

Exploring Attitudes to Farmers Markets

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Growing the success of Irish food & horticulture

Bord Bia
Irish Food Board

Research Objectives



- ❖ Overall market performance
(footfall, revenue and how both have evolved)
- ❖ To explore the role farmers markets play in consumer's lives:
(what shoppers look for, what are their emotional triggers/barriers; how do markets fit in to the community)
- ❖ To understand their purchase behaviours and buying preferences
- ❖ To understand attitudes to value for money at farmers markets
- ❖ To understand how consumers hear/learn about farmers markets
(signage/advertising)

Research Project

In November 2010, Bord Bia commissioned research in two phases:

- **Phase 1 was Quantitative** -Behaviours & Attitudes

Evaluating Farmers Markets as a route to market for Small Producers

The view of market organisers and stallholders on how markets are developing

- **Phase 2 was Qualitative** -Rory McDonnell from Ideaction

To establish the opinion of the opinion of the regular farmers market shopper and the wider local community (non-shoppers)

Examining what shoppers look for in a market and whether or not this is currently being achieved by some or all markets. Looking at how a market fits into its community.

Quantitative Research : Key Conclusions

- ❖ The importance of Farmers Markets to traders appears very high:
 - ✓ On average, traders operate a stall for over 100 days a year
 - ✓ 48% of traders have been operating for over 5 years
 - ✓ 80% of traders consider Farmers Markets as their key sales channel.
- ❖ Over half of traders grow/produce their own produce, with this rising to 62% of traders outside Dublin. About one in three traders sell non Irish and imported goods (this rises to 43% of Dublin traders).
- ❖ Traders are more negative than market organisers about the decrease in customer numbers in the past year. Traders outside Dublin appear worst hit, as do those traders with greater experience (longer comparative context).
- ❖ The sales figures for traders varies considerably by location, with Dublin traders claiming daily sales 40% higher than those outside Dublin (during both Winter and Summer seasons).

Key Conclusions

- ❖ Strikingly, Dublin traders estimate their annual sales at the market surveyed to be nearly twice that of those traders outside Dublin (24K versus 13K).
- ❖ One can estimate total annual food and drink sales for all markets registered with Bord Bia at €25 – 30mn with sales in summer season typically exceeding winter season by 15-20%.
- ❖ Traders and organisers do typically agree that sales have decreased in the past twelve months, but traders are marginally more optimistic than market organisers about the next twelve months, and are also generally optimistic about the markets future.

How do consumers view Farmer's Markets?



Phase 2 Research Approach

Extended Mobile Groups and Vox Pops

- The research took the form of six group discussions at farmers markets around the country. A broad mix of consumers representing different ages, genders and social classes were recruited.
- Three of the group discussions were with consumers who regularly visit farmers markets. Three were with consumers that do not attend farmers markets.
- All respondents participated in extended group discussions on the day of a local market. During the group discussion respondents visited the local market and made purchases using a cash sum provided to them.
- Respondents were then interviewed 'vox pop' style at the market to establish initial reactions to their experiences. The group discussion was then reconvened in the original venue for concluding group conversations.

Consumers reactions via the 5Ps (Marketing Mix)

Farmer's Markets – like any form of marketing – can benefit from understanding consumer attitudes to the fundamental '5Ps' of marketing...

Price

Product

Promotion

People

Place

Price

Price is a major concern for consumers...

- Consumers perceptions of prices at farmers markets can be somewhat negative
- The focus on 'organic' and 'quality' means that many consumers - particularly those who don't regularly visit markets - assume that prices at farmers markets are likely to be prohibitive
- Equally, the 'foodie' imagery associated with farmers markets creates a sense of 'high cost' around the sector as a whole.

But cutting out the middle man should mean lower prices

- This perceived 'high cost' component of the farmers market sector image is actually at odds with what many consumers think could be a potential 'benefit' of shopping at farmers markets.
- Many of the consumers we met suggested that there is 'no reason' why food should be more expensive at a market - particularly fresh food like meat and vegetables. The idea of 'farm gate' selling lends itself to these products being very competitive on-price.

Effective Use of Signage is Crucial

- Roadside and on-stall signage should highlight value for money available at market. Consumers do not like having to ask the price of products, clear price labelling is a must.



INSIGHT: Consumers want demonstrable evidence that 'buying direct' from a farmer is saving them money!

Product



Signage can play a key role here too..

- Many of the consumers we met expressed the view that they remained uncertain about the origin of some produce on sale at farmers markets. For this reason, signage can play a key role with respect to the 'product mix'.
- Consumers are on the lookout for 'local' names and even 'national names' - particularly with respect to Fruit and Veg. Irishness is an important issue for some consumers and there is a suspicion that some fruit and veg at farmers markets is imported.
- Whilst many fruits will be accepted as imports, consumers struggle with the idea of imported vegetables on sale at an Irish farmers market - because many are buying into the idea of the market 'cutting out the middle man'

IMPLICATION: Farmers markets should 'signal' food origin as much as possible using signage.

Promotion

Signage doesn't have to be sophisticated...

- ...but it does pay to advertise. Consumers are bombarded by marketing messages almost every minute of every day. So one could be forgiven for thinking farmers markets can't compete.
- Yet some very simple marketing/advertising messages around farmers markets can cut through the advertising noise.
- Farmers markets have the advantage of appealing to consumers sense of 'local and community spirit'. So flyers or roadside posters that 'dial-up' those messages can resonate.
- Likewise, road-side signage that say 'more' than just the date and time of a market can be effective. For example, road-side signage announcing price offers could cut through.
- And local media can also play a role...



People

As a highly social environment, stall holders are critical...

- Stall holders are a critical element of the marketing mix at a farmers market.
- They are simultaneously sales people, farmers, food critics, cooks and confidants to the consumer - not a easy role for one person to pull off!
- As with any social situation, consumers will differ in their reaction to individual stall-holders. But generally consumers are open to 'out-going' and 'friendly' stall holders.
- The biggest fear consumers have about stall holders is of the 'hard sell' - stall-holders that engage consumers without trying to sell can fare better.
- In fact, the stall-holders that let traditional marketing material like 'signage' do the selling for them seem more approachable.



IMPLICATION: Stall holders can spend more time talking about products and their strengths if they don't have to talk about prices.

Place

The physical environment and location needs to be considered

- As mainstream food retailing has developed, the role of the physical environment and retail space has been identified as a significant factor to manage. Farmers markets are no exception in this regard.
- The most obvious issue for stall-holders to manage are their individual displays - again a common sense approach to this is all that is needed.
- However, as a collective group of stallholders at a market, it is worth considering the role that layout of stalls can play for the consumer. The key is to ensure the stalls are laid out so that consumers don't 'miss' anything.
- Consumers visiting farmers markets are visiting a space they consider to be a 'hub' for local food producers. They imagine a community of like-minded businesses working together for each others' benefit.
- This idea of a 'community collective' is quite a powerful one - at an emotional level it appeals to people's sense of duty to 'support local business'. It is easier to create a sense of 'community' at a market if neighbouring stall-holders are selling complimentary products.
- However, consumers experiences on the ground at farmers markets can be somewhat more disjointed - often with stalls operating in isolation from one another.



IMPLICATION: An opportunity exists for stall-holders to manage layout and create greater synergies between one another.

Summary: Key purchase Triggers & Barriers



IMPLICATION: Farmers markets can overcome these barriers with simple changes to the marketing mix.

Conclusions

Farmers markets and Irish food culture

- Farmer's markets are an important part of the Irish Food culture landscape for consumers. The sector is, for many, an aspirational vision of how many of us would 'like to live'. There are obvious strengths to the sectors' image around supporting local business and the local community.
- However, much of that imagery is also merged with perceptions of farmers markets being 'for foodies' and 'not for me'. As a result, the sector does have an issue with price perception - consumers generally expect prices to be high at a farmers market.
- Consumers are therefore surprised when they actually visit a farmers market and learn that there is potentially great value to be had.

Farmers markets can offer “value” in broad sense...

- Value at a farmers market is about much more than just price. In fact, Irish consumers recognise that the quality of our food produce is amongst the best in the world. This means that consumers will pay attention to any kind of a 'deal' on Irish food on sale at a farmers market - because they believe they are getting top quality produce.
- Of the five 'components' that make up consumers definition of a farmer's market (Food, Localness, Quality, Value and The Experience), Value is the most important issue. The other elements are important. But unless Irish consumers believe they are getting good value at a farmers market, they are unlikely to attend. The other components can be addressed via the marketing mix...

Recommendations

Address the consumer barriers via the marketing mix

1. Price:

Perceptions & Realities

Can markets be more competitive on price?

2. Price:

No price signage

Can markets ensure price signage is mandatory?

3. Promotion:

Poor awareness

Sector imagery

Perceived consumers

Can roadside advertising and other advertising focus on tempting new consumers?

(i.e. via value messages and 'local' messages)

4. Place:

Layout

Can markets establish a greater sense of collaboration between stall-holders?

Can markets become easier to navigate for consumers?

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Please see

www.bordbiavantage.ie/farmersmarketsresearch

