Farmers Markets Introduction

Farmers markets can be fun, exciting, busy places that draw in members of the community while providing services and outlets to help meet community needs and wants. There are many similarities among farmers markets, such as their events, organization, layout, and format: although, there are many differences among farmers markets as well. The most important influence on a farmers market is the community, and community influence is what makes each market unique. Successful markets tend to respond to community input and provide the services and functions the community wishes to see, especially in places as diverse as Alaska.

This manual provides information based on extensive exposure to farmer markets throughout the state, on various types of research done about farmers markets, and on surveys taken at farmers markets. All of the information in this manual should be useful to creating and maintaining a successful market, however, it does not contain every piece of useful or pertinent information possible. The manual is meant as a tool, but should also open a dialog among experienced farmers market managers and vendors in order to fine-tune the contained information as it pertains to Alaska, and to include additional information that may be useful. Expect to receive updates and additions to this manual as it changes, and feel free to make any suggestions as to how it can be improved for future use.

Market Research Tab

Market Research-Pre Market Analysis

It is strongly suggested that prior to organizing a market a person should conduct at least two surveys including a consumer survey (Appendix A) and a local business survey (Appendix B). If you wanted to develop a sample survey for vendors some sample questions might be:

• Who would be interested in attending the market as a vendor?

- What type of product do you provide?
- What days are most appealing?
- Is "this" site an appropriate location?

As a manager, providing market times when consumers are able to attend and when vendors are available to be present, is imperative. We have provided links to sample surveys on the Resources page and a printed version behind the "Market Research" tab.

Market Research-Intra Market Analysis

Good marketing practices encourage markets to continually evaluate the market throughout the season, from the stand point of the consumers, community, market management and if applicable, the sponsors. Managers are encouraged to evaluate the market's seasons and times, product availability and supply, time of product availability, effectiveness of events, and community involvement. Review the rules and regulations of the market, to see if there were complaints from vendors or consumers. Evaluate the flow of traffic and market facilities. Evaluate customer traffic, and if it is not steady, try increasing promotional efforts, special events, or new vendors.

Oregon State University Extension Service conducted an untraditional survey, called the "dot survey" (Appendix C) at several farmers markets, which provided valuable input from a large number of market goers. The purpose of the survey format was to engage as many market goers as possible with minimal man power, resulting in an unobtrusive self-service market survey.

Due to low pressure, many participated in the four question survey. They found that participants were interested in the results and would often go back to the board to see how others were answering. It maintained true survey anonymity, which encouraged honest responses. The surveys provided the markets with valuable information, even though the survey was limited to close-ended questions. We encourage managers to consider such an approach for their

market, to gain insight into their customers and community. OSU Extension Services has a special report (Appendix D) on how to conduct customer counts and surveys, or what they call Rapid Market Assessments.

Market Location Tab

Site Considerations

Once deciding that the community is in favor of having a farmers market, it is important to choose a location carefully. Additional considerations include space for ample parking (discussed under zoning requirements), restrooms, garbage cans, and socializing (Appendix E & F). Managers may want to consider a "pet" area, if animals are not desired within the market, or provide a pet area to tie dogs up.

Legal Considerations Tab

Legal Issues

It is important to address legal issues, and take all aspects of the law into account when beginning a market. The location will determine what local laws and zoning permits will apply to the market. In some locations, such as within a municipality, zoning permits and health/food safety laws will need to be researched. Legal considerations for market managers include: zoning permits, insurance, road sign laws, and music copyright permissions.

Zoning Requirements and Permits

Each borough has specific planning and zoning requirements, and a manager from each market needs to contact the borough planning and zoning departments before beginning a market. Some boroughs have specific requirements for farmers markets that may not be included in or may differ from general requirements. Do not ignore the importance of ensuring that there is an adequate parking area! Here is the contact information for some of the larger boroughs, but only use the website for general guidance. Call the planning department to get specifics before proceeding!

- Anchorage: 343-8380, Code Question Hotline
 http://www.muni.org/Departments/OCPD/Plan-ning/zoning/selfHelp/Pages/SH ZoningBuilding.aspx
- <u>Fairbanks:</u>
 http://co.fairbanks.ak.us/CommunityPlanning/
 nning/, 459-1260, Community Planning
- Juneau:
 http://www.juneau.org/cddftp/divisions.php, 586-0715, Community Development
 Department
- Kenai Peninsula Borough:
 http://www.borough.kenai.ak.us/planningdept/, 714-2200, Planning Department
- Mat-Su Borough: http://www.matsugov.us/planning/, 745-9556, Planning Department

Insurance

Indentifying liability insurance providers for farmers markets in Alaska has proven challenging. So far we only identified two sources of liability insurance for farmers markets (listed below) with Valley Insurance specifically advertising to insure "your Agritourism Operation." Both are listed below.

- Valley Insurance Services LLC (an independent insurance agent/broker) 907-746-7374 Email: lisa@vis-alaska.com or khrista@vis-alaska.com
- <u>Country Insurance & Financial Services</u> agents/offices throughout Alaska

The mention of these companies is not an endorsement and should be considered a starting point for further investigation.

Another consideration for the market manager regarding insurance is to decide whether or not to require participating vendors to have product liability insurance, a requirement that is practiced by some markets in the Continental U.S.

Road Sign Law

Alaska state law (<u>Appendix</u> G) maintains that signs cannot be signs set on state roads. Munic-

ipalities and boroughs may have additional laws. As a manager, it is important to research local signage laws prior to the first market day, in order to ensure the market is in total compliance.

Music Copyright Permissions

There are laws regulating copyrighted music: therefore, it is important to make sure the market has permission (Appendix H) to play copyrighted music. Many individuals are unaware of copyrighted music being an issue at farmers markets, but it an issue that has recently been brought to the forefront in other states and therefore is worth mentioning specifically.

Developing the Market Tab

There are a number of items to consider when forming a farmers market (Appendix I). Items to include: management organization, time and season for market operation, market rules, market fees and budget, vendor sourcing and selection, market arrangement, market signage, advertising the market, and community involvement.

Management Organization

Management organization varies greatly among farmers markets in Alaska, and it changes as markets grow. Oregon State Extension Service conducted a study on the link between market size and management organization, which indicated that as markets become larger, management changes and often grows to include a full-time manager. There are three typical management types: volunteer management, paid part-time, and a paid full-time manager. For more information about the survey or different management styles and how they change, consult Appendix I.

Time and Season

Conducting community surveys is one way to select the best days, times, and season(s) to operate a farmers market. In general, Alaskan farmers markets begin operation late in the spring and continue until after harvest in the fall, as that is when there is fresh produce available for

selling. It is important, however, to consider days of the week and operation times carefully, and to keep those days and times as consistent as possible. Make sure to give consideration to when people in the community are most available to attend the market, and vendors are available to sell their products. Feel free, however, to change opening times and/or days to reflect the habits of the customers. For example, if the market opens at 9am, and no customers show up until after 10am, it may be useful to open an hour later and close an hour later. Or if your market is only open on Fridays, but a cruise ship docks on Thursdays, you may want to add Thursday to the schedule to be open for two days, or consider Thursdays as your only day of operation.

Market Rules Tab

Establishment of market rules and regulations is strongly encouraged prior to recruiting market vendors. It is important to establish at least minimal guidelines regarding market fees, market operation times, and method of vendor stall assignment, as well as providing some general information that will help vendors understand what is expected of them, such as set-up and break-down times after the market.

Although some larger markets have succeeded in establishing expansive and strict rules, vendors in general are likely to accept rules they understand and agree with. Here are two samples of Alaska market rules that are currently used: (Appendix K and L).

It is wise to consider contracts for participating vendors that outline both the market rules and what is expected of the vendor. It can be very valuable in resolving disputes, and in the event of contract termination for the vendor. The Farmers Legal Action Group (FLAG) has put together, "Understanding Farmers' Market Rules" (Appendix M), which includes information on dispute resolution and penalties, and on contract termination.

Budget, Vendor Selection Tab

Establish vendor fees so participants can consider cost when deciding on the appropriate farmers market for their participation. Create a budget prior to establishing fees to make sure everything will be paid for (Appendix N). Specifically consider:

- Rent
- Insurance
- Permits/Licenses
- Advertising/Promotion
- Legal Fees
- Utilities
- Clean up Costs
- Office Supplies/Equipment
- Manager's Salary if applicable

There are various methods for determining vendor fees at Alaska markets. Some markets have two operational times and days in a week, and vendors who attend both days are given a discount on a second day. Some markets charge an annual fee to participate, as well as a fee for each day a vendor participates in the market. The vendor fee for each market varies depending on each market.

Vendor Sourcing

It is apparent that vendors are sourced through many venues. Alaska is a little different in that many of our market managers are producers and those who attend their market are their neighbors. For those who are solely managers and do not know where to source producers, we recommend talking with Cooperative Extension Services or the Alaska Farmers Market Association. Also, the Alaska Division of Agriculture compiles an Alaska Grown Source Book, identifying producers and products grown.

Selecting Vendors

Once potential vendors are identified, a manager needs to decide which vendors should attend their market. Both Appendix O and Appendix P provide more information on this topic. One consideration is the types of products the vari-

ous vendors have available. It would not make sense to have ten vendors selling the same product, instead having a wide range and variety of products would encourage a better customer base for the market.

In determining which vendors to choose for the market, consider at least one (more is better) who can be an "anchor vendor", which is a vendor who is always at the market and has enough of their product(s) to sustain sales through the entire market session. Ask yourself if there is a vendor who you know will draw significant numbers of customers and traffic?

Vendor Arrangement

Research on transforming sites into a gathering place has been conducted, and was put into a PowerPoint presentation, which can be used as a tool when developing your market. (http://www.nyfarmersmarket.com/powerpoint/ creatingcommunities.ppt). Arranging a market is an art and there are some general guidelines for moderating flow of business and ease of movement. Ensure that vendors have space to park their vehicles nearby, for replenishing product. See sample arrangements provided under the "Market Rules" and "Developing a Market" tabs.

Studies show that having a specific entrance and exit generates a traffic flow that is beneficial for vendors and for the market. A specific entrance and exit helps direct traffic and encourages customers to view each vendor. When markets conduct customer counts, it allows for more accurate counts. Coordinating traffic flow has proven beneficial to many outside markets, although not widely practiced in Alaska.

Consider strategically placing your anchor vendors throughout the market, so customers browse the entire market. You can identify similar strategies at work in grocery stores, where milk is strategically placed at the back of the store, so customers have to walk by other items to get the milk. This is a successful marketing

strategy that you should also consider when arranging vendors at the market. Overall, what we encourage most is ensuring that your market is arranged so that it has a smooth and unrestricted flow.

Signage on Market Day

Signage is one of the most important methods of advertising a market, and often draws in the largest number of people (compared to other types of advertisement). Both the sign and the placement of the sign are very important. Make sure to research signage laws (Appendix G) prior to the first market day, to ensure sign compliance, and take a look at the guideline for vendor signs before creating signs for the market.

Marketing

Road signs are the most effective method of marketing for farmers markets. Besides road signs, traditional media such as local newspapers, e-newsletters, internet and social media (like Facebook), and even television are all additional ways to advertise successfully. Be proactive about getting the word out and building a strong customer base for the market. Also, encourage participating vendors to help advertise their market, after all, everyone benefits.

Community Buy-In and Contribution

Wherever markets are located, it is important that they benefit the community. When local businesses benefit from the market traffic, it creates a symbiotic relationship. Additionally if managers can develop community buy-in, there may be community members who will donate financially, or be a sponsor of the market, by providing space for vendors to setup their booths.

Market managers may consider drawing in community members by holding events at the market. This is an excellent way to connect with consumers. Some managers view it as developing symbiotic relationships, where local businesses can benefit from the market and the market benefits from consumers the local businesses

are drawing in. If and when promotions occur at the market or a local business, both benefit. Historically these business relationships have been successful and beneficial. You may consider credit unions and banks in the vicinity of your market, because they are required to donate to community activities and have proven to be valuable sponsors in Alaska

Special Events

Holding special events is an excellent way to bring additional customers into the market. Some possible events include: musical events, cooking demonstrations, gardening classes, arts and craft, Children's Day Games, making veggie critters, and times when select vendors offer specials on products (like buy one get one free). Some special events also raise money for local charities and organizations. Special events ultimately build a sense of community and draw in additional customers, particularly new customers.

Market Sponsors

While market sponsors are not common in Alaska, there are some markets that are provided funding assistance from market sponsors. Sponsors might offer rent-free space for markets, fund market insurance, host events, or offer financial or other donations of items that are needed for the market. An additional benefit to sponsors is increased foot traffic, and/or increased advertising for their business.

EBT Machines Tab

Federally funded food supplement programs such as Women, Infants, Children (WIC), Supplemental Nutrition Assistance Program (SNAP – formerly food stamps) and Senior Farmers Market Nutrition Program (SFMNP) encourage their clients to go to farmers markets for nutritious food. <u>USDA</u> is pioneering the use of Electronic Balance Transfer (EBT) and offers a how-to handbook for more guidance on EBT acceptance. In Alaska, WIC and SFMNP benefits are not yet offered electronically, only as paper

coupons. However, SNAP and other bank cards can be utilized for EBT. Markets do have an option of purchasing EBT/SNAP/WIC/SFMNP machines, either wired or wireless, and offer an additional service to customers, by accepting bank cards and nutritional assistance programs. Alaska Department of Health and Social Services is partnering with two farmers markets in 2011 to trial the use of EBT machines at their markets. The Spenard Farmers Market in Anchorage created the "Food Assistance Vendor Handbook" (Appendix Q) which provides a thorough overview of the different food supplement programs. Additionally, several resources are cited in this manual to assist market managers in deciding if such a system is valuable and attainable for their market. We encourage you to utilize these resources to see what options are available for your market.

Manager Resources

Valuable Resource with Many Subjects:

• Farmers Market Coalition: <u>Farmers Market Manager Resource Library</u> http://farmersmarketcoalition.org/managerfaqs/

Market Research

- Appendix A: Farmers Market Coalition: <u>Sample Consumer Survey</u>
 http://www.farmersmarketcoalition.org/resources/home/article/resource-library/8-market-start-up-and-development/172-sample-feasibility-survey-for-consumers
- Appendix B: Farmers Market Coalition: <u>Sample Business Survey</u>
- http://www.farmersmarketcoalition.org/resources/home/article/resource-library/8-market-start-up-and-development/307-sample-feasibility-survey-for-businesses
- Appendix C: Oregon State University, Extension Service: <u>Dot Surveys</u>
 http://smallfarms.oregonstate.edu/sites/default/files/publications/techreports/TechReport5.pdf
- Appendix D: Oregon State University, Extension Service: <u>Tools for Rapid Market Assessments</u> http://extension.oregonstate.edu/mwg-internal/de5fs23hu73ds/progress?id=k7FA8oz6Xp

Market Location

- Appendix E: Farmers Market Coalition: <u>Choosing a Location</u> http://farmersmarketcoalition.org/managerfaqs/#12
- Appendix F: Farmers' Market Development: <u>Site Considerations</u>, Pg. 7, <u>http://www.lasemillafoodcenter.org/uploads/8/4/6/8/8468672/el_paso_sun_metro_farmers_mark_et_final-3.pdf</u>
- New York Farmers Market: <u>Creating Communities PowerPoint</u> <u>http://www.nyfarmersmarket.com/powerpoint/creatingcommunities.ppt</u>

Legal Considerations

Zoning

- Anchorage General Zoning Information: http://www.muni.org/Departments/OCPD/Planning/zoning/selfHelp/Pages/SH_ZoningBuilding.

 aspx
- Fairbanks General Zoning Information: http://co.fairbanks.ak.us/CommunityPlanning/
- <u>Juneau: http://www.juneau.org/cddftp/divisions.php</u>
- Kenai Peninsula Borough Planning Information: http://www.borough.kenai.ak.us/planningdept/
- Mat-Su Borough Planning Information: http://www.matsugov.us/planning/

Insurance

- Farmers Market Coalition: <u>Insurance Information</u> <u>http://farmersmarketcoalition.org/fmc-explores-insurance-options</u>
- Farmers Market Federation of NY– Insurance: <u>Market Manager Training Manual</u>, **pg 18**, <u>http://www.nyfarmersmarket.com/NYFM Training Manual.pdf</u>

Sign Laws

• Appendix G: Alaska State Laws on Road Signs:

http://www.legis.state.ak.us/basis/folioproxy.asp?url=http://wwwjnu01.legis.state.ak.us/cgi-bin/folioisa.dll/stattx09/query=[JUMP:'AS1925105']/doc/{@1}?firsthit

Music

Appendix H: Farmers Market Coalition: <u>Can we play Copyrighted Music at our Market?</u> http://farmersmarketcoalition.org/managerfaqs/#27

Developing the Market

- Appendix I: USDA Marketing Services: <u>Starting a Market PowerPoint</u> http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3022129&acct=wdmgeninfo
- Idaho Farmers Market Manual Market Establishment, Management and Promotion http://www.agri.idaho.gov/Categories/Marketing/Documents/establishingafarmersmarket2009.pdf
- Appendix J: Oregon State University, Extension Service: <u>Understanding the Link Between Farmers Market Size and Management Organization</u>
 http://extension.oregonstate.edu/catalog/pdf/sr/sr1082-e.pdf

Market Rules

- Appendix K: Wasilla City Market: <u>Sample Rules WCM</u>: http://dnr.alaska.gov/ag/FMM/014APPKWasillaCityMarketVendorPackage.pdf
- Appendix L: Anchorage Market & Festival: <u>Sample Rules AM&F</u>: http://dnr.alaska.gov/ag/FMM/015APPLAnchMktFestivalVendorHandbook.pdf
- Appendix M: Farmers Legal Action Group (FLAG): <u>Understanding Farmers' Market Rules http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5060432</u>

Budget, Vendor Selection

- Appendix N: Pacific Grove Farmers Market <u>Sample Budget</u>: http://dnr.alaska.gov/ag/FMM/017APPNSampleBudget.pdf
- Alaska Grown Source Book: http://dnr.alaska.gov/ag/sourcebook/index.htm
- Market Management FM Services: http://www.managemymarket.com/Features.aspx
- Appendix O: <u>Tanana Valley Farmers Market Sample Application:</u> http://www.tvfmarket.com/sites/default/files/2013%20Vendor%20Application.pdf
- Appendix P: <u>Fayetteville Farmers Market Membership Applications:</u>
 http://www.fayettevillefarmersmarket.org/wordpress/wp-content/uploads/New-Vendor-CRAFT-Application.pdf

EBT Machines and Managing Electronic Systems with Tokens

- Appendix Q: <u>Spenard Farmers Market: Food Assistance Vendor Handbook 2011</u>: http://dnr.alaska.gov/ag/FMM/020APPQSpenardFMFoodAssistanceHndbk.pdf
- Farmers Market Coalition: Options for Electronic Benefit Transfer (EBT) Machines http://farmersmarketcoalition.org/managerfaqs/#53
- Farmers Market Coalition: <u>Should we use EBT Machines?</u> <u>http://farmersmarketcoalition.org/managerfaqs/#54</u>
- SNAP/EBT Machines: Guide to using SNAP http://www.pps.org/pdf/SNAP EBT Book.pdf
- <u>Managing and EBT/SNAP System:</u> <u>http://www.youtube.com/user/FMCorg#p/u/1/kd-Hn4kBY6U</u>
- AMS/USDA: Federal Food Assistance Programs & Using Electronic Transfers

 http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5085298&acct=wdmgeninfo
- YouTube Videos on: <u>Market Token Management</u> http://www.youtube.com/user/FMCorg#p/u/1/kd-Hn4kBY6U&t=54s