



Connecting with local suppliers

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The importance of local food and local supply chains has been highlighted during the Covid-19 pandemic, when rural communities have been disproportionately affected by widespread issues with national and global supply chains. Fortunately, many rural communities have stepped up to help those most in need as well as seeking alternative supply and distribution channels restricted by the pandemic. Volunteers formed rotas to undertake essential shopping for those unable to leave their homes, established buying groups of core goods and services and coordinated prescription collections. Rural businesses established pop-up distribution hubs to further their reach, diversified their services to manage online grocery orders or provide takeaway services, and mobile services such as a butchers and fishmongers became common place.







Many rural businesses, such as flour mills, adapted quickly to significantly up their processing and output, to help provide to the retailers no longer able to access supplies through their established supplier networks. In our vision, published in July 2020, we committed to supporting the community business sector to localise and shorten supply chains, and this factsheet provides some top tips to help you connect with and build a network of local suppliers, to build greater resilience, with your community in control of how you source core goods and services.



WHY IS LOCAL SUPPLY IMPORTANT?

Localising and shortening supply chains offers benefits to everyone. It reconnects people to where their food and goods come from, and gives them the opportunity to make informed and ethical choices. It helps to keep money in the local economy, multiplied throughout the supply chain, which leads to a more vibrant and sustainable community. It supports employment, reduces food miles and therefore benefits the environment, and it puts the community in control by giving them a hands on role in local food production. Food provenance is increasingly important to customers, and selling local produce will increase the variety and uniqueness of your business.



Step 1: Do your research

Before you embark on building relationships with new suppliers, it is important to do your research. An understanding of the sales potential of a new product will help you to make informed decisions and reduce the risk of investing in something that won't prove successful. Conduct some market research by talking to your staff, volunteers and customers. You could distribute a questionnaire, with a prize draw as an incentive to participate – the prize could be a local food hamper. Consider the following:

- What do your customers want?
- Why do they want it?
- How often would they buy it?
- How much would they be prepared to pay for it?
- Is it available nearby, and if so, at what price?

Once you have an idea whether a product might be popular, you can test your idea by trialling the product; consider whether it is something you will offer all year round, or just seasonally. The more information you can get, the more likely it is that you can provide the right products at the right time.



Step 2: Find new suppliers

Once you have determined what sort of products you want to purchase, and done your market research to test the appetite from your local community, you can start to look for new suppliers. The nature of local producers means they're often smaller scale, with limited marketing budgets and therefore more difficult to find than a national wholesaler or supplier of a product. Top tips for identifying local producers in your area are:

- Use the internet and social media many local producers will be advertising their products and services on local Facebook groups, and Google searches by county or town will show you the local suppliers in your area
- Visit food festivals, farmers markets and country markets this year big events have been few and far between, but many local farmers markets are still taking place, and that's where you'll find local growers and food producers. Don't limit yourself to the market in your nearest town local producers will travel within their locality, so heading a little further afield will allow you to broaden your network
- Ask your customers for recommendations many local growers and producers will rely on word of mouth to attract new customers and outlets for their products. Ask your customers which local producers they know; they might also appreciate the convenience of getting their favourite products from their local shop, café or pub

- Know your competition visit other businesses in your area and get to know their product ranges, where they source produce from and which suppliers they are using. You may want to use some of the same suppliers; for example, a community shop stocking food from producers that supply the local pub can be a popular way for customers to have the products they love at home
- Develop a process for direct approaches local producers will be looking for outlets, so ensure you have a process to follow if they approach you directly and ask you to stock or use their wares. Don't say yes without considering the quality of the item, whether it is aligned to your business, and whether there is demand for it within your existing customer base







Step 3: Connect with local suppliers

When contacting local producers to discuss using them to supply your business, there are a few key things to bear in mind.

- Make sure you explain that you are a community business making them aware of your strengths, and what you can bring to their business is the first step to establishing a mutually beneficial relationship. Share your market research it will be helpful to them as well as you
- Ask for samples, so you can be sure of the quality of their products. Take their advice on their best sellers – they know their products best
- Be prepared to negotiate check minimum orders, case sizes, delivery charges, and how the products will be delivered, and be prepared to negotiate to make sure you're coming to an agreement that works for you as a business; not just on price, but also on logistics
- Consider partnering with other local businesses for shared delivery drops or joint orders, to reduce costs and improve efficiencies

Step 4: Promote your local offer

The ability to buy local products is important to different people for different reasons, so rule number one of promoting your local offer is to know your audience. Think about your community, who they are and what motivates them. For example, a loyal customer base of retired professionals may be motivated to shop local because they see local food as fresh, great quality at a fair price, and want to support local businesses and their local community. Parents may want to educate their children about the important of food and where it comes from, and see local food as a healthier way to feed their families – but they may also be strongly motivated by price and ensuring they get value for money. Consider this in your messaging.

Active promotion of new products keeps customers interested, so take advantage of the seasonality of your products. Point out the benefits of using local producers and growers and of cooking and eating seasonally. Think about how you can add value – create a story around your products and local suppliers, by using noticeboards, Facebook posts, creating recipe cards or hosting meet the producer events and tastings – you can do this virtually whilst Covid-19 restrictions are in place! Don't forget to get feedback from your customers, and use it to showcase the products on offer.

Step 5: Plan for the future

It's important for any business to have ambitions for future growth and plans in place to ensure the business continues to thrive. Consider what the next steps might be for your business, when it comes to local supply – could you become a food hub, for example through the Open Food Network; create an online storefront for click and collect or delivery, alongside other businesses in your area, through a platform such as The Village Doorstep; or could you consider diversifying in other ways?





USEFUL LINKS AND FURTHER SUPPORT

- Watch recordings of recent Plunkett Foundation webinars, covering topics such as 'Dealing with suppliers and sourcing locally' and 'Diversifying and future proofing your business' here: https://plunkett.co.uk/films/
- Download the Plunkett Foundation's Look for Local toolkit here: https://plunkett.co.uk/wp-content/uploads/Look_for_Local_ Toolkit.pdf
- Find out more about taking part in a free of charge pilot project with the Village Doorstep here:
 https://plunkett.co.uk/existing-members/
- Find out about becoming a food hub to connect with local suppliers through the Open Food Network here: https://www.openfoodnetwork.org.uk/
- Find out about seasonal produce and access resources for retailers, hospitality and catering on the Love British Food website: https://www.lovebritishfood.co.uk/



Plunkett Foundation Units 2-3 The Quadrangle Banbury Road

Woodstock OX20 11 H

01993 810730

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