THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS



Department of Agricultural Resources

251 Causeway Street, Suite 500, Boston, MA 02114 617-626-1700 fax: 617-626-1850 www.mass.gov/agr



A Guide to Selling at Farmers' Markets

Massachusetts farmers have learned that their greatest resource is the pool of over six million nearby consumers. Population density, combined with the fact that there is less than one percent of the population involved in farming, make Massachusetts an ideal state for direct marketing.

Farmers can capitalize on their products' freshness, a quality trait often associated with nearby production and valued by consumers. There has been considerable growth in the number of farmers' markets in the past twenty years. In the seventies, there were some eight markets in Massachusetts; now there are over two hundred and seventy.

In addition to being a direct marketing opportunity for produce growers, many markets also offer space for producers of specialty products such as farmstead cheeses, preserves, breads, pies and other baked goods, vinegars, fruit butters, maple syrup, honey and a variety of turkey products. Farmers' markets showcase the commonwealth's diverse products in a convenient busy market place with a festive open-air atmosphere. They offer consumers the opportunity to buy directly from the producer without a middleman or broker.

Who should sell at farmers' markets?

- A grower whose farm is located in a rural area and who has not established a farm stand, or is in the process of farm stand establishment.
- Farm-stand operators whose stand is not busy at certain times of the week.
- New or established farm stands wanting to do outreach for their farm among city folks.
- New growers often test the market and their product line at farmers' markets, as the initial investment is minimal. There they can quickly and accurately assess consumer preferences and adjust production accordingly.
- Anyone who likes to grow fruits and vegetables, and wishes to supplement their income and who enjoys meeting people.

What products should be sold at farmers' markets?

- Under Massachusetts General Law Chapter 101, section 15, farmers are allowed to sell at farmers' markets their fruits, vegetables or other farm products raised or produced by them or their family without obtaining a hawkers' or peddlers' license.
- In general, farmers who sell at farmers' markets grow a full line of fruits and/or vegetables. Competition in these markets may require that you fill a niche or seek a new market which may present a "fresh start."
- By visiting established, well run farmers' markets, one can observe and learn what niche can be filled in the market with particular produce or product. Products that may fill a niche include:
- Specialty vegetables or ready-to-serve salad mixes for the busy consumer. Providing information on how to use a new variety or item and offering samples will increase sales and establish a steady customer base for your product.
- Growing different varieties of sweet and hot peppers is another niche, and they are an important ingredient in salsa, an expanding product line.
- Remember that restaurant chefs are often eyeing the produce at local farmers' markets, and your specialty product can become a steady item on their restaurant tables.
- Organically grown produce is another niche market to consider. It is a rapidly growing segment of agriculture and enjoys some price advantage. To learn how to become certified as an organic grower, Contact: <u>Northeast Organic Farming Association, Massachusetts Chapter</u>, Inc. (NOFA), 411 Sheldon Road, Barre, MA 01005, 508-355-2853.

- "Ethnic" vegetables can also specialize your product line for neighborhood farmers' markets.
- Flowers are another option. Growing annuals and perennials can be a profitable niche. Well-arranged bouquets will enhance the appearance of your display and attract impulse shopping.

How to choose the market

Click here for <u>market manager contacts</u> to learn if there is room in a particular market for an additional grower, and for what type of produce. The managers are knowledgeable resources. Request the market's rules and application to learn if they correspond with your plans.

Visiting markets and trying them out for period of time is still the best method to calculate if the chosen market is for you or if it has the potential for growth with your product line. Remember, though, it takes time to build a customer base.

What Equipment is Required?

- A truck, station wagon, van, or car, depending on the amount of produce you are planning to grow and the specific market's rules.
- A sign with your name and the name of your farm and location.
- Price cards large enough to state the product and the price.
- A scale with valid seal from the Weights and Measures Department of your town, if selling items by weight.
- Tables and/or saw horses for displays
- Bags, cash box and change

How to Sell at a Farmers' Market

Selling your produce directly to the consumer involves you in a whole new series of activities. You will be dealing with the public, determining prices, displaying your products and competing directly with other sellers. One of the advantages often mentioned about direct marketing is the elimination of the "middle man". You should realize, however, that in order to eliminate the middle man you must be willing to invest money, time and thought in performing the marketing job yourself.

Regardless of what you sell, a little thought about the best way to sell it will go a long way in helping you make the transition from producer to seller.

Consider:

THE MARKET

- Get a copy of the market rules from the market manager. Make sure that you can comply with them; also, make sure the market serves your needs.
- Does the market attract enough customers?
- Make sure the market operating days and times are compatible with your schedule.
- Find out how much it will cost you to sell at the market. Does the market advertise?
- Check with your insurance agent about adequate coverage. Farmers' markets have insurance, but individual sellers are generally not covered.

EQUIPMENT

• You'll need a display stand if one is not provided. A folding table or plywood over sawhorses is fine. Perhaps a chair for slow periods.

- Creating a neatly lettered sign identifying yourself, the name of your farm, what you sell, and where you're from. This should be a permanent fixture that you display at each market visit.
- Provide some sort of shelter for your produce-both protection from hot sun and rain is a good idea. A height of seven feet will allow adequate head room
- Bring some poster board and felt tip pens (green, red, and blue are good colors) for posting prices. Print as neatly as possible.
- Provide containers or bags for the consumer. Wooden boxes are nice, but expensive. Paper bags, plastic bags or paper wrappings are ok. You may ask customers to recycle containers.
- If you sell by the pound, you'll need a scale. Local weights and measure inspectors must certify or seal all weighing devices-there may be a small charge for this. Check with the market manager and town clerk's office to be sure that you comply.
- Have a cash box. A small fishing tackle box is fine. You'll need "seed money" for making change and something to hold the bills down so they don't blow away. Keep your money out of sight!

DISPLAY

- Cleanliness, color and spacing are most important.
- At the time of harvest, brush excess soil off your produce.
- Don't bring low quality or deformed products-they will only detract from your display.
- Space your products nicely-contrast colors and keep the display replenished. If possible, tilt your produce towards the customer.
- Keep produce off of the ground.
- Add some color to your stand or table. A bright cloth will dress up your display.
- Remove produce damaged by customers.

SALES

- Use the same selling crew at each market visit, if possible. This and your permanent sign will help build familiarity. Courtesy, knowledge, friendliness and enthusiasm are keys to successful sales.
- Know your produce-consumers are interested in how you grew it, what varieties you sell and even how to prepare it.
- Although it's sometimes difficult to be courteous to some customers, remember that arguing may send other customers away.
- Hired labor is subject to minimum wage. Check with the <u>MA Department of Labor and Workforce Development</u>,(617)-727-3452 to make sure that you comply.
- Serve one customer at a time. This will avoid customer confusion especially when handling money. Try to keep an idea of who should be waited on next.
 - If you are interested in becoming certified to accept farmers' market coupons, click here.
- It takes time to develop a profitable business. It will take several market visits to establish your reputation.

PRICING

• Post your prices. Print them legibly on poster boards with a felt tip pen.

very disappointed to see the next customer negotiate a discount.

- Have some idea of what it costs you to grow and market your produce. Try to estimate your costs per pound, bushel or whatever units you sell in.
 Know your competitors' prices and quality. Don't panic if the guy next to you cuts prices; think of your quality and
- remember that customers like steady prices.If you haggle about a price with one customer, others will want to as well. Also, a customer who pays full price will be

- You can't please everyone. If customers complain about prices, you can often save the sale with a courteous, knowledgeable reply. You have a right to charge a price that covers your costs and provides you with some profit. If nobody complains about prices and you sell out very quickly, your prices may be unrealistically low.
- It's easier to lower prices than to raise them; don't sell yourself short!
- Customers want quality, courtesy and consistency! They are generally knowledgeable and willing to pay a reasonable price for quality and freshness.

FOR MORE INFORMATION CONTACT

David Webber David.Webber@state.ma.us 617-626-1754