# How to be a Farmers' Market Vendor

Alberta Agriculture, Forestry and Rural Economic Development (AFRED) is committed to the long-term success of approved farmers' markets in Alberta. One of the ways this can be achieved is through increasing the level of skill and knowledge of the entrepreneurs who choose to sell at farmers' markets. The purpose of this fact sheet is to provide information to vendors and potential vendors on selling at farmers' markets. The information contained within is directed at both food and non-food vendors with the word "producer" being used to describe both types of vendors.

## **The Opportunity**

Farmers' markets are the most popular of the farm direct marketing channels – for both vendors and customers alike. From a vendor viewpoint, there are several benefits to selling at an approved farmers' market:

- Business incubator and testing ground: Farmers'
  markets are venues where small businesses can "test
  the waters" to see how popular their products are with
  customers. It is a place where a vendor can receive
  immediate feedback from customers on taste, quantity,
  packaging, price, additional product ideas,
  salesmanship, etc.
- Guaranteed crowd and location: Farmers' markets tend to attract much larger crowds than individual businesses, making your potential customer base much larger. In addition, the farmers' market provides a stable location with adequate parking and other amenities that customers demand.
- Group advertising: Farmers' markets provide group advertising for the market as a whole, benefitting all vendors. All approved markets are listed on the AFRED website/mobile app as a free service for approved markets.
- Learning opportunities: Vendors can develop and hone entrepreneurial skills at a farmers' market as well as learn from others who may have been in the business for many years.
- Price maker: Farmers' market vendors set their own prices, eliminate the middleman and receive immediate payment for their product sales. Selling into retail stores means you generally are selling that product to the store at a wholesale price, which will be lower than what you

- can receive at the farmers' market. It also means you can sell smaller volumes in order to make the same amount of money, something that is attractive to small businesses.
- Minimal start-up costs: Costs for selling at a farmers' market are typically much lower when compared to setting up your own retail operation either on-farm on in the local community.

Seventy eight per cent (78%) of Alberta households shop at farmers' markets, spending on average \$70 per visit, with 84 per cent of that spent on local food. Source: <u>Study of Local Food Demand in Alberta</u>, 2016.

There are many reasons customers shop at farmers' markets:

- **Food**: The top three products customers purchase at farmers' markets are vegetables, fruit and baking.
- **Food safety:** Customers are confident in the safety of the local food sold at farmers' markets.
- Support Alberta farms and the local economy: Customers want to support local businesses.
- Freshness, quality and taste: In surveys, customers state they are motivated to seek out local food because of the freshness, quality and taste.
- Authenticity: Customers come to the farmers' market because it is an authentic experience where they can meet the producer of the products they are buying and learn "the story" of how that product was grown or made. It is the next best thing to actually going to the farm. Non-food items are always unique because they are not mass-produced. They also carry a story, which is very appealing to potential customers.
- Trust: Customers want to know the person who grew or made the food they are buying; they want to have a better understanding of crop inputs, animal welfare and ingredients used. They want to know that the vendor's values align with their own.
- Social atmosphere: Customers come to farmers'
  markets because it is a unique shopping experience,
  unlike shopping in a retail store. The relaxed
  atmosphere allows it be a place where families and
  friends meet to savor time and enjoy all that the market
  has to offer.



©2022 Government of Alberta | October 3, 2022 | Agriculture, Forestry and Rural Economic Development

## How to Find an Alberta Approved Farmers' Market

There are over 150 Alberta approved farmers' markets. AFRED approves markets that meet the minimum standards as outlined in the Alberta Approved Farmers' Market Program <u>Guidelines</u>. Each market is independently operated and, as such, determines its own rules and regulations, sets table fees, etc.

To assist with marketing the approved farmers' markets, AFRED maintains a free mobile app, available through the App Store or Google Play. Simply type "Alberta farmers' markets" into the search field and select the one with the Sunnygirl logo in the icon.

This app and the interactive online map

found at <a href="www.sunnygirl.ca">www.sunnygirl.ca</a> contains the most up-to-date information about the markets. Each market is designated by a pin which when clicked on provides a pop-up window with information about each market as well as contact information. Sort markets by market type, day of the week, date or location.

In addition, the Alberta Farmers' Market Association offers an online listing for paid vendor members. This site will also link to individual websites. This is a great opportunity to help build and maintain clientele.

#### **Costs to Consider**

Just like any other business venture, it is important that you consider and track all the costs you will incur when selling at a farmers' market. Don't undersell; customers understand that they are not buying a commodity product and are more willing to pay the true cost of the food. The following are some things to consider when determining your product prices but is not an exhaustive list. Some additional hints have also been included.

#### Tables:

- In some markets, the vendors are required to supply their own tables.
- If you need to purchase your own table, be sure to purchase one that is easy to set up and take down but which is also sturdy and able to hold all your products without sagging.

#### Tablecloths:

- Markets generally require that you have a table covering.
- Be sure the covering can be easily cleaned. A
  plastic covering is more easily cleaned throughout
  the day if you are selling fresh produce while a cloth
  covering can be laundered before each market.
- In addition, be sure your tablecloth does not detract from the product you are selling. For example,

- tablecloths with bright fruit or vegetable patterns may not accent your fresh produce.
- A tablecloth that extends to the floor/ground will cover any boxes or other items you want to store under your table during the market.

## Displays:

- Will your products be laid flat on the table or do you require some sort of display equipment to make them more eye-catching to potential customers?
- Displays can be home-made or purchased.
- They need to look professional, adding to your overall stall atmosphere.

#### · Vehicle and travel expenses:

 Always consider all your vehicle expenses such as gas, maintenance and insurance as well as any other travel expenses that you incur when taking your products to the farmers' market.

#### Canopy:

- When selling at an outdoor market, it is critical that you have a good quality canopy (tent) to protect you and your products from the elements.
- Select a canopy that can withstand being set up and taken down frequently, that has well sewn seams for water proofing, removable sidewalls to protect you from wind and rain and which is easy to set up and take down.
- Canopies need to be weighted down so they don't blow away and hurt people or damage property. Purchase weights or make your own. Four litre milk jugs filled with sand, water or cement is one example. Attach your weights to the legs of the canopy at least at all four corners. Many vendors will also attach their canopies to their neighboring vendors' canopies for additional support. Check with the market manager as some markets will stipulate the amount of weight required per leg.

#### • Bags:

- Having something available for customer purchases is a necessity.
- If your products are heavy, be sure to provide sturdy bags that won't tear if filled.
- In most markets, you are not allowed to put customer food purchases in your used grocery store bags as it poses a food safety risk. Customers can, however, bring their own bags and pack themselves.

#### • Signage:

- Signage is important for both your booth and your individual products. It is an extension of your business and portrays the image you want to leave with your customers.
- Booth signage is important so customers know the business name of the vendor - and they will find



you more easily the next time too! Booth signage can be outside your booth or behind your booth hanging on the wall if indoors or at the back of the canopy if outdoors. Some markets have standard signs for all vendors or you could make or purchase your own.

- Product signage should contain at least the name of the product and the price per unit whether that is per bunch, per bag, by weight or by item.
- If selling at an outdoor market, product signs should be able to withstand the elements.
- Customers are less likely to trust vendors who do not display their business name and who don't have product signage listing prices. Less trust = less sales.

#### • Table/stall rental fees:

- Table fees are set by each individual market and vary widely across the province. Average table/stall rentals in Alberta are \$24.40, ranging from \$5 per week to \$77.50 per week (2021 rates).
- Many markets have a seasonal rate or a reduced rate if a vendor pays for the entire season up front.

#### Packaging and labelling:

- Depending on the products sold, you will require different types of packaging. Canned products must be sealed using new, approved lids. Containers and bags for baking and all other food products must be new. Keep in mind that even fresh vegetables must be hauled to market in food grade containers.
- All food, cosmetic and textile products require a label. Refer to the Canadian Food Inspection Agency <u>Industry Labelling Tool</u> for federal requirements. Refer to the information on <u>selling</u> <u>low-risk home-prepared foods in Alberta</u> for additional provincial labelling requirements.

#### Scales:

- If you are selling products by weight, you must use a calibrated scale. Consider whether you will preweigh your items and package accordingly or if you will bring a scale to the market each week.
- There are many different types of scales with different features ranging from a basic scale to ones that can print a product label. Choose one that will suit your needs.

#### Staff:

Depending on how many markets you attend each week and how busy the markets are, you may require staff to work the markets. Some markets have restrictions on who can sell at a market with some markets requiring that the seller also be the grower. Check with the market manager. In order for your product to be considered part of the 80 per cent category of the 80/20 Rule, your staff must

also be involved in producing the product so that they can answer customer questions knowledgeably.

### Power:

If you are selling products that require refrigeration or special lighting, you may need power at the market. Some markets charge higher fees for stalls with power. If you are at an outdoor market or a market without power available, you may need to make alternate arrangements for lighting or to keep your food at the proper temperatures. This may involve using coolers and ice packs or even bringing a small chest freezer and purchasing a portable generator. An alternative to a generator is using an 8D-cell tractor battery and a power inverter. It is also considerably quieter than a gaspowered generator.

#### Liability insurance:

- It is good business practice to ensure you have adequate liability insurance. This insurance can protect you in the event a customer has an adverse reaction to your product (product liability insurance) as well as for other events that may happen at your farmers' market stall such as a customer slipping on something in front of your stall or your canopy damaging property during a windstorm.
- Markets requiring vendors to provide proof of liability insurance prior to vending is becoming more common - 37 per cent of markets in 2021. You may be able to have an additional rider placed on your home or farm insurance. The Alberta Farmers' Market Association also has a group policy available for members.

#### Costs of Production:

- Be sure to include the costs of seeds/plants, input costs such as fertilizer, labour, equipment, ingredients and power.
- The costs of becoming and maintaining organic certification status should be included. Generally, customers are willing to pay more for certified organic products.

## Payment options:

- Think about your options cash, debit, credit.
   Studies have shown that vendors who accept electronic payments have higher sales.
- There are many electronic options available but all come with a cost. Research the most cost effective system that will meet your needs and be able to operate in remote locations.

#### • Time:

 Selling at a farmers' market can be very time consuming – from production to harvesting to packaging to transporting to selling. Don't forget to



consider all of these when determining your product price.

#### Miscellaneous items:

- Aprons: keeps your clothes clean and can be used to hold cash;
- Logo wear: t-shirts or aprons to identify your business and portray a professional image;
- Nametags: important when building the relationship with customers;
- Cash box: Keep out of sight so thieves aren't tempted.

## Marketing 101

So you've decided to sell at the farmers' market. What do you need to do now? If you make it, bake it or grow it, you are a prime candidate to sell at an Alberta approved farmers' market. Eighty per cent (80%) of the vendors are Albertans selling Alberta products, which they, an immediate family member, staff member or member of a producer-owned cooperative or their staff knowledgeable of the production process have made, baked or grown.

- approved farmers' markets. There are over 150 approved farmers' markets in the province with about 13 per cent of them operating year round. Visit a few of them to see what products are sold, how many vendors attend, amount of customer traffic. Talk with the market manager about your product and if they have space for you, their application process, any rules you need to know, etc. Keep in mind that the closest market is not always the best market for your product. Be strategic and consider all the costs and benefits prior to committing to a market. The mobile app noted before will also show which markets are located close together and operate on the same day. It may be lucrative to piggyback trips and sell at multiple markets on a given day.
- Merchandising. There are many ways to display your products so they attract people to your stall. Use open and visible displays. Create multiple levels when possible. Prime visual real estate is from the belt buckle to 6 inches above the sight line or at the 4 6 foot level. Maximize the space you have where the eye focuses. Place your higher return products in this sight area. Place your lower sale products from the belt to the knee. Don't put any products below knee level that is storage in the customers' eyes and they don't want to squat to get their products. Maximize color and texture and use different display equipment to set off your products. Keep your displays full but don't make them so perfect that customers are afraid to take product for fear of making the whole pile come down. Create ambiance in

- your stall. Invite your customers into your stall with a ushaped set-up.
- Offer samples. Taste sells! Check with the market manager regarding health requirements for sampling. Alberta Health Services generally prefer samples prepared before coming to market. Care must be taken to prevent product contamination in transport and at the market. If you must prepare samples on site or if you wish to offer hot samples, you will need to work with your market manager to ensure you are doing it according to Alberta Health Services' requirements in order to keep the food and the public safe. Handwashing requirements are described in their fact sheet.
- What is your image? Four C's Be Consistent, Be Credible, Be Compelling and Be Creative. When you are at a farmers' market, you are part of the display. How you portray yourself is as important as what you have for sale. It is important that you always look and act professionally clean clothes, name tags, business and product signage, and a welcoming smile. Always be ready to tell your story. Part of marketing yourself is making sure your customers are happy. If you receive a customer complaint, make it right even if the customer is wrong. Remember customers tell three people about a great customer experience but will tell 10 people if they are dissatisfied.
- Value added is in. Convenience is a driver for many customers. They may have limited knowledge on preparation or have a limited amount of time to spend making meals or lunches so they come to farmers' markets to seek out unique value added products. You see everything from jams and jellies to chutneys to bagged salads to sauces to dry mixes. This is great for business and also gives some producers an outlet for their excess fresh product as it can be further processed and sold. Keep in mind that Alberta approved farmers' markets are the only venues in Alberta where both low and high-risk food products can be produced in uninspected home kitchens. Check with your local public health inspector regarding the food product you want to produce to ensure you are meeting all the requirements.

## **Know the Regulations**

There are many pieces of provincial and federal legislation and related regulations which impact farmers' market production and sales, particularly with respect to food, cosmetics and textiles. It is the responsibility of each farm direct marketer to research and ensure full compliance with all legislation. Sometimes the requirements are different depending on the venue you want to sell at, i.e. approved farmers' market vs public market/on-farm store. Legislation

Alberta

can be found online: provincial – <u>Alberta King's Printer</u>; federal – <u>Justice Laws Website</u>.

Food vendors at Alberta approved farmers' markets are required to complete food safety training. The minimum requirement as noted in the Program Guidelines: Vendors selling food and/or agricultural products who have not already completed an approved Alberta food sanitation and hygiene training program or who are not required to complete the food safety training described under Section 31 of the Food Regulation must complete <a href="Food Safety Basics">Food Safety Basics</a> for <a href="Farmers">Farmers</a>' Markets</a> available through Alberta Health Services. Compulsory within one year of becoming a new vendor and renewable every three years.

#### Other Resources

- Alberta Approved Farmers' Market Program: AFRED manages the Alberta Approved Farmers' Market Program. Information about the Program and resources are available at <a href="www.sunnygirl.ca">www.sunnygirl.ca</a> or by calling the provincial farmers' market specialist at 780-853-8223 (dial 310-0000 first for toll free access) or email eileen.kotowich@gov.ab.ca.
- Alberta Agriculture, Forestry and Rural Economic Development publications: AFRED has many publications available on a variety of topics from production to marketing. These are available online at <a href="https://open.alberta.ca/publications">https://open.alberta.ca/publications</a>.
- Alberta Health Services has developed a <u>fact sheet</u> for Alberta approved farmers' market managers and vendors.
- Alberta Farmers' Market Association (AFMA): AFMA is a voluntary membership, non-profit organization that provides direction and support to member markets, vendors, managers, boards and sponsors through advocacy, education, promotion and innovation. To become a member, download a membership form at: www.albertafarmersmarket.com or call 780-265-2362 for more information.
- Alberta Farm Fresh Producers Association (AFFPA):
   AFFPA is a voluntary membership, non-profit
   organization dedicated to supporting the production of
   farm direct marketed vegetable crops, berry and fruit
   crops, bedding plants, perennials, herbs, flowers,
   meats, poultry, eggs and other specialty items in
   Alberta. To become a member, download a membership
   form at: <a href="https://albertafarmfresh.com/">https://albertafarmfresh.com/</a> or call 403-9643276 for more information.
- Alberta Craft Council (ACC): ACC is a non-profit, nongovernmental, member organization dedicated to supporting, developing and promoting fine craft in Alberta. To become a member, download a membership form at: www.albertacraft.ab.ca.

Alberta