

FARMER-TO-CONSUMER FOOD MARKETING IN MISSOURI

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FARMER-TO-CONSUMER FOOD MARKETING IN MISSOURI

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Interest in farmer-to-consumer food marketing, also referred to as direct marketing, has revived.

Fresh produce markets have sprung up in several Missouri towns and cities. Roadside stands are doing a brisk business. Many town and city people drive to nearby farms for "pick your own" buying.

These developments in Missouri are part of a nationwide trend. Direct marketing is on the rise everywhere. In some places farmers' markets are linked to consumer cooperatives. Organic farming is occasionally involved too. However, the new interest in direct marketing is by no means confined to selling organically produced foods. By and large the arrangements are not much different from what has been familiar for many years.

Total volume is not large. Don Paarlberg, chief economist, testifying in 1975 on behalf of the U.S. Department of Agriculture, said that "direct participation in exchange arrangements between farmers and consumers" accounts for less than two percent of food sales.

Usually only a few kinds of foods are involved in farmer-to-consumer markets; fresh fruits and especially vegetables are most common. Eggs and some dairy and meat products are sometimes included. Handicraft products also are offered for sale at a number of city markets.

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This report is about produce markets and roadside marketing in Missouri. It is based on studies during summer, 1976. One definitional precaution is in order, though: not all the selling on produce markets or even at roadside stands is direct marketing by farmers. Some stands at produce markets, particularly in larger cities, are operated by jobbers who buy produce from distant sources. Likewise, some farmers who sell on roadside stands do not confine themselves to their own produce. They may buy from nearby farmers or from distant sources.

Prices, quality are reasons for interest

Revived interest in direct marketing is usually ascribed to several developments of the 1970s. Foremost is the strong increase in retail prices of food. In 1977 the average retail price index for food in the United States was 60% percent higher than in 1970.

Just before the middle of the decade the price of food outran some other prices. It increased faster than consumers' income. The percentage of disposable income spent for food moved up from 16.3 percent in 1973 to 17.0 percent in 1974. It touched 17.5 percent in the first quarter of 1975. Prices farmers received went up too.

After mid-decade, however, the picture changed. Retail prices of food continued to climb but not as fast as before. Consumers' spending for food actually

slipped back in 1977 to 16.7 percent of their income. But prices to farmers began to lag. The marketing charge—the difference between values at the farm and at retail—continued to rise relentlessly. Farmers therefore began to join consumers in seeking ways to shortcircuit the increasing marketing spread.

Prices are not the only explanation for revival of farmer-to-consumer marketing. Quality of food also is involved. For example, surveys in other states, confirmed by impressions gained in Missouri, suggest that sensitivity to use of chemicals helps to account for interest in direct marketing. This pertains both to chemicals applied in the field, and the additives introduced in food processing. According to one account, food industry executives believe that never before have Americans been so suspicious of how their food is made.²

Apparently some consumers believe that the food industry is destroying the original flavor of food. Fruit and vegetables produced in Texas or Mexico, bred for tough skin (for shipping) and picked green, find some consumers antagonistic. Attitudes toward food marketing seem even to be caught in an anti-city sentiment.

These sensitivities and attitudes are significant in supporting direct marketing.

Activities vary by states in aiding farmer-to-consumer marketing

The search for newer and more direct marketing methods has led to a variety of activities in various states. No inventory can be made, but instances are illustrative.

Illinois has a "Self Help Action Center Food Program." In California, the Department of Agriculture services a "hotline" giving information on where foods are available direct from farm sources.

West Virginia has a unique arrangement for direct marketing. Five markets are operated under the supervision of both a local board of directors and the state's Department of Agriculture. Produce is consigned to the markets. The Department of Agriculture provides information including price trends.³

Among other states that service direct marketing are New York and Pennsylvania. In 1973 Pennsylvania had 73 individual markets; the number has increased since. Sales in 1975 were estimated at \$35 million.⁴

Where direct marketing is becoming influential, questions arise about integrity of the source of foods sold. In New Jersey an organization has been formed to promote and also to certify roadside market programs. It is New Jersey Certified Farm Markets, Inc.

Consumers' food cooperatives are on the rise. These take several forms. In metropolitan Washington, D.C. and Berkeley, California large cooperative

retail food chains have been in business for a long time. In the 1970s many small buying groups have arisen. Some have store locations, others do not. For example, the Minneapolis-St. Paul area had but one food buying group in 1971. In 1976 there were 20 stores and four buying clubs. Total volume was estimated at \$3.5-4.5 million in 1975. Most of the food is fresh fruits and vegetables and processed dairy products. The groups make use of volunteer labor, minimum packaging, and selective purchasing policies to keep prices low.⁵

Elsewhere consumer buying groups or stores resort to bulk buying, recycling of containers, and other devices to effect savings.

The connection between consumer cooperatives and direct selling by farmers seems to follow no pattern. Perhaps the most formal arrangements are found in Vermont and California, where federations of food cooperatives are working with farmers to develop methods for organizing production and delivery of food.

National law enacted in 1976

Indicative of widespread interest in more direct methods of marketing was enactment of P.L. 94-463, "The Farmer-to-consumer Direct Marketing Act of 1976." The law has as its purpose "to promote, through appropriate means and on an economically sustainable basis, the development and expansion of direct marketing of agricultural products from farmers to consumers."

Direct marketing is said to mean marketing at any marketplace including city markets, roadside stands, and house-to-house marketing. The law calls for a survey of the extent and nature of direct marketing. It also authorizes assistance to state departments of agriculture and the Extension Service of the United States Department of Agriculture "for the purpose of conducting or facilitating activities which will initiate, encourage, develop, or coordinate methods of direct marketing from farmers to consumers. . . ."

Eventually \$500,000 was appropriated for fiscal year 1977.

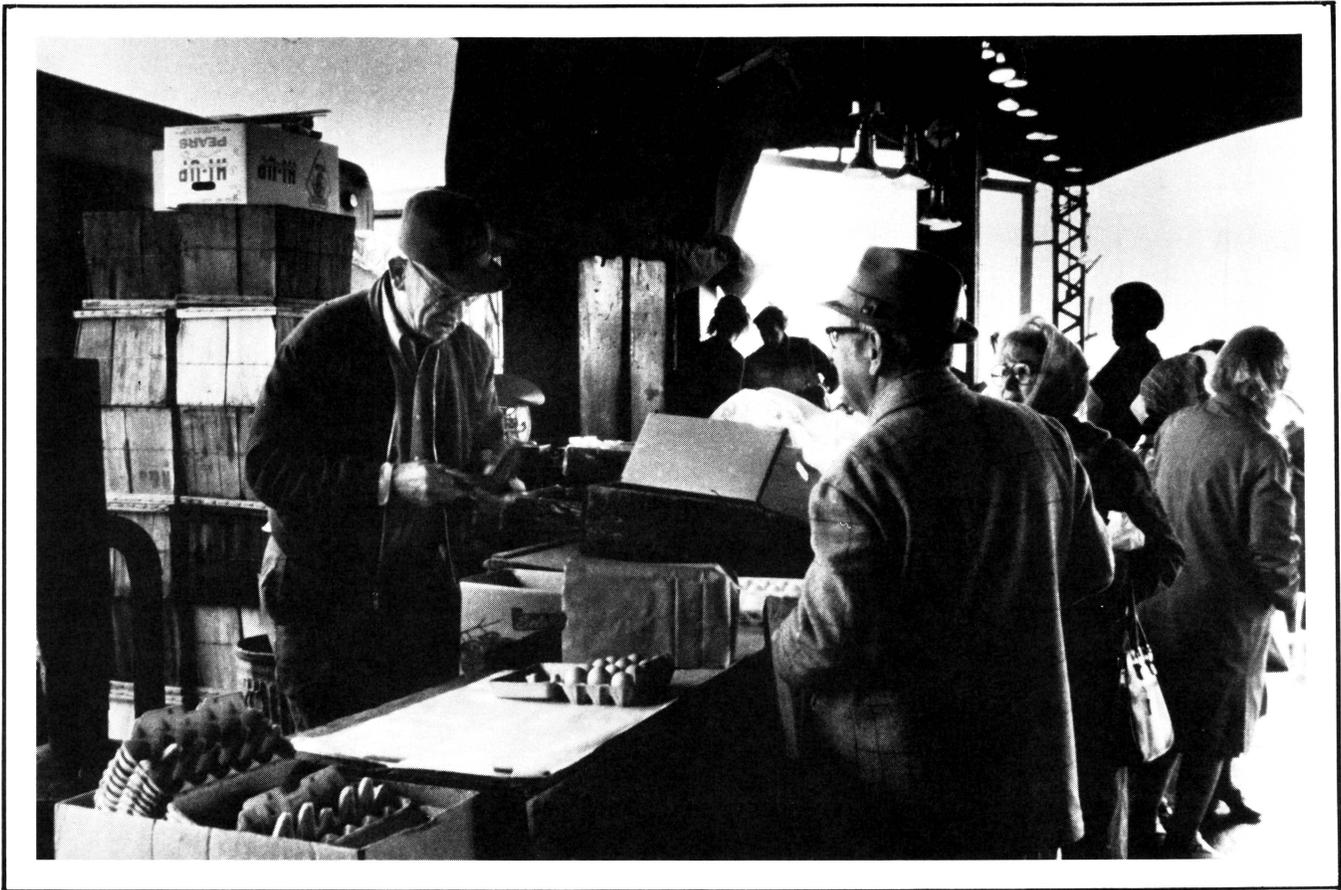
In Missouri, the Missouri Department of Agriculture undertook supporting activities in 1977.

²Wall Street Journal, June 21, 1977.

³West Virginia Department of Agriculture, Produce Development Section, *State Farmers' Markets*, 1975.

⁴Raymond J. Kerstetter, "Direct Marketing and the Pennsylvania Department of Agriculture," paper prepared for Federation of Cooperatives, Augusta, Maine, January 13, 1976.

⁵Henry Kinnucan and Ben Sexauer, "Consumers Find Alternative Food Sources in Minnesota," *Minnesota Agricultural Economist*, June 1977.



Farmers' Retail Markets in Missouri

Findings from surveys of farmers' retail markets and roadside stands in Missouri in 1976 are reported here.

John Smith of the University of Missouri-Rolla identified 21 farmers' markets in the state in 1975. Thirteen were rural markets and the other eight were located near large metropolitan centers. Twelve of the 21 markets had begun operating in 1975. Smith found that 40 different agencies had been involved in organizing the markets. In half the cases city agencies were credited with establishing the markets. Only nine of the markets had any form of volunteer committee or board which supervised operations.⁶

Smith's findings suggest that although direct marketing is expanding in many places in Missouri there is no uniform pattern about how a market is established.

Markets surveyed

Seven markets were surveyed in 1976. These were the City Market in Kansas City, Soulard Farmers' Market in St. Louis, Ozark Farmers' Market in Rolla, and Farmers' Markets in Jefferson City, Buffalo,

Salem, and Owensville. These were believed to be representative of other farmers' markets in both large and small cities of Missouri.

Figure 1 shows the location of the seven markets surveyed and the 14 others known to be operating in 1976 that were not surveyed.

The most marked difference among the markets surveyed is found between the two large city markets and the five markets in small cities. The former are old and well established. The latter are newer and less formally organized. A thumb-nail sketch of each market follows.

Soulard Farmers' Market, St. Louis. A year-round downtown St. Louis market, Soulard has been operating in present building since 1927 but the land was dedicated to the city in 1842. The city rents out 283 stands to about 100 vendors, about 30 or 40 of whom are farmers who sell their own produce. The other vendors buy their produce from the nearby terminal produce market.

City Market, Kansas City. A year-round city facility, the Kansas City market has 150 stalls. Only a part of the vendors are farmers.

Ozark Farmers' Market, Rolla. This seasonal market operates in two buildings located south of Rolla rented from the county fair administration. Selling is

⁶John P. Smith, "Farmers' Markets in Missouri," preliminary report presented at University of Missouri-Rolla, Department of Rural Sociology, July 1976.

Figure 1
Farmers' Produce Markets in Cities and Towns
Known to be Operating in 1976.

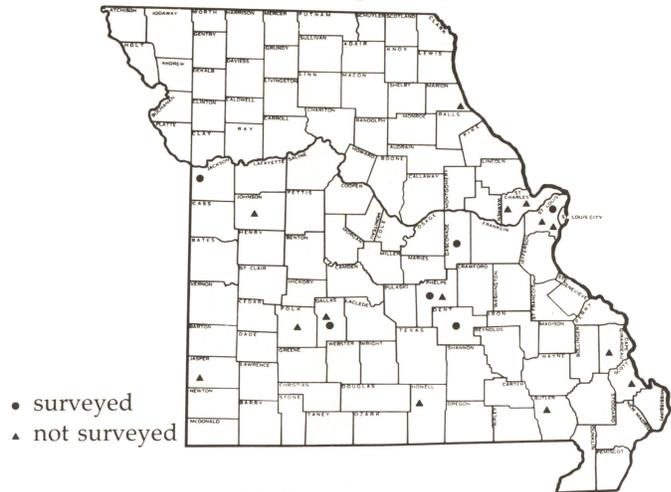


Table 1. Average Age of Shoppers at Seven Missouri Farmers' Markets, 1976

Age	Number	% of total
Under 20	4	2
20-39	65	38
40-59	57	34
60 and over	44	26
Total	170	100

confined to Tuesday evening and Saturday. It dates from 1966.

Farmers' Market, Jefferson City. In 1975 the Agricultural Committee of the Chamber of Commerce arranged to sell produce at two locations in Jefferson City, two evenings a week during a 10-week season. No facilities are provided. No commercial vendors are permitted.

Farmers' Market, Buffalo. Local organizations sponsored a stall facility at the Community Center, to be open Friday and Saturday mornings during the summer. This market was opened in 1975.

Farmers' Market, Salem. In Salem as in Rolla, the county fair grounds provide space for an organized market activity that operates Saturdays for about six months of the year—a longer season than at some other farmers' markets. There are 30 booths. The market's first year was 1973.

Farmers' Market, Owensville. A local family, with help from Extension personnel, instigated the Owensville market in 1975. It, like the Jefferson City market, is only a parking lot operation. Sales are made on Saturday mornings during the summer.

Who buys at farmers' markets—how and why?

Demographic Characteristics. An outstanding feature of shoppers at farmers' markets is that they are permanent local residents. Several characteristics of markets, particularly the "rural" ones (i.e., excluding St. Louis and Kansas City), account for the local clientele. They are located at out-of-the way places and are not advertised. Produce is sold in bulk with

Table 2. Family Income of Shoppers at Seven Missouri Farmers' Markets, 1976

Annual income	Number	% of total
Under \$10,000	65	41
\$10,000 - 20,000	66	41
Over \$20,000	29	18
Total	160	100

little packaging. Familiarity with the market is a key to its volume of business.

Of all shoppers surveyed in 1976, 94 percent were year-round residents of the area. Half traveled less than four miles to the market.

Although family shoppers predominated, it is significant that 27 percent of all shoppers were single individuals. Single persons, especially single males, were more numerous among shoppers at the two city markets than the rural ones.

Of the family shoppers (2 persons or more) 57 percent were two-person families. Thus single individuals and 2-person families comprised 73 percent of all shoppers.

This rather large number of small household shoppers may be related to their age.

As data in Table 1 show, 60 percent of all shoppers were 40 years of age or older. Shoppers at rural markets were a little older than those at city markets. For instance, at the five rural markets 30 percent of all shoppers were 60 and over; at the two city markets 23 percent were of that age. By contrast, at rural markets 31 percent, and at city markets 41 percent, were 20-39 years old.

Persons who buy at farmers' markets represent different income levels (see Table 2). Shoppers are not of notably low income. The average family income of shoppers was higher than the 1975 Missouri

Table 3. Number of Different Items Purchased by Shoppers at Seven Missouri Farmers' Markets, 1976

Number of different items	Number of shoppers	% of all shoppers
1	9	6
2	13	8
3	15	10
4	16	10
5	20	13
6	23	15
7	12	8
8 or more	45	30
Total	153	100

Table 4. Cost of a Shopper's Purchases Made at One Time, Seven Missouri Farmers' Markets, 1976

Cost	Number shoppers	% of all shoppers
0 - \$1.99	19	13
\$2.00 - 3.99	22	14
\$4.00 - 5.99	25	16
\$6.00 - 7.99	18	12
\$8.00 - 9.99	12	8
\$10.00 or more	57	37
Total	153	100

per capita personal income of \$5,490. Income level was about the same for shoppers at city and at rural markets.

Shopping Practices. Most shoppers at farmers' markets were repeat patrons. Of 166 shoppers responding in the 1976 survey, only 12, or 7 percent, were first-timers. When asked why they sought a farmers' market, five of the 12 said they were looking for fresh fruits and vegetables, sometimes a particular one.

About half of the shoppers interviewed said they were making a special trip to shop at the market. Their presence at the market was not merely incidental to a shopping activity.

Because shopping at farmers' markets tends not to be casual, the shoppers usually buy several items. Data in Table 3 show that 66 percent of all shoppers bought five or more items; and 30 percent bought eight or more.

The shopping expenditure averaged about \$7.00. More than a third of the shoppers spent \$10.00 or more (Table 4).

Attitudes. Consumers' attitudes toward shopping at farmers' markets seemed to be based on their ideas of what qualities or features they are most sensitive to, and what they are most (or least) satisfied with at the markets where they shop.

It is sometimes difficult to separate the two. But

Table 5. Satisfaction Index for 10 Attributes of Seven Missouri Farmers' Markets, 1976

Attribute	Rank	Index ^a
Quality of products	1	467
Variety	2	397
Lower price	3	375
Friendliness	4	334
Atmosphere	5	332
Cleanliness	6	295
Location	7	290
Display	8	245
Nostalgia	9	244
Activities	10	181

^aIndex was calculated by assigning a score of three for each response of very important, a two for each important response and a one for each indication of less important.

because all persons surveyed were actually doing some buying, their responses may be interpreted as representing both *what they look for*, and *what they are finding* to their satisfaction.

Clearly in top spot was quality of produce. It outranked lower prices as an attribute of concern and satisfaction. In a weighted score basis price ranked third. Variety of produce edged it out for number two spot. Table 5 summarizes.

The last two attributes listed in Table 5 require explanation. As both shoppers and vendors tend to establish a continuing relationship to the market, certain personal and community relationships take on importance even though they are clearly subordinate to quality, variety, and acceptable price. Friendliness, for example, ranks fourth, and atmosphere fifth. "Nostalgia" was included in the survey as a way to find out if shoppers sensed an emotive tie with the past. Three shoppers out of five were indifferent to the idea. But two out of five responded positively. Nostalgia is present in the psychology of shoppers' attitudes toward farmers' markets.

Nostalgia ranked ahead of responsiveness to community activities such as plays, festivals, and fairs that may sometimes help to call attention to the community service of a farmers' market.

An attribute such as cleanliness ranked no higher than sixth probably because market rules and health

Table 6. Dissatisfaction Index for Six Attributes of Seven Missouri Farmers' Markets, 1976

Attribute	Rank	Index ^a
Inadequate parking	1	81
Heavy traffic	2	56
Variable quality of produce	3	53
Price too high	4	30
Inconvenience of travel	5	26
Out-of-stock inconvenience	6	22

^aIndex was calculated by assigning a score of three for each response of very dissatisfied, a two for each dissatisfied response, and a one for each indication of less dissatisfied.

Table 7. Relative Status of Various Products in Vendors' Sales, Seven Missouri Farmers' Markets, 1976

Product	Number of vendors selling	Number of vendors for whom product is	
		50% or more of sales	100% of sales
Vegetables	104	87	47
Fruits	18	7	1
Plants	36	19	1
Other ^a	46	35	21

^aEggs, honey, jams, etc., and art and craft items.

inspection apparently were working well to keep markets clean.

There seem to be certain intangible characteristics of farmers' markets that have appeal to some shoppers. In place of hawking and advertising, a subtle bargaining relationship appears to develop between some shoppers and some vendors. Quite a few shoppers learn how to bargain near the end of the trading period.

Shoppers' answers to questions about dissatisfaction may be as informative as their opinions about satisfactions. Only a third reported any dissatisfaction. The index presented in Table 6 is highly influenced by conditions at the two city markets, where traffic and parking can be a problem.

The principal conclusion is that dissatisfactions did not run very high.

Asked what would make a market more enjoyable, 32 of the 80 shoppers who answered said, "better facilities." Nineteen named "more response by buyers and sellers." Presumably this meant better support of the market. More variety of produce was the third most common answer.

Who sells at farmers' markets—how and why?

Vendors at farmers' markets are of three types; farmers who sell their own produce, merchants who

buy from other sources, and craftsmen who sell the art and craft products of their own handiwork. Commercial merchants were found primarily at the two city markets. Rules at some markets exclude them.

Interviews were confined to farmers plus a few craftsmen who sold their own products. The data that follow therefore do not apply to commercial merchants.

Vendors' Access to Markets. The relationship of vendors to markets differed sharply between urban and rural markets.

The urban markets establish rental fees that range to as much as \$273 per stand for a season. Rental rates reflect the location of a stand within the market but also more personal considerations such as kind and volume of products sold and even the length of association of a vendor with the market. Some families have occupied the same space for two or three generations.

Rural markets have more informal arrangements. Two of the five charge no rental fee. The two oldest rural markets have the more formal procedures.

Demographic Characteristics of Vendors. At rural markets, the farmer vendors come from close by, at urban markets they come from a distance.

At the five rural markets surveyed two-fifths of vendors traveled no more than 5 miles. At the two city markets, 99 percent came 6 miles or farther. Some

Table 8. Major Income Items Sold By Vendors^a

Item	Number of vendors	% of vendors
Tomatoes	52	37
Potatoes	34	24
Cucumbers	26	19
Green beans	26	19
Peppers	21	15
Sweet corn	19	14
Squash	17	12
Onions	15	11
Hanging plants	12	9
Okra	11	8
Greens	10	7
Eggs	10	7
Cabbage	9	6
Beets	9	6
Strawberries	6	4
Honey	6	4

^aThese items were listed by vendors as their major source of income at the market. Some vendors listed more than one major income item. Hence the total number of vendors shown exceeds the number surveyed.

traveled as far as 50 miles.

Farmer vendors are a diverse group. They include a sizable number for whom raising and selling produce is their full-time activity and source of income; and a much larger number who raise and sell produce (or make and sell craft items) as a sideline source of income—part-time or hobby.

In the above respects, city and rural markets differ. At the two city markets 15 farmer vendors, or 21 percent, depend on market sales for all their income. Another 60 percent regard their market sales as part-time income. Only 9 percent regard their income as hobby. At the rural markets, where markets are seasonal, only one vendor was full-time in the business. Twenty seven percent get part-time income from the sales. Many part-time vendors engage in related selling from roadside stands, such as home deliveries or sales to wholesalers. At rural markets 60 percent see their sales income as hobby. A few regard it as a supplement to Social Security income.

Most vendors had rather small acreages of fruit and vegetables. One vendor raised 110 acres of sweet corn, but only eight other vendors—9 percent of all—had as much as 16 acres of vegetables. Only one vendor had 16 or more acres of fruit. Of all who raised vegetables, half had no more than one acre. Of fruit producers, almost two-thirds had one acre or less.

Products Produced and Sold. Fresh vegetables ac-

Table 9. Value of Sales per Vendor, Seven Missouri Farmers' Markets, 1975^a

Value	Number of vendors	% of vendors
0 - \$2,499	55	72
\$2,500 - 4,999	11	15
\$5,000 - 7,499	6	8
\$7,500 - 9,999	1	1
\$10,000 - 14,999	2	3
\$15,000 - 19,999	0	0
\$20,000 & over	1	1
Total	76	100

^aData for vendors who reported.

counted for the largest value of sales on farmers' markets. Fruits were a distant second. Among other products sold were plants of many kinds; eggs, honey, and jams; and art and craft articles. The relative importance of these several products is shown in the data of Table 7. Of the 140 vendors surveyed, 104 sold vegetables and 47 sold only vegetables. Only one vendor confined his sales to fruit, and a single one did so with respect to plants. But 21 vendors sold only the various items grouped as "other." Many were arts and crafts items.

Among vegetables, vendors reported that tomatoes were the leading income crop, by a considerable margin. Potatoes ranked next. Other vegetables of significant importance were green beans, cucumbers, sweet corn, squash, peppers, and onions. Strawberries were the most popular fruit produced to sell at the markets (See Table 8).

Value of Sales per Vendor. The above data suggest that many vendors do only a small volume of business. Indeed, for some their income is classed as hobby.

Data in Table 9 provide estimates of value of sales per vendor as made for the previous year, 1975. Only 14 percent had sales in excess of \$5,000.

A number of vendors declined to report value of sales, and possibly those who did not report averaged higher values than those who did.

Table 10. Number of Vendors Selling, and Sales Persons per Stand, By Season, Seven Missouri Farmers' Markets, 1976

Season	Number of vendors ^a	No. vendors with sales persons per stand ^b						Total sales persons
		1	2	3	4	5	6	
Spring	104	37	48	12	5	2		199
Summer	127	44	60	14	6	2	1	246
Fall	92	29	47	9	4	3		181
Winter	35	17	17	1				54

^aOut of the total of 140 who sold at some time during the year.

^bIncludes vendor as a sales person.

Selling Practices. Two features of market operations are worth noting; the number of persons engaged at vendor stands and the source of price information.

The number of vendors selling at each season was dependent on the period of year each market was open (Table 10). Stands were staffed with more sales persons during summer months than at other seasons.

As to prices, vendors in city markets noted prices at terminal wholesale markets, those in rural markets did the same at local supermarkets, and vendors everywhere kept an eye on each other.

More specifically, the sources of price information were as indicated in Table 11.

Vendors volunteered their judgment that marketing information for small producers is inadequate and needs improvement.

Vendors' Attitudes. How do vendors feel about farmers' markets—theirs, and markets in general?

Most are relatively pleased. Five percent of those asked said they were entirely satisfied. Thirty-nine percent did not respond.

Twenty-nine of the 140 vendors want better facilities. The two urban markets had older facilities and two of the rural markets have no facilities.

Twenty-two would welcome more advertising and publicity for the markets. Five vendors would like to confine the market to farmers' selling their own produce. Other suggestions were few.

Prospects for the future

Shoppers' Ideas. When a question was posed about the place of direct markets in the future, 95 percent of shoppers declared they want them encouraged. Reasons given were primarily those of lower price and better quality. Also present was sympathy with the idea of aiding the small producer and establishing a direct marketing link.

Table 11. Source of Price Information Used by Vendors, Seven Missouri Farmers' Markets, 1976

Source	# of vendors ^a	% of vendors
Supermarkets	37	29
Wholesale reports	29	23
Other stands	69	55
Other ^b	36	29

^aAdds to more than the 126 vendors reporting, because some vendors use more than one source.

^bPersonal judgment, local supply-demand estimation, pricing experience.

Vendors' Ideas. Vendors' confidence in the future for farmers' markets did not match shoppers' enthusiasm. About 22 percent of vendors held attitudes that could be called positive or optimistic. Eleven percent were clearly negative. The remaining 67 percent were unsure or did not respond.

Farmer vendors in urban markets were least optimistic about the future of farmers' markets. Many are older persons who doubt young people will replace them. A second reason for their concern was their antagonism against the many peddlers, hucksters, and even wholesalers who try to pass themselves off as farmers by labeling their produce as home grown.

Vendors on rural markets were most confident about their new market enterprises. Most of the rural markets were restricted to vendors of their own products, thus avoiding one irritant found in urban markets. Also, rural vendors usually had committees that allow them a voice in management of the market. The city markets, by comparison, had professional managers.



Roadside Markets

Roadside markets for farm products in Missouri are of many sizes and forms of operation. The 60 surveyed in 1976 ranged from small sign-in-the-front-yard selling that grossed only a few hundred dollars per year, to a few year-round establishments with sales in six figures (\$100,000 or more).

Most roadside markets display and sell only harvested produce but a number have gone into "pick your own."

Roadside markets differ too in the extent to which they handle their own versus shipped in produce. The same question then arises as was noted in vendors' attitudes on farmers' markets, namely, the practices in identifying produce as home-grown or shipped in.

These various characteristics will be noted in the summary that follows of the 1976 questionnaire survey. Unlike the farmers' markets survey, no interviews were taken with customers.

Location. The 60 markets surveyed were located in 38 Missouri counties. Their approximate locations are as shown in Figure 2.

Roadside markets tend to cluster, primarily because they are usually located at the edge of towns or cities, or on highly traveled highways. Of 50 markets providing data, 29 were located not more than 6 miles distant from another market. Only six were more than 15 miles distant.

Market and operator characteristics

Facilities. Missouri's roadside market stands are generally located on the farm of the market operator. Nearly three-fourths of those surveyed were so located. Even though a number of markets sell produce that was not obtained locally, purely commercial market stands located on highways distant from an operator's farm are less common, apparently, in Missouri than other states.

Insofar as the kind of facility offers evidence, most roadside market stands in Missouri are not transitory but are intended to stay in business for a while. Facilities of four-fifths of all markets surveyed were permanent (Table 12).

Table 15. Gross Sales of 60 Roadside Market Stands in Missouri, 1975

Gross sales	Number of stands
\$500 - 2,499	8
\$2,500 - 9,999	18
\$10,000 - 49,999	18
\$50,000 - 99,999	7
\$100,000 and over	4
no response	5

Table 16. Number of Wage Employees Engaged Full Time and Part Time, 60 Roadside Market Stands in Missouri, 1976

Number of wage employees	Number of stands reporting	
	Peak of season	Off-peak season
Full time		
1 - 3	13	9
4 - 6	2	0
7 - 10	2	1
more than 10	0	0
Part time		
1 - 3	10	5
4 - 6	5	2
7 - 10	1	1
more than 10	3	0

gaged more than 10 employees at the peak of the season (Table 16).

Of 55 owners of roadside stands who reported their age, 42 were more than 40 years old. Sixteen were over 60 years.

Persons other than owners who operated stands were somewhat younger than owners.

Many of the operators of roadside market stands in Missouri have had many years of experience. Data are in Table 17. Almost half of the operators reported more than 10 years' experience.

Business practices

Seasons. Roadside market stands in Missouri commonly remain open through the summer and fall. Quite a number are open during much of the spring, and some operate the year around. Data are presented in Table 18.

Most stands are open both weekdays and weekends. About two-thirds are open evenings.

Product Sales and Sources. Direct sales to consumers are by far the largest part of the business conducted

Table 17. Years Experience of Operators of 60 Roadside Market Stands in Missouri, 1976

Years	Number of stands
less than 1	5
2 - 4	10
5 - 10	17
11 - 19	13
20 and over	14
no response	1

Table 18. Seasons Open, 60 Roadside Market Stands in Missouri, 1976

Season	Number of stands
Spring	24
Summer	52
Fall	48
Winter	14

Table 19. Relative Occurrence of Major Product Categories, and Source of Supply, 60 Roadside Markets in Missouri, 1976

Product	% of total sales	% produced on own farm
Fruits	59.9	91.1
Vegetables	27.8	77.8
Other products	12.3	—
Food	—	1.7
Nonfood	—	55.7

by operators of roadside stands. In 1976, 78 percent of all sales were direct. The rest was wholesale selling to other outlets including a small amount to chain stores.

Included in direct selling was some pick-your-own business. Pick-your-own has become popular in recent years. Sixteen had adopted the practice. One of them sold only pick-your-own. On the average, the 16 pick-your-own markets received about 45 percent of their sales income in that way.

Fruits outsell vegetables at roadside stands, according to the 1976 survey. In terms of value of sales, fruits contribute 60 percent of the total, vegetables 28 percent, and all other products, which include both food and nonfood items, the remaining 12 percent (Table 19).

Most fruits come from the farm of the market operator. More than three fourths of the vegetables come from the home farm. More than half the non-food items, many of which are craft products, are produced by the operator or his family.

The sources and percentages of all products purchased by roadside markets were: other local farmers, 52 percent; other local markets, 19 percent; and distant markets, 29 percent.

Table 20. Principal Fruits Sold, Percent of on Farm Production and Average Acreage, 60 Roadside Markets in Missouri, 1976

Fruit ^a	% of markets selling	% produced on operator's farm	Average acreage of markets selling own produce
Peaches	73	75	20.1
Apples	70	64	69.4
Watermelons	50	33	35.6
Strawberries	38	61	10.3
Pears	37	50	3.0
Plums	37	50	2.1
Grapes	25	27	7.7
Cherries	25	27	7.5

^aOther fruits sold by a few stands were bananas, blueberries, oranges and other citrus, and raspberries.

Table 21. Principal Vegetables Sold, Percent of on Farm Production and Average Acreage, 60 Roadside Markets in Missouri, 1976

Vegetable	% of markets selling	% produced on own farm	Average acreage of markets selling own produce
Tomatoes	63	61	1.3
Cantaloupes	60	44	3.3
Sweet corn	55	61	11.1
Squash	53	59	1.4
String beans	52	55	2.1
Peppers	50	60	1.4
Cucumbers	48	59	0.6
Potatoes	47	39	1.8
Pumpkins	47	50	3.2
Onions	40	33	1.9
Cabbage	35	43	2.8
Lettuce	25	27	0.4
Lima beans	22	38	12.8
Carrots	20	8	10.0
Peas	18	27	2.3
Greens	15	44	3.1
Cauliflower	13	38	2.6
Asparagus	12	29	0.25
Rhubarb	12	29	0.2
Others	13	75	1.4

Information on the comparative importance of individual products sold and what percent of those products were grown by the stand operators is provided in Tables 20-22. Data in the tables also include the average acreage of each product grown by operators.

Among fruits, peaches and apples were most common in stand sales. Likewise, the majority of the market operators grew their own peaches and apples.

Several different types of vegetables were available at the markets. Fewer operators grew their own vegetables as compared to fruit.

Miscellaneous foods (cider, honey) and various nonfood items were infrequently found in a stand's produce. If these items were available, the operator usually purchased them from other sources.

Pricing System. Operators of roadside market stands refer to prices at supermarkets, wholesale produce markets, and other roadside stands for information on which to base their prices. This finding was similar to that obtained from vendors at farmers' markets. Data are presented in Table 23.

Table 22. Miscellaneous Food and Nonfood Items Sold, and Percent Produced on Operator's Farm, 60 Roadside Markets in Missouri, 1976

Product	% of markets selling	% produced on operator's farm
<i>Food</i>		
Cider	35	19
Honey	35	14
Eggs	12	43
Apple butter	10	17
Cheese	10	0
Maple syrup	10	0
Jellies	8	20
Vinegar	7	25
Smoked meat	5	0
Other	8	40
<i>Nonfood</i>		
Flowers and plants	30	39
Garden and lawn supplies	15	11
Shrubs	5	0
Other	7	0

Table 23. Source of Price Information Used by Operators, 60 Roadside Markets in Missouri, 1976

Source	Number of operators	% of operators ^a
Supermarkets	24	40
Wholesale market reports	27	45
Other roadside stands	27	45
Other	13	22

^aAdds to more than the 54 stands reporting, because some operators use more than one source.

Advertising. Of the 60 stands surveyed, 48 reported that they advertised. Newspaper advertising was common, as was advertising by radio. All but nine stands had a sign of some kind, located at the stand or some distance from it, or both. A listing of advertising methods is reported in Table 24.

Customer Services. A number of roadside market stands in Missouri are more than a vending counter under an umbrella. They are sizable facilities that cater to customers by offering special services.

More than half, for example, will carry packages to a customer's automobile. "Free samples" may be no more than sampling an apple or pear but in that respect a stand differs from a supermarket. Almost a fourth offer rest rooms. Data are in Table 25.

Table 24. Methods of Advertising Used By 60 Roadside Market Stands in Missouri, 1976

Method	Number of stands
Sign	28
Newspaper	39
Radio	20
Novelty ^a	3
Circulars	1
Television	1

^aMatch folders, photograph book, recipe book, guide-to-freezing pamphlet, buyers' guide, etc.

Table 25. Customer Services Offered by 60 Roadside Market Stands in Missouri, 1976

Service	Number of stands
Carry-out of package	33
Free sample	20
Drinking water	16
Customer rest rooms	14
Picnic or recreational area	4
Other	8

Table 26. Weekly Number of Customers, 60 Roadside Market Stands in Missouri, 1976

Number of customers	Number of stands
1 - 50	18
51 - 100	12
101 - 200	12
201 - 500	6
501 - 1,000	8
more than 1,000	4

Customers

As is true also of farmers' markets, roadside market stands in Missouri rely on repeat business of local people.

Only 23 percent of all customers are transients. The remaining 77 percent are local families.

Number of Customers Weekly. The 60 Missouri roadside market stands surveyed in 1976 averaged more than 300 customers per week. Reflecting differences in size of stand and volume of business, the number varied widely. Eighteen of the stands have fewer than 50 customers weekly. Four average more than 1,000 (Table 26).

Organizational affiliation

Only four of the 60 roadside markets surveyed belonged to a roadside marketing association. Another five markets were affiliated with another trade group.

Prospects for the future

The Missouri roadside market operators surveyed were more optimistic about the future for their kind of selling than were the farmers' market vendors (see prospects for the future, page 10). When asked, more than three-fourths of all operators said roadside markets would do well in the future. Only one in ten held a negative outlook; the rest were undecided.

Farmer-to-consumer Marketing and Public Policy

Even though farmer-to-consumer marketing is relatively small in volume of business compared to the total of all sales of farm produce, it has attracted wide attention and has given rise to several questions in public policy. As previously noted in the discussion of national law, page 4, a federal law supporting direct marketing was enacted in 1976 and is being implemented.

In general, two kinds of policy issues arose in the survey. One relates to provision of public facilities and the rules as to market procedure and sanitation that go with them. These questions are most important in the two large-city markets surveyed, St. Louis and Kansas City. However, smaller cities have the same kinds of problems. Smaller cities particularly will become more involved if markets thrive. Traffic and parking can become annoying.

The other kind of policy issue relates to what might be called the integrity of farmers' markets—or of produce sold on them. In the survey, resentment was with shipped in produce. The latter may be handled by commercial traders who have no connection with a farm. But even so, an innate skepticism about a governmental role crowded hard against the concern for identification of produce (or vendor). On a simple question to vendors on farmers' markets about whether they would welcome governmental assistance, only 19 percent said "yes." Forty percent replied, "No," some emphatically. But 41 percent did not respond.

Many of the negative responses to the questions

of governmental assistance came from markets in smaller cities—those called rural in this report. In most of those markets local rules prohibit participation by nonfarmers, thus avoiding the question that bothers many farmers who sell in St. Louis or Kansas City.

Some vendors would like to have a price information service, and others solicit public financing of better market facilities.

Operators of roadside market stands were not asked about public policy, and none volunteered an opinion.

Marketing Activity Under the New Federal Law

The Farmer-to-consumer direct Marketing Act of 1976 authorizes programs of assistance in direct marketing from farmers to consumers.⁸ At the time this leaflet went to press the Missouri Department of Agriculture had initiated service activities of a facilitative nature. There was a possibility of joining with the Cooperative Extension Service of Missouri in selected service work, including aiding farmers on smaller farms to make use of direct marketing where it appears economically feasible. As of press time programs had not been drawn up firmly.

It can be concluded that direct marketing will remain viable even though it will likely always be confined to a relatively few food and nonfood products and will be a small part of Missouri's total marketing.

⁸Public Law 94-463, 94th Congress.

