

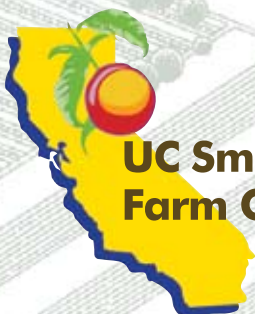
# Growing Your Farmers Market



Desmond Jolly, Editor

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3



**UC Small  
Farm Center**

# The Farmers Market Management Series • Volume 3

## Growing Your Farmers Market

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# Introduction and Overview

**W**hether you are a manager or member of the board of directors for a farmers market, and whether your market is new or established, if development and growth are among your goals for your market, this guide is for you. The purpose of this book is to help you grow your farmers market so that it fulfills its potential to benefit farmers/vendors, customers, and your community. Farmers markets grow and develop best under the leadership of managers and boards who are aware of the competitive environment and able to use it to the market's advantage. That means reviewing the market's mission and assessing its effectiveness, gauging how well the market is meeting the needs of its target clientele, and assessing its position relative to competitors such as supermarkets. It also means using the results of such assessment to improve the market's revenues by adding products that appeal to existing customers so that they may make more purchases at the market or by appealing to a larger number of customers or both.

**This chapter will enable you to:**

- ▶ **Understand the history, roles, and position of farmers markets in the food system.**
- ▶ **Understand the steps involved in strategic marketing of your farmers market.**

## Farmers Markets and Communities—Past and Present

Trading and food markets are probably as old as agriculture itself, likely developing in ancient Mesopotamian and Nile Valley civilizations. From the colonial era to the present, marketplaces have been an integral part of the social life and sense of community of many towns and cities in the United States, as well as a source of fresh food. Since the advent of the industrial age, farmers markets have experienced varying levels of popularity. Their role as a source of fresh produce declined through much of the twentieth century as suburbs and supermarkets gained in popularity, but they have recently seen a resurgence of interest and loyalty among consumers committed to supporting local farmers and interested in buying the freshest, highest-quality produce available. Consumer awareness of the benefits of farmers markets stems in large part from the efforts of small-scale farmers and their advocates to establish channels through which farmers can sell their produce directly to local consumers. Such efforts have been so effective that farmers markets have come to be seen by city planners and economic developers as an instrument of downtown and urban revitalization, drawing affluent consumers

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into city neighborhoods. For many community activists, farmers markets are of greatest benefit as a source of affordable nutritious fruits and vegetables for neighborhoods and populations with restricted access to supermarkets.

For a broad view of the varied positive roles of farmers markets, consider three of the farmers markets in San Francisco: the Ferry Plaza, UN Plaza, and Alemany farmers markets.

The Ferry Plaza farmers market is the most upscale of the markets and is specifically targeted at upper-middle-class San Franciscans as well as tourists visiting the city. Most of its growers are organic farmers so the product quality and prices are generally higher than most other competitors in the area. In addition to produce, it offers specialty products such as olives, olive oil, breads, pastries, fish, lamb, cheese, pasta, and other gourmet items. Displays are well designed and colorful.

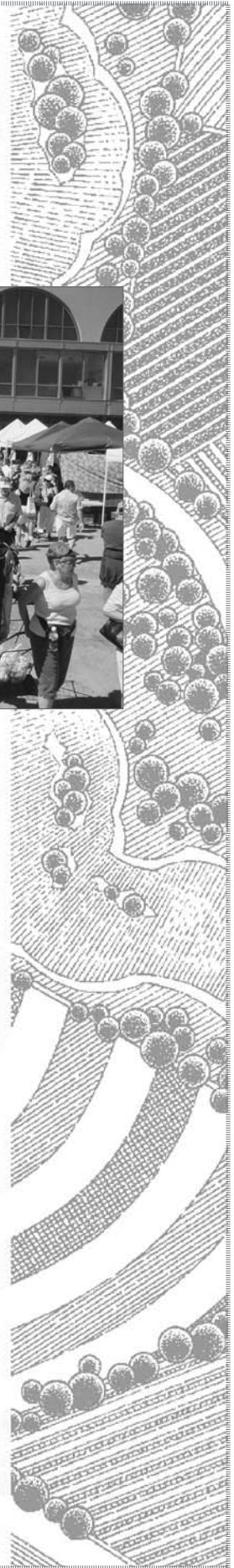
Operating from the early spring months through late fall, the market also offers a variety of dishes prepared by local upscale restaurants. This market occupies a special place in the minds and shopping experiences of local consumers. People do not simply go there to buy food. They go to purchase high-quality specialty products and to enjoy the unique experience and ambience of the marketplace.

The UN Plaza Market caters to the Asian community, reflecting the ethnic communities that most densely populate the surrounding neighborhoods. This is a wonderful place to come to if you are looking for bok choy, long beans, lemon grass, winter melon, and other ingredients specific to Thai, Chinese, Vietnamese, Cambodian, and Laotian dishes. There is a wide selection of affordable, standard-quality produce. The consumers that frequent this marketplace do so to buy needed produce for the week and head home. Aesthetically, it is not as attractive as the Ferry Plaza market. Produce is displayed in large, undistinguished boxes and customers sort through the piles to choose what they want.

The Alemany market is the oldest of the San Francisco Bay Area farmers markets and caters to a variety of different market segments. This market has been in business for almost fifty years. It features both organic and conventionally grown fresh produce, dried fruit, nuts, herbs, eggs, jam, and fish. As this market caters to low-



San Francisco's Ferry Plaza farmers market.





and middle-income customers, quality is moderate to very good and products are moderately priced.

Each of these markets has a different mission and customer base, and each occupies a different position in the market. To grow, each would have to employ different strategies. No matter what strategies are used to grow a market, though, the process follows a common set of steps that are important to know.

## What is Strategic Marketing and Why Is It Important?

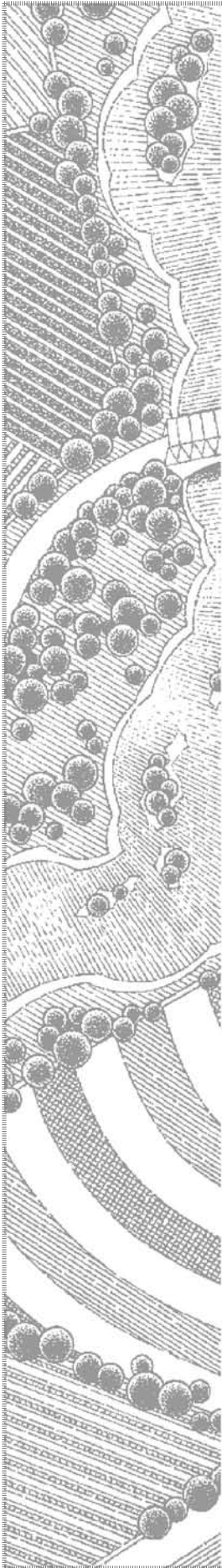
Farmers markets, whatever their mission and position at any point in time, exist within a larger neighborhood, community, and set of social and economic conditions, all of which change constantly. Strategic marketing, done well, allows the market to maintain and even increase its revenue consistent with the market's vision and mission. If managers and boards do not employ strategic marketing, they may find their market floundering as a result of failing to anticipate or keep pace with changes in its environment.

When farmers markets got their start in the United States in colonial days, there was no real competition. Markets were the only source of fresh produce for people who did not grow their own. With the ascendancy of supermarkets, farmers markets had real competition for customers and many were not prepared. Many farmers markets ceased to exist in the era of supermarkets' greatest growth. In the last thirty years, farmers markets have carved out several niches in the market for food, but supermarkets and specialty food retailers, with their large budgets for marketing, advertising, and promotion, are constantly adapting to gain loyalty and ever larger shares of consumer income. Most recently, globalization of specialty produce has led to the availability of fruits and vegetables, both standard and exotic, year round. When consumers do not have to wait until summer for fresh raspberries, farmers who grow raspberries to sell at a farmers market are at a disadvantage unless they can carve out a market position that preserves their place in customers' hearts—and budgets.

## Steps Involved in Strategic Marketing and Growth

Strategic marketing involves some common procedures. To create and implement an effective marketing plan, the manager and board of directors will need to:

- Review and, if necessary, revise the market's vision and mission.
- Gauge the extent to which the market is fulfilling its mission by collecting data from vendors, customers, and other stakeholders.



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- Assess the competition by collecting and analyzing data from competitors.
- Determine goals and priorities to better achieve the market's mission and increase revenue.
- Develop a set of strategies such as promotions, special events, product development, and changes in quality and pricing to meet the market's goals and priorities.
- Implement the established strategies.
- Monitor, evaluate, and make necessary changes.



When viewed as a list, this looks like a straightforward process with a clear beginning and end; in fact, it should be an ongoing, continuous quality-improvement process that becomes a way of doing business and in which each cycle leads to further improvement. While the manager has primary responsibility for implementing plans for strategic marketing and growth, the board of directors should take an active leadership role in working with the manager to create a strategic marketing plan.

### Summary

This guide is designed to help managers and boards of directors work through a sequential process of strategic marketing. Each chapter deals with a component of strategic marketing—by working through this book chapter by chapter, farmers market management will learn to create and implement a strategic marketing plan. However, this book is not intended as a one-time exercise. The effectiveness and success of managers, vendors, and farmers markets depends on continuous development and application of research, knowledge, and skill. The skills you develop as you work through this book should be honed and built through regular practice researching market trends, establishing priorities, setting goals, and choosing, implementing, and evaluating strategies to improve your market.

