Sydney Food Truck Trial Evaluation

Prepared for City of Sydney
October 2013

WOOLCOTT RESEARCH

Contents

1. Background and Objectives

In late 2011, consultations with the public revealed a need for high quality food options late at night. In response to this, a one year trial of Food Trucks was established, with the view to providing accessible, high quality, creative, affordable takeaway food options in the city.

When the first Food Truck began trading in May 2012, the trial officially began, with an expected end date of May 2013. Other Food Trucks, however, did not commence trading until late 2012, and some as recently as April 2013.

As a result of these different start dates, there had not been adequate time to evaluate the trial, so City of Sydney Council extended the trial until March 2014. This allowed each of the nine Food Trucks to operate for a minimum of 12 months prior to contributing to any form of evaluation, hence allowing for a more thorough and valid evaluation to be produced.

Council identified a need for research, in order to evaluate the impact of Food Trucks on the City of Sydney LGA. The key objectives of the research were to:

- Determine if the trial has created a new 'Food Truck' market, and what the impacts of this new market are;
- Identify whether spaces have been activated due to the presence of Food Trucks in the City;
- Ascertain whether the trial has addressed community requests; and
- Measure the reactions of the public, businesses and the community to the Food Trucks.

2. Methodology

Stage One – Data gathering and analysis (customers)

In January 2013 Woolcott Research captured data of Food Truck customers via intercept interviews and observational counts. A face-to-face/intercept interviewing approach was adopted for the on-street and off-street locations visited by each of the Food Trucks. There were eight (8) Food Trucks in operation during this fieldwork period, and the City was initially seeking to have the customers of each of these Food Trucks surveyed at least once. Additionally, each of the on-street and off-street locations were requested to be surveyed at least once. Interviewing was carried out over a 4 week period from the 23rd January – 16th of February 2013 with the total number of interviews was N=408.

A decision was made to further enhance the Field Trial data by the addition of visitor counts (and observational measures) that were recorded during the majority of interviewing shifts. This involved stationing an additional staff member with a 'click-counter' and tally sheet (for observational measures) to measure the total number of visitors over the interviewing shift (by hourly intervals).

This data was then analysed by our internal data processing team.

Stage Two – Data gathering and analysis (operators)

The City of Sydney designed an online survey to be completed by Food Truck operators on a monthly basis, as well as a 'one-off' survey for all operators.

The City then provided Woolcott with a range of data including App download statistics and Operator online survey data.

Stage Three – Interviews with Food Truck operators, external stakeholders and City of Sydney units

A team of experienced researchers interviewed:

- n=8 Food Truck Operators:
  - Agapé Organic Food Truck
  - Bite Size Delights
  - Cantina Mobil
  - Eat Art Truck
  - Let's Do Yum Cha
  - Tsuru
  - Urban Pasta
  - The Veggie Patch Van

- n=5 external stakeholders:
  - NSW Police
  - Business Chambers and Partnerships
  - Restaurant & Catering NSW
  - Sydney Harbour Foreshore Authority
  - Small Business NSW

- n=14 City of Sydney Units:
  - City Business & Safety
  - City Rangers
  - City Infrastructure & Traffic Operations
  - Cleansing & Waste Services
  - Homelessness Unit
  - Customer Services Unit
  - City Projects and Property
  - Parks Services Unit
  - Legal Services
  - Health and Building
  - Planning Assessments Unit
  - Strategic Planning
  - Events Unit
  - Events & Film Liaison Unit

3. Customer Research and Feedback

Results from the intercept survey conducted amongst Food Truck customers show that customers tended to be relatively young, with 67% aged under 35. Only 4% were 55 years or over.

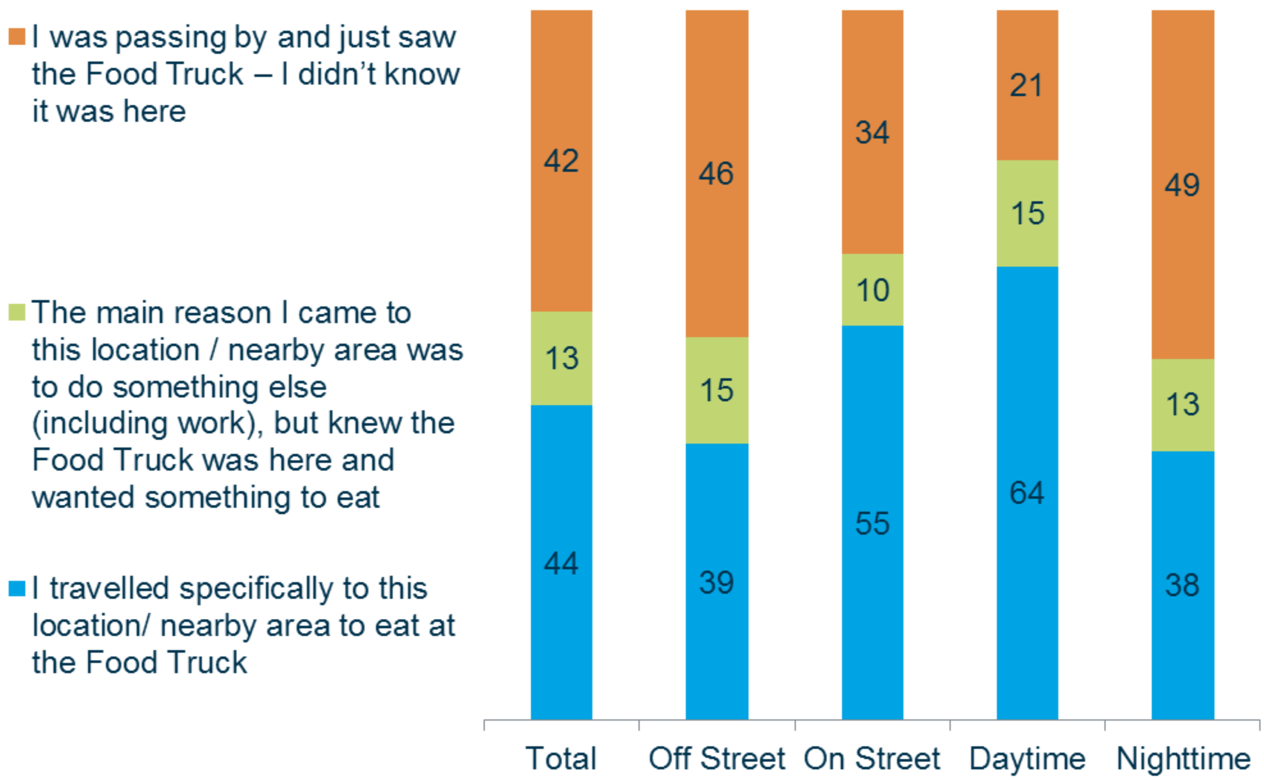
Table 1: Customer age profile

	Total (n=408) (%)
Age Range	
15-19	2
20-24	13
25-29	29
30-34	23
35-39	13
40-44	7
45-49	4
50-54	2
55+	4
Refused	2

Base: All respondents (n=408)
Q14. Age: (SHOW CARD)

The most common reason for visiting the local area was specifically to eat at the Food Truck (44%). This was more common at On Street locations (55%) and during daytime trading hours (64%). 42% of respondents indicated that they were just passing by and saw the Food Truck; that they didn't know it was there. This was particularly common at nighttime (49%, Figure 1: Reason for visiting local area).

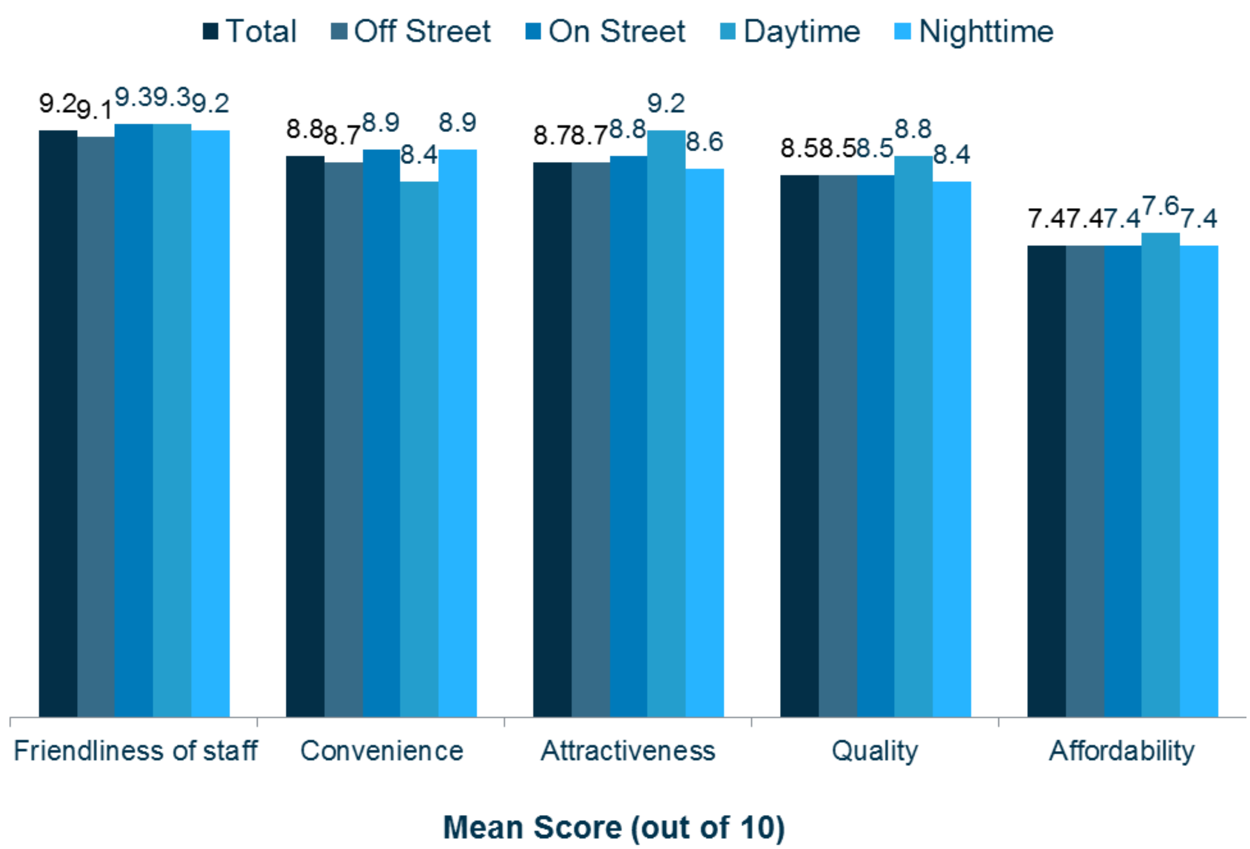
Figure 1: Reason for visiting local area



Base: All respondents (n=408)
Q3. Which statement best reflects your visit to this area today?

The Food Trucks received very high ratings on all prompted aspects, most notably the friendliness of the staff (mean score 9.2 out of 10).

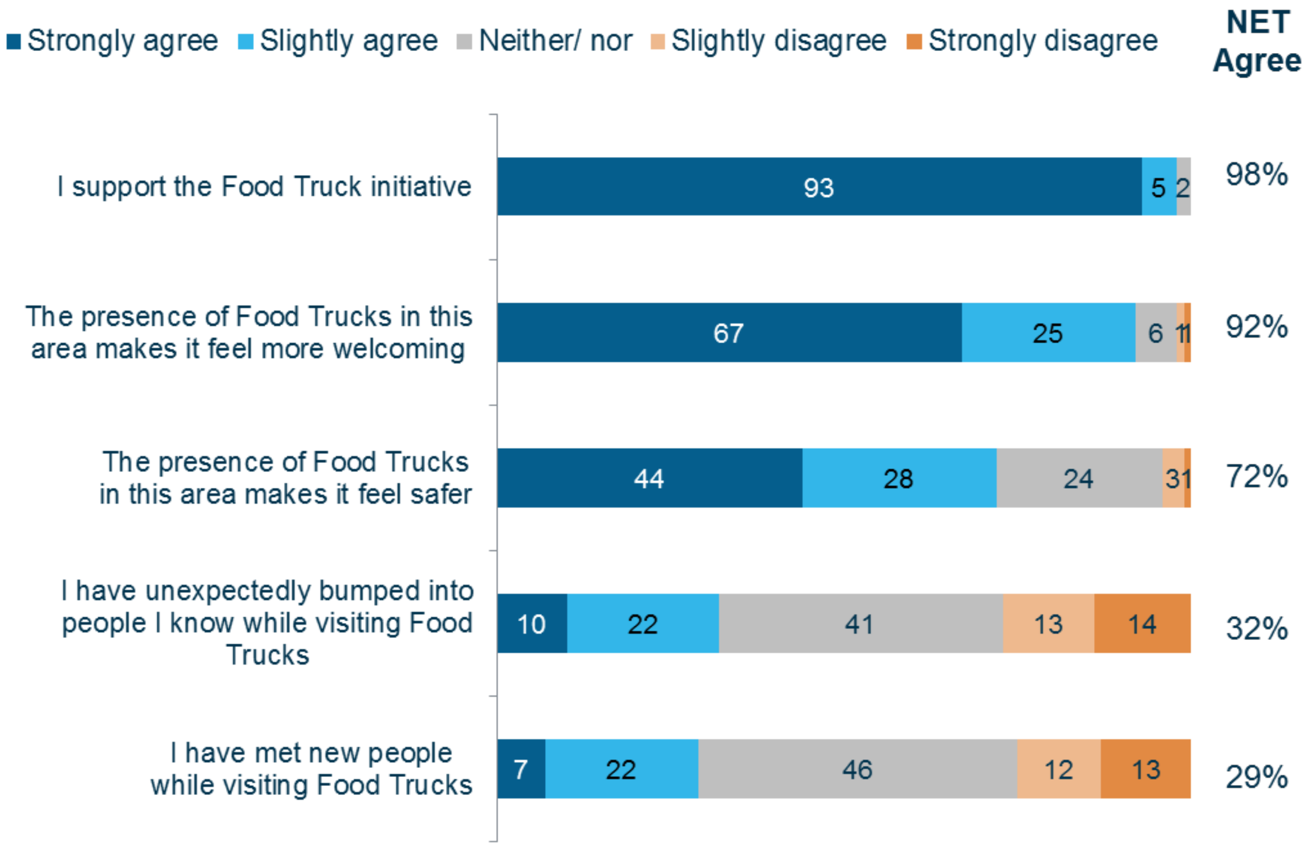
Figure 2: Food Truck perception ratings



Base: All respondents (n=408)
Q11. On a scale of 0 to 10, 0 being EXTREMELY POOR and 10 being EXTREMELY GOOD, how would you rate Food Trucks generally in terms of .....

When asked their level of agreement with a range of statements regarding the Food Trucks, there was overwhelming support for the Food Truck initiative (98%). Customers felt that the presence of Food Trucks made the area feel safer (72%) and more welcoming (92%). Around one-third of people had either bumped into people they knew (32%) or met new people at Food Trucks (29%, Figure 3).

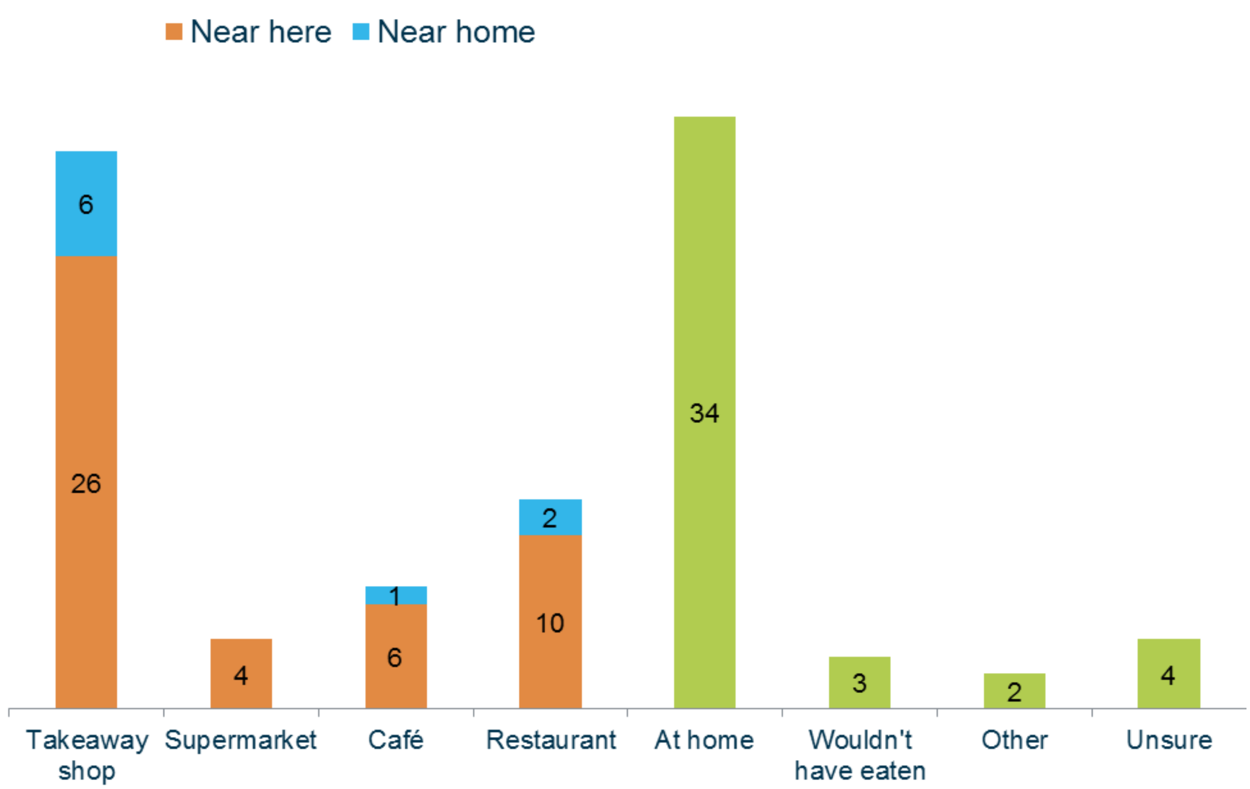
Figure 3: Agreement with statements



Base: All respondents (n=408)
12. I'm now going to read out a few statements that other people have said about Food Trucks. Can you please tell me whether you agree or disagree with each? And would that be strongly or slightly?

When asked where they would have eaten or purchased food from if the Food Truck had not been present, over a third of all respondents indicated that they would have eaten at home (34%, Figure 4).

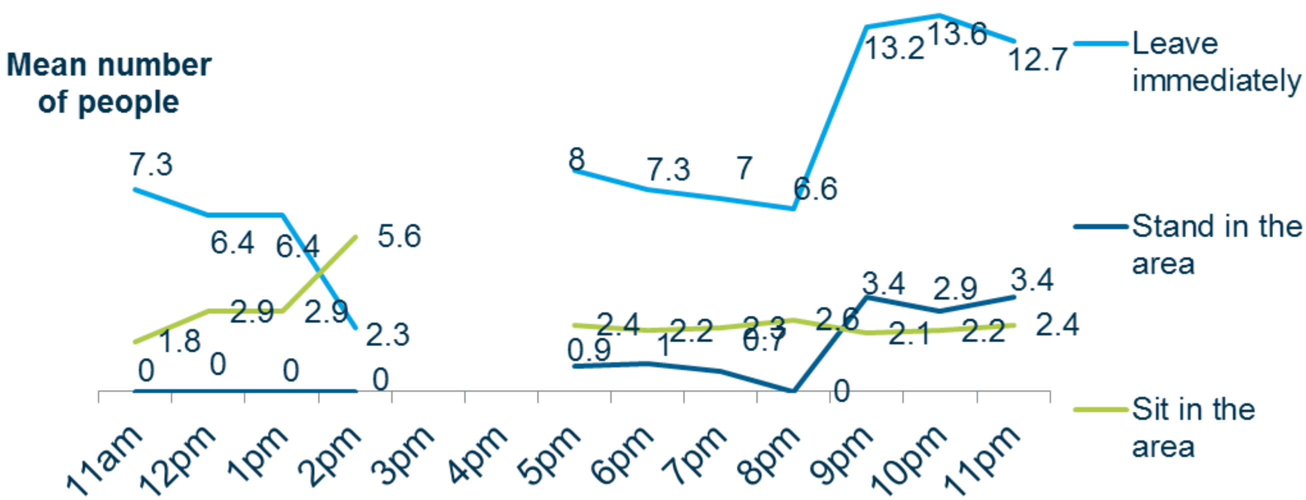
Figure 4: Alternative meal source



Base: All respondents (n=408)
9. If this Food Truck wasn't here today, where would you have eaten or purchased food from instead?

The observational data was captured along with the intercept surveys at the location in which visitors chose to eat their meals. Most Food Truck visitors left immediately with their food. Sitting in the area was more common than standing in the area, except for later at night (from 9pm onwards, Figure 5).

Figure 5: Observational Data - Eating Location



*No interviewing conducting at 3pm or 4pm.

4. Food Truck Operator Research and Feedback

4.1 Quantitative Results

4.1.1 Participation in the Trial

In terms of strengths, the City of Sydney team was seen as a major positive of the Trial process, while operating times were a relatively common weakness cited.

Table 2: Strengths and weaknesses of the trial

Strength	Weakness
"The **Food Trucks App** & some of the DA sites."	"Some of the more stringent rules of where we can and can't trade."
"Having a **department within the City** of Sydney to contact."	"**Operating times** for approved site are limited to non-peak trading times."
"The options available to all trucks and the incredible support and subsequent actions of **the City of Sydney team**!"	"The **times** for some of the DA sites."
"Council support & **participant camaraderie**."	"Certain sites and **time slots**."
"**Public are responding positively** to access & variation of menu offered."	"Finding a location with at least 2h **parking** and enough **space** to park the truck"
"The **communication** between the Project Manager and Food Trucks"	

Base: All respondents (n=6)
Q5b. What is working well within the trial?
Q5c. What isn't working within the trial?

In terms of concerns raised relating to the Draft local Approvals Policy, responses from the six respondents were varied, but two expressed a common fear that the trial may not be renewed.

Table 3: Concerns regarding Draft Local Approval Policy

Concern
"That it **continues for a period of time** to ensure a feasible return on investment."
"None that are significant."
"It appears **a lack of understanding from the business community** of how we operate and the constraints that exist"
"Ability to trade on more council-owned roads."
"**That it won't be renewed** or will be opened up to people who won't treat it properly."
"Food trucks should be allowed to gather where permitted in order to **create an atmosphere / a destination** for people to eat from street vendors."

Base: All respondents (n=6)
Q5a. What benefits/concerns do you have of the Draft Local Approvals Policy for the Sydney Food Truck trial?

Feedback in relation to the application process involved with the Food Truck trial was relatively consistent. Although seen to be somewhat tedious, the rigorous application process was perceived to be necessary.

Table 4: Comments on the application process

Application Process
“Full on...but the perfect way to **weed out the seriously passionate from the luke warm**!”
“It was very **gruelling** but overall I would say **it's fair**.”
“The food truck application is very **comprehensive** and It prevents non-genuine applicant from applying.”
“I think it's **annoying but necessary**.”
“Very **thorough**, lengthy, & **quality controlled**.”
“As it stands I believe the application process is **too easy** and will pose problems for the future introduction of additional trucks to the program…”

Base: All respondents (n=6)
Q6a. What are your thoughts on the application process?

The Food Truck operators suggest that a successful Food Truck culture involved all parties operating harmoniously. That is, the operators adhering to the guidelines set out for them, the Council continuing their support, and the public use of the Food Trucks growing as a result.

Table 5: Contributors to a successful Food Truck culture

Culture
"Food Trucks out **trading**, the **more often** the merrier."
"**More education** on the public and more leniency on trading locations & hours."
"**Community support**."
"Food Truck **meetups** (e.g line up alongside Hyde Park), more Food Trucks **specific events**, and **help from the council** to turn underused car space (eg. loading zone) useable for food trucks…"
"A successful *long term* food truck culture requires *all* trucks to **operate within the guidelines** set forth by the council, with cowboys being pulled into line coupled with a **supportive and proactive council**, such as the efforts illustrated by the City of Sydney team."
"Continued **support from council**, **less red tape**, continued patronage from public, **quality menu**."

Base: All respondents (n=6)
Q5f. What do you think makes a successful food truck culture?

Of the six respondents, three saw clear benefits of the Trucks in terms of activating underused sites, and in terms of increasing safety in these areas. However, two respondents did not feel that they had enough experience in this area to be able to provide a definite response. The fifth respondent did not appear to be convinced of these benefits.

Table 6: Comments regarding activation of spaces and changes in safety

Activating Spaces	Increasing Safety
"Yes. The **difference in parks** like Belmore park **has been huge** since we began trading there."	"Definitely. **Higher activity leads to a safer environment**."
"It does, but **sometimes just one truck is not enough** to pull a significant enough crowd to make it worthwhile for the vendor."	"A space becomes safer when the more people use that space or travel within that space. So we can naturally say that **trading in underused areas makes the space feel safer**."
"**To some extent** it does activate the space but it only applies **when there is a high density of potential customer nearby** (e.g. Joynton Park). …if there is nothing nearby there would not be enough trade to survive."	"Absolutely, the trucks **provide extra lighting** and a **welcoming atmosphere** to every site at which we trade."
"We haven't been trading at underused areas so won't be able to make a conclusion."	
"Too early to provide detail analysis however"	
"No. For example, during the winter period, the public will not be arranging to visit food truck outside normal business hours for the experience"	"It could **if there was an event other than the attraction of just a food truck**"

Base: All respondents (n=6)
Q5d. Do you feel trading in underused areas activates the space? Can you give an example of this?
Q5e. Do you feel that trading in underused areas makes the space feel safer? Can you give examples of this?

The Food Truck operators appeared to be quite happy with the current booking system.

Table 7: Comments on the Booking System

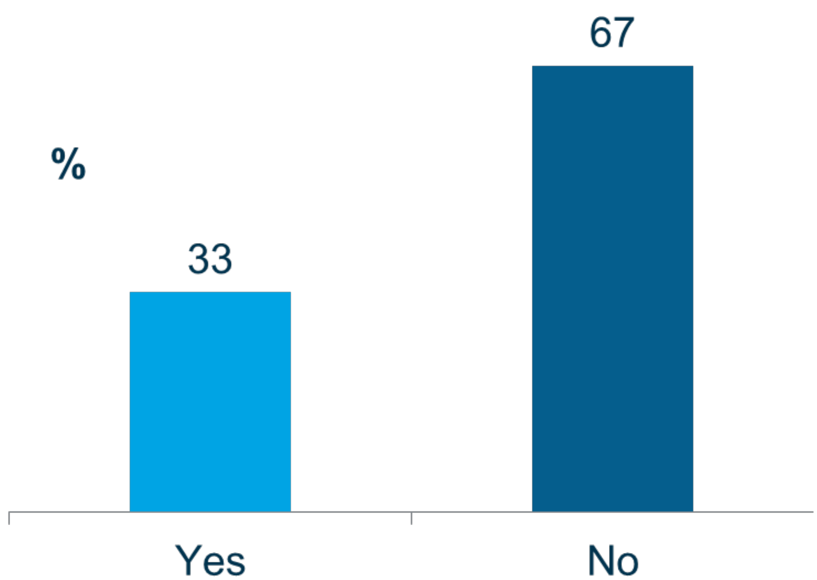
Comments on the Current Booking System
"Limited no. of premium sites, works well to those trucks making the most of potential trading."
"We think the revised booking system is **good**."
"All is **fair**."
"I don't have any major problems with it."
"It does the job. It's **easy to use** and it keeps tracks of all bookings."

Base: All respondents (n=6)
Q7d. What are your thoughts on the current booking systems in place currently and could you suggest any improvements?

4.1.2 *Extent of Involvement in the Sydney LGA*

One third of Trucks' food prepping kitchens were located in the City of Sydney LGA – these being in Haymarket and Darlinghurst. Prepping kitchens located outside the Sydney LGA were in St Peters, Brighton Le Sands and Marrickville.

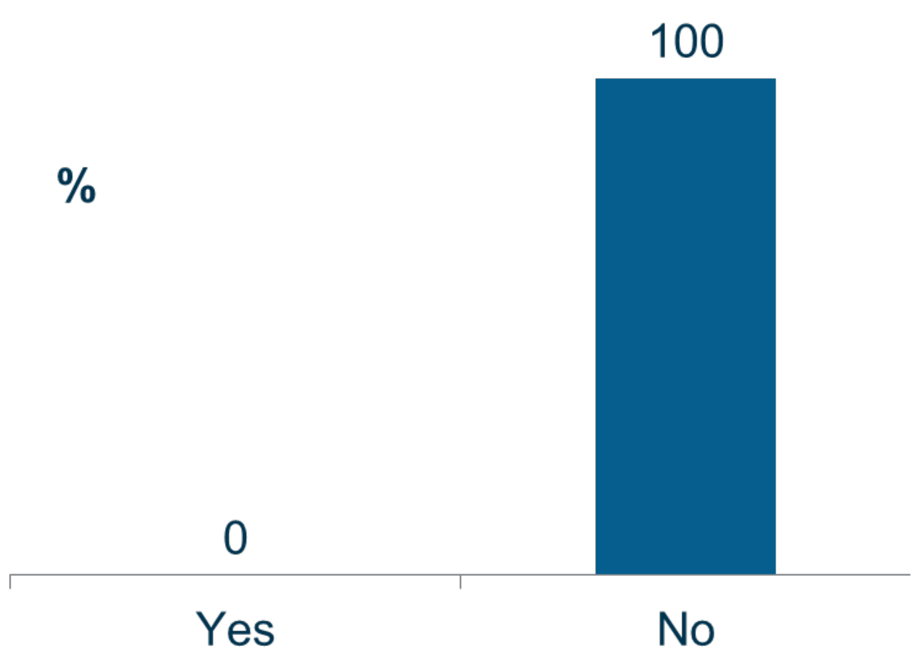
Figure 6: Incidence of prepping kitchen being within City LGA



Base: All respondents (n=6)
Q2a. Is your food prepping kitchen located within the City of Sydney Council area?
i. Where is it located?

None of the Trucks were housed in the Sydney LGA when not trading. Instead, they were housed in a range of nearby and outer suburbs: Leichhardt, Brighton Le Sands, Maroubra, Brookvale and Peakhurst.

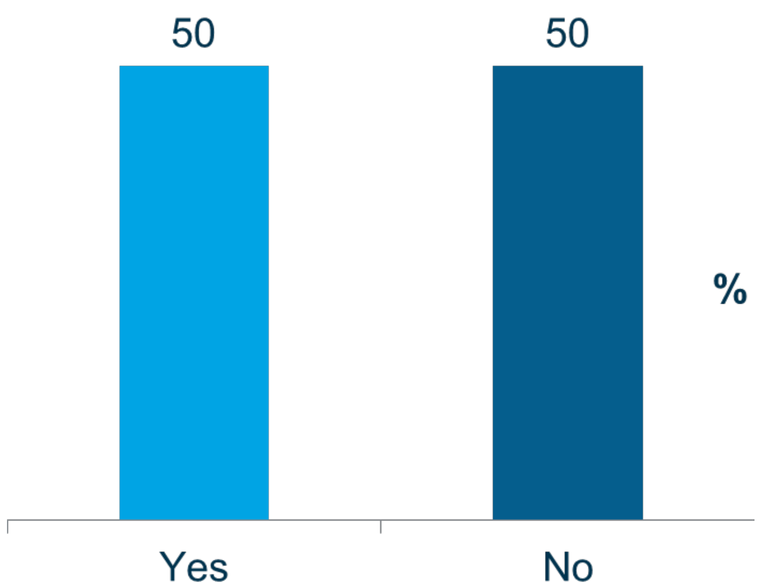
Figure 7: Incidence of truck being housed in City LGA when not trading



Base: All respondents (n=6)
Q2b. Is your truck housed within the City of Sydney Council area when it is not trading?
i. Where is it housed?

Half of the trucks also owned a ‘bricks and mortar’ business, either a restaurant or take-away food business.

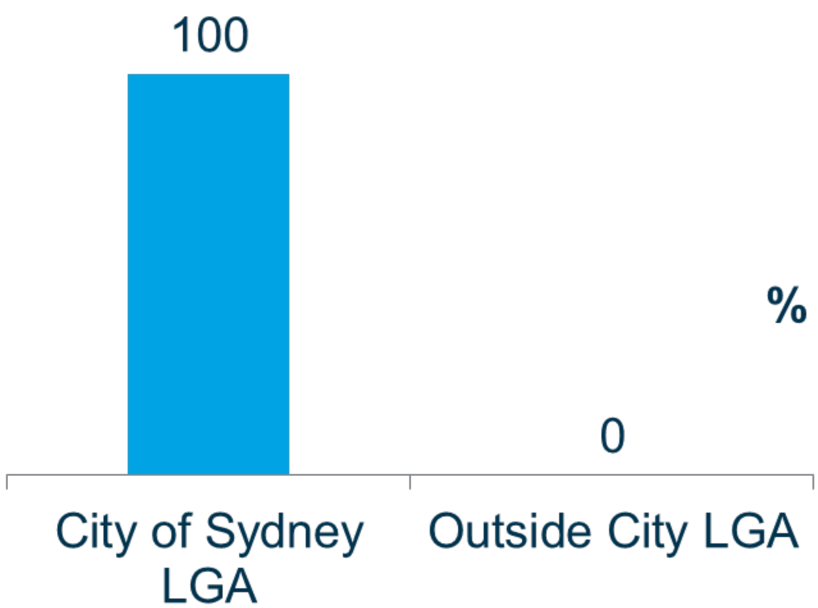
Figure 8: Incidence of owning bricks and mortar business



Base: All respondents (n=6)
Q4a. Do you also operate and own a “bricks and mortar” business?
i.If yes, what type of business is it?

Of those who also owned a 'bricks and mortar' business, all were located in the City LGA – in Surry Hills, Haymarket or Darlinghurst.

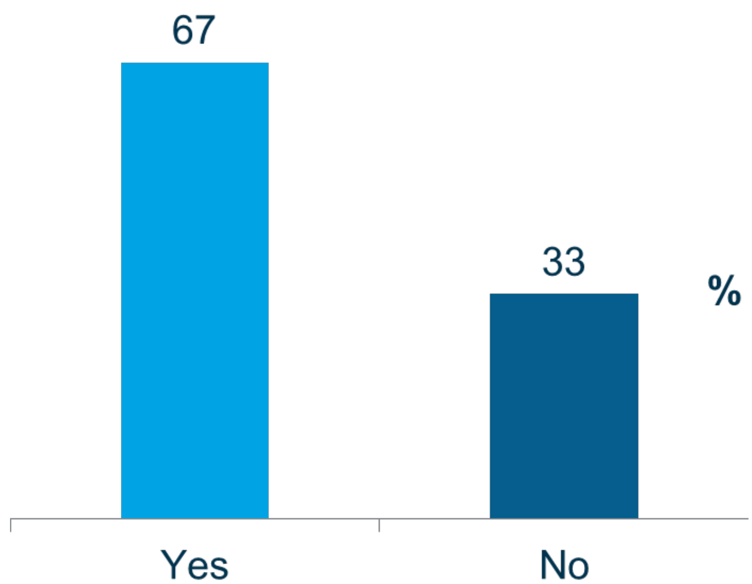
Figure 9: Location of bricks and mortar business



Base: Respondents who own bricks and mortar business (n=3)
Q4b. If you do operate another business, is it located within the City of Sydney council area?
i. Where is it located?

The majority of Food Truck operators intended to open a 'bricks and mortar' business in the future. They hoped to open either a restaurant, take-away shop, or bar/street food restaurant. All hoped to open these future businesses in the City LGA (specifically in Newtown or Glebe).

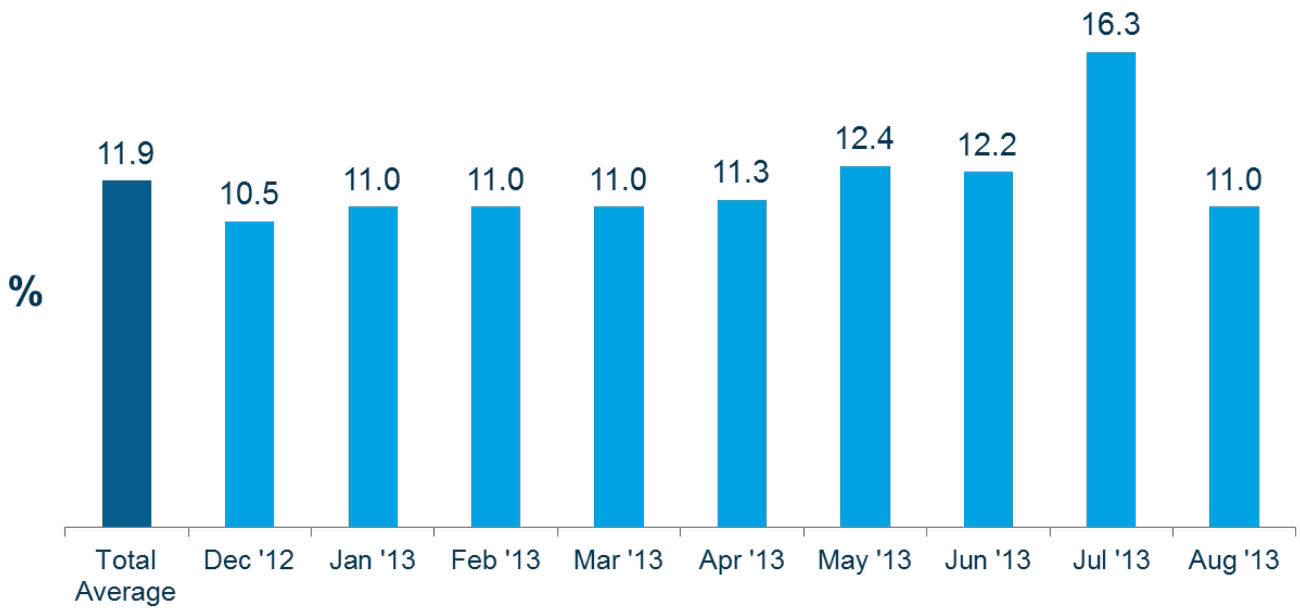
Figure 10: Intention to start bricks and mortar business in the future



Base: All respondents (n=6)
Q4c. Are you looking into starting a future "bricks and mortar" business?
i. If yes, what type of business would it be?

Food Truck operators reported that they were engaging with an average of 11.9 businesses each per month, and this number was fairly consistent throughout the year. They engaged with a variety of business types – food and drink, stationary and packaging suppliers, ingredient suppliers (dry goods suppliers, bakeries, cheese, fruit and vegetable suppliers), petrol stations, hardware stores, fruit and vegetable shops, mechanics, book keepers, and marketing (printing and advertising).

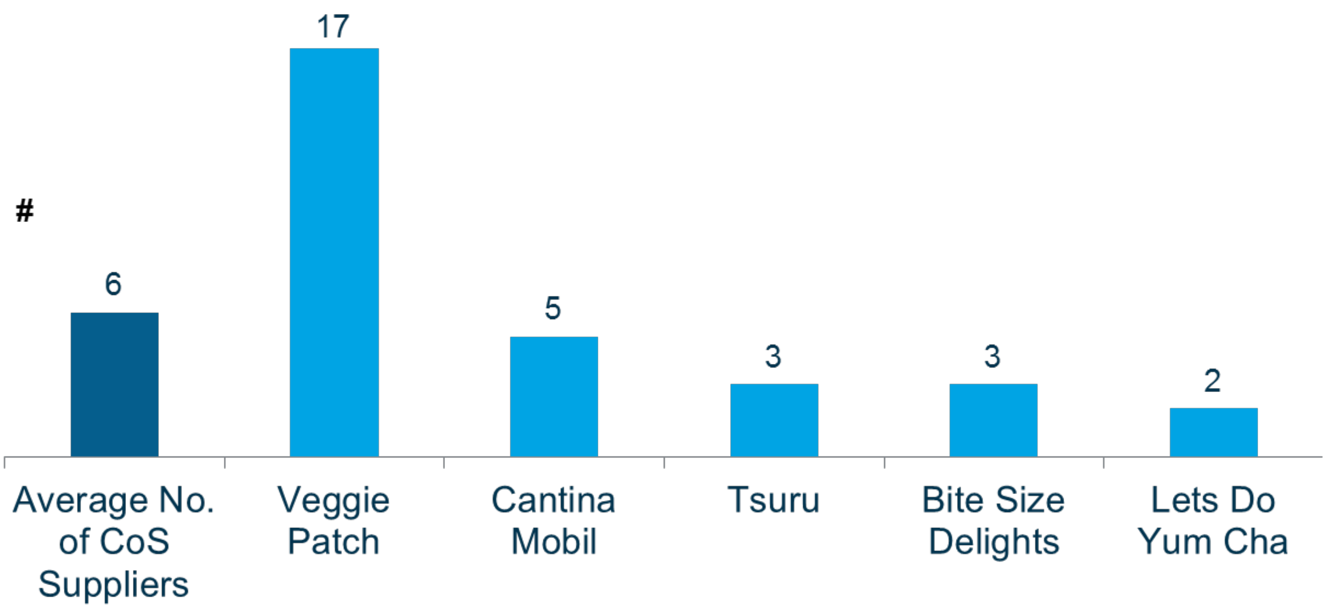
Figure 11: Average number of businesses engaged with - by month



Base: All respondents: Dec-Apr (n=4), May (n=5), June (n=5), July (n=3), Aug (n=2)
Q2a. Please estimate how many other businesses you have engaged with (e.g. suppliers) in the previous months as listed below.

There was also considerable variation in the number of suppliers that the Food Truck operators engaged with that were located in the Sydney LGA. On average however, around half (6) were local businesses.

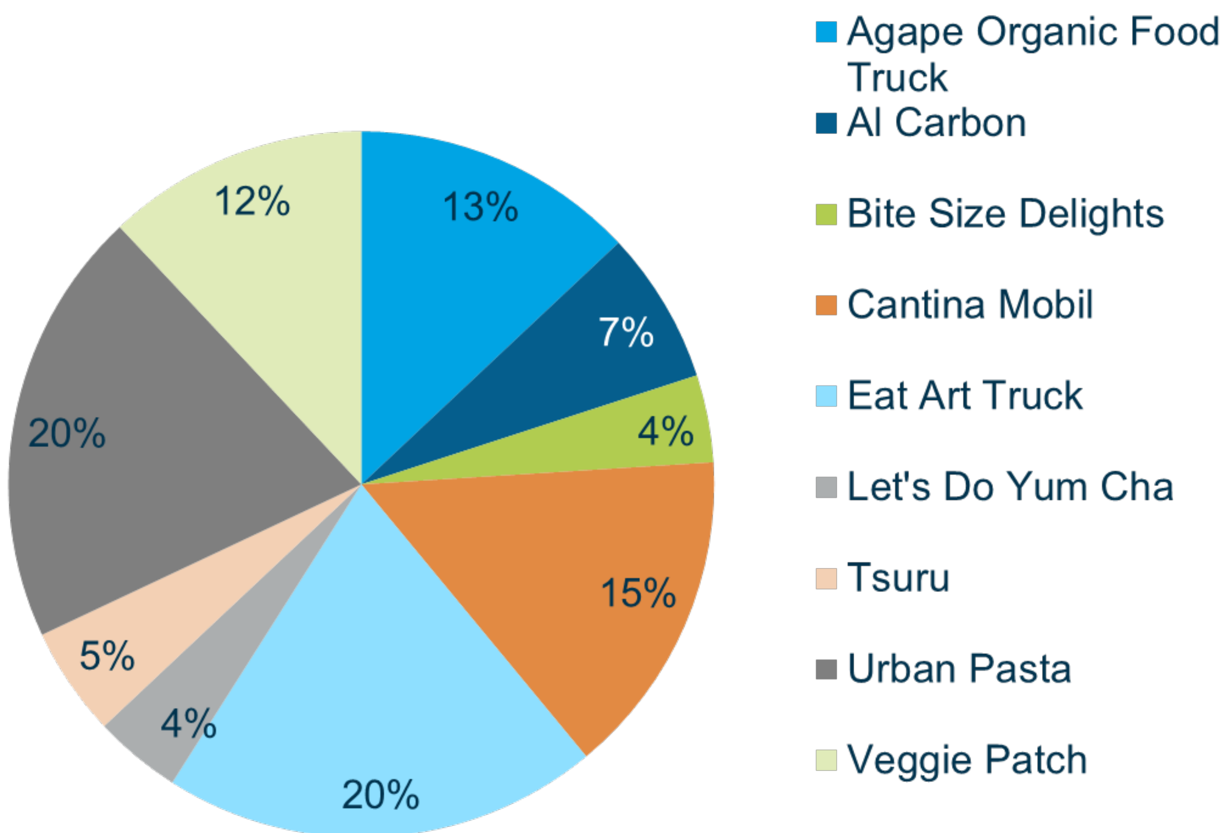
Figure 12: Number of suppliers located in City LGA



Base: All respondents: (n=5),
Q2c. Please estimate how many of your suppliers are located within the City of Sydney council area.

Usage of the Food Trucks App varied greatly between Trucks. Eat Art Truck and Urban Pasta were the most frequent users, and were responsible for 20% of all posts each.

Figure 13: Usage of Food Truck App - by Truck

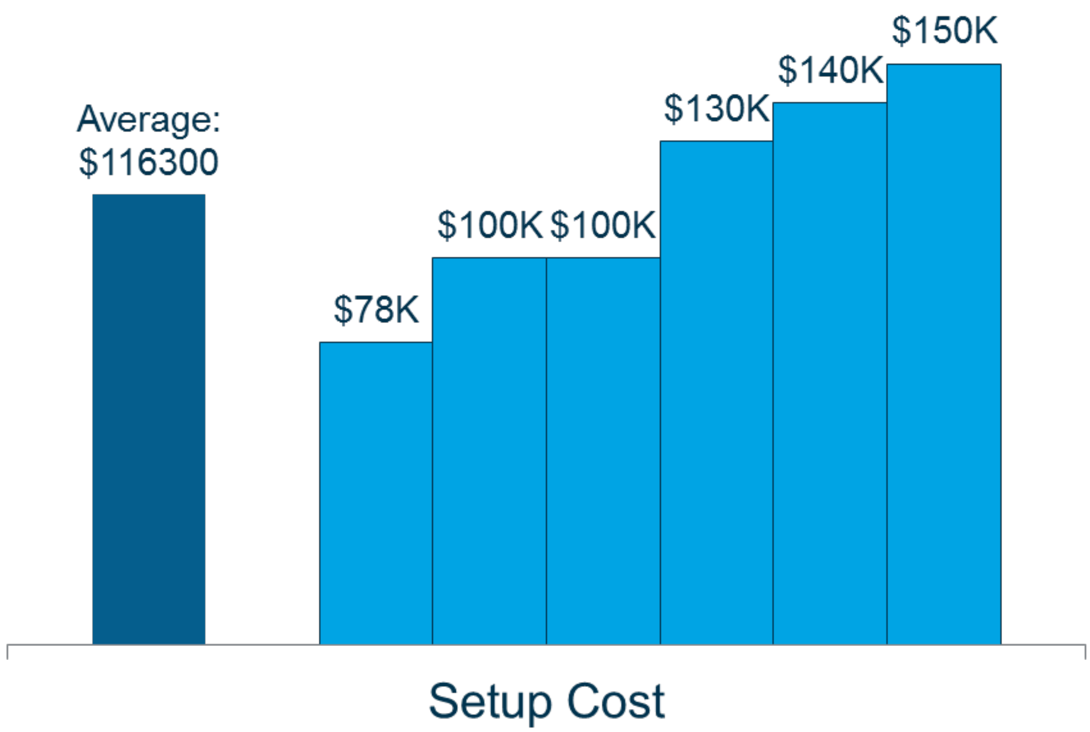


Base: All App posts (n=11175)

4.1.3 Set-up and Ongoing Costs

Setup costs varied from $78K to $150K, with a mean of $116,300. Ongoing costs (other than staff and food) included rent, utilities, fuel, insurance, vehicle registration, repairs and maintenance, amenities, waste removal, site fees and equipment leasing. The average ongoing cost was $71,300 per annum.

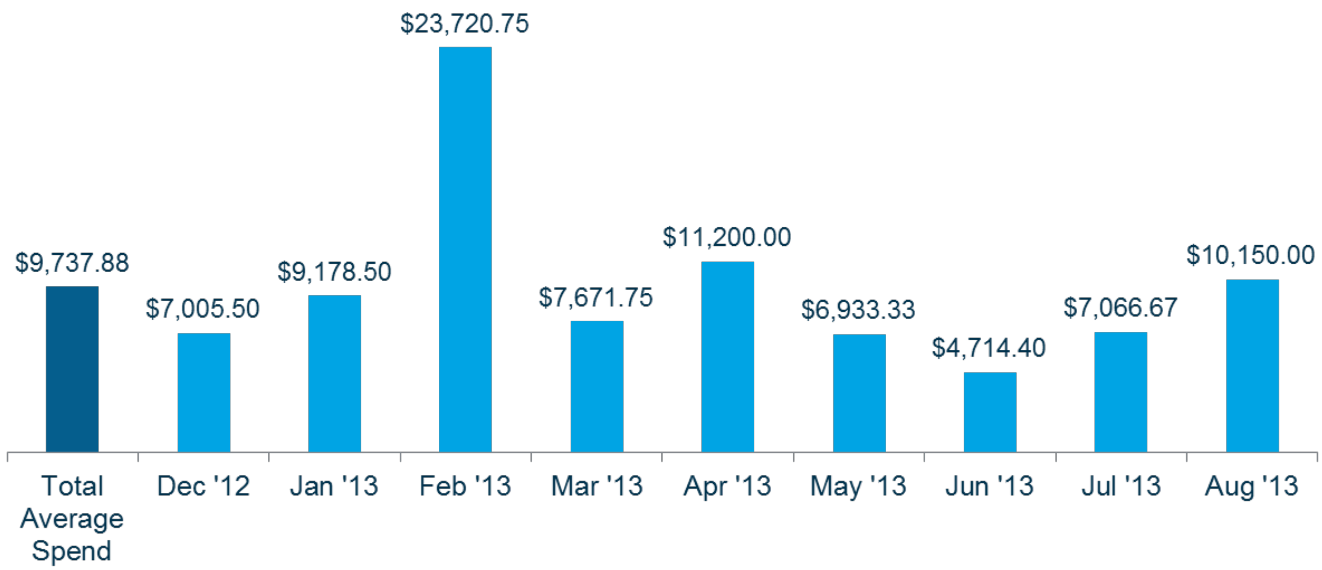
Figure 14: Truck setup cost



Base: All respondents (n=6)
Q3a. Could you please provide an estimate of how much it was to set up your food truck initially
Q3b. Please describe some of the ongoing costs that DO NOT include staff and food, for example, utilities, rent, petrol - and how much are they per year?

The Food Truck operators were also contributing to the businesses they were engaging with. While there was considerable variation in spend with these businesses over the year, the overall average (per month) was in excess of $9,000.

Figure 15: Average monthly spend with other businesses

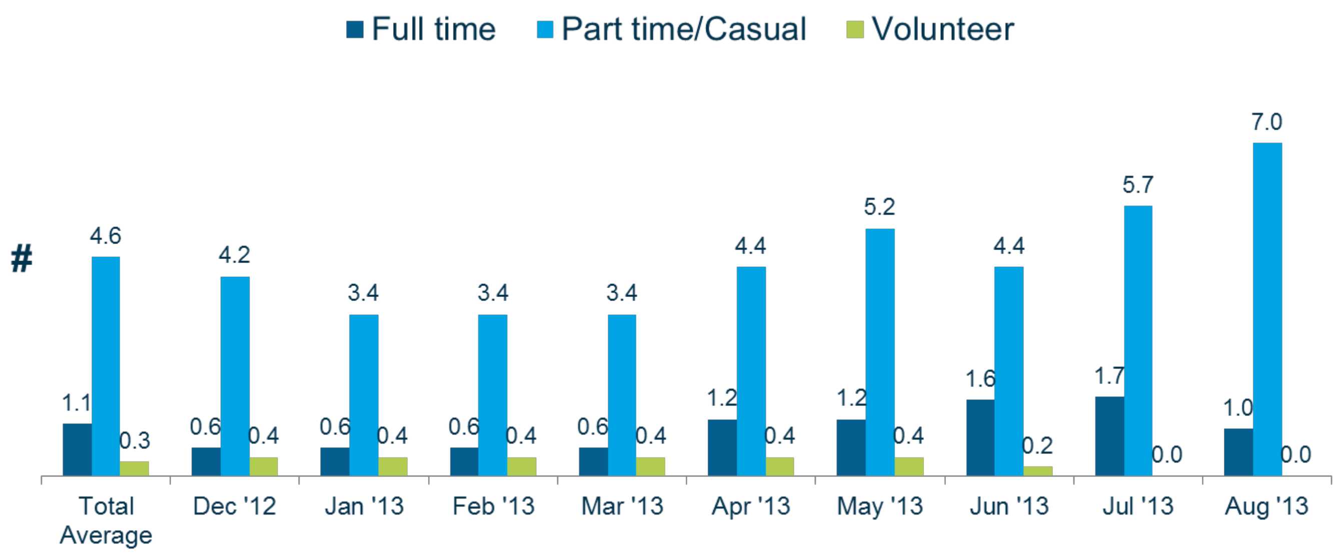


Base: All respondents: Dec-Apr (n=4), May (n=5), June (n=5), July (n=3), Aug (n=2)
Q2b. Please estimate the average spend with other businesses for your food truck in the previous months as listed below.

There has been a slight increase in the average number of staff employed since December 2012. Typically the Food Trucks were operating with one permanent staff member and four to five casual or part time employees. A small amount of volunteer work is also undertaken.

In addition, the average number of staff who reside in the Sydney LGA was 4.

Figure 16: Average number of staff employed - by month

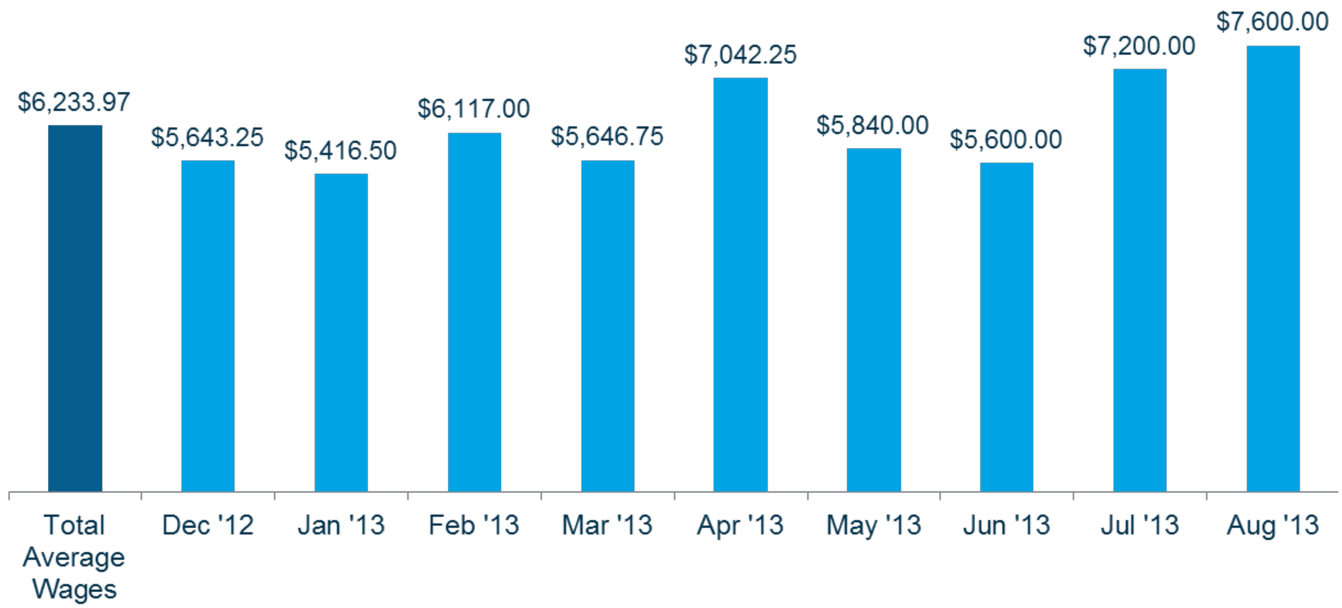


Base: All respondents: Dec-Apr (n=5), May (n=5), June (n=5), July (n=3), Aug (n=2)
Q3a. Please estimate the number of staff, including yourself, who operated out of your truck in the previous months as listed below.

i. Full time
ii. Part time/Casual
iii. Volunteer

The monthly cost of employee wages varied somewhat month to month, but the average monthly wage bill for these Food Truck operators was $6,233.97.

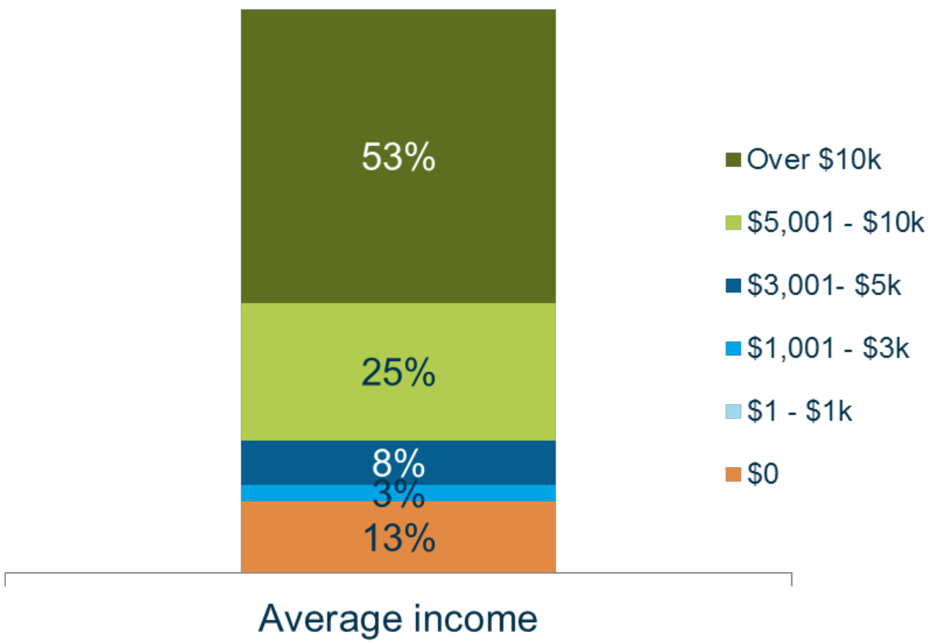
Figure 17: Average cost of employee wages - by month



Base: All respondents: Dec-Apr (n=4), May (n=5), June (n=5), July (n=3), Aug (n=2)
Q3b. Please estimate the average cost of wages for your food truck staff in the previous months as listed below.

The majority of Trucks indicated that they were turning over more than $10,000 per month.

Figure 18: Average turnover



Base: All respondents: Dec-Apr (n=4), May (n=5), June (n=5), July (n=3), Aug (n=2)
Q3b. Please indicate your turnover in the previous months as listed below.

4.1.4 Perceptions and Visitation of Existing Sites

Customs House, Sydney Park, Circular Quay and Belmore and Victoria Parks were reportedly working well as off-street DA locations. The operators indicated that the main reason for this was the amount of natural traffic flow in those areas. However, the lack of other food options in some areas also appears to have been a factor in perceived success of the location.

Table 8: DA sites working well

Location	Benefit
Customs House	"Lots of **night goers** staying around after work on Friday nights which makes it one of the busiest nights there." "**Continuous flow** of pedestrian traffic."
Sydney Park	"Strong during the warmer months as more people frequent the park."
Belmore Park and Victoria Park	"Work well because they have **high traffic** and limited options for people. Even on colder days we have done a reasonable trade at these locations."
Circular Quay	"A **lot of people transit** from/to buses, trains, ferries & taxis. There are also a few bars around and **people get hungry when they drink**."

Base: All respondents (n=6)
Q7a. Which off-street DA sites are working well and why?

There was a similar pattern with regards to on-street sites, with the number of residents close to Joynton Park a benefit.

Table 9: On-street sites working well

Location	Benefit
Joynton Park	"Joynton Park is quite good due to the **number of residents in the proximity**." "There are a lot of residential building surrounding the park and only 2-3 takeway food outlet for 10,000 to 20,000 people. The lack of café/restaurant and the high residential density **create the perfect food truck stop**."
Barangaroo	"There are a lot of offices and **very few places where people can buy affordable lunch** from."

Base: All respondents (n=6)
Q8a. Are there any on-street trading places that are working well, and why?

Hyde Park, Chapman Road and Queens Square were cited as off-street locations that were not working as well. Despite being in the 'working well' category, Sydney Park was also referenced as not working well by one operator.

The main issues with poorly performing DA sites was the assigned operating times, along with what were seen to be less obvious or defined locations.

Table 10: Issues with poorly performing DA sites

Location	Issue
Hyde Park	"Too **hidden**, bad times." "Trading time **too late** into the night."
Sydney Park	"Sydney Park at night is **too dark**." "The **site is quite hidden** from the main road with the trees and there **aren't many people passing** by during the lunch time."
Chapman Rd carpark	"Too **hidden**, low pedestrian traffic flow." "Because there is no **designated spot**." "Too difficult to find a parking."
Queens Square	"Lunch would be better." "High foot traffic at night but people usually **rush home and don't stop**."

Base: All respondents (n=6)
Q7b. Which off-street DA sites are not working so well and why?

Issues with on-street sites related to low foot traffic and people being unaware of Trucks trading at the locations.

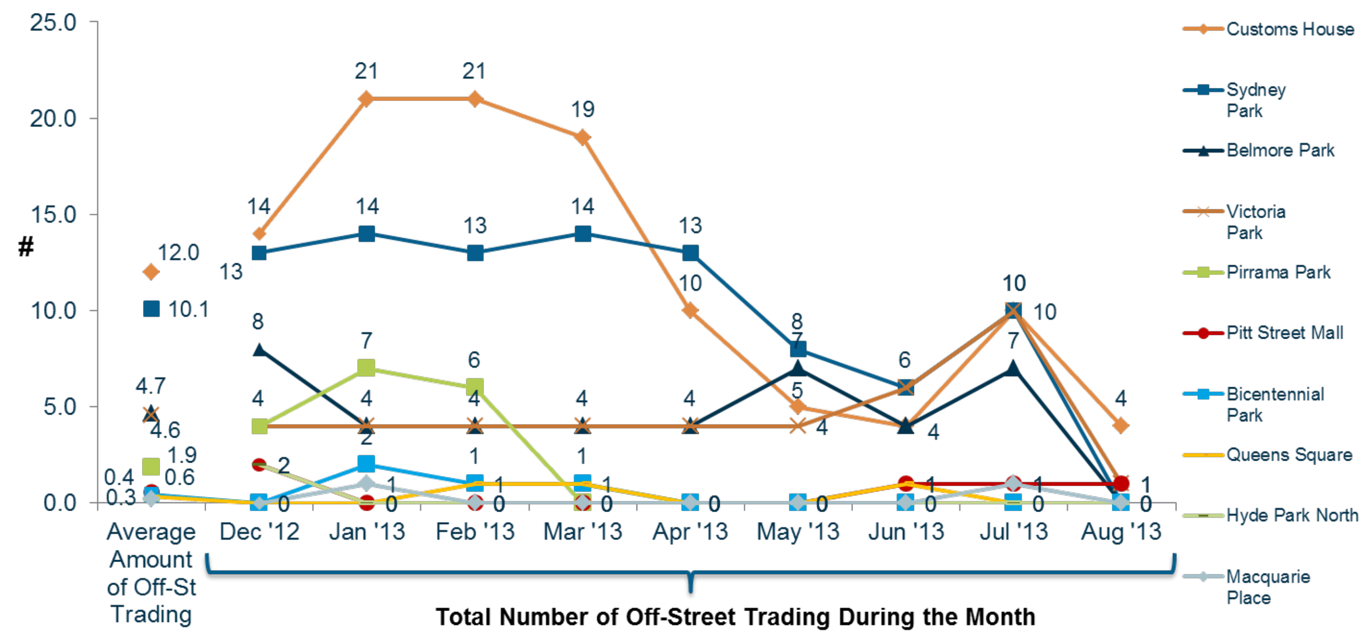
Table 11: Issues with poorly performing on-street sites

Location	Issue
Elizabeth St, nr Hyde Park	"People walking there are **not expecting to find a food outlet**, therefore most people walking pass are **not in the mood to buy food**." "Elizabeth St could become a landmark location for food trucks if at least 3 trucks were trading there on a regular basis. People are still not familiar with food trucks and this area has **not a high foot traffic**, therefore to become successful, **we would need to make it a destination** by having multiple trucks trading there."
Young St, Waterloo	"We traded at Young St, at Waterloo and there was **not much passing traffic**."

Base: All respondents (n=6)
Q8b. Are there any on-streets trading places that are not working, and why?

Customs House and Sydney Park were clearly the most popular off-street trading sites – being utilised some two to three times per week by these Food Truck operators.

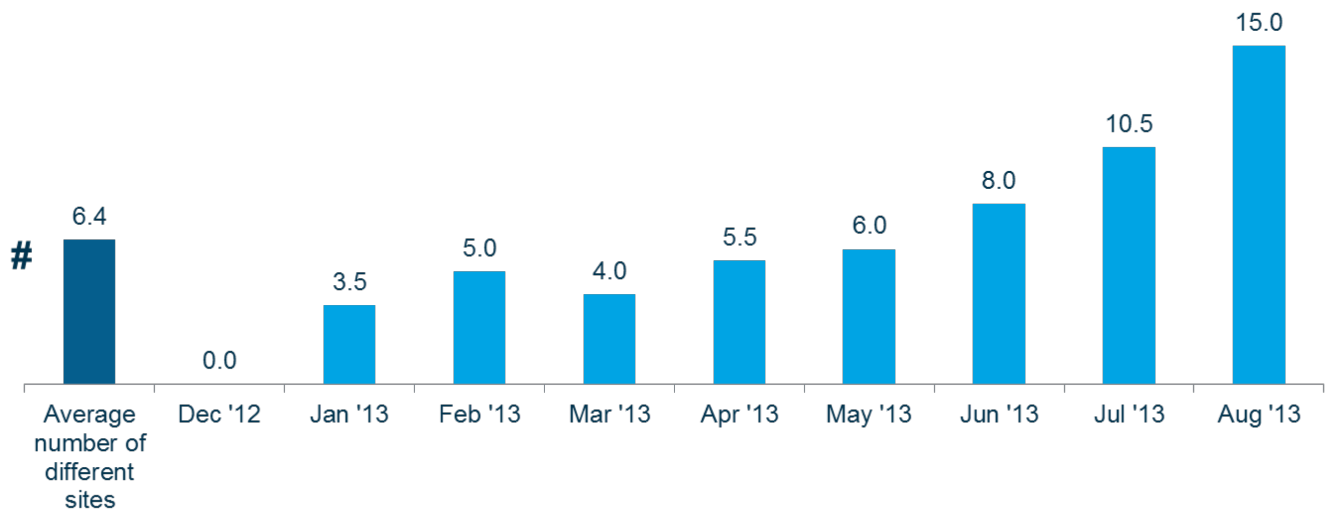
Figure 19: Average amount of off street trading - by location



Base: All respondents: Dec-Apr (n=4), May (n=5), June (n=3), July (n=3), Aug (n=2)
Q4a. Please indicate how many times you have traded at any/all of the below off-street sites in the previous months as listed below.

The average of on-street sites used per month shows that operators do have preferences for the repeat visitation of favourite sites, as on average just over six different sites were used by a Food Truck in a typical month. These sites included Marrickville, Alexandria, The Rocks, Surry Hills, CBD, Zetland, Barangaroo, Lane Cove, Redfern and Glebe.

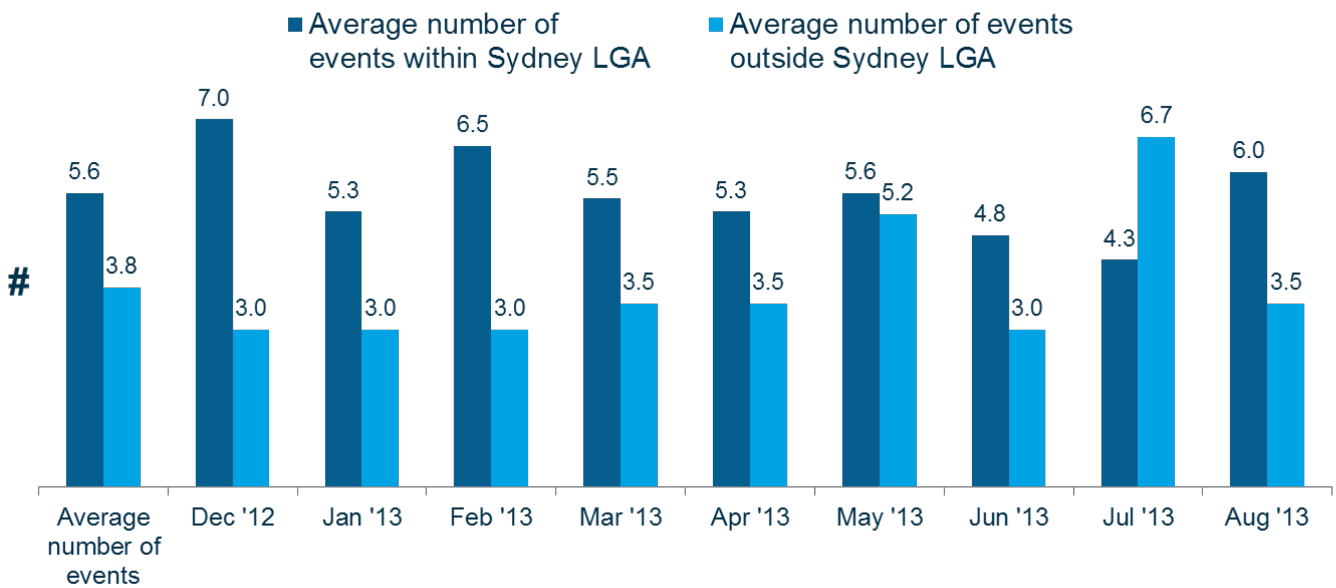
Figure 20: Average number of different sites



Base: All respondents: Dec-Apr (n=2), May (n=2), June (n=3), July (n=2), Aug (n=1)
Q5a. Please indicate the number of on-street sites you traded at (e.g., Hickson Road) in the previous months as listed below.

The majority of events that the Food Trucks traded at were held within the Sydney LGA. Again, there was variation by Food Truck, and by month, but on average operators traded at around six Sydney LGA events per month (compared to around four events outside the Sydney LGA).

Figure 21: Average number of events traded at - by month



Base: All respondents: Dec-Apr (n=4), May (n=5), June (n=5), July (n=.3), Aug (n=2)
Q6a. Please estimate the combined number of both private and public events you had traded at that were held WITHIN the City of Sydney council area in the previous months as listed below.
Q6b. Please estimate the combined number of both private and public events you had traded at that were held OUTSIDE the City of Sydney council area in the previous months as listed below.

While there was no single location nominated as the 'ideal' for Food Truck trading, there was a desire expressed for access to busier locations and times of the day. A few of the operators also felt that it was important to consider existing businesses in creating their 'ideal' location.

Suggestions included Wynyard Park, Angel Pl, Martin Pl, 55-63 Sussex St (loading zone, hardly used), Metcalfe Park, Pyrmont Bay Park, Oxford St on late night, Taylor Square, St Vincent Hospital (or nearby), Royal Prince Hospital (or nearby), Plaza between Market City and Sydney Entertainment Centre, Town Hall (near the Church), Park St.

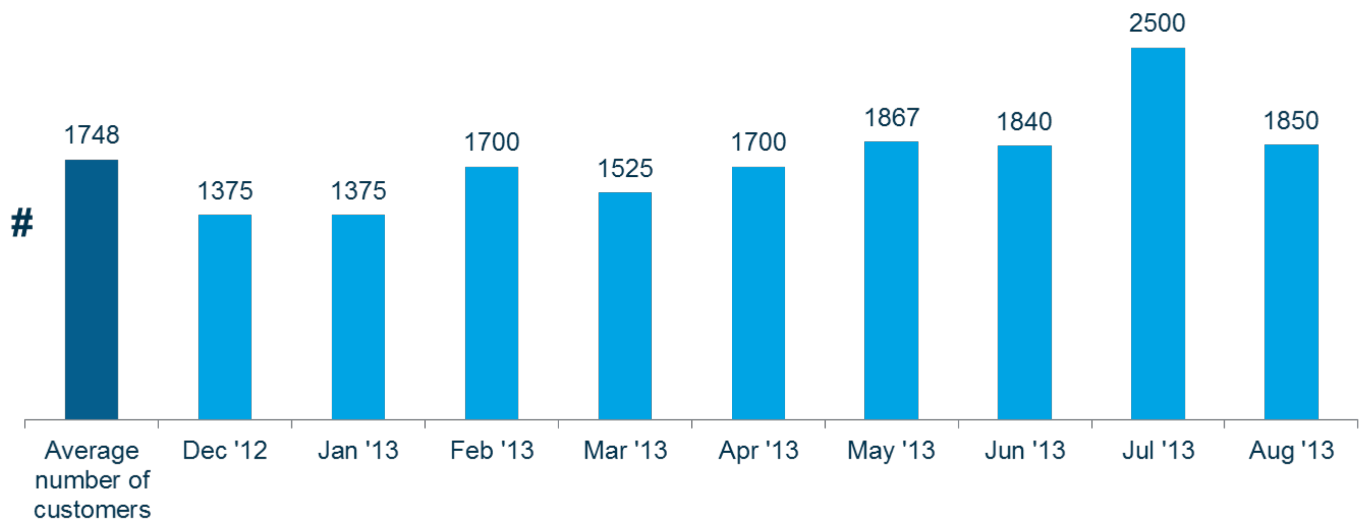
Table 12: Ideal trading site

Ideal Trading Site
"Closer to where the masses of people gather. Food trucks should exist as an **additional option to existing businesses,** and should complement those."
"It would be great to get into Newtown where there are lots of **early adopters and people willing to give a new thing a go**."
"One that we could be at the **same day and time every week**. This I believe is required to **build a loyal following**. A lack of consistency is our primary concern."
"Lunch trade at Queens Square, Martin Place, Pitt St, etc. **Lunch is the perfect time** for food truck style grab & go dining."
"**During business hours** would be a good start, keeping to a minimum distance to protect existing business."

Base: All respondents (n=6)
Q7c. What would be your ideal food truck trading site within the City of Sydney and why?

The average number of customers per Truck per month initially started at around 1,400, and grew in the months following this. While it peaked in July 2013 (at 2,500 customers per month), it fell away slightly after this. The average number was just over 1,700 per month.

Figure 22: Average number of customers - by month



Base: All respondents: Dec-Apr (n=4), May (n=5), June (n=5), July (n=3), Aug (n=2)
Q7a. Please estimate the number of people that visited your truck last in the previous months as listed below.

4.2 Qualitative Results

4.2.1 Overall Experience as a Food Truck Operator

Overall, Food Truck operators were very positive about the trial, but there were some consistent themes in the suggestions they put forward for potential improvement.

The Food Truck operators came from a diverse range of backgrounds - from previous experience running restaurants, to software engineering. Despite their varied backgrounds, many were inspired to be involved in what they described as a 'unique' and 'innovative' initiative that incorporated their love of food.

> *"My family were always involved in restaurants, and it seemed like the perfect opportunity to use that in a really novel way."*

> *"I'd been travelling in America and seen the vibrancy that Food Trucks had to offer in New York."*

When asked how their experience compared to their expectations, most expected the experience to be easier than it had actually been for them. They hadn't anticipated the restrictions on trading times and locations, and had hoped that the City would have been more flexible about this. One or two hadn't expected the workload to be as significant as it had been. A few had expected better profits from trading at DA sites and on-street, so had adjusted their plans and had chosen to trade more at special events which generally offered greater profits.

> *"I didn't have high expectations as it's just a young market. The number of people living in Sydney is much lower than in New York, and it took at least two years for it to kick off in Melbourne"*

While most had settled into what they described as 'consistent trading', they noted that Winter tended to be a more challenging time for trading.

> *"I suppose I thought that the City would let us just trade whenever, wherever. But it hasn't been like that at all."*

"I really hadn't anticipated the amount of time I would be spending working. Prep, cooking, driving, serving… it really adds up."

"We've ended up doing mostly events. The street trading just wasn't as profitable as we thought it might have been."

4.2.2 Impact of Food Trucks

Food Truck operators felt that their customer 'type' depended on the time of service; with lunchtimes attracting a corporate crowd, and night time service attracting a younger crowd in their 20s and 30s who had often been drinking. On the whole they felt they had a younger customer than the average restaurant/food establishment.

On first seeing the Food Trucks, operators indicated that their potential customers were generally curious, excited, and sometimes amazed to see them trading. Some even took photos of the Trucks (as well as their food), so that they could share the 'unique' experience with others.

The Food Trucks themselves were described as "another skin to the city" – an added point of interest, entertainment, convenience and also enjoyment.

Their ability to trade in an area without the need for extensive setup and pack-up was seen as a considerable benefit, particularly for event organisers, as it meant they were an easy option for event food.

They were thought to have activated particular areas, creating an atmosphere where they traded, and providing a reason for people to enjoy parks and areas that were previously underused.

"We're bringing people to the area then these people go on to further contribute to the City of Sydney economy, like clubs and bars"

"Sometimes drunk rowdy people will walk past us in a park and don't have enough money so we just feed them for what they have – giving food to drunk people changes them, there is a heart for the community even though this is a for profit organisation"

“Some locations are better activated than others... like Sydney Park in St Peters – it’s good for people getting food on their way home, especially because it’s near a train station”

“Especially with the app, we bring more people to the area”

The Trucks were also generally felt to contribute to safety in the area in which they operated – to the extent that one described them as a “beacon” of safety.

They provided what they believed was a much needed quality food option, particularly late at night. This was seen as particularly noteworthy for their customers who were shift worker e.g. police, firemen, taxi drivers etc.

There were many benefits seen to the DA sites. They were a guarantee of being able to park the truck, they were often at popular locations with significant foot traffic, and they enabled the Trucks to build a following by regularly trading in the same location. Operators described the effect of not being able to trade at off-street sites as ‘devastating to their business’.

Operators had noticed some level of activation of space, mainly while the trucks were trading. Areas were seen to be revitalised and more vibrant and lively, particularly the areas they traded in outside the CBD.

There were very few instances of anti-social behaviour noted during trading. In the rare instances where they did occur, they were dealt with by operators by informing nearby security/authorities where possible and not engaging with the offending person.

Operators said they mostly felt safe themselves when trading, and some had educated their staff on how to keep themselves safe at all times. To this end late night trading was considered to be the least safe time for them to trade.

“We had people shaking our vehicle and being stupid... it’s not worth it so we haven’t returned [to Belmore Park]”

“Not us, but I’ve heard of homeless people throwing things at a truck when they wouldn’t give them free food in Belmore Park.”

Operators tended to be conscious of but somewhat unsympathetic toward other business owners who felt their businesses were being impacted by the Food Trucks. They believed that they offered genuinely healthy food, and as such were fair competition - not taking customers 'unfairly'. In fact, many felt that the 50m exclusion rule was overly prohibitive.

> *"If people want to sit down and eat at a café/restaurant then they will. We're offering a healthy take-away option. And anyway – we're bringing more people to the area."*

4.2.3 Specific Location Feedback

Operators preferred to trade at Customs House for the sheer number of people in transit in the area.

Redfern and Belmore Park were the least preferred areas to trade in, as they tended to have fewer people passing and therefore felt less safe. Belmore Park reportedly had few customers due to the number of homeless people present in the park.

Some operators indicated that their Food Truck was trading outside the LGA regularly, and they attended numerous events across Sydney. However, others suggested that they traded solely within the Sydney LGA.

Some trucks had also established 'bricks and mortar' businesses, and amongst those who hadn't done so, there was a definite interest displayed in doing so in the future.

There was also some frustration expressed amongst operators regarding the rule preventing Food Trucks from trading together. Some operators strongly felt that this was overly prohibitive, and the concept of multiple Trucks trading together would be a real attraction for many customers, and offered a greater degree of safety for potential customers.

> *"There's been some improvements already with the DA sites – now we can park together.... it's always improving."*

4.2.4 Relationship with the City of Sydney

Feedback regarding the City's Food Truck team was extremely positive, with operators particularly happy with the clear, open lines of communication that they had with the City, and the general enthusiasm of the team that they dealt with.

However, the advice given to them by the Food Truck team during the set-up period was not seen as particularly helpful, as the staff were only learning about Food Trucks and the initiative themselves, and as such were unable to provide insights that may have been of assistance. They were not seen as particularly 'in touch' with the fine detail of the processes involved with the set-up and operation of a Food Truck – simply because it was a new initiative.

> *"It's hard because we're all new – it's just about trial and error"*

Even so, operators felt that it would be hard for the Food Truck team to give any further specific advice initially - although a few suggested that they could inform operators about the difficulties that Food Trucks may face with parking.

The City's Food Truck Project Managers were spoken of very highly, with operators very satisfied with their helpfulness and ease of communication.

Operators thought it would be ideal if the Project Manager role remained within the City, as they had found it very helpful to have a full-time contact to field questions, and provide assistance and direction to them. Some felt that a full-time role would be less of a necessity once the policy and regulations are finalized, and the final structure of the Food Trucks initiative was in place.

The regular meetings run by the Project Manager were seen as helpful by most operators. They felt it was useful in terms of being kept up to date, and that the meetings were well thought out. Operators greatly appreciated having Police, social media experts, etc. brought in to give advice about successfully managing a Food Truck.

While they were extremely satisfied with their dealings with the Project Manager, they thought it would be ideal to have more help with trading locations, particularly for the daytime. One or two suggested that there were underused areas in the LGA that could be used for trading e.g. underused taxi ranks and loading zones. Another suggestion was for extra promotion of the Trucks.

“Since Food Trucks started, I think it was prematurely exposed when we weren’t all ready, meaning a lot of promotion was lost. Another big promotional launch would be beneficial.”

Other City of Sydney staff were viewed slightly less positively than the Food Truck team. Generally they were perceived to lack a good understanding of Food Trucks and the rules and regulations surrounding them.

There was a perception that Health and Building staff did not fully understand the regulations relating to Food Trucks, or how they differed from fixed premises. While not all had issues in this regard, one or two described them as being somewhat ‘argumentative’, and ‘difficult to communicate with’.

“But they are accommodating... if you do something incorrectly they will give you adequate time and leniency to fix things”

Rangers were seen to be reasonably friendly, but again there had been issues with some not being aware of Food Truck regulations. There was a slight communication issue with regards to trading in Pitt St Mall for example, as Rangers required an hour’s notice to provide access to the mall. One or two operators felt that this was excessive as it was difficult to plan their exact arrival time, making it difficult to trade in this location.

Most operators had little involvement with Security Management, but those who had considered them easy to deal with, and had not had any issues with them.

It was suggested that relationships with the City would be improved by better education of relevant departments regarding the regulations and allowances of Food Trucks.

“We need to form an Association so that we have one strong voice... but we’re all just so busy”

Most operators indicated that their Trucks had traded at special events in an effort to increase the potential of their business, and some were beginning to develop relationships with these events, which they enjoyed trading at.

In relation to other efforts made to boost business profiles, a few operators were surprised that their initiatives had not been as beneficial as they had hoped. They expected to get a boost from social media followers for example, but indicated that this had not eventuated.

Operators tended to have informal relationships with one another, which was helped by the regular meetings. This was seen as beneficial, as Trucks were recommending each other for events, and there was a sense of comradery between them.

4.2.5 Economic Data

Costs for setting up and running Food Trucks varied between Trucks, as did turnover and staff numbers. Setup tended to be around $100-150K, and weekly operating costs were said to be between $1K and $5K. Staff numbers reportedly varied from 3 or 4 to 27, although they were generally very low.

Most operators indicated that they were on target with their business plan, with a few even exceeding their expectations. Turnover varied greatly, from $5K to over $10K per week. Weather was also said to have some impact on turnover, however special events were the biggest cause of variation. Some trucks didn't trade at all if it was raining, while others had established a regular trading schedule and traded regardless of the weather.

Maintenance issues and breakdowns were a cause of significant disruption to trading. Some had been towed, jump started, or had assistance from NRMA Roadside Assistance. As a result of a generator breakdown, a few had been unable to trade for days on end while the issue was fixed. Some had also closed during an event or had to cancel events because of these type of maintenance issues.

The Food Trucks business model was considered to be sustainable, although it was noted that hard work was required to ensure this. Operators felt that given their self-contained nature, Trucks were very versatile and able to move or change if trading conditions were bad.

5. City Staff and External Stakeholder Feedback

5.1 General Perceptions of Food Trucks

City of Sydney staff and external stakeholders generally believed the Food Trucks initiative to be a positive one, describing the Trucks as an ‘interesting’, ‘unique’ and even ‘excellent’ idea. The fact that the initiative was started as a trial was appreciated by some, as they felt it gave the City the chance to ‘get it right’.

Food Trucks were thought to add a real benefit in delivering quality late night food options, and a fast, effective solution for events.

> *“It’s really ideal for event organisers. They drive in, they feed everyone and they drive out. No mess, no clean up, no set up. Easy.”*

Food Trucks were thought to appeal to a broad range of markets, dependent on the time of day. Business hours were felt to attract workers on their lunch breaks, as well as tourists in surrounding areas, while evening hours were seen to cater for those finishing work late, and late night drinkers (usually young) on their way home. It was felt that local inner city residents could also make use of the Trucks at their convenience.

> *“They’ve got it good... they can move in and take advantage of a moving market”*

Due to the social media focus of the Trucks, some felt that loyal followers were more likely to be young people. It was felt that these markets were the early adopters, and that over time the market would grow and diversify.

> *“I think the fact that they advertise on Twitter skews their market towards younger people.”*

> *“Young people are always a bit more keen to go to new and different things like these.”*

5.2 Benefits and Drawbacks

The Trucks were thought to be an added attraction for the City, and were felt to bring variety and diversity to the City. They were described as visually appealing, and having good quality food.

"It offers diversity to the community as well as good quality – not like a dagwood dog"

A noted difference between the Trucks and other food service providers was their mobility, which was seen to allow them to provide a service when and where it is most needed within the City e.g. at special events.

There was also a perceived financial benefit to the Trucks, with many feeling that more people and therefore more business would be attracted to the City as a result of the Trucks.

They were felt to contribute to the community by engaging with the public. Most felt that the Trucks had addressed, or were on their way to addressing the community's calls for more accessible, affordable, diverse food options. However, a few participants thought there needed to be more Trucks in order to ensure they were accessible to more of the community. A few also felt the Trucks weren't especially affordable, particularly compared with fast food outlets.

There were mixed feelings as to whether there had been any 'activation' of spaces as a result of the Trucks' presence. A few hadn't noticed any change, noting that the areas where the Trucks tended to trade the most were already busy areas. However, most felt there was at least a temporary change while the Trucks operated – though one or two felt that this change extended past the times the Trucks were in operation (i.e. as the space became known to contain people even if the Truck wasn't there). Those who thought there had been a change thought that the areas were now more vibrant and safe.

The change was said to be more noticeable for the DA sites, where many thought that the Trucks created an event-like atmosphere. While they hadn't noted any direct correlations, Police felt that the Trucks would provide a safety benefit in increasing passive surveillance. They also indicated that there was a safety benefit in lowering the concentration of late night crowds in fast food restaurants, which tend to be hotspots for crime. The lack of seating at Food Trucks was also seen as a safety benefit, as it meant less loitering late at night, which some believed led to crime.

There had been a number of complaints from other businesses who felt that the Trucks were impacting on their normal catchment areas. There were mixed reactions to these complaints. Some felt they were justified, particularly external stakeholders, while others felt that they were just 'healthy competition' and that the complaints weren't warranted, and most agreed that initial concern held by other businesses had tended to dissipate. Even so, one external stakeholder felt they had an obligation to restrict competition for their current 'tenants', and as such had not allowed the Trucks to trade in their area.

> *"It's healthy competition"*
>
> *"This area is a captive market so I'd prefer not to have them here – maybe if they had a certain window of timings..."*

There were no traffic issues reported by any departments or external stakeholders. The City Infrastructure and Traffic Operations department indicated that this was because they have only been allowed to trade in areas where their impact on traffic would be minimal.

For most departments and external stakeholders, the initiative hadn't created a great deal of extra work. When the trial first began, most had an initial period of slightly increased work (as they 'got up to speed with the initiative'), but this had not been ongoing for them.

For Public Health, a new process was developed because the existing code wasn't robust enough to cover Food Trucks. It was estimated that this had taken the equivalent of half a full time employee's workload.

For City Rangers, there was some extra work in providing access to Pitt St Mall, but this was said to be minor.

Waste Management had slightly more work when fat or oil stains were left at DA sites. Approximately 2 hours' worth of work were spent removing each stain.

All departments and external stakeholders were satisfied that their regulations now effectively cover Food Trucks (although some had already altered theirs to ensure this).

5.3 Operator Compliance and Management

Awareness of any safety issues or complaints involving Food Trucks was minimal, and of the incidents that participants knew of, they were said to be very minor – for example, it was reported that homeless people initially mistook a Food Truck for a free food van. Other minor incidences included driving safely in off street locations, a report of suspected food poisoning, as well as minor noise and lighting issues.

Each of these were reportedly addressed and managed internally in educational meetings with operators. In the case of the suspected food poisoning, an action manager was appointed, but no further cases of illness had eventuated.

The key areas that Truck operators were seen to have difficulty with were marketing and waste management. A few of the participants felt that marketing would be a difficult task for the operators, since most Trucks did not have fixed premises, and it was difficult for them to establish a following due to their forever changing schedule.

Waste management was identified as an issue by a small number of departments. They felt that operators needed to understand that they were responsible for their customers' waste, even after the customer had left the vicinity of the Truck. They did, however, note that this had improved over the course of the trial period.

One or two felt that the most difficult area for operators was dealing with the Council paperwork and processes.

On the whole, the Truck operators were seen to be very compliant with regulations. On occasions where they weren't compliant, this was extremely easy to communicate to operators, who were generally seen to be enthusiastic and open to suggestions for improvement. Again, it was appreciated that the Food Trucks Project Manager was available for discussion regarding non-compliance.

Most felt that the Food Truck business model was sustainable, as long as it remained a unique, innovative offering. While it was appreciated, a few of the stakeholders were skeptical that operators were making much profit, so wondered if it were actually sustainable.

"They should keep it capped at 12-15 trucks so it's exclusive"

5.4 Relationship with Truck Operators

There was a large variance in the amount of communication that took place between the different type of City of Sydney staff and the different Food Truck operators, however all staff who had communicated with operators at some point agreed that they were easy to get in contact with, and were generally polite, professional and easy to deal with.

It was greatly appreciated that there was a dedicated Project Manager at the City who could be contacted to discuss any issues regarding Food Trucks. This was felt to make communication particularly easy.

There were consistent suggestions that the City needed to provide more detailed and clear information in their continued support of the Food Trucks initiative. This included trade operations, events trading (especially for private functions), and even third party sponsors (e.g. the Masterchef association).

> *"More communication would be beneficial for both of us... we could offer them advice on industrial relations and gold licensing for accreditation which would cut out the 'backyard caterers' from the rest."*

5.5 Regulation and Internal Processes

There were a number of perceived difficulties in setting up the trial. The processing of applications was reportedly quite a challenge - including dealing with regulations surrounding DA's and restrictions on operating hours. Educating operators about regulations, including where they are allowed to set up, operating hours, etc. was also thought to pose a challenge.

Once the Trucks were trading, there was also a minor issue with community perceptions; both in terms of business owners not wanting Food Trucks in their catchment areas (due to the increased competition that they posed), and also from residential some communities who were concerned that the Trucks would attract 'drunk' people to their suburbs.

Additionally there had been some challenge in identifying appropriate trading locations - areas where there was enough footpath area, away from fixed food vendors, not clashing with other events (e.g. free food for the homeless), and not in high impact traffic areas.

However, most of these challenges were said to have been resolved, (or in the process of being resolved). However, some thought that challenges such as community perceptions could take time to overcome as the trial was only in its early stages.

The future of the initiative was also felt to come with its own challenges. Many felt that maintaining the quality and uniqueness of Food Trucks was a major challenge, particularly if many other Trucks were allowed to trade. It was felt that limiting the number of Trucks, as well as continued involvement from the City would ensure that the quality of the Trucks was maintained.

There were also questions over the sustainability of the business model, with some participants unsure whether Truck operators had enough experience and initiative to carry on a profitable business without help from the City. It was believed that more marketing needed to be carried out to provide support and awareness to the Food Truck initiative so that the operators could continue on without direct assistance from the City.

Some were concerned that Truck operators were trying very hard to comply with regulations during the trial period to ensure its success, but wondered if they would be less willing to comply with regulations once the pressure of the trial period had passed. Penalties for non-compliance were a suggested solution to this potential challenge.

Involvement with the program into the future varied between City departments. Many believed their level of engagement would remain stable into the future or possibly decrease over time. Departments such as Planning Assessment and the Events Unit felt that their heavy involvement would be crucial to sustaining usage of Food Trucks at events, until changes were made to legislation that made application processes simpler.

Given the opportunity, most stakeholders indicated that they would not change anything about the initiative. Those who had a suggestion for change suggested broadening the initiative to include other council areas in Sydney, increasing the number of Trucks, more accountability for how the trading area is left after service, and applying an adhesive contact to the ground underneath the truck to prevent staining from oils and fats. Police would also like to have further involvement with truck operators, to establish a connection so that operators know where to go for help and feel comfortable in doing so.

6. Summary and Conclusions

Overall, feedback regarding the Food Truck initiative was very positive, from operators, City of Sydney staff, external stakeholders and customers.

6.1 Trucks

There appears to have been a new Food Truck market created as a result of the trial. This is evident in the customers' report of where they would have eaten if the Truck hadn't been trading. A total of 37% would not have purchased food from another food outlet (34% would have eaten at home and 3% wouldn't have eaten at all).

From all reports, this Food Truck market is a relatively younger crowd. Two-thirds of customers indicated that they were under the age of 35 (67%), and operators, City staff and external stakeholders also considered this to be the case. It was felt that while younger people had been the early adopters of the initiative, others would 'catch on' as it continued, and so the current market was thought to have the potential to expand considerably.

The Food Trucks were also seen to contribute a unique, quality food option for the community, as well as generating financial benefits for the LGA.

The Truck operators' relationship with the City was very positive overall, however there appears to be some room for improvement in further educating front line staff with the rules and regulations that apply to the Trucks (as opposed to regulations relevant to other food operators).

6.2 Place

There were mixed reactions regarding perceptions of activation of spaces, however it appears that there has been some low level activation to date. The change is most notable in DA sites, and was more often than not considered a temporary change (i.e. not occurring past the trading time of any individual Truck).

However, the Trucks were certainly felt to have brought vibrancy to the areas in which they trade, providing a reason for people to enjoy parks and areas that may previously have been underused. In fact, 44% of customers indicated that they travelled specifically to the location or nearby area to eat at the Truck, and 92% felt that the presence of Food Trucks in the area made it feel more welcoming.

There also appear to have been some safety benefits, with Police believing that the Trucks had had a positive impact on some locations, particularly late at night. Additionally, 72% of customers felt that the presence of the Trucks made the area feel safer.

There were very few negative impacts as a result of the Trucks. Some local businesses felt that the Trucks were impacting on their normal catchment areas, although there were mixed reactions to these complaints, with many other stakeholders feeling they were unjustified as the Trucks are just 'healthy competition'.

6.3 People

Overwhelmingly, there was support for the Trucks amongst City staff, external stakeholders, customers and operators. 98% of customers supported the Food Truck initiative, and they gave the Trucks very high scores in terms of convenience, quality and affordability (means of 8.8, 8.5 and 7.4 out of 10 respectively).

Most City staff, external stakeholders and operators felt that the Food Trucks had addressed, or were on their way to addressing the community's calls for more accessible, affordable, diverse food options. However, a few participants thought there needed to be more Trucks in order to ensure they were accessible to more of the community. A few participants also felt the Trucks weren't especially affordable, though only in relation to the offerings at some fast food outlets.