



Food Research
Collaboration

The Value of Food Hubs: **Farmers' Perspectives**

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Introduction: food hubs as a route to market

The Food Research Collaboration (FRC) has been researching food hubs over the last few years, in response to their proliferation and increasingly important role in local food systems. The research has shown that ‘food hub’ describes a wide range of enterprises, but their core common function is aggregation and distribution: gathering food from producers and distributing it to eaters. What distinguishes them from other aggregators, such as supermarkets, is that “many food hubs explicitly adhere to specified ethical principles in the way in which they obtain and distribute food,” with some focusing on providing an alternative and possibly more local supply chain, and others aiming to deliver social, environmental and economic benefits.¹

The following research is based upon an independent survey conducted by the market researcher Agrismart and commissioned by Sustain, with support from the FRC. The survey was distributed to a sample of 500 farmers across England and Wales, intended to be representative of farm type, size and location of the entire populations of farmers in these regions. The survey was conducted over a 12-week period from March to June 2021. The questions were developed under consultation with FRC, Nature Friendly Farming Network (NFFN), Growing Communities (GC), Better Food Traders (BFT) and Agrismart. The survey was designed to explore farmers’ experiences of food system infrastructure and supply chains, and what changes they would like to see.

Our analysis focuses on **food hubs as a route to market** – the means by which producers are able to retail their food to eaters. We have looked both at **farmers who report already selling through a food hub**, and **those who express an interest in selling through a food hub**. From the data set provided by Agrismart, we have been able to see what attitudes farmers have towards food hubs, and what opportunities they feel food hubs might provide.

Findings: Farmers already selling through a hub

Type of farm

The survey results indicate that few farmers sell exclusively to a food hub. The vast majority who reported selling through a hub also sell to a supermarket, processor or manufacturer, with more than a third also selling to an unknown middle person or trader. Only one of these 39 farmers, a female tenant farmer running a dairy farm in Wales of between 20 and 50 hectares, reported selling solely through a food hub.

“We already do a small amount of boxed beef like this and it works well, but lorryloads of grain are a bit harder to sell!”

– Mixed farmer who feels there is no local food infrastructure.

On the whole, farmers selling at least some of their produce through a food hub farm over 50 hectares, with roughly one half farming on more than 100 hectares and only 3% farming less than 20 hectares. More than a third run mixed farming enterprises, with both livestock and arable, one third have livestock only, and slightly fewer than one third farm solely arable. One farmer already selling through a food hub runs a solely horticultural enterprise.

“Our main problem is lack of horticultural staff to grow our produce, we have plenty of existing and potential customers.”

– Horticultural producer already selling through a food hub.

Routes to market

6 out of 10 farmers

currently selling to a supermarket
want to sell through a food hub



Farms already using food hubs

Which other routes to market do they also use?



77%

Supermarket, processor or manufacturer



36%

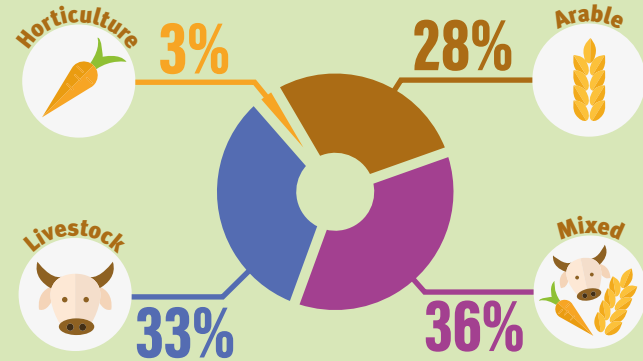
Unknown (through a middleman/woman)



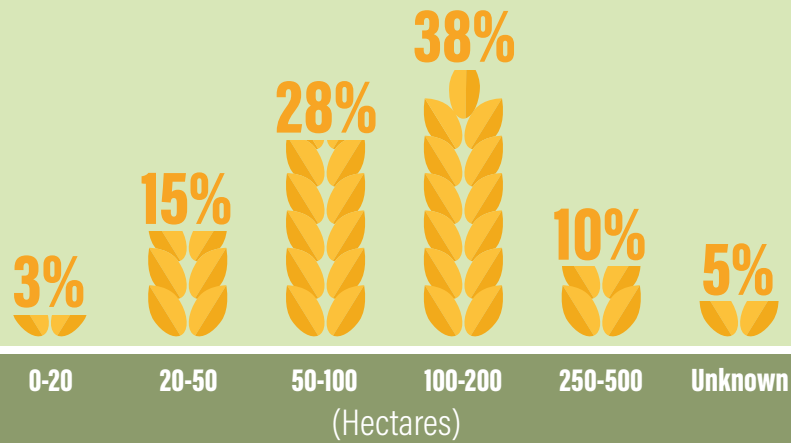
26%

Direct to customer (e.g. direct online sales, on-farm box scheme, market stall or on-farm shop)

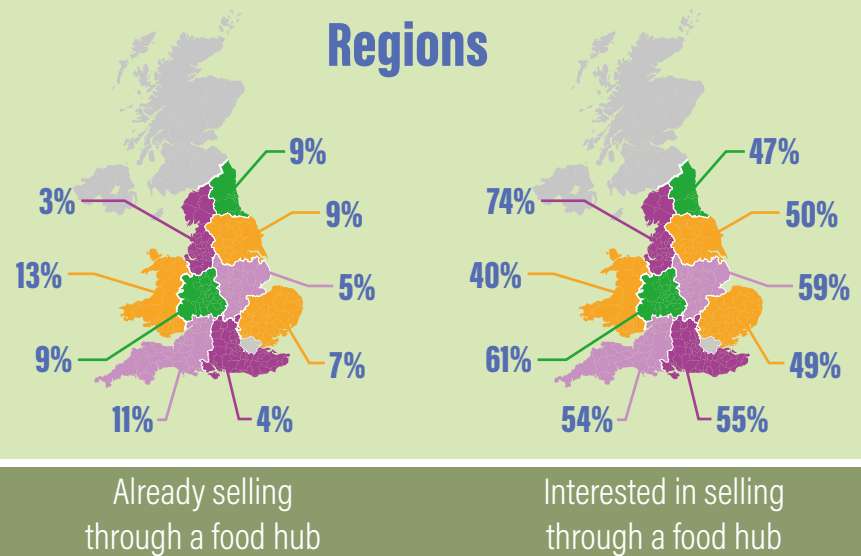
Farm types



Farm sizes



Regions



Region

The spread of farmers already selling through a food hub is relatively uniform, but with variation in some key regions. 13% of all respondents farming in Wales already sell through a food hub, whilst only 3% of respondents farming in the North West of England already sell through a food hub.

Opportunities and goods delivery

Those farmers already selling through a food hub reported that the main benefit was that they were able to get a better price. They also feel that food hubs give them access to streamlined logistics such as transport, delivery and invoicing.

“It costs us £12 a tonne to move commodity grain from one end of the country to another in bulk but 10 times that to send a single tonne to an independent baker... there are just too few Unicorn Groceries and Hodmedods out there.”

– Mixed farmer who feels there is no local market, and no local food hub to sell to.

Just over one third of those already selling through a food hub reported that it supports their future nature and climate-friendly farming plans. Over one half stated that changing their route to market would help them to deliver carbon sequestration and storage, enhance biodiversity and provide public access and/or education. However, as stated above, most of these farmers also use other routes to market as well as hubs, so it is not clear from the data whether they see these goods as being easier to deliver by changing from hubs, or from the other market type they use.

Interest in direct sales

A quarter of those already selling through a food hub also sell directly to customers, and more than half would be interested in selling directly to the customer. A large majority already selling through a food hub who are interested in selling directly to the customer feel they would improve their margins, make their business more diverse and resilient, be better able to deliver public access and/or education, sequester and store more carbon, enhance biodiversity, and deliver more employment and/or secure staff hours. The data shows that they feel they are unlikely to be able to afford the transition to direct sales. Lack of affordable finance to change market was reported by the majority of farmers who completed the survey.

Farms interested in hubs

A new market could help farms to deliver



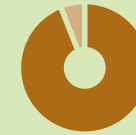
63%

Animal health and welfare



70%

Business resilience and/or agricultural diversification



94%

Better margins (i.e. higher income)

Barriers to changing market



66%

No local markets to supply



49%

No access to affordable finance to make required changes



56%

Lack of time to do own research and/or marketing



0%

I believe I don't grow food that can be sold locally



2%

Not interested (happy with the current situation)

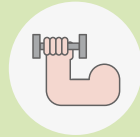
Direct sales

Many farmers already selling through a food hub are interested in direct sales



100%

of farmers currently selling through a food hub who are interested in direct sales feel this would result in **higher income**



100%

of farmers currently selling through a food hub who are interested in direct sales feel this would help them deliver **business resilience and/or business diversification**



95%

of farmers currently selling through a food hub who are interested in direct sales feel this would help them deliver **public access and/or education**



90%

of farmers currently selling through a food hub who are interested in direct sales feel this would help deliver **carbon sequestration and storage**



90%

of farmers currently selling through a food hub who are interested in direct sales feel this would help deliver **enhanced biodiversity**



76%

of farmers currently selling through a food hub who are interested in direct sales feel this would help deliver **more employment or secure staff hours**

“There are no advisors educating us how to change market or funds to do it, I wouldn't know where to start.”

– Mixed farmer currently selling solely to a supermarket, interested in selling through a food hub.

Findings: farmers interested in selling through a food hub

Over half of the farmers surveyed would be interested in selling through a food hub. Six out of ten farmers

currently selling to a supermarket want to sell through a food hub. The disparity in the regional distribution of farmers already selling to food hubs was reflected in the amount of interest in selling through a food hub: nearly three quarters of all respondents farming in the North West expressed an interest in selling through a food hub.

“We would very much like to see all our produce being sold to local consumers who would be able to better appreciate its provenance and character as a result of seeing the system in operation on some of their favourite countryside walks and wildlife sites.”

– Farmer from the North West interested in selling through a food hub.

Opportunities and goods delivery

The vast majority of farmers wanting to sell through a food hub see the main benefit to be securing a better price. Over half also feel it would help them sell large quantities of produce. The majority of farmers who expressed a need for brokerage, maintaining retail relationships and markets, streamlined logistics such as transport, delivery and invoicing, would be interested in selling through a food hub.

“Our courier service is dire, a better service would allow us to increase

Conclusions and themes



91%

of farmers who want to sell through food hubs feel this would help them get a **better price**



87%

of farmers looking for '**brokerage and maintaining retail relationships and markets**' would like to sell through a food hub



86%

of farmers looking for '**streamlined logistics such as transport/delivery and invoicing**' would like to sell through a food hub



Two thirds

of farmers interested in selling through a food hub reported having **no local market to supply to**



56%

of farmers interested in selling through a food hub **lack the time to do their own research and/or marketing**



49%

of farmers who would like to sell through a food hub report having **no access to affordable finance** to make required changes



94%

of farmers with an interest in selling through a food hub feel it would help them have **better margins and a higher income**



70%

of farmers interested in selling through a food hub feel it may **improve business resilience and/or agricultural diversification**



63%

of farmers interested in selling through a food hub feel it would help them **improve animal health and welfare**

our online shop sales. Living very rurally we have to travel a long way to deliver our produce.” – Horticultural producer currently selling direct to customer and to independent shops.

Farmers interested in selling through a food hub feel they would better be able to deliver improved margins and income, business resilience or diversification, and animal health and welfare. Farmers were less likely to see this as a way to improve soil health, flood management, or public engagement.

“The fundamental problem is that sustainably-produced food costs more than current mainstream counterparts because a) so many of the costs are externalized, and b) overheads for small businesses are disproportionately high.”

– Mixed farmer currently supplying supermarkets, who would like to sell through a food hub.

Barriers

Farmers that would like to sell through a food hub report having no local market to sell to, lack time to do their own marketing or research, and lack affordable finance to make the necessary changes.

“[I] always seem busy as a farmer and lots of things like finding a box scheme always get left for something crucial on farm. It would be nice if we knew where to look for these things.”

– Poultry farmer who feels there is a lack of a local supply chain.

Pricing

77%

of farmers already selling through a food hub feel they are able to get a better price



Only one of the 273 farmers interested in selling through a food hub felt that they grow food that cannot be sold locally, highlighting a huge gap between the reality and the potential of local food systems. Farmers clearly feel that the local customer base exists, but that they lack the capacity or infrastructure to access it.

Conclusion

Food hubs, as a route to market, are largely seen as an opportunity to increase farm incomes, improve logistics and broker and maintain commercial relationships. There is also a strong belief that this could help farmers improve animal welfare. There is a connection, though weaker, between selling through food hubs and delivering climate- and nature-friendly farming. Direct sales are seen by farmers to provide much greater opportunities for enhancing the environmental impact of farms.

It is encouraging to see that farmers strongly believe their food can be sold locally, if they only had the capacity to do so, and that they feel food hubs would be a financially viable way to achieve this.

The sustainability assessment framework which FRC is currently developing in collaboration with several food hubs will help make the case that food hubs not only provide aggregation infrastructure, but can also deliver a number of benefits for nature, the climate and local communities.

With thanks to our funder



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References

1. Guzman, P., & Reynolds, C. (2019). Food Hubs in the UK: Where are we and what next? London, UK: Food Research Collaboration. Retrieved from <https://foodresearch.org.uk/publications/food-hubs/>

Sustain (2021) *Beyond the farmgate: Unlocking the path to farmer-focused supply chains and climate-friendly, agroecological food systems*. <https://www.sustainweb.org/publications/beyond-the-farmgate/>

About Us

The Food Research Collaboration is an initiative of the Centre for Food Policy. It facilitates joint working between academics, civil society organisations and others to improve the sustainability of the UK food system, and to make academic knowledge available wherever it may be useful.

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