as many farmers, and is not accessible to smaller farmers that might need the revenue.
3. A group of farmers already in a formal network (e.g., farmers market group) extend their collaborative sales by supplying a VSA market. This model is expected to result in higher quality product because the group has already developed its quality assurance methods. The packaging and delivery may be efficient if some tasks can be done very early on market day.

During 2020 we expect to scale the project to work with 6 farmer groups along the NC coast; and we will compare vacationer satisfaction and qualitative input to gain a better understanding of the pros and cons of each model.

## **Methods**

This report relies on a compilation of data from two sources. First utilized was secondary data collected by the tourism retailer company, who dealt with VSA payments and customer service communications. Second, an online survey was administered to 1005 VSA customers in September, receiving 447 valid responses.

Data from the tourism retailer company was comprised of sales data (quantitative) which brought insight into the Farmers Revenue section of the report. Customer service e-mail threads (qualitative) were also analyzed to bring insights to the Customer Service section. Namely, we content analyzed 45 customer recovery email threads between the online retailer and vacationers expressing dissatisfaction with the product and or the experience (i.e., 45 out of 1005 total customers).

Data from the online survey was comprised of consumers' responses to Likert-like questions (quantitative), which informed the Vacationer Satisfaction (partially) and Vacationer Intentions; and, responses to open-ended questions (qualitative) which informed (partially) the Vacationer Satisfaction Section. In the Vacationer Intentions section, six dependent variables,

namely satisfaction with quality of the produce, variety of the produce, packaging of the produce, service at pick-up, pick up location, and price, were regressed against two binary variables, namely likelihood/unlikelihood to recommend to a friend, and intention/no intention to purchase the bag next year. The height of each bar represents the effect size of each independent variable on the dependent in the logistic regression.

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