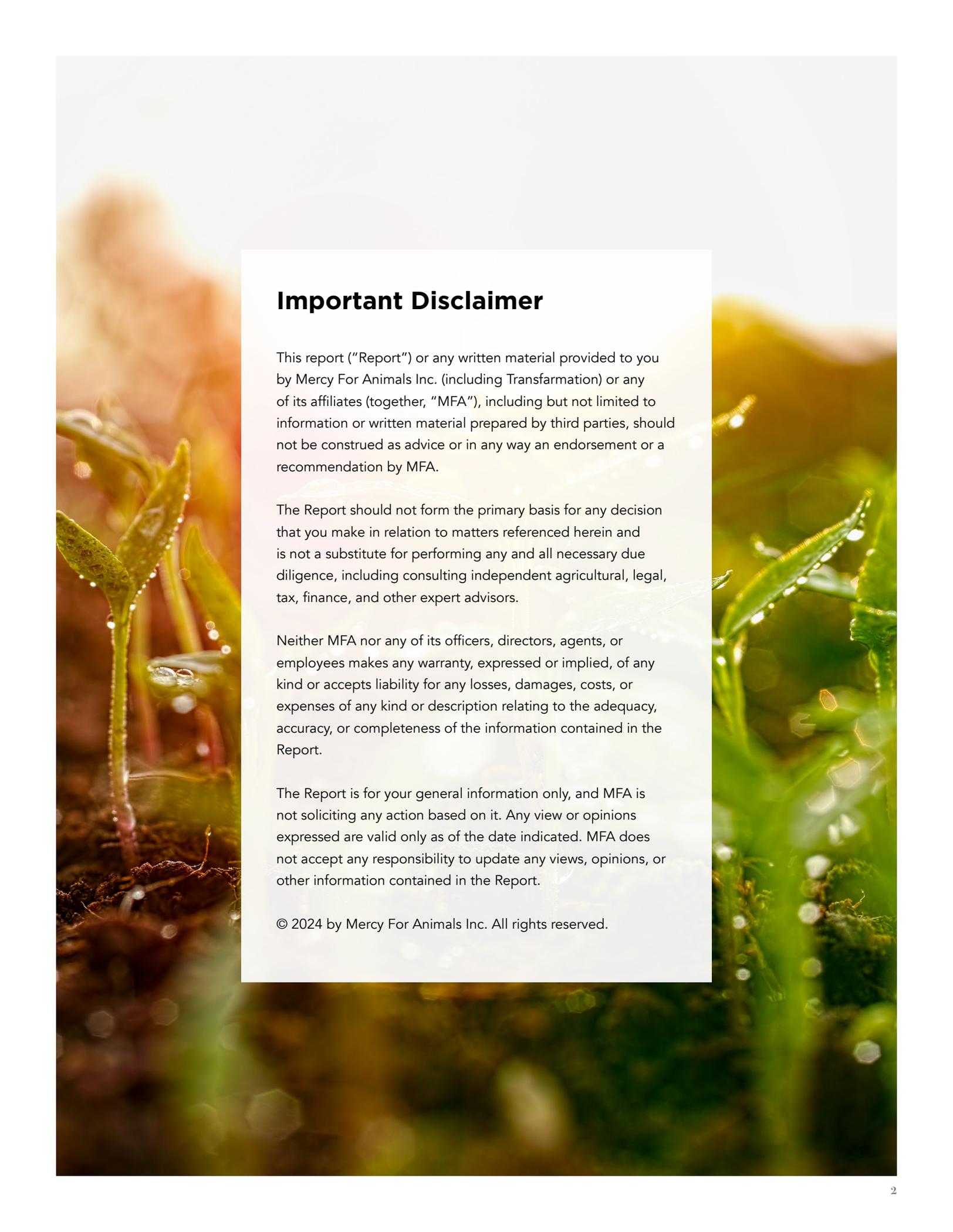




Transfarmation

 **MERCY FOR ANIMALS**

**Greater Des Moines, Iowa
Market Analysis**



Important Disclaimer

This report (“Report”) or any written material provided to you by Mercy For Animals Inc. (including Transformation) or any of its affiliates (together, “MFA”), including but not limited to information or written material prepared by third parties, should not be construed as advice or in any way an endorsement or a recommendation by MFA.

The Report should not form the primary basis for any decision that you make in relation to matters referenced herein and is not a substitute for performing any and all necessary due diligence, including consulting independent agricultural, legal, tax, finance, and other expert advisors.

Neither MFA nor any of its officers, directors, agents, or employees makes any warranty, expressed or implied, of any kind or accepts liability for any losses, damages, costs, or expenses of any kind or description relating to the adequacy, accuracy, or completeness of the information contained in the Report.

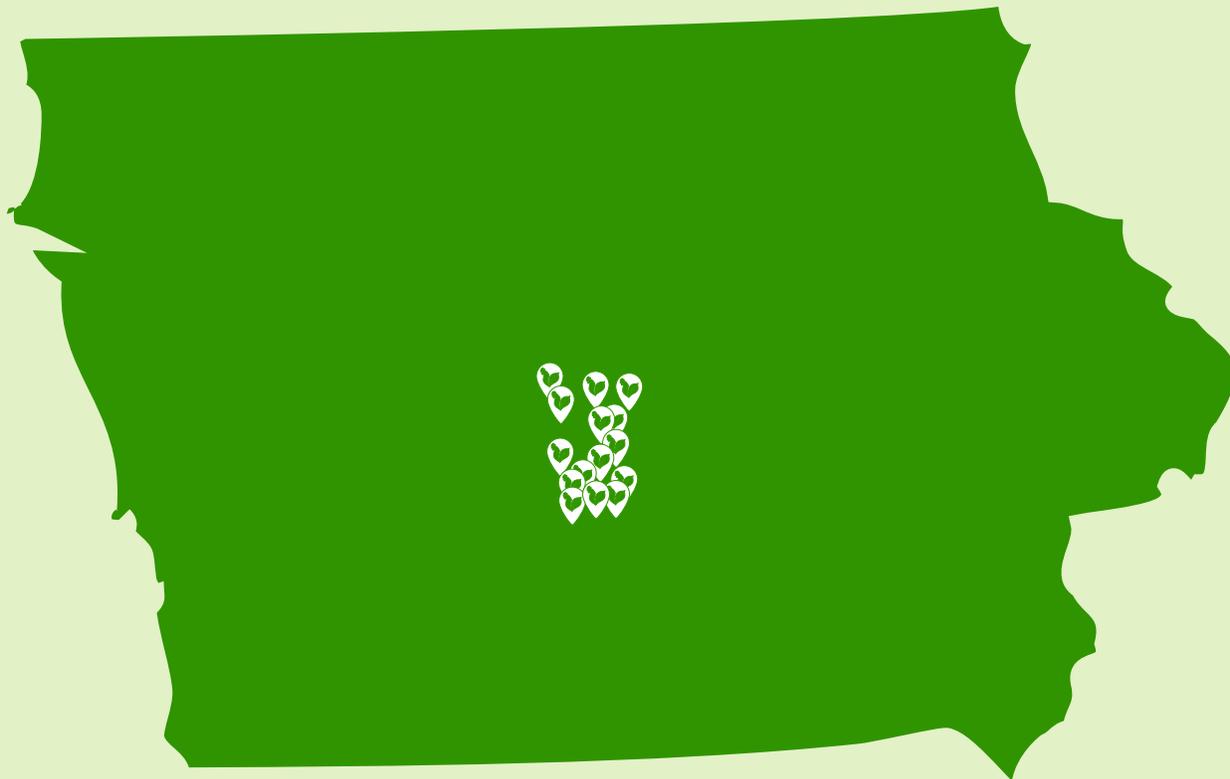
The Report is for your general information only, and MFA is not soliciting any action based on it. Any view or opinions expressed are valid only as of the date indicated. MFA does not accept any responsibility to update any views, opinions, or other information contained in the Report.

© 2024 by Mercy For Animals Inc. All rights reserved.

Market Analysis: Greater Des Moines, Iowa

In March 2024, Transformation™ contacted more than 175 prospective buyers in the greater Des Moines area to gauge their interest in purchasing specialty mushrooms and other produce from local farmers. Our survey focused on Des Moines, Ankeny, and Ames, although Nevada and Huxley also provided responses.

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



Methodology

We gathered contacts through online resources, including chambers of commerce membership directories and web searches such as “farm-to-table Des Moines” and “Des Moines restaurants.” Outreach focused primarily on local businesses likely to use specialty mushrooms or other fresh produce. Our initial contact was on March 1 through a mass email asking them to complete a short survey for a chance to win a \$50 Visa gift card. We provided the survey via a link to a Google form. After the initial outreach, we eliminated 16 businesses from further contact due to undeliverable email, irrelevance to the survey (e.g., selling only meat), or permanent closure. Of the remainder, those who had not responded received follow-up emails on March 7, 19, and 27, reminding them to complete the survey. This outreach tactic yielded seven survey completions. Businesses that were uncomfortable clicking the link had the option of calling us directly to provide their information. They could also opt out of future communication, which four businesses did.

We had identified 17 businesses as more likely than the others to purchase local produce (e.g., if their websites mentioned “farm-to-table” or sourcing local ingredients). These companies received personalized emails on March 19, resulting in two more survey completions. March 22–26, we phoned those that did not respond, garnering seven additional completions for a total of nine (53% response rate) from these “high-priority” businesses, whether via the survey form or over the phone.

Response Rate by Sector

We surveyed 10 sectors for this report, and their response rates are as follows:

- Online farmers markets (100%)
- Bakeries – 25% (one of four)
- Local grocers – 25% (two of eight)
- Caterers – 10% (one of 10)
- Restaurants – 8.5% (11 of 130)
 - This sector includes independent local establishments, national chains, cafes, bars, breweries, coffee shops, food trucks, and a food tent.
- College or university foodservice – 0% (zero of two)
- Culinary school – 0%
- Food and beverage distributors – 0% (zero of three)
- Food hub – 0%
- Value-added product manufacturer – 0%



The overall response rate among relevant businesses with seemingly viable email addresses was 9.9%.

Survey Results

Does your business purchase produce from local farms?

- Yes – 81%
- No – 6%
- Not currently, but we'd be interested in purchasing in the future – 13%

Are you interested in purchasing specialty mushrooms (oyster, shiitake, lion's mane, etc.) for your business?

- Yes – 31%
- No – 44%
- Maybe – 25%

Which certifications or requirements are needed to become a vendor for your business (e.g., GAP, organic, grown within a certain number of miles from point of sale)?

- None – 63%
- Organic* – 25%
- Relationship with the grower – 13%
- Local within Iowa – 13%
- Sells through a larger company – 6%
- Liability insurance – 6%
- Any required license (e.g., a commercial kitchen license for value-added products) – 6%

*Note: One retailer mentioned they could make an exception to their organic requirement for local farms.

Do you wish to be contacted about opportunities to purchase local produce in your area?

- Yes – 75%
- No – 25%

Which kinds of produce are you looking to source locally but are currently unable to find in the quantities you need?

Fruit	Vegetables	Other
apples (Granny Smith)	carrots	cremini mushrooms
blackberries	cauliflower	frozen options for winter
figs	celery	interesting varieties of common produce items
pawpaw	corn (organic sweet, other)*	
melons (honeydew, watermelon, other)	cucumber	
Greens (year-round)	garlic	Herbs (year-round)
butter lettuce	ginger root	basil
iceberg lettuce	green beans	cilantro
leaf lettuce	green onion	mint
red Boston lettuce	green peppers	rosemary
romaine	jalapeño	sage
salad mix	onions (yellow, red)	
spinach	squash	
	tomatoes (grape, slicer, year-round)	

*Bold indicates that more than one respondent mentioned the type of produce.





Key Takeaways

- If a company doesn't provide an email address on their website, it may be available on their Facebook page. Look for it on the left side of the business's Facebook page or in the "About" section. If a website has an envelope icon, you can email the business directly by clicking on the icon or hovering over it to see the email address in the bottom left corner of your monitor.
- Direct outreach is much more effective than mass outreach. Whether by telephone, via a personalized email, or even in person, contacting buyers directly helps build a relationship and increase your likelihood of understanding a buyer's needs so you can be more successful in your sales efforts.
- When surveyed by phone, businesses could elaborate more on their reasons for not being interested in purchasing specialty mushrooms or other produce. One restaurant responded that they're able to find everything they need through their distributor. Another said that they don't use specialty mushrooms and have no plans to do so. A third replied that they had tried specialty mushrooms but didn't find them to be popular with their customer base. Such conversations can be invaluable in gaining a better understanding of customer needs in your area.
- Many respondents expressed a desire to know their produce growers, visit their farms, or see them at the local farmers market. The importance of building relationships with local produce buyers cannot be overstated.