

Kansas State University's

R G I

Rural Grocery Initiative

Strengthening our stores
Strengthening our communities

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Kansas State University's Center for Engagement and Community Development

Mission:

To connect the resources and expertise of Kansas State University to the significant issues of public need facing Kansans and communities worldwide.



Why Focus on Rural Food Retail?

Because rural grocery stores provide:

- **Economic Development**
 - Rural grocery stores are an important rural economic driver
- **Food Access**
 - Rural grocery stores provide a primary source of nutritious and competitively priced foods
- **Important Community Hubs**
 - Rural grocery stores provide important local, civic and social meeting spaces



Economic Development: Why Focus on Rural Grocery Stores?

Because Kansas rural grocery stores:

1. contribute \$644,000 to the local economy.
2. provide, on average, 17 local jobs
 - 6 full time; 11 part time
3. generate 1 out of every 5 tax dollars for local community
4. have a larger economic multiplier
5. SNAP and WIC benefits provide economic stimulus
 - SNAP puts food dollars directly and indirectly into local economies.
 - Food Dollar Leakage: Local grocery stores are critical to capture SNAP dollars



Healthy Food Access: Why Focus on Rural Grocery Stores?

Because,

8% of America's rural population (Approx. 4.75 million people) are living in communities lacking access to healthy foods.

(Policy Link; Food Trust, 2013)

- **Poverty:** 20% of census tract is below poverty level.
- **Lack of Access:** 33% of the census tract's population resides more than 10 miles from a supermarket or large grocery store.



Healthy Food Access: Why Focus on Rural Grocery Stores?

Because,

1. Rural areas suffer nation's highest obesity rates.
2. Rural grocery stores offer healthy foods, at lower cost, than rural convenience stores.
3. Prevalence of grocery stores in non-metro counties is inversely associated with incidence of obesity.
4. Rural grocery stores are often distribution point for locally-sourced foods.
 - Provides support for local producers
 - Provides site for fresh produce sales



Community Hubs: Why Focus on Rural Grocery Stores?

Because rural grocery stores:

- Function as anchor of community life
 - Helps form community identity
 - Sites where community bonds are created and sustained
 - Social capital built
- Provide a place for talking with one another
 - Diverse talk takes place
 - small talk
 - Local, state, national politics
 - A community gathering space
 - Clubs, libraries, art galleries
- Create habits of public association



Kansas State University's Rural Grocery Initiative Initial USDA Rural Development Grant

Goals:

1. Identify challenges facing rural grocery stores (2,500 or less)
2. Develop responses to those challenges
3. Identify and detail sustainable business models of grocer operation
4. Build virtual and face-to-face information networks for rural grocers

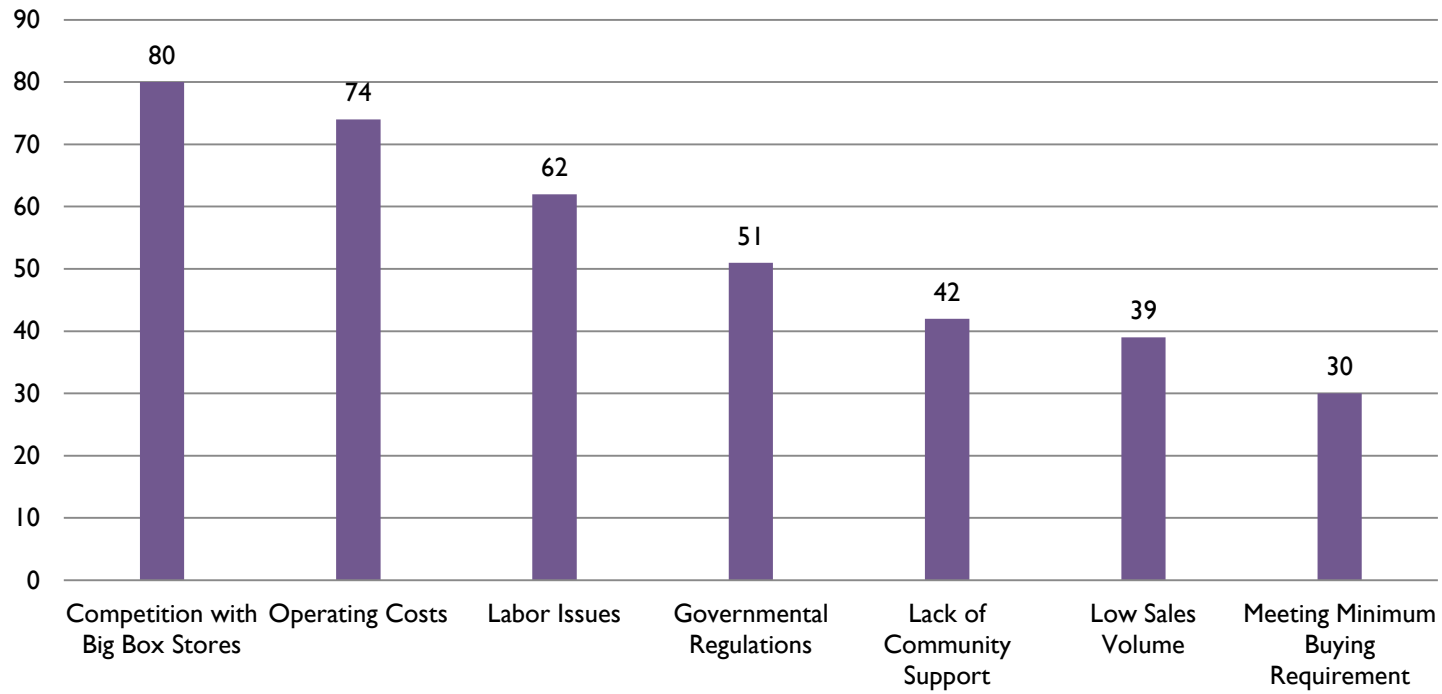
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Rural Grocer Survey: Top Seven Challenges

**Rural Grocer Challenges:
Percent of Owners Identifying Each Challenge**



RGI Responses to Grocer Challenges: Generating Community Support

We have –

1. Highlighted power of community support
 - Walsh, CO
 - Cuba, KS
2. Built community investment
 - FEAST Community Conversations
3. Promoted effective grocery store operations
 - Customer service training



Building Community Investment:

A **FEAST** event:

- Brings together diverse community food stakeholders
- Is a facilitated deliberation about community food system based on community assets
- Builds community investment and develops change actions to make community more food secure.



Food * Education *
Agriculture * Solutions * Together



RGI Responses to Grocer Challenges: Addressing Food Distribution

We have –

1. Detailed rural grocery distribution challenges
2. Facilitated grocery collaborations
3. Energized regional distribution centers
4. Convened food distribution national conversations
5. Developed case studies to increase rural grocery food sales



RGI Responses to Grocer Challenges: Strengthening Grocery Business Operations

We have –

1. Identified / detailed rural grocery ownership Models

- School-based enterprise
- Community owned
- Public / private partnerships
- Cooperatives
- Sole proprietorships
- 501(c)3

COMMUNITY-OWNED ENTERPRISE

Defining Characteristics

There are several defining characteristics of this form of rural grocery operation. First, a community-owned store is in the unique position to preserve local character. Community members understand the dynamics of everyday life and are able to respond through the grocery store operation. Second, involving community members in the ownership process not only provides opportunity for civic engagement but also enables those who feel the impact of a decision to make critical decisions affecting the business. Finally, community members are able to understand the economics of operating a grocery store and directly support their own local economy by keeping locally generated dollars recycling in the community.

Challenges	Benefits
1 Economic base. Local residents are responsible for the store financially so the smaller the town's population, the smaller the investment potentially.	1 Meeting unique needs. Since community members own and operate the store, they determine product assortment.



RGI Responses to Grocer Challenges: Strengthening Grocery Business Operations

2. Created “Rural Grocery Toolkit”

- Tools for establishing rural grocery stores



- Tools for existing rural grocery stores



RGI Responses to Grocer Challenges: Building Information Networks for Rural Grocers & Stakeholders

- Virtual Networks
 - www.ruralgrocery.org
 - Rural Grocery FB / Twitter
- Face-to-Face Networks
 - Rural Grocery Summits (2008, 2010, 2012, 2014, 2016)
 - Network Development through FEAST events



RGI Current Work with Rural Grocery Owners

- Working with owners, Kansas Corporation Commission and USDA Rural Development to improve store's energy profile
- Conducting research to explore impact of nutritional scoring and Extension nutrition education on customer purchasing habits
- Conducting focus group with owners and rural grocery customers to explore barriers and opportunities for increasing availability healthy foods in rural communities across Kansas
- Working with owners and USDA Rural Development to energize food hub concept around rural grocery stores
 - Food hub: entity that manages production, aggregation, distribution, and/or marketing of locally sourced food products



Working with Rural Grocery Owners

1. Established relationships with KS rural grocers

- Database – constantly updated
- Established communication networks with grocery owners
 - Owner advisory group established
 - Rural grocery email list serve created
 - www.ruralgrocery.org created
 - Rural Grocery Facebook page created
 - RGI Twitter account established
 - Routinely visit and tour rural grocery stores



Working with Rural Grocery Owners

1. Integrated rural grocery owners into our research

- Grocery stores as case studies
- Constant communication with grocery owners

2. Incorporated rural grocery owners into our conferences / summits

- Waived conference registration costs rural grocery owners
- Offered speaker roles for owners at our summit panels
- Used the summits as opportunities to have conversations with rural grocery owners



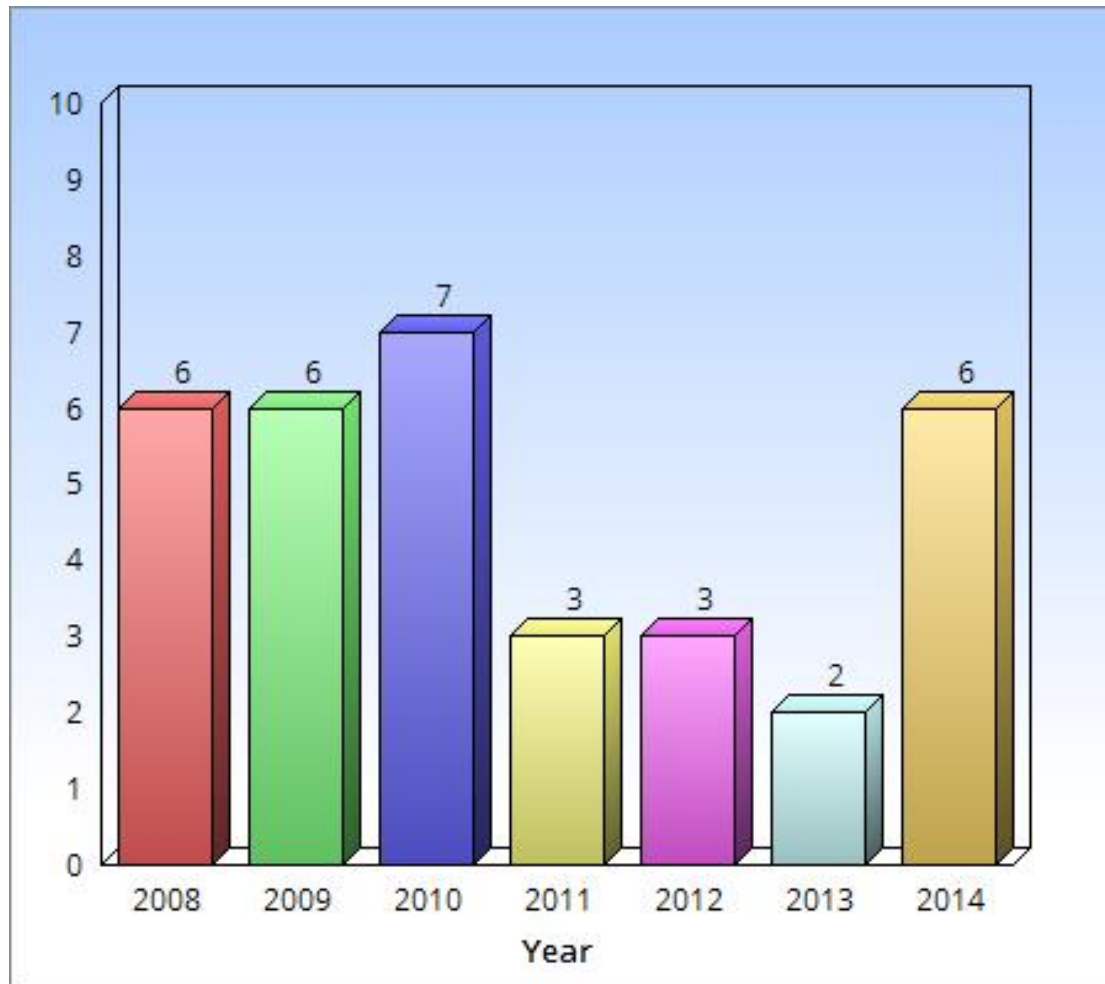
Working with Rural Grocery Owners

The Timing Was Right!

1. RGI built on work by a popular KS rural development NGO – Kansas Sampler Foundation
2. Michele Obama launched “Let’s Move” campaign in 2010
3. Healthy Food Financing Initiatives working through U.S. Congress and some state legislatures
4. No one else working in the rural grocery / rural healthy food access space



Kansas Closed Grocery Stores by Year



RGI Partners

K-State On-Campus Partners

- Ag Economics
- Human Nutrition
- Ag Communications
- Horticulture
- Sociology
- Journalism & Mass Communications
- History
- K-State Research and Extension
- Marketing
- Landscape Architecture / Regional & Community Planning
- Huck Boyd Rural Community Development Center
- Art
- History

Off-Campus Partners

- Rural Grocery Owners
- USDA Rural Development
- The Kansas Health Foundation
- The Sunflower Foundation
- The Kansas Sampler Foundation
- The Kansas Rural Center
- The Food Trust, Philadelphia, PA
- The Reinvestment Fund, Philadelphia, PA
- The Center for Rural Affairs, Lyons, NE
- U. of Minnesota Extension
- Kansas Corporation Commission
- Affiliated Foods Midwest, Norfolk, NE
- NuVal, LLC, Chicago IL
- Change Lab Solutions, Oakland, CA
- Kansas Department of Agriculture
- Kansas Department of Commerce
- Network Kansas
- KS Small Business Development Councils
- The Oregon Food Bank, Portland, OR
- Kansas Electric Cooperatives



Thank You

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