



How to Get into Farmers' Markets with Your Value-Added Products

Background - This document addresses the opportunities and challenges in selling value-added products at farmers' markets, including labour and other costs, how to get into a market, sales marketing techniques, and other valuable insights. This information is based on comments and feedback from market managers in the Greenbelt Farmers' Market Network and was presented by Peter McClusky at the February 9th, 2018 Agri-Food Management Institute's Bon Appetit Food Business Conference in Cobourg, Ontario.

Three Areas Covered - 1. Cost of attending a market. 2. Getting into a market, and; 3. Marketing ideas when you're at the market.

Definition of Added Value - A change in the physical state or form of a product (such as milling wheat into flour or making strawberries into jam), in a manner that enhances its value.

1. Cost of Attending a Market - here are some items to consider:

- **Time** - In addition to the usual four hours spent at market by a two-person team, you must include the following costs: 2 hours travel at each end 1½ -2 hours for loading and unloading your vehicle; 1½ hours setup time; and ½ hour cleanup at the market, so a 4-hour market takes approximately 22-person hours. As well a vendor or producer should be aware of opportunity costs, meaning tasks not done at the farm or commercial kitchen. Coming to Toronto? Add extra time.
- **Gas and Vehicle Wear & Tear** - Current estimates for a truck are .75-\$1 per km travelled, so even for the closest farms, add \$100 to the amortized cost of your vehicle. For vendors coming in from Niagara/Prince Edward County and other areas farther from Toronto, costs are substantially higher. There's also the cost of adding a staff person to the insurance cost of your vehicle.
- **Equipment and Supplies** - Other potential costs include tents, poles, tables, chairs, weigh scales, hand trucks, signs and display equipment, coolers and ice, baskets, bags, cleaning supplies, etc.
- **Fees** - markets charge about \$25/week or more in table fees to each vendor to cover their insurance, permit fees, promotion, at-market equipment and manager/support staff time. Most vendors also pay an extra premium on their own insurance to cover their time at market. Other potential costs include babysitters or dog walkers.

Sales vs. Building Customer Base - Your calculation of the cost and benefits of attending a market may include things like testing products or building a customer base. As an example, consider the cost for a chicken farmer to slaughter and prepare their chickens for market: \$4-8 to slaughter, prepare & package each bird. 6 hours drive, \$80 in diesel costs to take, wait and pick up. Must book a year ahead for kill date...in a similar fashion think in detail about the cost to produce, market and distribute your product.

- **There will be great market days, and not so good market days** - Plan for it. Allow a buffer for days that are slow, for example, when poor weather results in low customer turnout but expenses must still be covered.



2. Getting into a Market - Don't assume that you can get into every farmers' market you'd like. If you're not a vendor with the bulk of the ingredients in your product coming from your farm the competition is especially tight. Many markets have a long waiting list. They're concerned about current vendors earning enough to support themselves; they don't want to take on too many of one kind of vendor and 'watch them all go broke together'. Here are a few ideas on how to get the attention of a market manager when asking to attend their market as a vendor. Your objective is to make it easy for the market manager to say yes.

- **Plan Ahead** - Many markets are already looking for vendors by March or sooner. Contact them earlier in the year.
- **Online Market Match-maker** - GbFMN has created the online Market Matchmaker to help markets and vendors find each other. Create your account and profile at www.greenbeltmarkets.ca/market-matchmaker/
- **Visit** - Visit the market, get a feel for how it is run, and be sure to mention your visit to the manager.
- **Describe your Products** - Describe your story, ingredients, sources, methods, other markets you attend. Never just ask the manager, "Do you have a spot?"
- **Product Selling Points** - Does your product use ingredients that are: all local, or unusual, would otherwise be thrown out, are extra tasty? Be descriptive, avoid exaggerations and superlatives, like "amazing" and "great."
- **Evidence of How Well it Sells** - Are there reviews or write-ups on food blogs, in newspapers, etc? Mention these to the market manager, as they'll be considering how you and your product can help their market.
- **Differentiate** - Explain how truly different you and your product are from other vendors.

- **Solve a Problem for the Manager** - How will you bring in new market-goers or fulfill an unmet demand at the market? For example, if you're a baked-goods vendor, suggest: "I notice your market doesn't have a full time baked goods vendor, we would be happy to attend on the days that your current baker is not at the market..." Or, if the market doesn't offer gluten free or halal products, you could offer those. Look for gaps in the market that you can fill.
- **Marketing** - Show the manager how you plan to promote your product, through social- or traditional media.
- **Include Photos of Your Product** - To help the manager envision your product at their market, include photos of it on display at another market. Show them you are social media savvy.
- **Farmers' Market vs Not 51% Farmers' Market** - For a market to be considered a farmers' market at least 51% of their vendors must be farmers. This means that managers tend to favour farmers vendors over non-farm vendors.
- **Health Rules** - Show the manager that you're aware of health and other regulations pertaining to the production of your product. You can slip this bit of crucial information into your proposal, such as..." Our jam is produced in a certified kitchen and we follow all municipal, provincial and federal regulations regarding food production and labelling." Remember rules vary between municipalities.
- **Already Distributed** - If you're already distributed in stores this may work against you as many markets look for products that are just starting out or are not yet in retail stores. Reason: some markets see their space as an incubator for up-and-coming businesses, not as a place for already established businesses.
- **Kiss without Committing** - Managers are hesitant to say "yes" if they don't know you. Offer to come on a temporary basis. Ask if they have visiting spots.
- **Offer free samples** for the market to give away at fundraisers, auctions, promotions, etc. Suggest bringing samples for the manager, to take home and try. It's a way for you and the market manager to get to know each other. It's a lot easier for them to have you visit for a couple of market days, without committing. You'll go way up in their waiting list.
- **If You Don't Get In at First** - Thank the manager for the opportunity. Keep on good terms and stay in touch from time to time. It can be all about being ready when there's a gap to fill.



3. Marketing Ideas

- **Stand Up. Put Down the Cell Phone** - This is obvious, isn't it? Remember, Canadians are polite... too polite. If a passing customer sees you or your staff on the phone they're likely to pass by for fear of interrupting your facebook chat with your mother-in-law. Put down the phone!
- **A Great Looking Stall Display** -To improve sales, visit markets and study and learn from other vendors' displays.

- **“Pile It High and Watch it Fly”** - This advice works for fruits and vegetables, but for high value products it may backfire. Think about the display in a high-end bakery. You'll find that products are spaced well apart, not piled up. You may want to consider the same strategy for your value-added product.



- **Food Sampling Hygiene** – Beware: Canada is made up of many different cultures, different standards. What you consider clean may not be for someone else. Aim for the high bar.
- **Know Your Product** - Where is it made? Where are the ingredients from? Is there something special about the process, the ingredients?

- **Re-think Your Product and Product Packaging** – is there a novel way to present your product in a new way, that grabs attention or solves a problem?



- **Engage Your Sales Reps** - Encourage them to write down customer questions and add new ones to a list of Frequently Asked Questions. Keep this list handy so that staff are well informed. Give them a sales blurb and get them to rehearse it. You rehearse it, too. Avoid empty words, like “great.” When your staff come back from the market ask them how it went, ask them what new questions the customers asked, or what new ideas they have about selling the product. In other words, get them well-versed in the idea that sales is an active process.
- **Engage with Customers** - Remember, people come to farmers' markets because they want an alternate to the impersonal checkout lines at supermarkets. Get to know your regulars. Offer samples. Ask for opinions. Greet people when they come and go.
- **Cross-Promote with Other Vendors** - We see this all the time in the retail world. Have you ever noticed how, in big food retail stores, there are complementary products side-by-side? In the vegetable section you'll see salad

dressing, positioned to be at the point of need for the customer: “I’ve got lettuce, now I need to get salad dressing...”

Use this same strategy for your product. For example, if you make an herbed butter, provide it to the bread vendor, to use with her own bread tasting samples. Give them a few of your cards or brochures. And likewise, offer to use their bread in sampling your product at your table. Other examples of product cross promotion are chutney or pickles with meat and fish vendors or cheese vendors.

- **Don’t be afraid to send customers to the competition** if you don’t have what they want. Markets are communities, and what goes around, comes around.

Other Points

- **Wholesale or Commission Based Sales** - Consider selling your product wholesale or on commission basis through other vendors at the market. (See cross-promotion, above) This could make sense especially with vendors that sell a complementary product. For example, a meat vendor could sell your rib sauce. It can help solve a problem for that meat vendor, because your rib sauce is a solution for the meat vendor’s customer, that you have provided. This is similar to cross-promotion, but without you being there. This saves you time as you don’t have to be at the market. You get other vendors to be your sales person. **IMPORTANT:** Get approval first from the market manager.
- **Think about range and number of products** - Do you want to offer amazing selection, or focus on a few fantastic items? Which products make you the highest profit? Which ones keep customers coming back? Continuous analysis....
- **Canopy** - Outdoor markets health dep’t may require a food stall to use a canopy to protect from sky-borne objects.
- **Know Thyself** – You may have a brilliant recipe and marketing plan for Hungarian Goulash, but do you have the right temperament to talk to customers?

