




Transfarmation

 MERCY FOR ANIMALS

Central North Carolina Market Analysis



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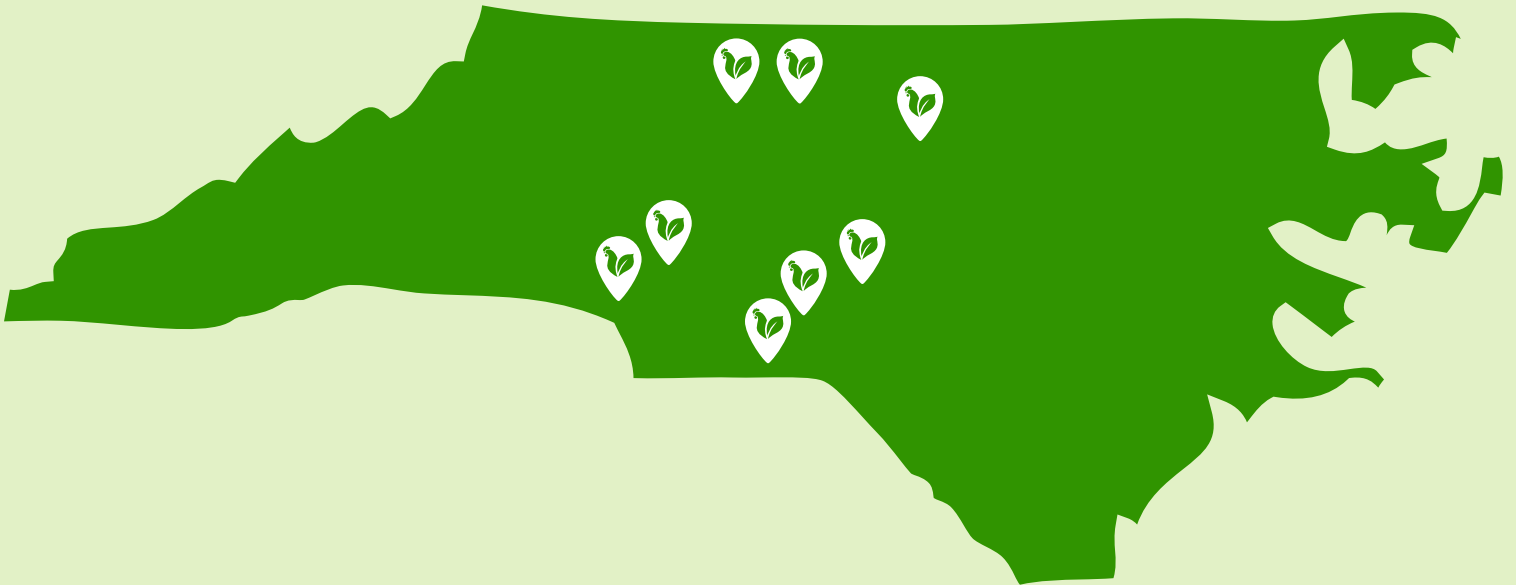
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Central North Carolina Market Analysis

Between May and September 2023 Transformation™ contacted more than 35 prospective buyers in central North Carolina to gauge their interest in purchasing specialty mushrooms and other produce from farmers enrolled in The Transformation Project®.

This report outlines the process of contacting prospective buyers, discusses the sectors surveyed and the responses by sector, and lists products of interest in the region for future consideration.



Methodology

The team reviewed online resources to determine which organizations would be most relevant on the basis of their proximity to a farm and their likelihood of using or selling specialty mushrooms or other produce. Most organizations were initially contacted via email and asked whether they were open to scheduling a virtual meeting. This method worked particularly well for food hubs and CSAs (community-supported-agriculture organizations), for which we saw a 100% response rate. Cold outreach via email was also attempted for several restaurants, but for this sector, calling between 2 p.m. and 4 p.m. worked best. Generally, a restaurant's chef is in charge of purchasing, and calling during these hours, between the lunch and dinner rushes, makes successful contact more likely. After the initial connection was made, restaurants were more apt to respond via email. Cold outreach also worked best for smaller grocery stores. For larger regional or national grocers, purchasing decisions are more likely made at the corporate level. Many grocers use a platform like RangeMe to find new products and communicate with potential vendors. A final method of outreach was completing contact forms on an organization's website. This method was helpful in getting connected with the right contact, though it often took a few days.

Sectors Surveyed

We surveyed 10 sectors for this report. The most responsive sectors were organizations that take in and redistribute product from multiple farmers, such as food hubs, CSAs, and produce-delivery services. Other sectors were restaurants (both independent, local businesses and national chains), grocery stores (including local stores and regional or national chains), and culinary programs at both institutions of higher education and community-based businesses. In order to fulfill the needs and interests of specific farmers, we also contacted local florists, a farmers market, a local farm, and a consumer-packaged-goods (CPG) company.



Responses by Sector:

- **Food Hubs and CSAs:** These sectors had a 100% response rate, with all respondents open to buying product.
- **Produce-delivery services:** Of the four businesses contacted, three were responsive. None were in need of new specialty-mushroom vendors, but two provided a list of items they would be open to purchasing in the future.
- **Restaurants:** Seven of the 13 restaurants contacted responded when telephoned. Ultimately, two were open to buying the available product at the requested price. One was interested in the program and provided a wish list of items but did not need the product offered. Two gave an email address for contacting their produce buyer, but the emails went unanswered.
- **Grocers:** Seven grocery stores were contacted, and two local stores responded (via cold call). None of the stores were open to buying.
- **Culinary programs:** Two of the three programs contacted responded via email, but none were open to buying.
- **Florists:** The two local florists contacted were responsive when called. One expressed interest in purchasing but was not responsive to follow-up.
- **Farmers market:** The contacted market was immediately responsive via a Facebook message and interested in adding a specialty-mushroom vendor.
- **Local farm:** One local farm was contacted via email but did not respond.
- **CPG:** The CPG company we contacted via a website contact form responded within two days.

Reasons for Not Committing

The primary reasons prospective buyers gave for being unable to commit to purchasing product from Transformation farmers include the following:

- They already had established relationships with other growers and did not have capacity to add more.
- They felt other suppliers would offer a better price.
- They were not interested in the current product available but could be interested in other items in the future.

Wish List Items

Several prospective buyers provided a list of items they would be interested in purchasing should they become available. These generally included unusual or heirloom produce varieties; items that offer a competitive advantage, such as being of higher quality, being shelf stable, or having good storage potential; and items grown in climate-controlled facilities that would allow for off-season availability.

Fresh Produce		
Apples	Asparagus	Beets (Chioggia, other)
Bok choy	Broccoli (Romanesco, other)	Cauliflower (cheddar)
Eggplant (baby)	Fennel	Fiddlehead ferns
Figs	Garlic (dried or green)	Ginger
Greens (year-round)	Herbs (year-round)	Kale
Onions	Parsnips	Peaches
Pears	Peppers (Italian)	Persimmons
Potatoes	Rhubarb	Shallots
Snow peas	Sprite melon	Squash blossoms
Strawberries	Sugar snap peas	Swiss chard
Tomatoes (heirloom, Early Girl, anything unusual)	Yellow wax beans	Zucchini (Costata Romanesco)
Value-Added Products		
Beans (dried, canned)	Flours	Grains
Pasta (dried)	Soup kits	

Key Takeaways

- Different outreach methods may be better for one sector versus another, and follow-up may be required to get a response.
- Even if a buyer is not interested in the product offered, asking them whether they would be interested in any items that they are currently unable to procure is helpful. This can inform farmers' decisions about the kinds of crops to grow in the future if production expands.
- The items of most interest to the buyers who responded are those they don't often see. Don't be afraid to grow unusual varieties. Their peculiarity may just be what attracts buyers!

