

OBSERVATIONS AND CONCERNS OF IOWA FARMERS' MARKET MANAGERS*: SUMMARY OF RESEARCH FINDINGS

Introduction

Retail farmers' markets are of growing interest to producers, consumers, local governments and Chambers of Commerce in Iowa. Their contribution to local economic development and community life helps to explain why farmers' markets in Iowa increased from 50-60 in the early 1980s to about 120 in the early 1990s. This number has remained fairly steady since then. Although some markets close down, new markets spring up in other Iowa communities.

To investigate farmers' markets' contributions and challenges, 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 1998 survey of 60 Iowa farmers' market managers.

Characteristics of Market Operations

The Iowa farmers' markets in the study have been in operation for 3 to 33 years, averaging 15.4 years. The majority of the markets open in May (63%) and run through October (80%). The total number of vendors participating in these markets ranges from 2 to 165 per market. The average market hosts 29 different vendors in the course of the growing season. Forty-three percent of the managers reported that the total number of vendors at their markets had increased over the past three years. Another 39 percent said vendor numbers had stayed the same. Seventeen percent of the markets were operating at full capacity, while 83 percent had room for more vendors. According to the market managers, half of their vendors are part-time farmers/market gardeners, 25 percent are full-time farmers, nine percent are food vendors, eight percent are craft vendors, with the remaining selling combinations of produce, food or crafts.

Nearly 7 of every 10 farmers' markets surveyed are located on public property (e.g., town parks). Twenty-seven percent take place on private commercial property (e.g., at malls or shopping centers). Only 10 percent of the managers reported having any type of permanent structure. The vast majority made use of available spaces, such as parking lots, streets or sidewalks.

Organization, Rules, Finances and Decision-making

More than half of the surveyed managers (55%) reported that their market was a not-for-profit venture in 1998; 45 percent reported they were part of another organization or local government (e.g., the Dept. of Parks and Recreation, local Chamber of Commerce); and 23 percent indicated they were formally incorporated.

Most managers said there were policies, rules or restrictions (other than existing state/county laws) at their market. The most common of these are presented in Figure 1. More than 80 percent of the managers reported WIC certification of their market (84%) or restrictions on the sale of certain products (82%). More than half the markets have specific restrictions on resale of products and wholesalers.

On average, vendor fees comprised 82 percent of the monetary support for these farmers' markets in 1998. The remaining monetary support came from a mix of public agencies, private businesses and non-profit organizations.

More than three-fourths of the managers indicated that their vendors participate in market decision-making informally through making suggestions and conversation (82 percent) and formally with official, scheduled market meetings (78 percent). One in 4 managers reported the practice of anonymous voting regarding market policies or issues.

Entrepreneurial Development

Fewer than 1 of every 5 managers reported that their farmers' market sponsored workshops or offered special information designed to help vendors' businesses (e.g., on pricing, merchandising, etc.). Twenty-three

Figure 1. Rules, restrictions, and policies.



percent of the managers were aware of and referred vendors to local resources that assist the development of entrepreneurship skills and strategies. Thirteen percent indicated that local policies or programs existed that potentially deterred the entrepreneurial initiatives of vendors.

Farmers' markets offer business incubation opportunities. Most managers (64%) reported at least one current or past vendor who had developed or expanded their food, farm, or craft enterprise to tap markets beyond that farmers' market within the past three years. Managers were also asked about the sale of value-added products (e.g., those differentiated by further processing or packaging) at their markets. Forty-one percent of managers thought the number of such products at their market had increased over the past three years, 52 percent thought it had stayed the same, and seven percent thought it had decreased.

Impacts and Challenges

The farmers' market is perceived to have an important impact on area business and local community. Three-fourths of the managers reported their market makes a difference by increasing the number of people that come into the community from elsewhere on market day. Slightly more than a third of the managers mentioned the role of the market in providing fresh foods and other food products for the local community.

Managers' perceptions of challenges currently facing their markets were extremely varied. However, the three most frequently named challenges were, in descending order, finding new vendors, keeping current vendors, and attracting customers to the market. These challenges were more commonly mentioned by managers of markets in smaller towns.

Characteristics of Managers

Managers of farmers' markets in Iowa averaged 51 years of age, with ages ranging from 29 to 79. Sixty-four percent of the managers were female and 36 percent were male. Most of the managers had at least a high school education; more than a third graduated from college. Nearly 6 of every 10 managers surveyed were also vendors at their farmers' market.

*In 1998, a telephone survey was conducted with market managers at 60 Iowa farmers' markets. All the markets had been operating for the three previous years. Thirty-one markets were in towns of less than 10,000 population, 18 markets in towns of 10,000 - 50,000, and 11 markets in towns of more than 50,000. These numbers are roughly proportionate to the prevalence of each size category for all Iowa farmers' markets in 1997. Markets were also selected to represent all geographic regions of Iowa.

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