Recruiting and Orienting Vendors

The task of recruiting vendors, begun during the feasibility study, should be an ongoing effort. If possible, include members of the first working committee in the group that will continue vendor recruitment, as well as any farmers who have already agreed to sell at the market and are willing to recruit others. The committee can use the results from the market analysis to match consumer demand with growers to provide an optimum product mix.

Holding a Grower Meeting

About three or four months before the market opens, the vendor-recruitment committee should plan a meeting with growers who have indicated a willingness or intent to become vendors at the market. The purpose of this meeting is to:

- obtain estimates of grower participation,
- remind growers of the opening day’s date and time,
- formally distribute the market rules,
- distribute application packets to vendors and explain the process and timeline for applying to be a market vendor,
- give growers information about permits, and
- provide growers with tips to enhance their success as vendors.

The meeting should begin with introductions and updates on the work of the various committees so that participants get a sense of how the market is developing. Next, explain the market rules. Since the committee will have been in touch with growers and already sought their input on the rules, the rules should not contain any major surprises for growers. But this is an opportunity to ensure that everyone understands them. Explain the application process, including the timeline, and distribute application packets. Explain the requirements for licenses, permits, and/or certificates growers will need to become certified vendors at the market. For example, at California certified farmers markets, all growers must be certified as producers by their county agricultural commissioner. At this point, the
market manager might formally become the “point person” for growers to contact when they need assistance obtaining necessary licenses, permits, and certificates. Depending on the numbers of questions to be answered, there may or may not be time for some informal training and tips for vendors to enhance their merchandising success at the market. The next several pages give more detailed information about each of the major agenda items for the grower meeting—market rules, application packets, information about licensing and permitting, and merchandising tips.

**Market Rules**

Vendors need to understand the market rules. Include a copy in each vendor’s application packet. While the meeting is not the place to go over all of the fine points of the rules, any especially important or potentially confusing parts of the rules should be highlighted. For example, the responsibilities and obligations of membership and procedures for conflict resolution should be reviewed.

The manager and members of the board of directors should attend this meeting so that they can meet the vendors and get feedback on the rules. If controversy arises, time should be provided to discuss and help to clarify or amplify issues related to the rules. Although the rules, like the market, are a group effort in which everyone must be flexible and work for the larger goal of long-term success, the ultimate responsibility for adding, amending, or changing the rules rests with the board of directors.

**Application Packets**

Once farmers commit to the market, that agreement should be formalized. A structured, clearly defined application procedure for participation in the market should be formalized to:

- Provide an opportunity to establish understanding of and agreement to the requirements, rules, responsibilities, and rights of market participation from the beginning.
- Indicate to farmers and the market manager alike that they are entering into a formal business agreement.

Each application packet should include the following items:

- Name and contact information.
- Information on fees.
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- A listing of produce/products intended for sale.
- A copy of the market rules.
- An agreement form to be signed and dated.
- Any other forms specific to the market.

Licenses and Permits

Required licenses, permits, and/or certificates may present growers with challenges in navigating bureaucracy. The market manager or a representative of the board of directors should research the requirements and develop a short document explaining them and then present an overview of the information at the grower meeting and answer any questions.

Tips for Vendors

As the needs and preferences of the market’s customers are known in more detail, management can begin to focus on ways to help vendors increase sales. Many farmers are not accustomed to direct marketing and may need assistance in displaying and promoting their products to maintain an advantage. Following are some basic merchandising tips to pass on to vendors.

Guidelines on Pricing

- Post prices clearly on signs or a price board. Consumers want to make educated choices. Try to use round numbers as consistently as possible. Calculations are easier if all products are priced in whole, half, or quarter dollar increments. Setting prices to values that are divisible by four, such as $1.20 per pound or $1.60 per pound, makes quarter-pound calculations easier. Consider volume discounts, case prices, and specials. Observe how these measures affect sales. Discounts do not always increase the volume of sales.

- If feasible, establish one price for all your produce. When tomatoes, peppers, and eggplant are all $2 a pound, customers can mix them together in a single bag. If your items have a few different prices, try displaying them on the table in “price clumps.” Use signs to designate price ranges. While bartering is almost mandatory when shopping at markets in other countries, consumers in the U.S. are not accustomed to this practice. For this reason, avoid haggling over prices.
Starting a New Farmers Market

- Sell first-quality, fresh, and vine- or tree-ripened produce at premium prices, but seconds should be discounted. Harvest, handle, and display items carefully so they are not bruised or split in the process. If, by the end of the day, the lettuce is wilting, the apples are picked through, and only one variety of tomatoes is left, it may be prudent to lower prices. Again, the price should reflect the quality of the product.

Selling Suggestions

Produce sells quickly at farmers markets, often starting with an opening rush. A study conducted in Dane County, Wisconsin, found that by 10:15 a.m. more than half of the day's traffic had passed through; by 11:30 a.m. more than 80 percent of the day's customers had done their shopping. A USDA Agricultural Marketing Service study in Toledo, Ohio, *(Toledo Fresh Food Public Market, a Feasibility Study for Toledo City Parks)* found similarly that almost 50 percent of customers visit the market between 9:00 a.m. and noon. For these reasons, vendors must establish efficient systems that cater to customers and enable quick service. The following suggestions will help vendors prepare for the opening rush:

- Arrange the side of the table used for display or cash exchange for efficiency.
- Avoid the need to turn around to get to the cash box for each sale.
- Accept cash from only one customer at a time.
- Be courteous and friendly to every shopper regardless of whether he or she makes a purchase.
- When possible, provide added services to customers. For greatly improved customer relations, offer tips on meal preparation, food-care instructions, written recipes, and/or appropriate containers for carrying purchases home.

If sales are low, then the vendor can benefit from asking some questions, such as:

- **Is the produce display attractive?** Always keep boxes and baskets full and readjust piles frequently to keep produce looking fresh. Use a spray bottle or ice to keep greens from wilting.
- **Are customers unfamiliar with the product?** Recipes, pictures, and suggestions about how to use products help to educate customers and inspire them to purchase unfamiliar items.
- **Is this the wrong type of consumer or the wrong season for the products?** Value-added items such as flower-pressed candles and wreaths may
sell well during the holiday season but not necessarily in June. Likewise, value-added products may sell well in a wealthy neighborhood but not in a low-income area.

Using Samples for Promotion
Produce samples allow consumers to taste your wares before purchasing them and allow sellers to introduce new and uncommon varieties as well as demonstrate the quality, taste, and freshness of their products. Before a vendor passes out samples, make sure that the county or city health department approves it. The market manager should post sampling regulations.

Professionalism
Vendors who are not attentive, who are busy smoking a cigarette, or who appear unkempt lose business. While customers like to see a farmer outfitted in customary farm attire, they do not necessarily want to see sweaty, torn t-shirts and manure-covered work boots. Other customer turn-offs include belittling other vendors and their products, leaving the booth unattended, hawking products too aggressively, and inconsistent attendance.

Communication with Customers
Customers will have questions about varieties’ names, food preparation, growing practices, etc. Employees who cannot answer these questions or do not try to communicate well with shoppers will lose business.

Product Quality
Do not indulge in the notion that the farmers market is a place to bring the culls that a distributor would not purchase. Customers recognize and are attracted by quality and good business is developed from repeat buyers.

Display
Booths that are crowded, unattractive, or poorly set up for the buyer hurt sales. Do not make customers face the sun, stoop over, or elbow each other to buy.

Gauging Quantity
Bringing too little and selling out prematurely or bringing too much and taking home large amounts of unsold products are mistakes that vendors can learn to avoid by keeping good records and using them to improve their ability to gauge
appropriate quantities to bring to market. In the early days, while vendors are learning, it is better to bring too much to market as customers may not return to a vendor who runs out of produce well before the end of the market day.

**Conclusion**

By the end of the grower meeting, you should have a group of vendors committed to and excited about a new market for their products. Make sure everyone has an application packet, knows who to ask for help completing it accurately, and knows when and where to turn it in. Also, be sure you have contact information for all the vendors so that you can keep in touch with them and maintain their commitment between the meeting and opening day.