



## So You Want To Open a Community-Owned Grocery Store? Recommendations From Two Case Studies

**Michèle Foster**, University of Louisville

**Leah Halliday**, University of Louisville

Have you identified a lack of access to fresh produce in an urban community? One common approach to address food deserts is to open a food coop or community-owned grocery store. To best meet the needs of the community, it is important to consider the community-owned grocery store's possible impact on local development, hunger, health, and local economic investment.

Our research echoes that of other scholars who have found that, unless developed thoughtfully, community-owned grocery stores and food coops can inadvertently create conflict with the communities they intend to serve.

In our study, we investigated how two community-owned grocery stores were launched, funded, organized, and operated, and how they engaged and interacted with the communities they intended to serve. We offer some guidelines that have emerged from our research on the topic.

### Which type of community-owned grocery store will be most successful?

There are two overall approaches to cooperatively owned grocery stores in low-income neighborhoods with limited food access.

1. Some community-owned grocery stores' main focus is providing food that is organic, natural, and locally sourced.
2. Other community-owned grocery stores take on a social justice focus, making it a priority to address access to food, providing fresh produce like fruits and vegetables at affordable prices. This approach also values anchoring ownership in a low-wealth community, so these stores can become a community asset rather than be owned by an outside entity.

While some degree of overlap exists between these 2 strategies, the primary difference is one of emphasis. **The second approach is preferable because it not only provides healthy food for underserved communities, it also provides economic development and wealth-building opportunities for under-resourced communities.**

### What to consider when you develop a new community-owned grocery store

We find that stores who consulted their community are quickly embraced as a source of pride and considered community assets. At Seward in Minneapolis, one of the communities we studied, an existing community-owned grocery store with a 40-year history opened a new store in an underserved community. In Oakland, Mandela, a new store started from scratch, was launched at the behest of the community. Although Seward benefited from already having a loyal consumer base and supply chains, initially it ran into trouble by not having consulted the community, ignoring its desires and history. In contrast, Mandela, a worker-owned store, was welcomed by the community, which supported the store and embraced it with open arms.

- **Design the community-owned grocery store with the residents in mind.** Take a boots on the ground approach. To get a sense of the community's wants and needs, seek different perspectives and buy-in by going door to door. This will require more than a simple survey or holding community meetings. Initially, Seward personnel moved forward without seeking community input but had to backtrack when they ran into city zoning problems and met resistance to their expansion into the new Minneapolis neighborhood.

As Seward personnel explained, “[The] boots-on-the-ground approach meant knocking on doors. Being forced to knock on “every single door” in the neighborhood... was a blessing in disguise. [We] were able to address not only zoning questions and concerns, but often even negative perceptions of coops.”

- **Make sure that the community’s interests are taken into account.** This can include opening a worker-owned grocery store, hiring from within the community, paying a living wage, and providing opportunities for advancement. This allows the business to be part of equitable economic development in the local community.

Seward personnel found that they “[were] able to move the needle toward the diverse hiring practices advocated for by community leaders by rethinking and rewriting some of the job descriptions that may have discouraged some potential applicants who were unfamiliar with food coops.”

- **The food products and store atmosphere should reflect the surrounding community.** Stores that are a reflection of the community can build on the history of those communities and provide a sense of place in a rapidly gentrifying area.

“Worker owners at Mandela, for instance, know the history of the neighborhood and appreciate their place in that history. One worker-owner imagined how proud his grandparents, residents during the economic prosperity of the Pullman Porter era, would be to see him working to revive the community.”

In one example of a steadily gentrifying area, the history of the community was distinctly African American. From the art on the walls to the arrangement of the products they sold, the entire space of the local community-owned grocery store was designed to reflect the African American community and African American ownership.

- **Consider your assets.** Whether you start from scratch, building a store from the ground up, or expand an already existing food coop depends on existing financial resources, community buy-in, and commitment. Already established in one part of town, Seward expanded to another neighborhood. Mandela possessed fewer resources, so it started small and has not expanded as rapidly as planned. But a large amount of money does not ensure success, and resourcefulness, initiative, and ingenuity can overcome the challenges of limited funds.
- **Offer incentives to the neediest residents in the form of discounts to purchase healthy foods, fruits, and vegetables.** Provide classes that teach shoppers about preparing healthy meals foods on a limited budget. For example, Mandela offered a 50% discount to SNAP and WIC recipients on groceries that did not contain salt, sugar, or grease. Seward, on the other hand, offered courses on shopping on a budget and cooking nutritious meals from scratch.

**Read more in Halliday, L., & Foster, M. (2019). A tale of two co-ops in two cities. *Journal of Agriculture, Food Systems, and Community Development*. Manuscript accepted for publication.**