

THE EXPERIENCES AND VIEWS OF IOWA FARMERS' MARKET VENDORS*: SUMMARY OF RESEARCH FINDINGS

Introduction

Retail farmers' markets are becoming more popular with both producers and consumers in Iowa. In the 2000 growing season, more than 120 markets operated in 73 Iowa counties. Farmers' markets are known to be excellent sources of locally grown fresh produce. They play an important role in household livelihoods, local economic development, and building community. To investigate these issues, Iowa State University's Department of Sociology has undertaken a three year action-research project titled "Retail Farmers' Markets and Rural Development: Entrepreneurship, Incubation and Job Creation." This report presents some highlights from a 1999 survey of Iowa farmers' market vendors.

Reasons for Selling at Farmers' Markets

Two hundred twenty-three Iowa farmers' market vendors* were asked to rate the importance of reasons for selling at farmers' markets. More than 90 percent reported that "satisfaction from providing high quality products" was important. Sixty-five percent or more of the vendors rated six additional reasons as having "much" or "very much" importance (Figure 1). Making extra money and contributing to the local economy were reported as important. However, providing access to fresh produce, interacting with people at the market and talking about local agriculture were ranked higher.

Figure 1. Reasons for selling at farmers' markets.

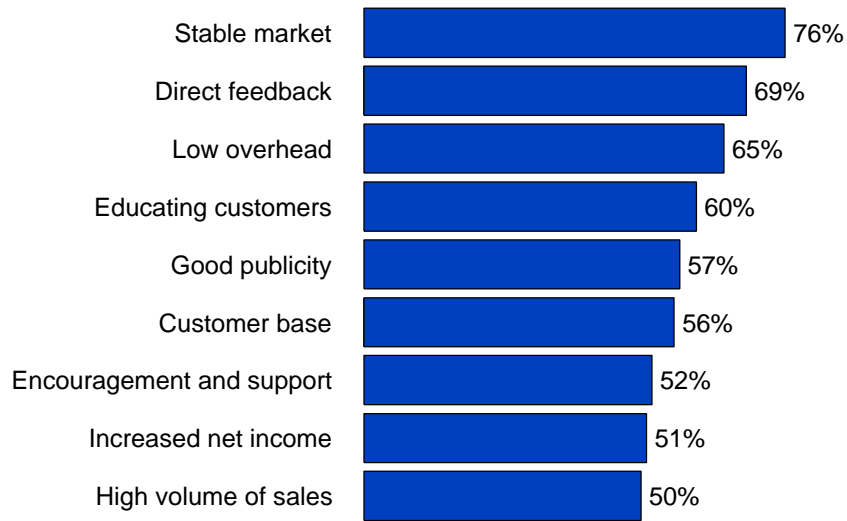


Percentage responding "much" or "very much" importance.

Benefits of Selling at Farmers' Markets

Farmers' markets provide particular benefits to vendors with small or seasonal enterprises. When vendors were asked to indicate on a scale from 1 ("a little") to 4 ("very much") the amount of benefit farmers' markets provide to them, more than 3 of every 4 indicated "a stable market for established products" as the greatest benefit. This was followed by "direct feedback from customers," and "low overhead costs" (Figure 2).

Figure 2. Benefits of selling at farmers' markets.

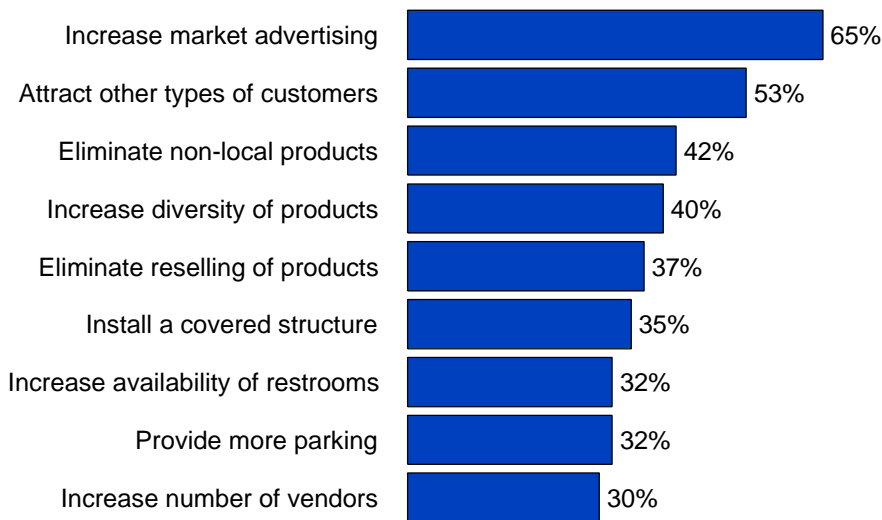


Percentage responding "much" or "very much" benefit.

Need Changes for Improvement

Two-thirds of the vendors thought that increased market advertising and publicity would be the most important improvement their farmers' market could undertake. More than half of the vendors reported that attracting other types of customers would be helpful, suggesting the need for a more diverse customer base. Other popular potential changes involved paying more attention to the types of products sold at the market and improving market facilities (Figure 3).

Figure 3. Possible changes to help my business.



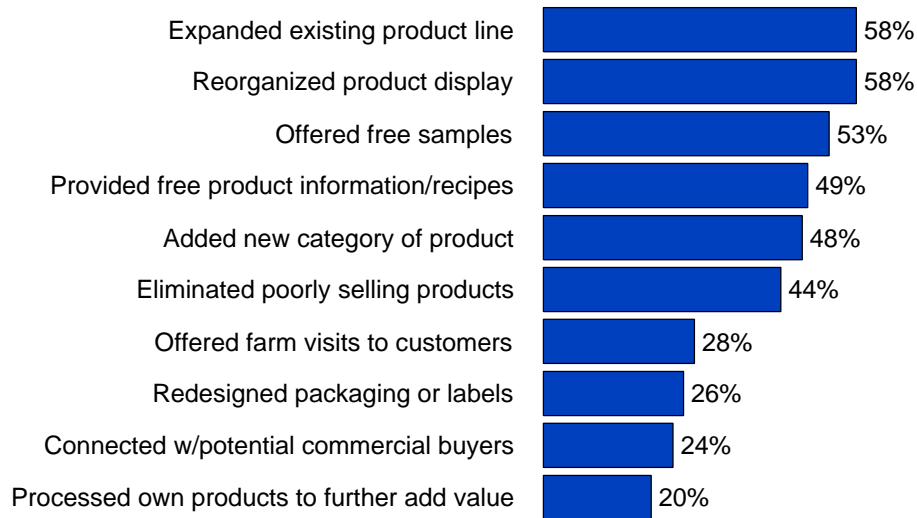
Percentage responding "much" or "very much".

Marketing, Business Development and Information Needs

Iowa farmers' market vendors take an entrepreneurial approach by using a variety of marketing techniques (Figure 4). More than half the vendors had expanded an existing product line (such as a

baker adding a new type of bread), reorganized their display of merchandise, or provided free samples to farmers' market customers.

Figure 4. Business and marketing practices of farmers' market vendors.



Percentage reporting "yes".

Vendors were asked how their farmers' market experience had affected their business skills and abilities. More than half of the vendors reported their customer relations skills, self-confidence in business, pricing skills, and merchandising skills had improved (Figure 5). Despite these gains, more than half of the vendors also reported that more information on "advertising, promotion, and community outreach" would still be useful for supporting and developing their enterprise.

Figure 5. Improved business activities and skills.



Percentage responding "much" or "very much" improvement.

Who are the Vendors at Iowa's Farmers' Markets?

The responding vendors were fairly evenly split by gender (46% men, 54% women), and averaged 57 years of age. Ninety percent of the vendors reported having at least a high school education, with 22 percent having four or more years of college.

Vendors attended an average of 2.3 farmers' markets per week during the peak season. They have been selling their wares at farmers' markets for an average of 8.8 years. The distance they traveled to the surveyed farmers' market ranged from less than a mile to more than 100 miles, with 18 miles as the average. Nearly half (49%) of the respondents identified themselves as "part-time farmer or market gardener" vendors; 19 percent as "full-time farmer" vendors; 12 percent as food business vendors; and four percent as craftsperson/artist vendors. Vendors whose business involved agricultural production averaged 91 total farmed or gardened acres. Of these, an average of six acres was used for producing products sold directly to consumers.

Vendors reported working an average of 40 hours per week at their farm, food or craft enterprise during the peak season and 13.8 hours per week on average during the off-season. Most vendors rely more on paid or unpaid family labor than on non-family labor, either paid or unpaid.

Farmers' markets provide only a portion of vendors' household livelihood. Gross sales from all retail farmers' markets for the vendors ranged from less than \$2,500 (54%) to \$10,000 or more (16%). Nonetheless, more than half (54%) of the vendors said that the net profit earned from their sales at farmers' markets was "somewhat" or "very" important to their household.

Conclusion

Iowa farmers' market vendors in busy, urban markets and in smaller, rural markets face different opportunities and challenges. However, most vendors see economic and social advantages from their participation in Iowa farmers' markets. Almost half of the vendors said if the surveyed farmers' market were to close, their business would stop operating or be considerably hurt. As one vendor commented, "Without the farmers' markets, we would not be able to make a living from 39 acres of land."

Another vendor commented on the household and community benefits of farmers' markets: "Selling at the farmer's market is a lot of hard work, but the benefits outweigh the weariness of it. It gives my kids a chance to make money and helps provide their college expenses. I enjoy the relationships I've developed from farmers' markets." One vendor noted that, "The farmers' market is a great place to meet new and interesting people. There's a lot one can learn at the market." Evidence from this research supports the claim that Iowa farmers' markets contribute in many ways to the nutritional, social and economic well-being of Iowa citizens and communities.

*In 1999, a mail survey was sent to vendors attending 24 Iowa farmers' markets. Markets in towns of less than 10,000 population, towns of 10,000 – 50,000, and towns of more than 50,000 were selected from all geographic regions of Iowa. 394 surveys were distributed. Of the 259 returned, 26 were ineligible, and 10 were incomplete, resulting in a response rate of 68 percent. Vendors responded to questions about their experiences and views concerning one specific farmers' market they attended (the surveyed market) and also concerning farmers' markets more generally. Forty-five percent of the vendors were surveyed through markets in towns of 10,000 or less, 34 percent through markets in towns of 10,000-50,000, and 20 percent through markets in towns of more than 50,000.

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