ABSTRACT

The issues involved in the operation and establishment of farmers markets are discussed. These include market rules, product authenticity, market mix, market frequency, market education, management models and market governance. The paper includes insights to successful farmers markets and provides insights from the experience of a stall holders & market managers. The paper builds on earlier studies by the author and includes lessons learnt from interviews with market managers from Italy, United Kingdom, New Zealand and California.

Keywords: farmers markets, market governance, authenticity, seasonality

INTRODUCTION

Farmers’ markets are increasing in popularity world wide as people return to a way of purchasing that had started to disappear. The number of farmers’ markets continues to grow rapidly in the United States of America (US) and there are now 7,175 farmers’ markets with 1000 markets created in the past year alone. There are over 500 farmers’ markets in the United Kingdom, over 50 in New Zealand and more than 170 markets in Australia. There are many new markets in the planning in all these countries, as an increasing number of consumers want to buy local fresh produce and interact directly with the grower.

In many ways, these markets present a win-win situation for producers and consumers. Consumers are looking to buy locally grown produce that is fresh and in which they have confidence. People are looking for confidence that the food they purchase is of good quality, nutritious and is safe for consumption. Confidence is attained through being able to purchase produce that is sold under the umbrella of a farmer’s market and also by being able to speak directly to the person involved in the production of the product. In turn, the producer can sell direct to the consumer, which brings greater financial return for their product with the added bonus that they can have a direct interaction with their customers and immediate feedback on their produce.

Farmers’ markets rely on community support and many are grass roots initiatives. Slow Food calls customers ‘co-producers’ to emphasise their importance as an integral part of the food chain. The Spanish likewise see the consumer as part of the production system (Callau 2011)

The US farmers markets started through an exemption to agricultural legislation that prevented farmers selling directly to consumers. This exemption has gradually changed to positive legislation that recognises their existence and allows their future existence. These laws are about primary agricultural produce and not about value added products which are covered under standard food processing legislation. The Earth Markets in Italy are associated with the philosophies and direction of the Slow Food movement and are a way to help small producers farming or processing in traditional way to sell their products and maintain the traditional knowledge and viability of these farmers. The United Kingdom farmers markets are driven by local produce concept in which producers or value adders are local and produce the product themselves. New Zealand and Australia have copied overseas markets with a combination of agricultural and value added food and have tried to define it around food, not necessarily around what farmers would produce.

Definitions relating to farmers’ markets are critical to ensure that they have a point of distinction from other food produce outlets. Whilst the definition of a farmers’ market differs slightly around the world, they have the following features in common:

- A farmers’ market is a food market (e.g. no arts, craft, bric-a-brac) with some exceptions for plants and flowers;
- Food must be produced within a defined local area (each market can define their local region), and
- The vendor must be directly involved in the growing or production process of the food (e.g. no middle men, on-sellers, wholesalers, retailers, etc.

The US has an interesting difference in that agricultural produce as allowable produce for a farmers’ market, does not include processed or value added food. Value added products, such as wine, bread and olive oil can still be sold at these
markets, however, they are covered under different legislation, as noted above. Visitors to these markets would not necessarily be aware of this distinction as the fresh and value added produce are mainly co-located with the different produce stalls either being in a different aisle or with a short distance between them.

There are always some exceptions in terms of allowable food and coffee is a common exception worldwide. Most farmers’ markets want coffee stalls despite coffee not being produced in the local region. The ability for market visitors to purchase coffee is viewed as an important attraction at these markets. The coffee outlets are again co-located with other produce and, in some instances; they are classified as a caterer and are required to operate with a different set of rules and fees.

There are many markets and retailers who want the perceived advantages of the farmers’ market concept and this leads to the name being used by shopping centres and other markets not committed to the objectives. In California, markets that comply with the legislation can differentiate themselves as certified farmers markets. In Victoria (Australia), Farmers’ Markets Stalls can be accredited and once the market has a minimum percentage of accredited stalls the market is accredited.

In California many of the farmer stallholders operated at several markets with some farmers operating in excess of ten farmers’ markets a week. Farmers’ markets were there main outlet for produce and the extended families were involved in the process. It provided employment for the children, cousins and their friends at market stalls – as there is a need to get the connection between grower and consumer – and farmers were geared up to sell all their crops direct to the consumer. This was encouraged and supported by the Small Farms program that had operated at UC Davis, which had supported smaller farmers to develop a range of strategies that included farmers markets, community supported agriculture and road side stalls and on farm shops.

Aside from the philosophies, basic definitions and exceptions associated with farmers’ markets, there are many other aspects associated with the establishment and operation of these markets. If these markets are to continue to grow and have an increasing role in the direct sale of fresh and locally grown produce then those who manage the markets must continue to improve their management practices in aspects such as management models, market governance, authenticity of product, site selection, market mix, market frequency etc.

This paper draws on recent observations from attending overseas farmers’ markets and interviews with market managers in the United Kingdom, California, Italy and New Zealand. The Californian experience is particularly valuable not withstanding their differing legislative context. Farmers’ markets have been run in California for more than 35 years with some market organisations running in excess of 45 farmers markets per week.

This paper presents lessons and conclusions, which are important for groups currently operating or wishing to establish farmers markets in the future.

MARKET CONSTITUTION, GOVERNANCE AND RULES

The constitution, governance and rules create the backbone and strength of the market. The constitution sets out who runs the market, who makes and monitors the rules, who can be a member and who can vote.

In the US, a farmers’ market must be run by a farmer, local government or a not for profit association. Other countries, including Australia, do not control who runs a farmers’ market but in many cases it is run by a combination of growers and community. Brown (2002) indicates that the better markets are run by a combination of the two which I would support as it provides a farm producers as well as a consumer perspective to decisions.

The author’s Australian observation is that stallholders are not really interested in who runs the market while the market is seen to be working well. If the rules are deemed to be fair and are administered openly then stallholders show very little interest in this aspect of management. The Californian experience supports this apparent lack of stallholder interest as US market managers have struggled to get input from stallholders when undertaking reviews of market rules.

The overseas experience shows that there can be governance issues when farmers’ markets are run solely by farmers. If produce competes with that of the farmer managing a market then there is likely to be a conflict of interest in decision making. The conflict is around what is best for the market or perceived to be best for the farmer. Anecdotal evidence from overseas suggest that these markets struggled to grow and survive as the consumers did not see them as providing the diversity of products and choice they desired and so they were returning to the supermarkets or green groceries.

Markets require rules to operate. The rules require reason and non-compliance with rules needs to be policed. Markets around the world get into trouble when they police the rules in unfairly or in random ways or do not provide appropriate appeal mechanisms. Farmers’ markets have become the sole source of income or a significant proportion of farm income for many producers. Producers will orientate their production around these markets. If they lose their income, or the right to sell because of penalties applied, then they will quickly go to the court system to prevent their losses.

The lessons learnt from the US are that the consequence of not abiding by the market rules needs to be published and clearly communicated. Consequences include penalties, a warning system for first offences (unless a significant issue
such as safety or reselling), graduated penalties depending on the seriousness of an offence, repeated offence processes and an independent appeals mechanism. Stallholders should know the penalties they can expect if they deviate from the rules. Failure to deal with stallholders in a fair way will generally result in the courts ordering the system to start again, which normally means going back to the first warning. Recently in South Australia, there have been situations where fair process has not been applied and this has resulted in changes to the committee running the market rather than the offending stallholder leaving the market.

Some markets overseas included a behavioural point’s scheme, where people accumulate negative points for poor behaviour, not complying with rules and not working in the best interests of the market. There are also positive behavioural points for attending promotional events, providing produce for demonstrations and generally helping to promote the market. There were also points for longevity of attending the market. This helps acknowledge loyalty, particularly in the start up phase when commitment can be tested as stallholder takings can initially be low. These points come are taken into account in the annual licencing process and market mix considerations in whose sites are re-admitted or restricted.

The bonus points can help stalls keep their place in the market as there will be more completion for market sites when the market is established. In South Australia we have seen farmers who did the hard work in the earlier years being bumped from the market but more recent growers who have more eligibility to trade as they are closer to the market - that is less food miles and low food miles is generally one of the perceived benefits of farmers markets.

The separate licencing of the stall holder and their market produce was also reinforced. Markets provide stallholders with an annual licence which is similar to a lease that provides the stallholder the right to sell approved produce for the coming twelve months. By separately approving the stallholder and the produce, the market manager can allow a stallholder in but only with the produce the market requires when considering market mix. Product ‘creep’ and market mix is a difficult issue but it is important for the overall attractiveness of the market and viability of individual stallholders. This is discussed further in a later section.

Some markets do not do the annual review licencing and products despite having in in their regulations and as such would have difficulty changing the stallholder mix.

**AUTHENTICITY OF PRODUCT**

Authenticity is a specific aspect of governance that is worth separate discussion. Authenticity is what separates farmers markets from other markets as the customer is dealing with the grower or producer directly and it underpins credibility and customer confidence. Authenticity can be particularly difficult to manage as market managers are faced with a good cop bad cop scenario and may frequently not have the skills to make a determination on authenticity.

Farmers markets require authenticity of product- that is that the produce sold by the stallholder is also grown or processed by the stallholder. Occasionally farmers markets allow other stallholders to sell another producers’ product, but it is clearly identified as such and the other grower is also authenticated. Markets do, however, have cases of cheating where growers buy produce to supplement their stocks.

In August 2011, an outbreak of pathogenic E coil occurred in Oregon exposing the issue of authenticity at farmers’ markets. The outbreak caused a death and a dozen seriously ill people and made headline news in the US. The E coil outbreak was traced to strawberries that were found at several produce outlets including six Oregon and two Washington farmers’ markets. The farmer who grew the strawberries was not a farmers’ market vendor so his produce had clearly been purchased by several farmers’ market producers. The farmers’ markets linked to this had to quickly go into damage control mode to ensure public safety and help restore confidence in their markets.

California has one of the better systems to support authenticity. The California Department of Agriculture inspects individual farms and produces documentation on what the farmer is likely to produce, given the area planted. The producer must have this documentation at their market tent for customers and market managers to review.

In the certified farmers’ markets the vendor must also submit documentation of what they bought to the market and what they sold. The market manager can then, potentially, identify producers who are selling more than they are growing. The market managers will share this information so that the producers do not cheat. The penalties for reselling can include a stallholder being banned from the market or from the markets operated by that organization. This significant penalty and the production data of both inputs and outputs will have some control. If markets are not as diligent as this, then cheating can increase.

Interestingly, despite this data being available, the US market managers were not always able to process the data. It seems that the apparent belief by stallholders that this data is used was sufficient to assist in managing authenticity of production.

Cheating can be a result of ‘pull factors’. Supermarkets have been breaking down the concept of seasonality by supplying fruit and vegetables all year round and importing from other regions, countries and continents. Stallholders may be ‘pulled’ to respond to requests for produce that customers have come to expect is available for a longer period.
of the year. There is a temptation for the producer to extend the season by purchasing from elsewhere and helping meet their customers’ needs. Market managers believe that customer education on seasonality is the main tool to reduce this pull factor. However, joint education of customers and stallholders is probably required as the bigger picture of why authenticity is so critical for farmers’ markets may not be fully appreciated or accepted by all stallholders. Some overseas markets admitted to turning a blind eye to these aberrations at the end of season and they did not ask so they would never know for certain.

In terms of education, the Los Angeles markets produce a calendar of seasonality and also run many stories in their newsletter about when items are about to come into season and when they should be finished. Other markets are gradually doing more to educate customers on seasonality, but all admit it will take time.

Some markets are making some efforts in trying to authenticate produce that is grown with vendors having to supply production intentions each year when they apply for their annual licence and then the manager inspecting at some stage doing the year. In many cases, the manager does not have the skills to validate the field observations with production output and in other cases the managers inspect the wrong land or are diverted by hospitality. The stories that arise from these incidents do create an environment when others believe they can cheat. It is essential that authenticity checks are undertaken by experienced assessors who understand agricultural production and identify what production should come from a particular field.

The Victorian farmers Market Association with support from the Victorian government have implemented a creditable assessment of farmer’s markets stalls over the last twelve months. It uses a panel of experts to assess applications. New Zealand implemented a system two years ago to accredit market stalls. Elsewhere in Australia it is still very adhoc with some site inspections but undertaken by persons without appropriate expertise.

MARKET MIX

The market mix at farmers’ markets is very much dependent on what the consumers want. However, market mix can have an important impact on the viability of the market and the individual stallholders. It’s another tricky area that has no magic equation and successful management of market mix appears to be built on many years of experience.

Gail Haydon of the California Farmers Markets Association indicated the Association mainly adjusted their mix based on what stallholders sold and the Gail-ometer, which drew on Gails’s 30 years plus of market management experience. If stallholders were taking produce home, then the market managers reduced the number of stalls carrying that particular product and, alternatively, if stallholders had all sold a particular line early, then more of that line would be added. The market managers have sufficient experience to be cognizant of other factors such as bad weather, or length of time that a market has existed, which are all variables influencing market attendance and stallholder returns.

The Californian Mountain View Farmers’ Market has 220 ft or 22 stalls supplying leafy vegetables out of a total of 100 stalls. This is a huge amount of one product and was considered to be sustainable for this market. This ratio works for this market but may not work for others but serves as an example of market managers that have a good understanding of market mix.

The ‘Gail-omter’ is underpinned by judging that it is more important for stallholders to make good returns than get extra stalls in. Many markets managers and market operators often try to get extra stalls as this is how they generate their revenue. This will be influenced how market fees are collected. This can be a percentage of turnover or a flat site fee. As mentioned earlier, markets that are operated by growers will often prevent competition with their own produce, which has caused some markets to lose their market share back to the supermarkets. It is critical to have a market mix policy but ensure that it is managed by the manager or others who do not have a conflict of interest.

Market diversity and the supply of staples is important for the market i.e. the products that people need on a daily or weekly basis such as milk, vegetables, fruit or bread. This will vary from market to market, depending on the ethnicity, tastes and eating habits of the locals. The ability to offer a good mix of staple products can be a make or break issue for market establishment and ongoing operation. Farmers’ markets need to encourage their customers to shop regularly at their market, as opposed to the many other food outlet options, and having staples is an important part of encouraging people to change their shopping habits.

Most market managers will know when they get the mix wrong with feedback from stallholders about too much of a product in the market and from consumers who are asking for extra stalls to stock a product.

Market mix and diversity is influenced by the ability of the market manger to identify appropriate stallholders and secure their attendance at the market. In many cases the stallholders have significant choice in markets, so securing them can be difficult. Lohr et al (2011) discuss some of the competition issues for both stallholders and consumers in US farmers markets.
MARKET LAUNCH, MARKETING AND MEMBERSHIP

In California, markets are only started when there is a good array of produce and managers make sure that stall numbers stay consistent for the first six weeks. This ensures that customers coming to the market in this important early stage have a good shopping experience. These factors were also considered when doing significant promotions.

Marketing of a new market is concentrated in the first year. Gail Hayden’s philosophy was that it was essential that everyone knew about the market, which is achieved through postcards to each householder in the vicinity throughout the first year. Early efforts are made to build up a list of email addresses as a key part of marketing. However, email addresses are generally not given freely so apart from the offer of getting a weekly newsletter, customers are offered entry in a free draw lottery or some other special offer to give up their personal details.

In providing a weekly newsletter using the customer email list the aim was that the newsletter arrives approximately 48 hours before the market. Experimentation led to the conclusion that approximately 2 days before the market was the ideal time. Any later and it was too late to ensure the email was read before a customer’s shopping list is created and any earlier the shopping list was not being formed. The newsletters were also used as an ongoing educational tool to communicate about how to use products, seasonality of products, letting customers know when to expect new seasonal produce and when other seasonal produce is finishing.

If a new market was initially unsuccessful, the Californian experience had shown that it was better to close the market down for a few months and then relaunch rather than try to put effort into promoting the current market. If market is in decline, stallholders drop off and customers provide negative feedback to the community. It is considered easier to relaunch, than try to convince people they should support the market. The Adelaide Hills Farmers Market has achieved a recovery through changing it site and relaunching, rather than closing down. This option was undertaken because the market members had paid their membership (discussed later) and this would have created significant issues.

Farmers’ markets frequently include promotion around key foods that most consumers relate to, which include corn, chillies, tomatoes, pumpkins and summer fruits with real flavour. Often, there is a special event that is created around these foods.

In South Australia, markets have used a membership model to help fund market establishment and market operation. This model also helps encouragement frequent or weekly attendance and so builds market loyalty. Market members pay an annual fee of between $40 and $62 and in return they receive a 10% discount from the stalls. Members often receive a labelled bag and regular newsletters informing them of events, though some markets will provide this newsletter to whoever wants to register.

REQUIREMENTS OF LOCAL GOVERNMENT

Farmers’ market will generally operate in public space or on local roads and, as such, local government approval is required. In some cases local government will operate the farmers’ markets or sponsor their development. The objectives of the local government in interacting with the farmers’ markets can have a significant influence on how they develop or operate. Local government objectives can include employment creation, support for farmers or assisting other co-located business.

Local government officials can support the markets development or hinder it. In Cumbria, the market development was influenced by the desire of the council to create online marketing as this would enable producers to sell goods and promote Cumbria as a tourist region. The physical market was not seen as important. They supported four markets in their region but each only ran once a month. This had the effect of making the market dominated by value adders with very few fresh staples being sold. The main exception was an artisan bread maker who attended each market. A smaller market of 25 stalls had recently been cut from local government support as officials believed that the overall economic development aim would be better achieved through the use of the web rather than a smaller market.

In Mountain View, the local authorities wanted to support the local restaurants and coffee shops and to achieve this prevented the market from selling fresh coffee or having food stalls that had eat-now food. It appeared that, though it did help local shops, it also encouraged customers to eat more fresh or dried produce at the market as customers consumed some of their purchases while shopping. Not surprisingly, coffee could not be purchased but customers could purchase a tasting cup of coffee from the seller of roasted coffee beans. In South Australia, the Adelaide Showgrounds Farmers’ Market has very little eat-now food as the site has a catering contract for events that occur at the showground. The Showgrounds head catering lease prevented the market from allowing food stalls into the market, despite the Showgrounds contractor not being interested in catering for a Sunday morning market.

There have also been instances where the local government have encouraged the market to allow some reselling as a way of encouraging and developing more local appointment. The Victor Harbour Farmers Market, for example allows local florists in to support their business, even though the market has flower growers attending the market.

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MARKET LAYOUT

The layouts of farmers’ markets are often determined by practicalities of the site and the needs of stallholders with respect to power and water. The weight and volume of the produce also has an influence, with bulky low value produce often being unloaded from trucks within the market. If multiple streets are used, then there are issues in relation to which parts are used. The orientation of streets, or the stalls, is an important consideration as generally you do not want the hot sun shining on perishable products.

The market manager may be able to influence on the feel of the market through aspects such as the spacing between the rows of the stalls. As the number of market customers increases, then the width of the pathway between the stalls can be increase. The idea is to make the market look semi crowded, so that customers feel that the market is popular.

The California Farmers Market Association had a concept of site seniority in which the original market attendees had seniority over more recent attendees at the market. For example, if you sold cherries in site 54 in the first market, then each year when you come to the market with cherries you get site 54. The current occupier of site 54 would have to move elsewhere when you returned to the market. This policy was away of rewarding long serving stallholders and those who were prepared to come to the new markets which often take time to become well established and profitable for a stallholder. The shifting of other stallholders did not become a significant problem as these sites were rotated through the year with seasonal produce. The concept of site seniority is not one that the author would champion rather the concept of finding some way to reward those stallholders who are involved with the market in harder times such as market establishment and trading through quieter times such as winter. In some locations, winter markets do not occur as there is little produce grown as the fields are covered in snow.

MARKET SAFETY

Onsite safety both during the setup and pack down of the market is important. Safety during the market is also important, especially if the market is located where people normally drive.

In 2003, an elderly driver drove his car westbound down Arizona Avenue in Santa Monica toward Third Street Promenade. The last few blocks of the street, before it ends at the ocean, had been closed to vehicle traffic for the biweekly farmers' market. His car struck another car, then accelerated around a road closure sign, crashed through wooden sawhorses, and plowed through the busy marketplace crowd, traveling nearly 300 m at speeds between 60 and 100 km/h. By the time the car came to a halt, ten people had been killed and 63 were injured. (George Russell Weller) For the next few years after this the police parked two patrol cars across the entrances of the market. Eventually the cost of doing this led to bollards and heavy chains being established across the entrances. This incident has reported costing the City of Santa Monica $21 million in payouts to the victims of this incident.

The issue became a debate about elderly drivers rather than the safety of farmers’ markets but it does highlight the need to ensure safety when closing areas that vehicles normally travel on.

There are many safety issues at markets with food safety, both as fresh produce or value added, tripping hazards, flying tents and signs on windy days and other general safety issues. The safety issues are general covered extensively in the market rules and stall holders and markets will require public liability insurance. It is important for markets to maintain currency of this insurance and to ensure their stalls maintain the currency of their insurance.

There are published guides on risk factors at farmers markets and check lists but it is obvious some markets choose to enforce safety and others pay lip service to the notation.

MARKET FREQUENCY

The frequency of farmers’ market will have an impact on their success and the market mix. Farmers markets, when first established, were monthly or fortnightly. Many stallholders were frightened that if they had more frequent markets, that they would just do more markets for the same sales. However, as markets became more frequent sales increased and even increased for each market. If farmers’ markets are to compete with supermarkets, they then have to have more regular markets. Farmers’ markets need to convert consumers to eat fresh quality seasonal produce, which necessitates more frequent markets to accommodate the sale of high perishable products. If a customer goes to the supermarket, then they will buy some produce that could have been purchased from the market.

Some value adding products such as bread only have a short shelf life, so again more frequent markets are required. In the United States you can find farmers’ markets often have two markets a week in the local region so that the consumer can top produce and buy really fresh perishable products. Granted that Australia’s population is lower but there is the added issue that our tendency to hold farmers’ markets at weekends will not suit everyone. Markets held at different times will also, therefore, cater for a different sector of the population as well as existing customers that want to purchase more frequently.
In the UK and Australia there are also many small monthly markets in towns in close proximity to the farmers’ market. If the proximity is close for those who have transport, these can effectively provide customers with a weekly shopping opportunity.

**MARKET EDUCATION**

Education is required for stallholders as well as customers. Education of stallholders is seen as an important way to ensure market success - successful stallholders will promote the market while unsuccessful stallholders will bad mouth the market. Stallholders generally have good growing skills but often lack retail skills. They often benefit from guidance with respect to stall presentation, stall signage and product pricing. New stallholders often lack confidence or unsure what to do. Some Farmers Markets have developed mentoring systems to assist new stallholders and run programs for all stallholders. In New Zealand John Stanley produced a guide to help stallholders sell their produce which contained 27 suggestions. In California Gail Haydon had developed an education program called ‘Sell the truckload’ which aimed at improving the retail skills of stallholders.

Education of other local markets and local shops is also important – people do not always understand what farmer’s markets are trying to achieve, as distinct from other produce outlets or other markets. Farmers’ markets are frequently seen as competition, whereas in the case of local shops they can often be an additional draw card to an area. This can be particularly useful for local businesses with a produce element. The Willunga Farmers’ Market, running for eight years, has been highly successful and an example of increased local business benefit is the main street butcher who has increased his Saturday staffing 4 times to accommodate increased trade that is a direct spin off of the market. Local monthly markets can also be sceptical and nervous about farmers’ markets as the local markets are bastions of a good bargain. Farmers’ markets can be touted as expensive options when, in reality, it may only be the more gourmet value added component of the farmers’ market that is more expensive. Local markets with local produce, plants etc are likely to undervalue their products – creating a difference that in reality should not exist.

Customer education on food is also important. This can include how to select, store and cook various foods as well as understanding how different preparation methods affect taste and storage life. Los Angeles markets included a non-cook food education program as they did not have access to kitchen facilities. Market education around food was undertaken for both adults and children with the children’s education orientated to skills development. Customer education in cooking is designed to achieve many goals including that of ensuring that individuals have healthy meals from fresh produce and that these meals can be interesting.

In Italy the Earth Markets in Milan and Bologna were established in accordance with the Slow Food philosophy and espousing good, clean and fair food that preserves the local food culture and helps improve biodiversity. In keeping with the Slow Food movement, the Italian Earth Markets have a strong focus on education. Customers are invited to participate in gastronomy workshops where they explore the difference between products such as artisan bread vs. commercially baked varieties. Passionate food experts explain the finer points of difference in process and resulting product, which makes for a good education and tasting experience.

Cook who can utilise a range of seasonal produce with little or no waste to produce meals that are fully consumed is the aspiration of market education.

**RESOURCES FOR MARKET GROWTH AND ESTABLISHMENT**

The establishment of farmers’ markets and the expansion of markets are generally limited by the availability of suitable stallholders who produce a diversity of staples locally. Many of our farmers have shifted to monocultures and shifted to supplying the pack houses or supermarkets. The skill to grow a diversity of staples over an extended period is a lost skill. In Milan, an agricultural park had been developed to help grow a diversity of staples locally. Milan wants to be able to demonstrate that it can produce staples locally before the 2015 Milan Universal Exposition with a theme of Feeding the Planet, Energy for Life. This embraces technology, innovation, culture, traditions and creativity and how they relate to food and diet.

The W.K. Kellogg Foundation awarded Project for Public Spaces in 2005 a $1,655,000 grant to support a three-year initiative to expand the impact that farmers markets have on their communities. This program was undertaken in partnership with the Farmers’ Market Coalition component of the North American Farmers Direct Marketing Association. The project provided $1 Million for grants to local farmers markets to expand their operation. “Forty markets in 22 states were awarded funding and their efforts showed that through small amounts of funding markets could boost the sustainability of vendors and management, resulting in increased market sales and higher market operating revenue. These gains were also a result of strategic efforts to enhance the spin-off benefits and the market’s “sense of place” in the community. Markets diversified their vendor and customer base, supported youth development projects, provided increased access to healthy food and served as transformational places for their communities to gather” (see Diversifying Farmers Markets: New Opportunities for Farmers, Communities and Consumers, 2008).
The Victorian government recently granted the farmers market association two million dollars over the four years to provide grants up to $10000 for market feasibility market plans, grants of up to $20000 for the development of new markets where there is a marketing plan and grants for up to $20000 to assist existing markets expand. This should allow markets in Victoria to grow and hopefully provide evidence that this strategy should be adopted in other states.

FARMERS’ MARKET ASSOCIATIONS

In Australia, an Australian Farmers Market association exists but it is in reality a web based shell that publicises markets. The Victorian Farmers Market association is active and its activities have been supported by Victorian Government support to grow the markets, accredit the markets and stallholders. In South Australia, an association is trying to be developed but is struggling to get established as local concerns about others interfering in their market rather than what can be gained from working together. There have been some informal benefits occurring with communication between managers and committee people who are on several markets but it appears there is some distance to go before there is real sharing of expertise and resources.

The California Farmers Market Association runs in excess of 45 farmers’ markets a week. It is one of many such associations in the US. Discussion about the association revealed the economies that can be achieved in running multiple markets and specializing the back office operations.

The specialisation of back office allowed for specialised staffing in employing market managers, recruiting of customers, communicating with customers and communicating with stallholders etc. Customers of different markets received their own newsletters for the market they attended. The Association ensured that each newsletter was different and relevant for the specific market context etc. but 85 % of the content over the year would be the same with it maybe being communicated in different weeks or in a different spot in the newsletter. This kept customers in contact with their market and did not feel they were just part of a bigger organisation.

The economies through running many markets meant that an extra market cost was adding an allowance for the day manager, a little time for the newsletter and some advertising. In contrast the running of one market requires a committee and at a minimum a half time manager to cover all items.

Starting a farmer’s market with an association in place means that the marketing know-how, administrative skills etc do not need to be developed for each market – these are already in place. Starting a farmers’ market without an association means that there is much reinvention of the wheel, even though each market has a particular context, demographic and uniqueness.

The Californian experience showed that whilst many people in the first instance think their identity and power will be lost by using the Association to manage the market that in reality this option became very desirable. When the association took over market management it is stated, that in many instances, people were relieved that they did not have to attend to all the aspects of market management. Also, that the things they perceived that they would lose did not eventuate.

CONCLUSION

Australia has developed many successful farmers’ markets and there are many aspects, such as the membership model that we can offer as improvements to other countries. Looking at overseas markets shows that Australian markets have many things in common and are very much. The overall lessons learnt or relearnt include:

The importance of providing a clear set of rules which are policed consistently and which have an appeals mechanism which is run by individuals who were not part of the initial decision. This way, the final decision is unlikely to be successfully appealed against the court process. If management loses the court process, it does not only allow the individual to have the process start again, it provides a message that that the rules are challengeable and reduces the pressure to comply.

Authenticity is the elephant in the room with this being the main element to differentiate farmers markets from supermarkets, green grocers etc. However customers want diversity of products and if they do not get it from the market, then they will go to the other retailer’s to obtain and while doing this will purchase significant amount they could from the market or not even returning from the market. The customers come to the markets for a number of reasons which include interacting with the grower. There is clearly push pull factors and markets need to educate customers on when seasonal produce should be expected and when it is not available. This will reduce the demand side of equation and turn some customers into the enforcement side by questioning why you have some produce available. It is important for markets to stop reselling and proper steps are taken to track production and sales.

Non locally produced product can be allowed into markets with coffee being a significant one. It is important to make this clear to consumers with appropriate signs and labelling. The New Zealanders do this extremely well with allowing
a percentage of non-local store holders or non-local produce into the market to add to the market mix but it is very clear to consumers which stalls these are and what produce is not local.

Market frequency is critical for the growth of farmers markets and consumers respond positively to market frequency of weekly or preferable twice weekly so that they can purchase perishables and top up on items they are short on. The market can just be a shopping event rather than an extended outing which was demonstrated at the Mountain View market which only recently added some chairs and tables for OH&S reasons despite having 8000 customers on a weekly basis. In my region we still seem to want to put the markets on at the weekend which limits the ability of existing stallholders to expand their operations. Mid-week markets would provide current stallholders another option for sales, especially those who produce highly perishable products and would encourage the production of more perishable local foods that have disappeared.

Market management needs to licence the stallholder and their production in order to control market mix and manage changes in market demand. If this is not managed appropriately, then stall holders believe they have a perpetual licence. It is also important that stallholders are given some security or opportunities to improve their security at the market. The use of behavioural points and site seniority are ways that this can be improved though I am not convinced site seniority is the right way to reward early market participants.

Education of customers with respect of seasonality and how to appropriately use seasonal food will help farmers markets compete and should reduce the pull factors for stallholders to supplement others produce with theirs to extend the season. The education of children in food preparation and cooking will help them have healthy meals and hopefully develop a loyalty to the farmers markets and local seasonal produce.

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