FARMERS' MARKETS IN ONTARIO

AND THEIR ECONOMIC IMPACT

1998

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Brantford Farmers' Market
Cambridge Farmers' Market
Carp Farmers' Market
Hamilton Farmers' Market
Lindsay Farmers' Market
Milton Farmers' Market
Ottawa Parkdale Farmers' Market
St. Marys Farmers' Market
Sudbury Farmers' Market
Timmins Country Market.
Burlington Mall Nelson Lions Farmers' Market
Campbellford Farmers' Market
Cobourg Farmers' Market
Clover Valley Farmers' Market (Fort Frances)
Flesherton and District Farmers' Market
Ottawa By-Ward Market
Pembroke Farmers' Market
Streetsville Farmers' Market
Tillsonburg Farmers' Market

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Thank you very much.
Sincerely,

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1.0 Introduction

Farmers' Markets in Ontario have a long history. The first Market in Ontario was established in Kingston in 1780. In general they expanded with the expansion of the settlement frontier in Canada and Ontario. However, in the 1970s, Markets fell into decline as the communities where they were situated faced a variety of crises in their retailing. Downtown shopping was losing out to the mall and the number of Markets diminished to about 60.

In Ontario, a resurgence of Farmers' Markets began in the late 1980s through initiatives of the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). In early 1991, Farmers' Markets Ontario (FMO), the provincial association of Ontario's Farmers' Markets was established with moral and financial assistance from OMAFRA. Since that time, FMO has forged ahead in a most enthusiastic and positive fashion. By 1998 there were 127 Farmers' Markets across the province. (FMO Directory,1998). The resurgence is also associated with the desire of community residents to have a shopping experience closer to the food producer and the community—a more personal approach. New Markets were established, older Markets revitalized, and a new customer base was introduced to the Farmers' Market experience.

As the Markets reestablished and broadened their role, there was an expressed desire to measure the community and economic impact of the Markets. It was also hoped that lessons could be learned from the existing Markets that could assist in establishing new Markets. In 1998, Farmers' Markets Ontario received a grant from the Canada Agricultural Adaptation Council to complete a study of the impact of Farmers' Markets. Farmers' Markets across the province also felt this research was important and 19 Markets provided financial support. The 19 participating Markets included Brantford Farmers' Market, Burlington Mall Nelson Lions Farmers' Market, Cambridge Farmers' Market, Campbellford Farmers' Market, Carp Farmers' Market, Cobourg Farmers' Market, Clover Valley Farmers' Market (Fort Frances), Flesherton and District Farmers' Market, Hamilton Farmers' Market, Lindsay Farmers' Market, Milton Farmers' Market, Ottawa By-Ward Market, Ottawa Parkdale Farmers' Market, Pembroke Farmers' Market, St. Mary's Farmers' Market, Streetsville Farmers' Market, Sudbury Farmers' Market, Tillsonburg Farmers' Market, Timmins Country Market (Appendix 1).

The University of Guelph, School of Rural Planning and Development was approached to carry out the study on behalf of FMO. For the purpose of this study, an attempt was made to measure the economic impact in terms of:

- The value of sales by Market vendors, for each specific Market in 1998
- The value of purchases made by customers during 1998.
- The number of jobs associated with Market activity at the Market and in preparation for the Market

Community impact was assessed through interviews with Market managers, customers, and vendors and referred to the general feelings about the contribution of the Market to community social and economic life. Additionally, the researchers interviewed businesses operating near Farmers' Markets in order to gain a fuller understanding of the economic and social impacts of Farmers' Markets.

2.0 Methodology

The directory of 127 Farmers' Markets (FMO, 1998) was used to select the Markets for the study. A representative set of 19 Markets was selected from across Ontario. An attempt was made to represent seasonal and year round, north and south, rural and urban, small and big and older & newer. Each Market contributed a small amount to the cost of the study and in return was provided with a Market survey report.

In order to meet the objectives of the study data were collected from five main sources. These included 1) customers, 2) vendors, 3) local business owners, 4) Market managers and 5) direct observation. A separate questionnaire was developed for each of the first four sources and pre-tested. Each questionnaire featured both closed and open-ended questions. (Appendix 2,3,4,5). The questionnaires were administered on site at the Market. The field coordinator from the University of Guelph trained volunteers, or municipal employees, from the Market area to administer the customer questionnaires. The field coordinator was responsible for surveying the vendors, local business owners and the Market Manager.

In order to estimate the required sample size for each Market surveyed, the size of the customer base for each Market was estimated with the assistance of the Market Manager. This number constituted the basis for establishing the number of customers to be interviewed in order to reach a confidence level of 95%. A separate target was set for each Market, since estimates of impact were being prepared for both the individual Market and the Province as a whole. For each Market, a field coordinator from Guelph trained a team of volunteers or employees. The interviewers carried out surveys in their Market on a representative set of days from May 1998 to October 1998. The Guelph coordinator participated in the training session and the first day of surveys. The completed surveys were returned to Guelph for coding, data entry and analysis. Data entry was done using a spreadsheet (Excel) and then statistical analysis was done using the Statistical Package for the Social Sciences (SPSS).

In assessing the impact of Farmers' Markets, economic multipliers were applied to the sales and employment data. In basic terms, multiplier effects are the summation of the direct, indirect and induced impacts of economic activity presented in a single number (Lewis et al., 1979, p1). Direct employment and production in the agriculture sector will have an impact on the rest of the economy by supporting employment in related industries as well as in the retail sector. In this way, "a multiplication of transactions occurs in the economy by people re-spending money." (Van Hoeve, 1995, p.66)

Volunteers and/or municipal employees from each of the 19 Markets completed a total of 4603 customer interviews. These serve as the basis for this report. This provides a high level of statistical (+\- 99%) and fundamental confidence in the results.

In order to capture some of the views and opinions from the local business community, it was decided to interview between five and ten business owners that operated in the area of each of the Markets. Finally, the Market Manager in each Market was interviewed using standard guidelines.

3.0 Market Profile

3.1. *Farmers' Markets in Ontario*

The first Market established in Ontario is the Kingston Market established in 1780 (FMO, 1997). Since that time, an increasing number of Farmers' Markets have been established all over Ontario. According to Farmers Markets Ontario (FMO, 1997) the number of Farmers Markets in operation in 1997 was 127. There were 33 Markets (27%) in Eastern Ontario, 26 Markets (21.3%) in Western Ontario, 36 Markets (29.5%) in Central Ontario, and 27 Markets (22.7%) in Northern Ontario. The names of the villages/towns or cities where Farmers' Markets are located are given in Table 3.1. The communities where Farmers' Markets are located have populations' that range from 1,000 inhabitants in Rainy River to about 3 million in Toronto.

3.2. *Location of Farmers Markets*

Farmers' Markets are situated in different locations within the community. The majority of them (39.4%) are situated on streets. Other locations for Farmers' Markets are parking lots (18%), Market squares (3.3%), malls (3.3%) etc.. A detailed distribution of Farmers Markets in relation to their location within the community is provided in Table 3.2.

Table 3.1. Distribution of Farmers' Markets across the Province of Ontario.

No	East zone	West zone	Central Zone	North zone
1	Almonte	Brantford	Barrie	Algoma
2	Arnprior	Cambridge	Bolton	Bonfield
3	Belleville	Essex	Brampton	Bracebridge
4	Bewdley	Goderich	Brant Street - Burlington	Clover Valley
5	Brighton	Hagersville	Burlington	Cloverbelt Country
6	Brockville	Hespeler Village	Centre Mall - Hamilton	Cochrane
7	Campbellford	Horton	Dundas	Dorset
8	Carleton	Keady	Dunnville	Gore Bay
9	Carp	Kitchener	Etobicoke	Gravenhurst
10	Cobden	Lion's Head	Flamborough	Huntsville
11	Cobourg	London	Flesherton	Kakabeka
12	Combermere	Mitchell	Georgetown	Kapuskasing
13	Cornwall	Monkton	Guelph	Little Current
14	Gananoque	Owen Sound	Hamilton	Magnetawan
15	Kemptville	Paris	Meaford	Mindemoya
16	Kingston	Sarnia	Milton	New Liskeard
17	Lindsay	Simcoe	Mississauga	North Bay
18	Merrickville	St. Jacobs	Nathan Phillips Square - Toronto	North Shore
19	Metcalfe	St. Marys	Niagara Falls	Port Loring
20	Napanee	Stratford	Orangeville	Powassan
21	North Gower	Strathroy	Orillia	Rainy River
22	Ottawa By Ward	Tillsonburg	Oshawa	South River
23	Ottawa Organic	Walkerton	Oshawa	Spanish
24	Ottawa Parkdale	Wallaceburg	Penetanguishene	Sudbury
25	Pembroke	Waterloo	Port Colborne	Thunder Bay
26	Perth	Woodstock	Schomberg	Thunder Bay
27	Peterborough		Sherway	Timmins
28	Port Hope		St. Catharines	
29	Prescott		St. Lawrence - Toronto	
30	Renfrew		Streetsville	
31	Seaway Valley - Cornwall		Thornhill	
32	Stirling		Toronto Organic Market	
33	Trenton		Tottentham	
34			Welland	
35			Weston Market - Toronto	
36			York	

Source: Table compiled with data from FMO Directory 1997-1998

Table 3.2. Distribution of Farmers Markets (FM) according to their location in the community.

No	Location of FM	Frequency	Percentage
1	Streets/Downtown	48	39.4
2	Parking lots	22	18
3	City/Town Halls	7	5.7
4	Parks	3	2.5
5	Post office	1	0.8
6	Church	1	0.8
7	Arena	6	4.9
8	Court house	1	0.8
9	Malls	4	3.3
10	Market squares	4	3.3
11	Train stations	1	0.8
12	Fairgrounds	11	9
13	Other locations	13	10.7
14	Total	122	100

Source: Table compiled with data from FMO Directory 1997-1998

3.3. *Farmers' Markets and the Number of Vendors.*

The average number of vendors at each Farmers' Market in Ontario ranges from a minimum of three vendors (example Kakabeka Farmers' Markets located in the village of Kakabeka Falls - North zone) to a maximum of 350 (in Waterloo Farmers' Market - West zone). Most of the Markets (31.1%) have between 11 and 15 vendors (Table 3.3, Table 3.3.1, Table 3.3.2, & Graph 3.1).

Table 3.3. Distribution of Farmers' Markets by the number of vendors

Number of Vendors	Frequency	Percentage	Cumulative %
Less than 10	23	18.8	18.8
11 – 15	35	28.7	47.5
16 – 20	14	11.6	59.1
21 – 25	8	6.5	65.6
26 – 30	13	10.6	76.2
31 – 40	5	4.1	80.3
41 – 50	12	9.8	90.1
51 – 100	8	6.5	96.6
More than 100	4	3.4	100
Total	122	100	

Source: Table compiled with data from FMO Directory 1997-1998

Table 3.3.1. Division of Farmers' Markets in relation to the number of vendors .

Zone	Number of vendors										
	10	1-15	6-20	21-25	26-30	31-35	6-40	1-50	1-60	51-60	31-90	> 90
	Number of Farmers' Markets per Zone											
East	10	8	4		5		1	1		1		2
West		9	5		2	1	1	4	1			3
Central	3	8	5	3	5	1		7	1	2	1	1
North	10	10		5	1	1						
Ontario	23	35	14	8	13	3	2	12	2	3	1	6

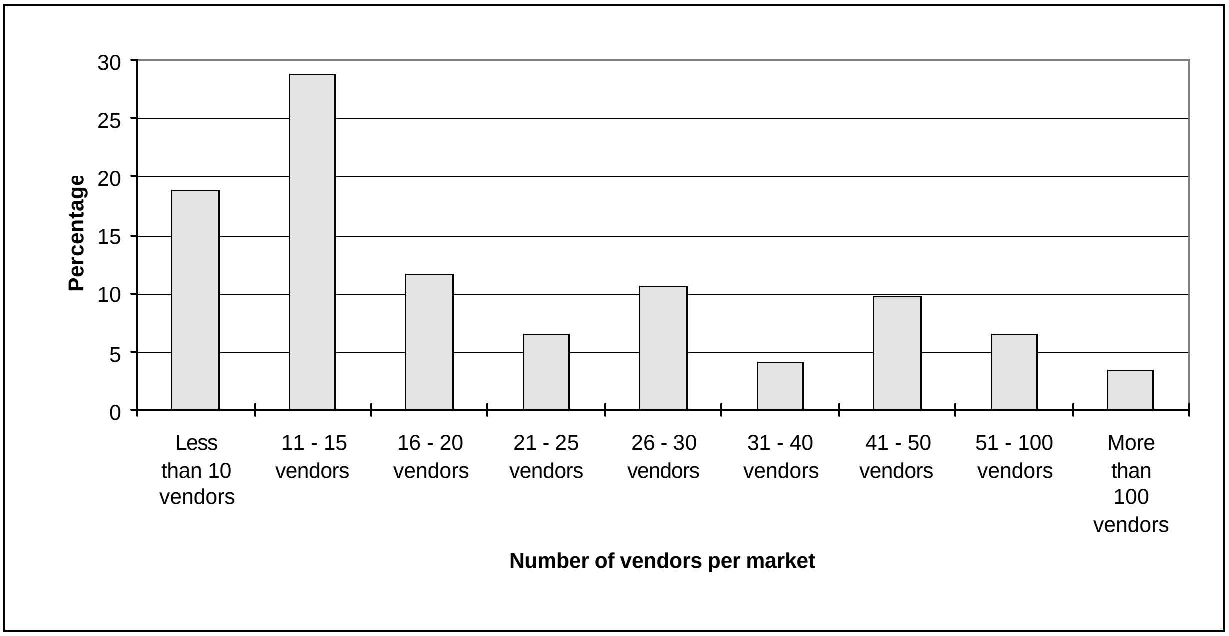
Source : Table compiled with data from FMO Directory 1997-1998

Table 3.3.2. Division of Farmers' Markets in relation to the number of vendors (in percentages)

Zone	Number of vendors										
	10	1-15	6-20	1-25	6-30	1-35	6-40	1-50	1-60	1-60	1-90	> 90
	Percentages											
East	43.5	22.8	28.6		38.5		50	8.4				33.4
West		25.7	35.7		15.4	33.3	50	33.3	50	33.3	100	50
Central	13	22.8	35.7	37.5	38.5	33.3		58.3	50	66.7		16.6
North	43.5	28.7		62.5	7.6	33.3						
Ontario	100	100	100	100	100	100	100	100	100	100	100	100

Source : Table compiled with data from FMO Directory 1997-1998

Graph 3.1. Number of vendors per Market in Ontario.



3.4. *Time of operation.*

Farmers' Markets have a wide range of operating times. We include here the number of hours per Market day, number of Market days per week and the number of months in a year.

3.4.1. *Number of hours per Market day.*

Just over a quarter of all Markets (27.7%) are open for five hours during a Market day. The minimum number of hours that a Market is open is 2 (Cochrane Farmers' Markets - North zone) and the maximum number of hours is 13 hours (Belleville Farmers' Market - East zone). More details are provided in Table 3.4.

Table 3.4. Distribution of Farmers' Markets according to the number of hours open per Market day.

Number of Hours Open	Frequency	Percentage	Cumulative %
2	1	0.8	0.8
3	9	7.6	8.4
4	24	20.2	28.6
5	36	27.7	56.3
6	19	16	72.3
7	8	6.7	79
8	9	7.6	86.6
9	6	5	91.6
10	2	1.7	93.3
11	1	0.8	94.1
12	4	3.4	97.5
13	3	2.5	100
Total	122	100	

Source: Table compiled with data from FMO Directory 1997-1998

3.4.2. *Number of Market days per week.*

The number of Market days per week ranges between one and seven. The majority of Markets (72.1%) are open only one day per week . The normal day of the week these Markets are open is Saturday. The only Markets that are open seven days per week are Ottawa By Ward Market and Ottawa Parkdale Market - East zone. The data on the number of days for all Farmers' Markets in Ontario are provided in Table 3.5 and Table 3.5.1.

3.4.3. *Number of months Markets are open.*

About thirty-three percent of Farmers' Markets in Ontario operate six months a year. Year round Markets represent the second largest category with twenty-eight percent of all Markets. More detailed figures are given in Table 3.6, Table 3.6.1, and Table 3.6.2. The Farmers' Market which is open for the shortest period of time (two months) is located in Port Loring - North zone.

Table 3.5. Distribution of Farmers' Markets according to the number of Market days per week.

No	Number of Market days/week	Frequency	Percentage	Cumulative %
1	1	88	72.1	72.1
2	2	21	17.3	89.4
3	3	8	6.6	96
4	4	2	1.6	97.6
5	6	1	0.8	98.4
6	7	2	1.6	100
7	Total	122	100	

Source: Table compiled with data from FMO Directory 1997-1998

Table 3.5.1. Distribution of Farmers' Markets according to the number of Market days per week (divided by zones).

Zone	Days per week							Total
	1 D/W	2 D/W	3 D/W	4 D/W	5 D/W	6 D/W	7 D/W	
East	20	4	4	2			2	32
West	20	3	2			1		26
Central	29	5	1		1			36
North	22	4			1			27
Ontario	91	16	7	2	2	1	2	122

Source: Table compiled with data from FMO Directory 1997-1998

Table 3.6. Distribution of Farmers' Markets according to the number of months open.

No	Number of months/year	Frequency	Percentage	Cumulative %
1	2	1	0.8	0.8
2	3	6	4.9	5.7
3	4	9	7.4	13.1
4	5	21	17.2	30.3
5	6	40	32.7	63.1
6	7	4	3.3	66.4
7	8	6	4.9	71.3
8	9	1	0.8	72.1
9	12	34	27.9	100
10	Total	122	100	

Source: Table compiled with data from FMO Directory 1997-1998

Table 3.6.1. Seasonal Markets divided by zone

Zone	Seasonal Markets		Period
	Number	Percentage	
East	26	29.5	April - December
West	13	14.7	April - December
Central	22	25	May - November
North	27	30.8	May - December
Ontario	88	100	

Source : Table compiled with data from FMO Directory 1997-1998

Table 3.6.2. Year round Markets divided by zone

Zone	Year Round Markets	
	Number	Percentage
East	6	18.2
West	13	39.4
Central	14	42.4
North		
Ontario	33	100

Source : Table compiled with data from FMO Directory 1997-1998

3.5. *Farmers' Markets and non-agriculture products.*

Farmers' Markets are an outlet not only for the farmers in the local area, but also for artisans and craftspeople. The majority of Markets (80%) have hand crafted products such as clothing, wood products, jewelry, knitted products, alternative medicine, etc. There is a considerable amount of variation among Markets in the range of craft items that are available. The distribution of Markets according to the percentage of craft products sold is given in Table 3.7.

Table 3.7. Distribution of Farmers' Markets according to the percentage of craft products.

Craft products (%)	Number of Markets	%	Cumulative %
0 - 5	39	20.2	20.2
6 - 10	21	3.4	23.6
11 - 20	19	1.7	25.3
21 - 30	32	0.8	26.1
31 - 40	7	6.8	32.9
50 - 65	4	0.8	33.7
Total	122	100	

Source : Table compiled with data from FMO Directory 1997-1998

3.6. *Farmers' Markets and their administration.*

A further element of variation between Farmers' Markets is the manner in which they are administered. Fifty-one Markets (about 40%) are administered by Vendors Associations. The remaining Markets are administered by City Corporations, Business Improvement Associations, Chamber of Commerce, and other organizations. Additional details on Market administration are provided in Table 3.8 and in section 4.1 of this report.

Table 3.8. Farmers' Markets and who administers them.

Administered By	Frequency	Percentage	Cumulative %
Vendors Associations	51	40.4	40.4
City Corporations	22	18.5	58.9
BIA	5	4.2	63.1
V.A. and other organizations	16	13.4	76.5
Chamber of Commerce	3	2.5	79
Other organizations	16	21	100
Total	122	100	

BIA = Business Improvement Area V.A. = Vendors Associations

Source : Table compiled with data from FMO Directory 1997-1998

4.0 Research Results

4.1. *Administration of the participating Markets.*

Farmers' Markets in Ontario are administered in a number of different ways. Indeed, the variation of Market administration reflects the individuality of each Market.

In some instances Markets are founded by vendors who, through a grass roots initiative, bring together community members to establish a local Market. The Market in this type of setting is commonly operated by a vendors' association or a vendors' association in partnership with another community group. A Board of Directors is usually elected by the vendors' association to oversee the routine operation of the Market. The board acts to regulate Market activities, enforce Market policy, establish and revise policy, set stall fees, collect stall fees, recruit new vendors, plan special events and organize promotions.

Markets are also administered by community service clubs. The administration of this type of Market, is usually handled by a special subcommittee of the service club. The service club performs the same type and range of tasks that are associated with the vendor operated Market.

Vendor and service club Farmers' Markets typically depend on volunteers to oversee the operation of the Market. The position of Market manager is usually an unpaid position which is rotated annually among members of the vendors' association or service club. The annual budget associated with these types of Markets varies depending upon the degree of volunteer activity and the amount of resources that are donated in kind (land, building, utilities etc.).

A number of Markets in Ontario are operated by a local Chamber of Commerce or Business Improvement Agency (BIA). The administration of the Market is usually handled by a subcommittee of the Chamber or BIA. These types of Markets tend to have a more complex organizational structure than vendor or service club Markets. For example, the Market committee could consist of a combination of Chamber representatives, business improvement representatives, local government authorities, special interest group representatives and vendor representatives. These types of Markets also tend to work with larger budgets and provide funding for paid staff.

City operated Markets share many of the same administrative features that are found in Chamber and BIA operated Markets. However, Markets based in large urban centres tend to operate year round, on permanent sites, and with significantly larger budgets.

Although Markets vary in their profile and character, the research revealed that Markets share similar challenges.

4.1.1. *Challenges faced by Markets.*

Although the popularity of Farmers' Markets has grown in recent years, they face a number of ongoing challenges. In our discussions with Market managers, we were able to identify several common challenges.

Some Markets are experiencing difficulties in maintaining a fixed number of vendors from season to season and/or over the course of the season. When vendors leave the Market without being substituted, it creates a vacant area at the Market. If the number of vendors continues to decline during the season or between seasons, it gives the appearance of a depressed Market and customers tend to lose interest.

Once the number of customers begins to decline, vendors may begin to question the viability of the Market. If the decline continues, vendors may ultimately decide to quit operating or relocate to another Market. When customers leave the Market, their personal testimonials can stimulate or dissuade interest in the Market and Market managers need to ensure that the trip to the Market is a pleasant experience for the customer.

Ironically, the resurgence of Farmers' Markets is posing a serious challenge for some Markets that are struggling to maintain the vendors they have. In recent years communities have established new Markets as a means of stimulating local economic growth or redevelopment. Depending on the location of the new Market and the size of the local population, vendors may be persuaded to leave their traditional Market in pursuit of greater income opportunities at other Markets.

Another factor that has a bearing on the Markets' ability to retain vendors is a change in operating days at other Markets. Some existing Markets have expanded their days of operation in response to consumer and vendor interest. Unfortunately, this creates a dilemma for vendors who work between two Markets operating on different days of the week. When one of the Markets decides to expand to an additional day during the week, it may interfere with the ability of a vendor to continue to work in two Markets. In some instances vendors take on additional help and continue to work in both Markets. However, for many vendors who are unable to secure or unable to afford adequate assistance, this is not an option. As such, the vendor may feel compelled to leave the one day Market in order to avoid the risk of losing customers at the two day Market.

The loss of local vendors at a Market may create another problem in that it compromises the ability of the Market to offer produce from local growers. As indicated in this study, customers greatly value the opportunity to purchase local produce and talk with local growers. Given this consumer preference, the viability of the Market could be adversely affected if it were unable to feature locally produced goods. Markets could consider offering reduced stall fees to local growers as an incentive to retain their presence at the Market.

Another challenge facing Farmers' Markets is the loss of customers through natural aging. The study revealed that Markets in general have a customer base with a high concentration of seniors. Markets have clearly been successful in attracting and retaining this portion of their customer base. However, Markets for the most part have not been very effective in attracting younger generations of shoppers. Markets need to develop Market promotions that offer something to a broader range of age groups. This may involve incorporating new features at the Market to make it more of a family event.

For some Farmers' Markets, the challenge is in maintaining quality standards. Customers have indicated that the number one reason for coming to the Market is the fresh produce. This feature of the Market above all other features needs to be closely monitored. As mentioned earlier, personal testimonials from satisfied customers can serve as an excellent form of advertising. However, a negative customer experience related to poor quality and/or bad service can be as equally effective in dissuading customers from visiting the Market. When customer complaints are brought to the attention of the Market administration, action should be taken immediately to try and rectify the situation. Farmers' Markets should have a formal procedure in place for handling customer complaints. In the interest of retaining the customers confidence in the Market, the remedy should be quick and to the satisfaction of the customer.

A number of Markets in Ontario are faced with the challenge of finding a permanent site for the Market. Many Markets rent the site where they operate and this expense can consume a considerable portion of the annual budget. Some Markets have been able to negotiate low rental fees but this does not guarantee that the Market will continue to have access to the site should there be a change in ownership or management. Renting the site may also dissuade the Market organizers from investing in facilities such as washrooms or sheltered areas even though customers have indicated a strong interest in seeing these types of facilities at the Market.

4.1.2. *Issues and concerns.*

Related to the challenges faced by Markets are a number of ongoing issues that relate to the character of the Market.

As emphasized earlier, the Market is a product of local interests. Although Farmers' Markets across the province share certain characteristics, there are structural and operational differences between Markets. Some Market organizers attempt to maintain the Market purely as a producers Market that supports local growers. Other Markets rely on local producers and producers from across the province. Some Markets use a combination of local and provincial growers with resellers. Resellers are typically brought into the Market to enhance the selection and variety of produce. For some Markets, the irregularity or shortness of the local growing season requires that they supplement the Market with produce from outside the region. If the Market is unable to attract growers, the organizers sometimes resort to inviting resellers in order to maintain and/or enhance the selection.

The presence of resellers at Farmers' Markets is a contentious issue. Producers question the legitimacy of Farmers' Markets that utilize resellers. They suggest that the term *Farmers' Market* should be reserved only for Markets that support growers directly and exclusively.

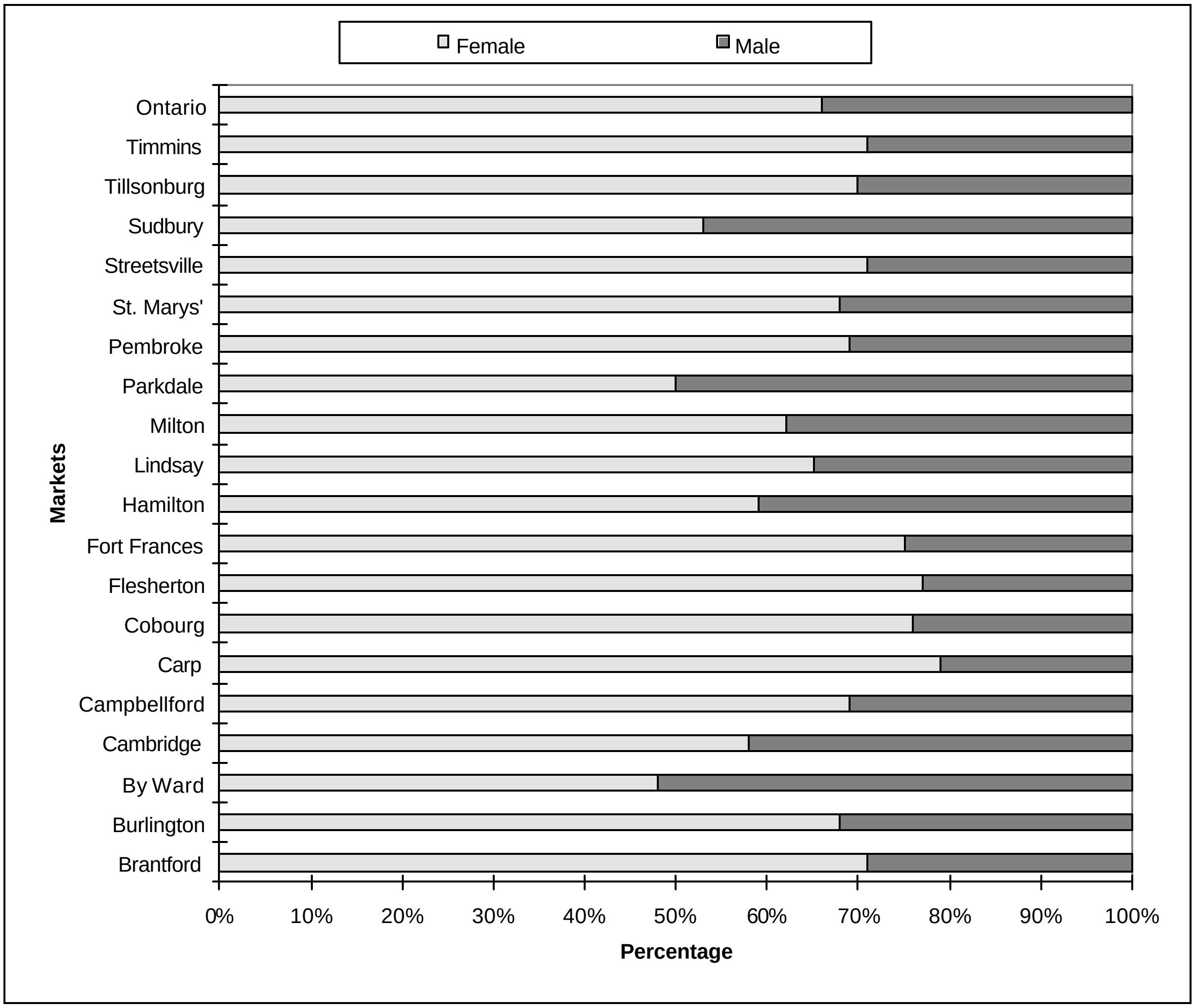
There has also been some concern about the presence of crafters at the Farmers' Market. However, many Market organizers recognize that crafts can be a very popular feature. Some Market organizers have adopted guidelines to ensure that the Market retains a high proportion of produce vendors relative to crafters. Again, because the decision is made by the local Market administration, the number of crafters in any given Market will vary considerably. As such, Markets may contain anywhere between 5 and 25% crafters. However, there are some Markets in the province that have intentionally avoided crafters for the sake of maintaining a purely produce based Market. All of the Market managers were in agreement that 'flea market' items do not belong at a Farmers' Market.

4.2. ***Customer profile.***

The information gathered in the customer survey enabled the researchers to construct a profile of the customers that visit Farmers' Markets. A total of 4,603 customers responded to the survey. An attempt has been made by the authors to highlight the differences between the year round Markets (Brantford, By Ward, Cambridge, Hamilton) and the seasonal Markets. Where applicable, the graphs highlight the differences between the year round Markets (white bars) and seasonal Markets (gray bars) (Graph 4.3; 4.5; 4.7 – 4.20; 4.22 – 4.35; 4.37 – 4.41).

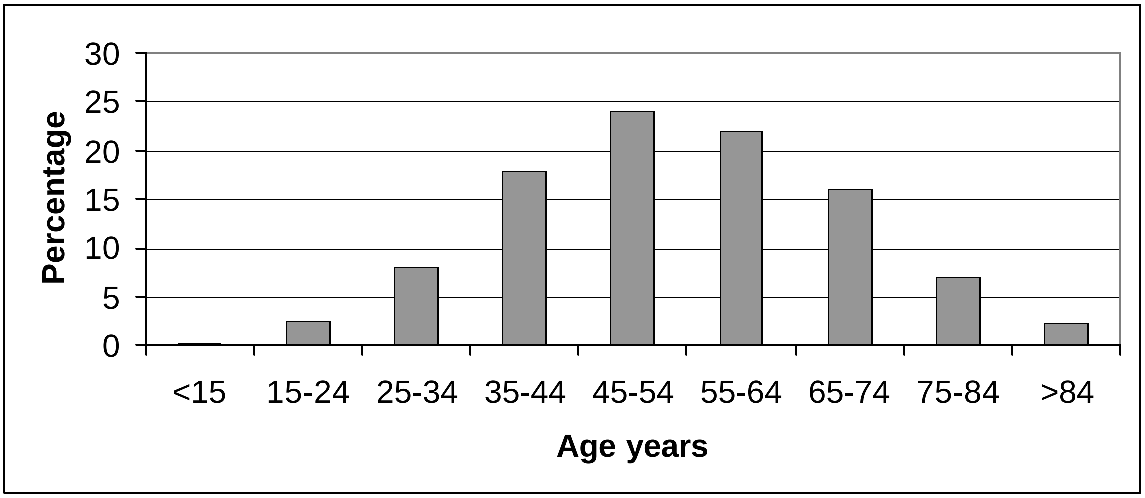
A fairly consistent finding among the 19 Markets, is that Farmers' Markets in Ontario attract a higher percentage of females than males. The combined results of the 19 Markets reveal that 65% of the customer base is made up of women. The distribution of customers by gender for each Market and the estimated provincial average is shown in Graph 4.1.

Graph 4.1. Distribution of customer base by gender.



From the provincial standpoint, the largest single age category for Market customers is 45 to 54 years which represents just under 25% of the customer base. The next largest age category is 55 to 64 years with just over 20% of the customer base. Close to 70% of the total customer base is in the age range of 45 years of age or older. The distribution of ages by category is shown in Graph 4.2.

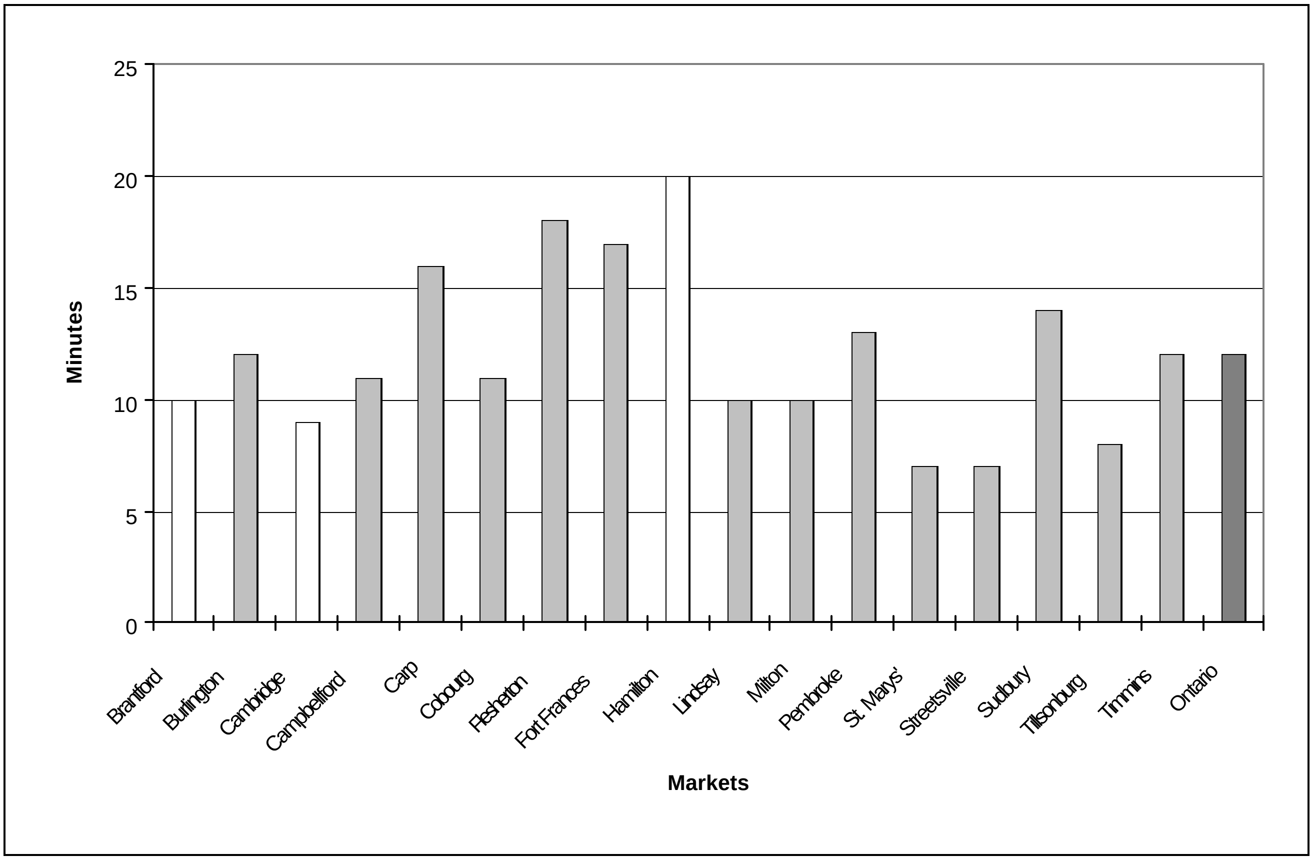
Graph 4.2. Age of customers.



With respect to income, 32% of customers reported an income of $40,000 or more. However, it should be noted that not all of the customers provided income data. In total, 2,252 of the 4,603 customers who completed questionnaires provided income data.

The strong majority of Market customers travel to the Market by car (83%). Approximately thirteen percent of customers walk to the Market. The majority of customers live within ten minutes of the Market. Graph 4.3 shows the average number of travel minutes for customers in each participating Market. The average travel times illustrated in Graph 4.3 are somewhat inflated on account of a few customers in each Market that travel great distances to the Market. Still, it is evident that there is some variation between the Markets in terms of the length of travel time to the Market. As well, when we compare Markets in the year round category (Brantford, Cambridge, Hamilton) and Markets in the seasonal category, there continues to be a level of variation. In some instances the higher travel time is related to the location of the Market and its proximity to a residential area.

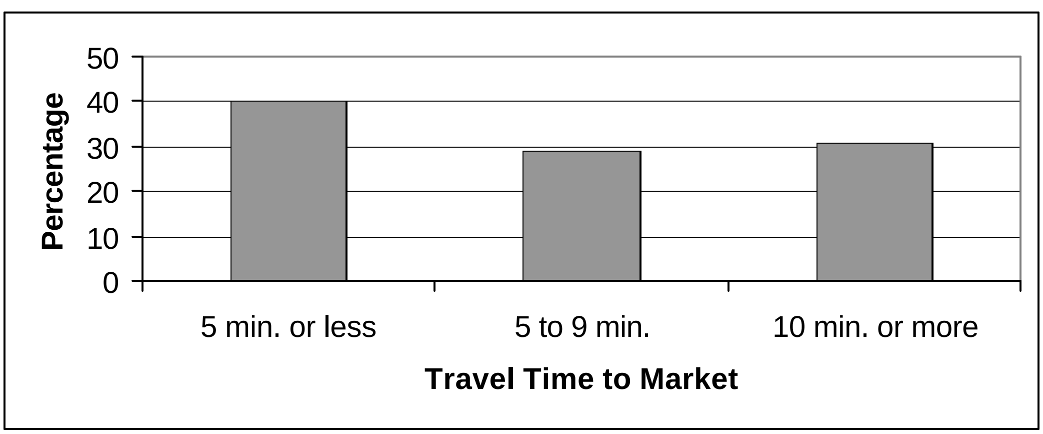
Graph 4.3. Average travel time to Market for customers.



(Parkdale & By-Ward data not available)

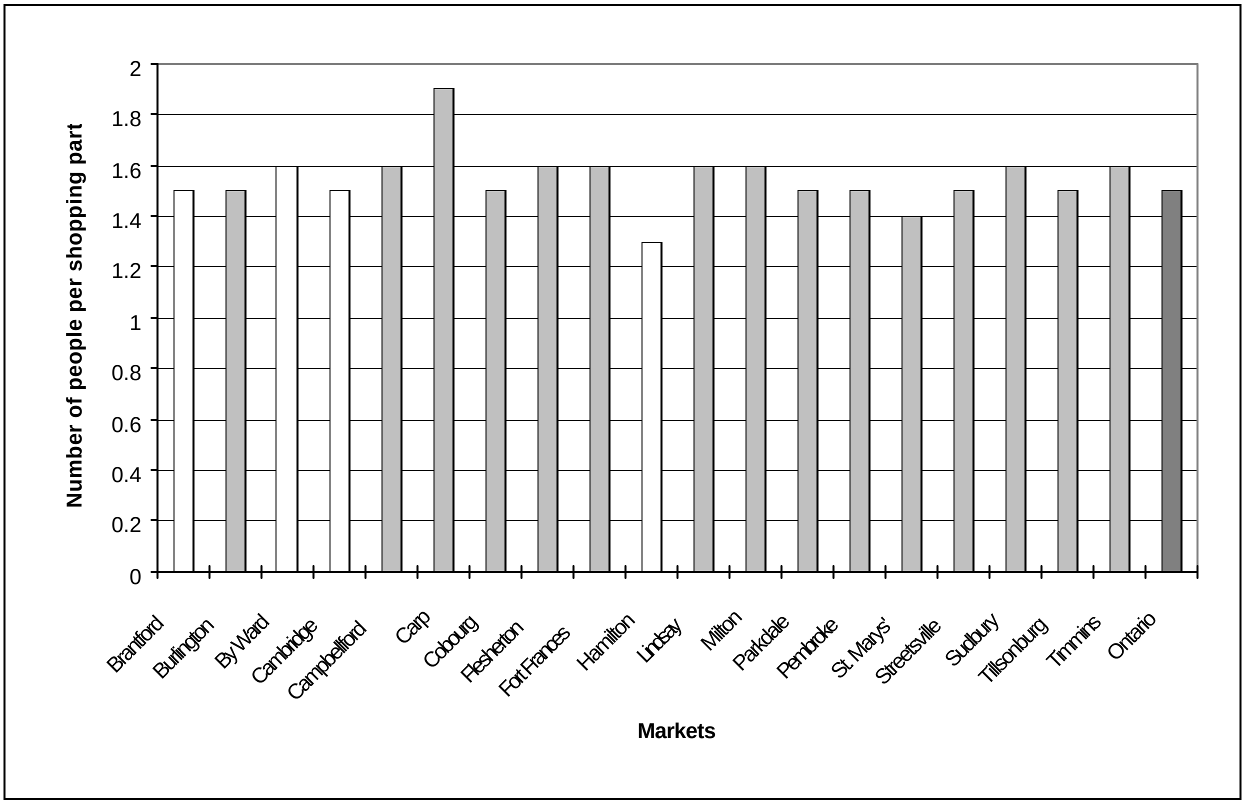
Focusing on the provincial level, we find that almost 70% of customers have a travel time of less than ten minutes. Graph 4.4 provides additional details.

Graph 4.4 Travel time to Market (provincial average).



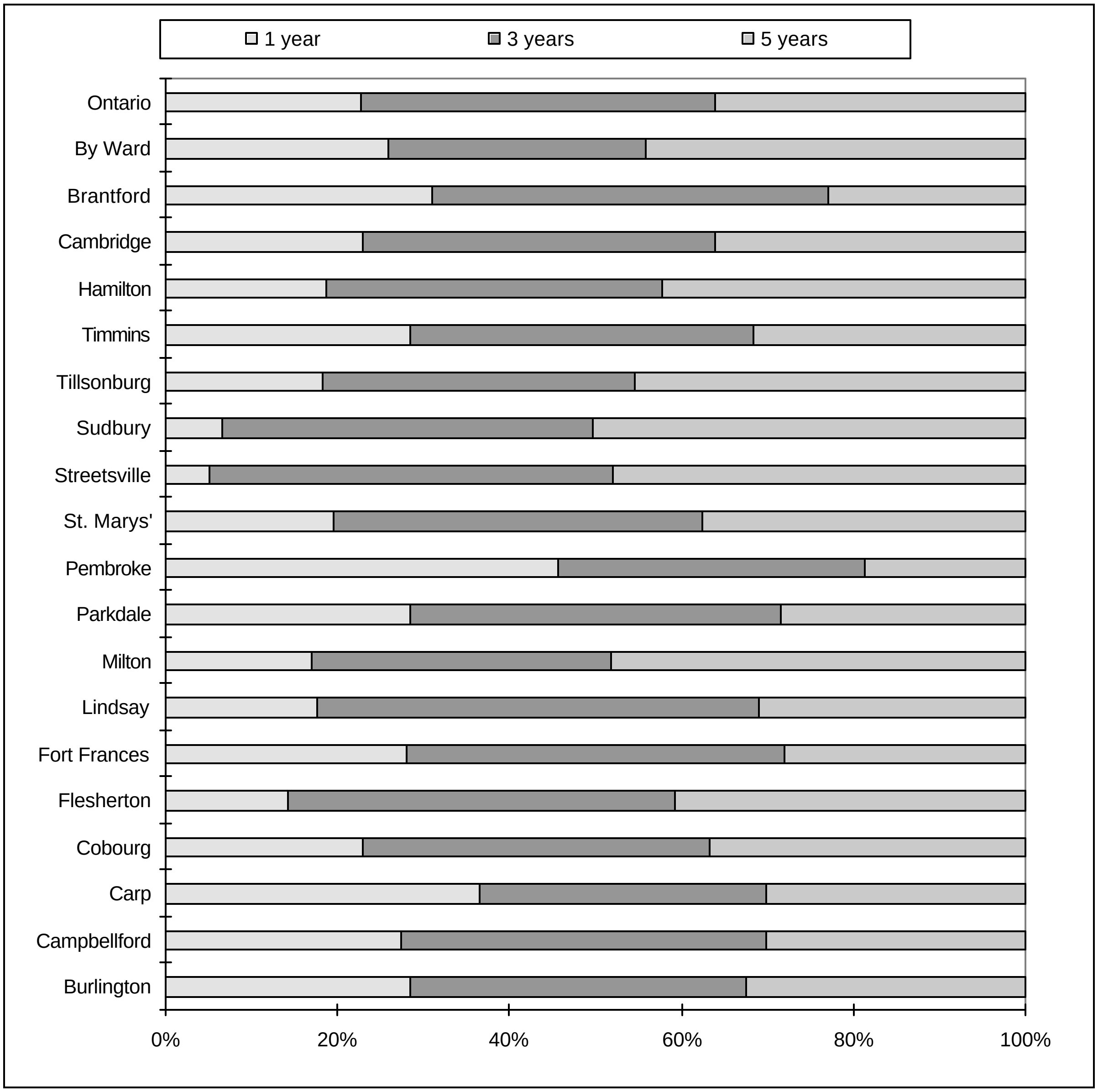
Most of the customers (94%) visit the Market by themselves or with one other individual. The seasonal Markets tend to attract a greater number of people who visit the Market as part of a shopping party than do the year round Markets. Graph 4.5 shows the average shopping party size for each Market.

Graph 4.5 Average number of people in a shopping party at the Market.



As a group, the Market customers are very loyal, with approximately 64% of customers having shopped at their local Market for more than five years. If we examine the portion of the customer base that has been coming to the Market for five years or less we find that Markets vary considerably in the proportion of customers that have been attending the Market for 1 year, 3 years and 5 years. Graph 4.6 provides a breakdown of the customers in each Market who have been visiting their Markets for five years or less.

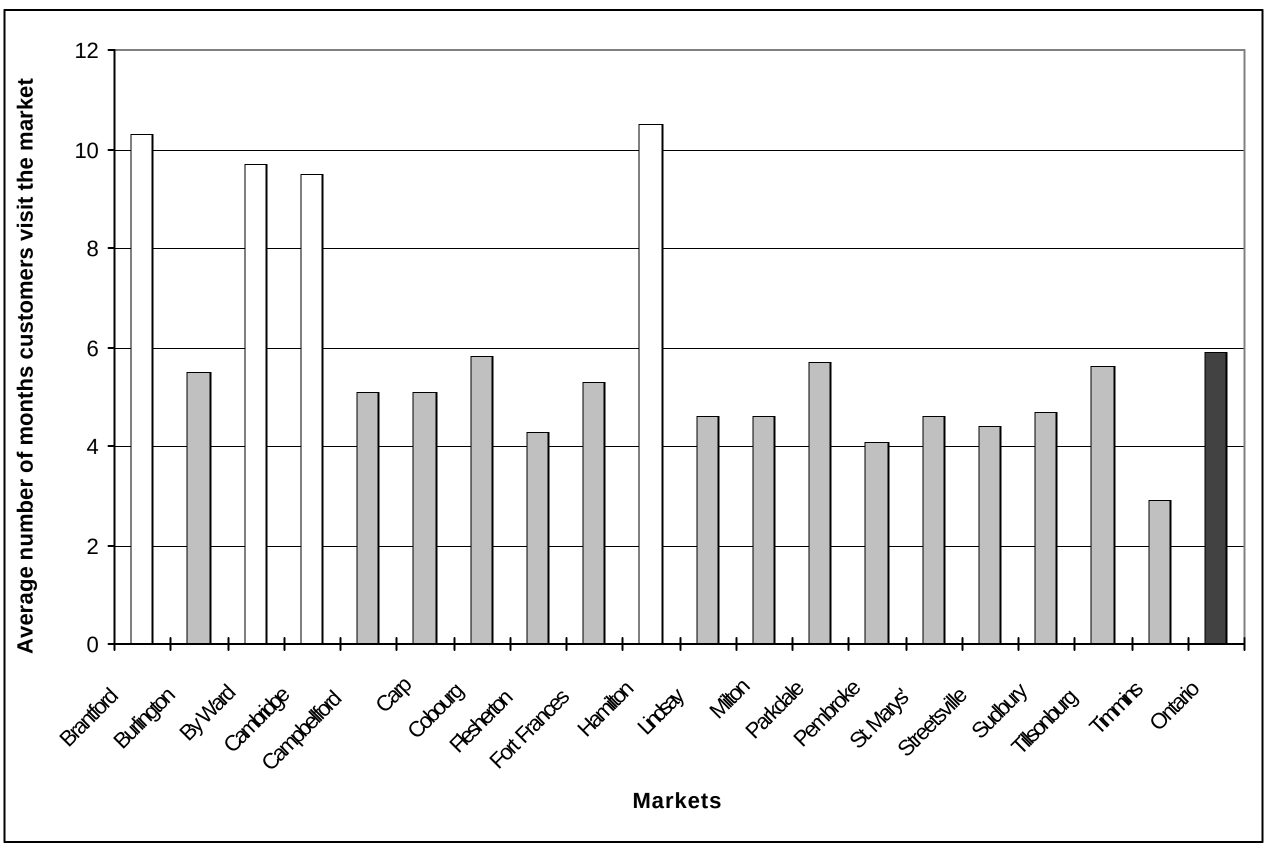
Graph 4.6 Proportion of customers at the Market (5 years or less)



As shown in Graph 4.6, some Markets such as Sudbury and Streetsville have a relatively low proportion of first year customers whereas others such as Pembroke and Carp have a relatively high proportion of first year customers. The Markets in Brantford and Pembroke have a relatively high proportion of customers that have been attending the Market for 3 years or less. The results suggest that some Markets have been more successful than others in attracting new customers and there may be lessons that could be shared between Markets to help boost the number of new customers. Markets that are interested in attracting new customers should examine the strategies being used in these Markets to see if they can be applied locally.

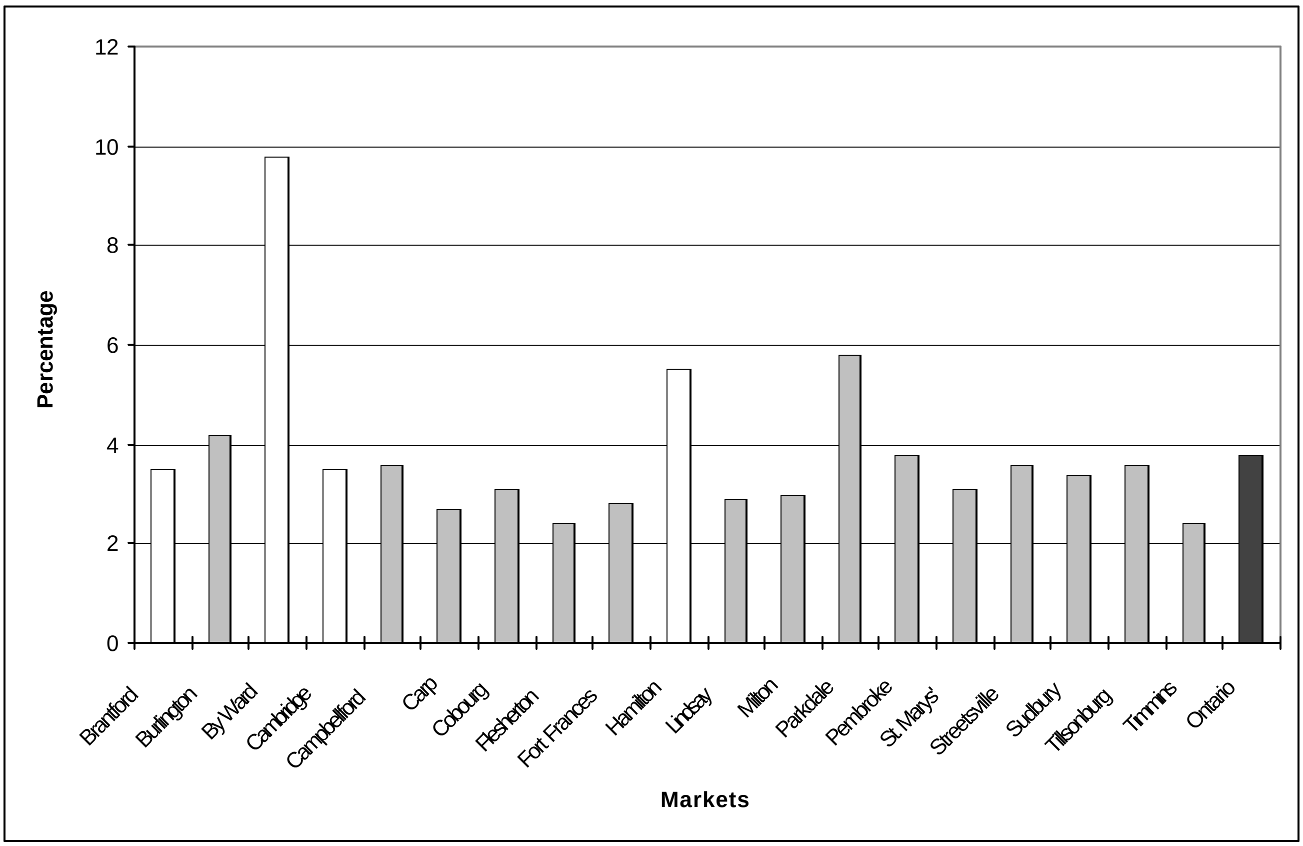
When customers arrive at the Market they tend to linger and enjoy the experience. Indeed, 55 percent (2472 people) of the customers spend more than 25 minutes at the Market. Furthermore, customers are fairly loyal in attending the Market throughout the season or year. Most of the seasonal Markets operate for approximately six months and the survey revealed that many customers attend the Market during most of that period. Similar results were found for the year round Markets. Additional details are provided in Graph 4.7.

Graph 4.7 Average number of months that customers come to the Market.



The number of times a customer visits the Market over the course of a month is partly related to the number of days the Market is open during the month. In some locations where the Market is open for at least two days a week, customers often visit the Market more than four times month. Graph 4.8 shows the average number of visits per customer to the Market in a month.

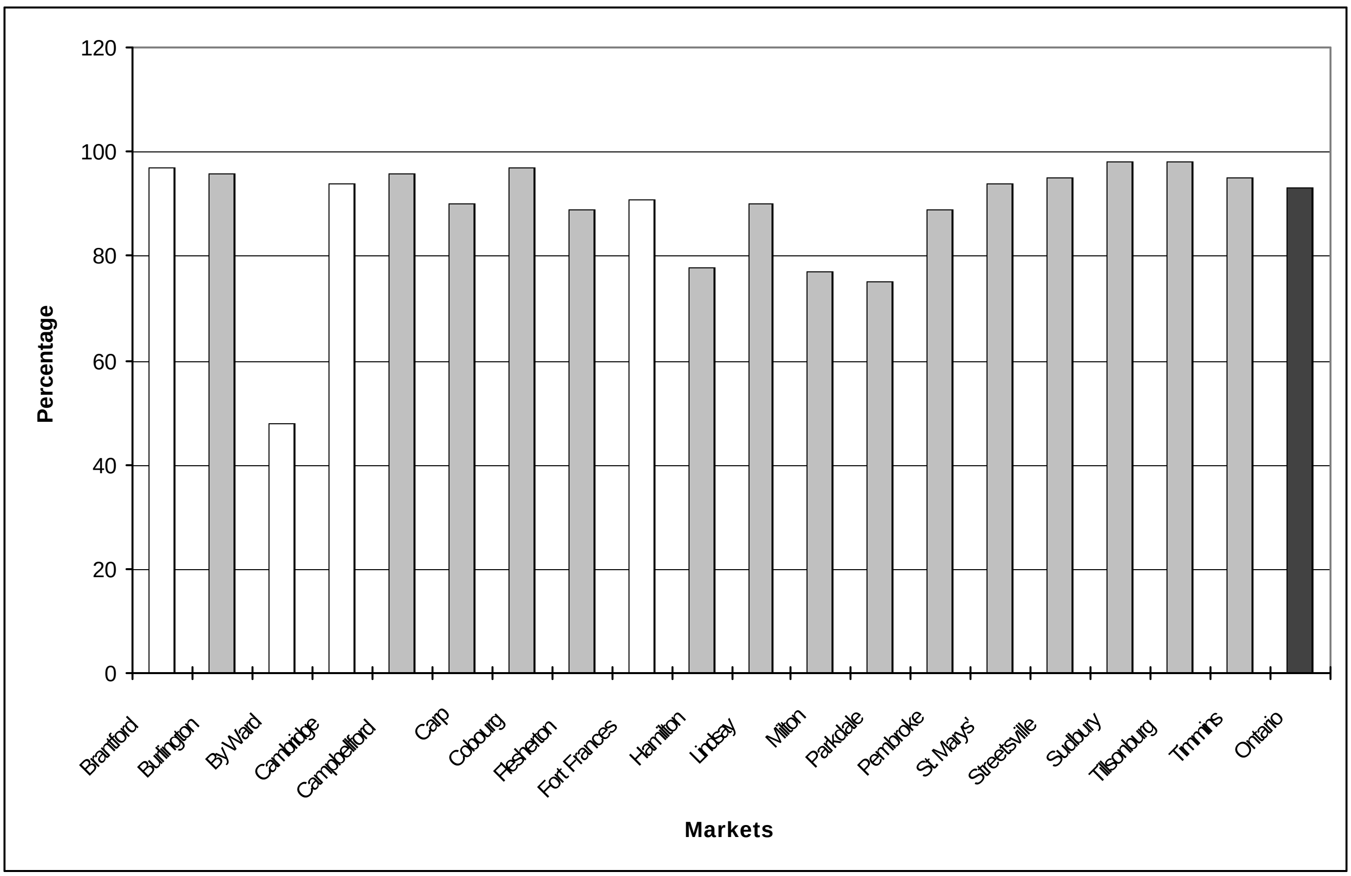
Graph 4.8 Average number of visits to the Market in a month.



4.3 *What attracts customers to the Market?*

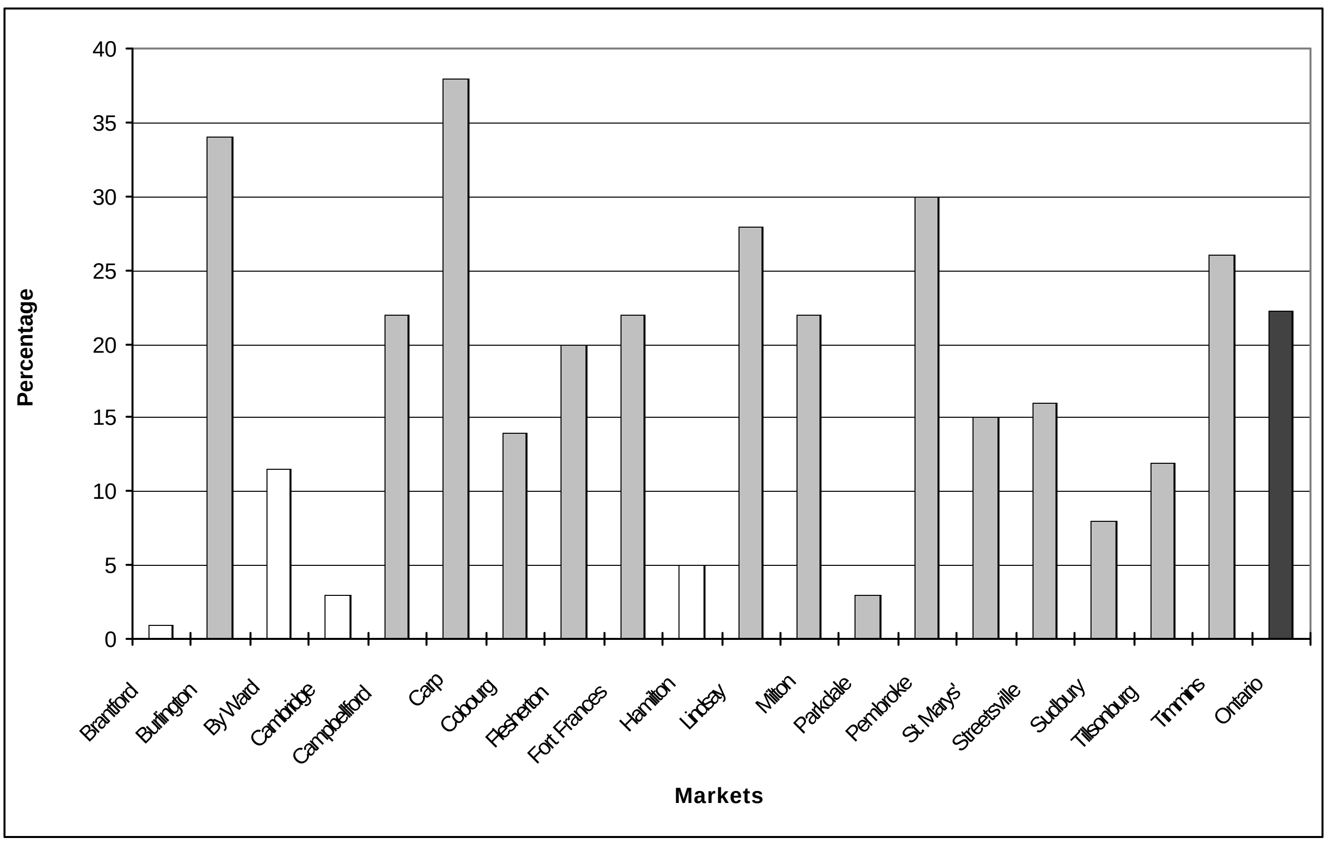
As shown in Graph 4.9, customers clearly value the availability of fresh produce at the Market. Indeed, this is the number one feature that attracts customers to the Market. Additionally, customers suggested that the Market serves an important social function as a meeting place for friends and community members. Customers also indicated that they appreciated the opportunity to purchase products from local growers and craft vendors.

Graph 4.9 Percentage of customers who are attracted to the Market for the fresh products.



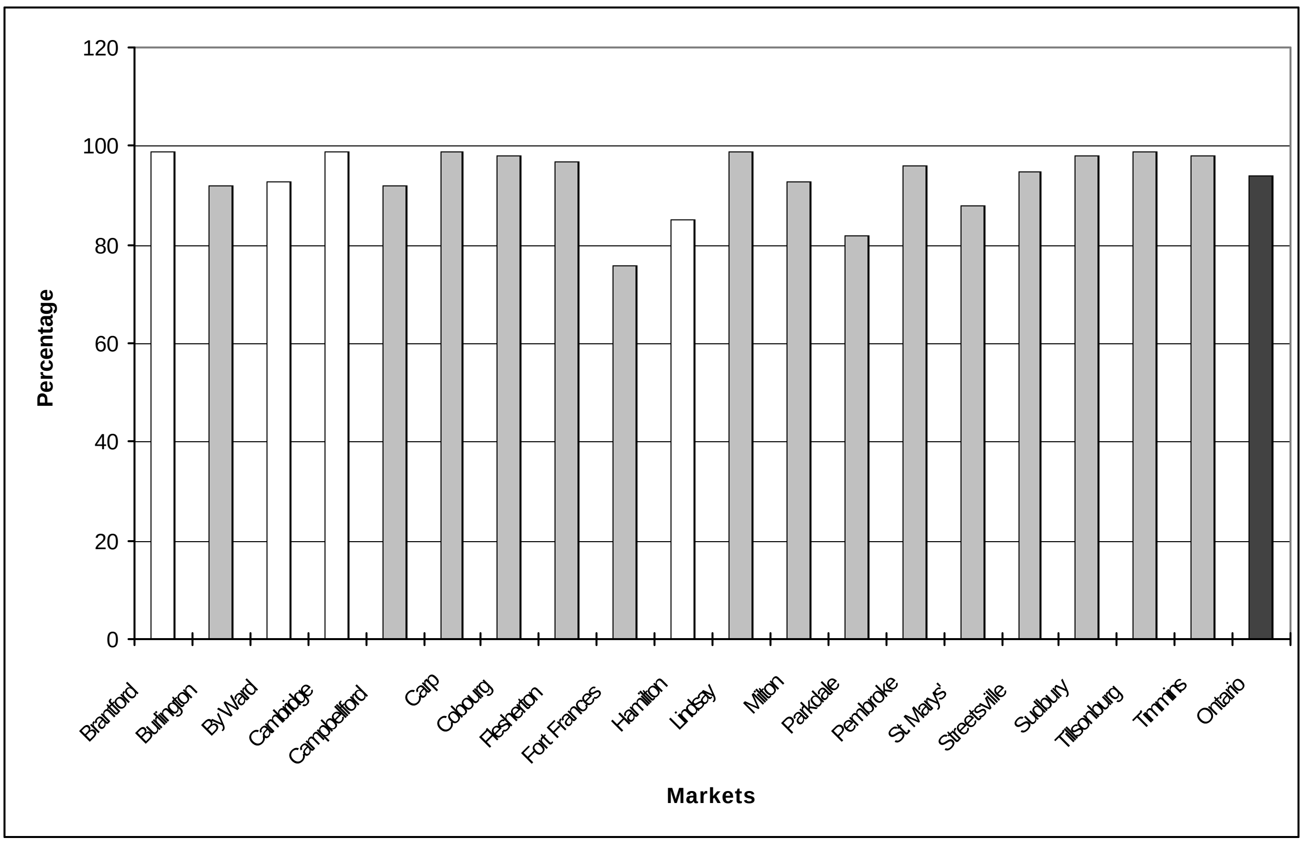
Interestingly, it appears as though the customers at seasonal Markets hold a greater value in the social aspects of the Market than do customers at year round Markets. For many customers, the opening of the Market in April or May is viewed as an occasion that marks the beginning of spring and an opportunity to reconnect with other members of the community. Customers follow the passage of summer as the variety of products change in the Market. In the minds of some customers, the transition to autumn is complete with the closure of the Market and as the winter months progress, customers enjoy the anticipation of a new Market season.

Graph 4.10 Percentage of customers who are attracted to the Market to meet friends and socialize.



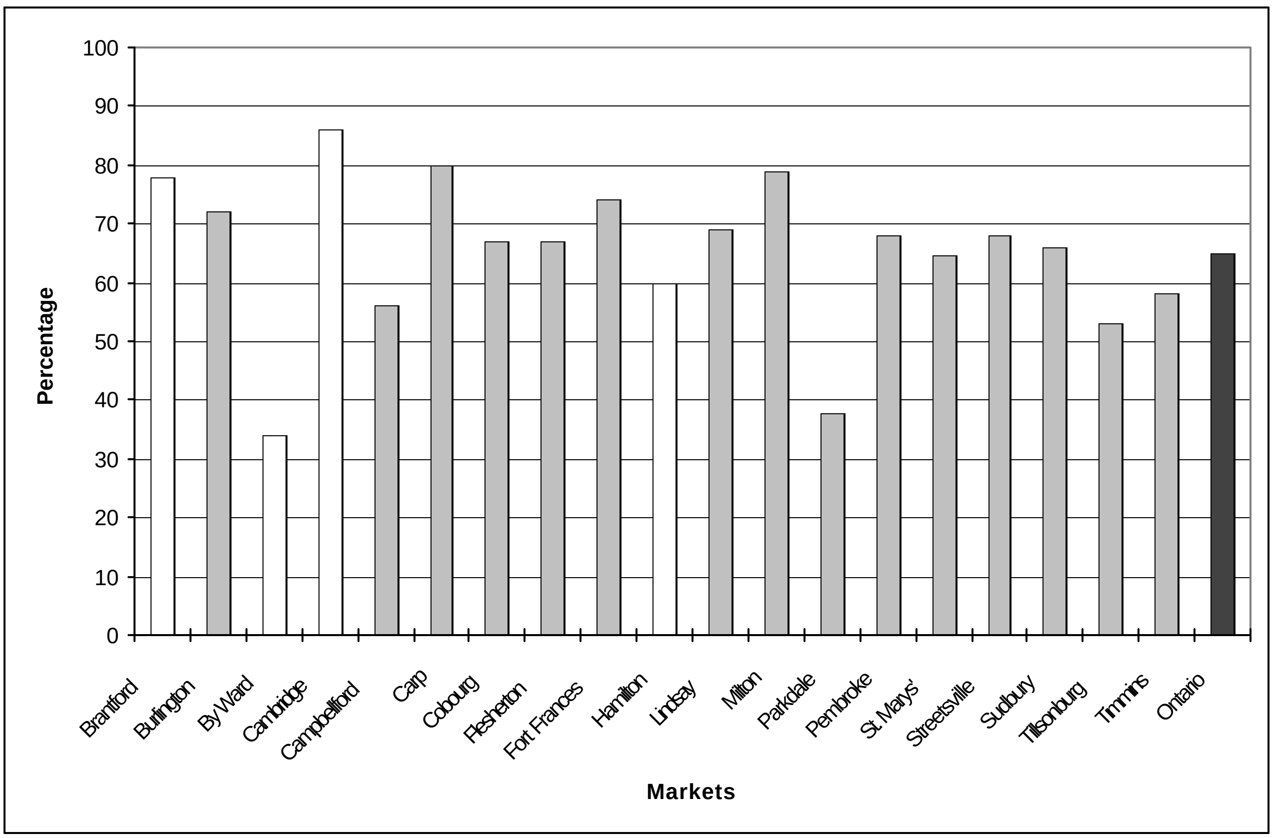
Customers at both the seasonal and year round Markets indicated that they enjoy socializing with the vendors at the Market and as mentioned above, they are very interested in supporting local growers. Indeed, over ninety percent of Market customers feel that it is important to support local growers at “their” Market. Information on each of the participating Markets is provided in Graph 4.11.

Graph 4.11 Percentage of customers who believe it is important to support local growers at the Market.



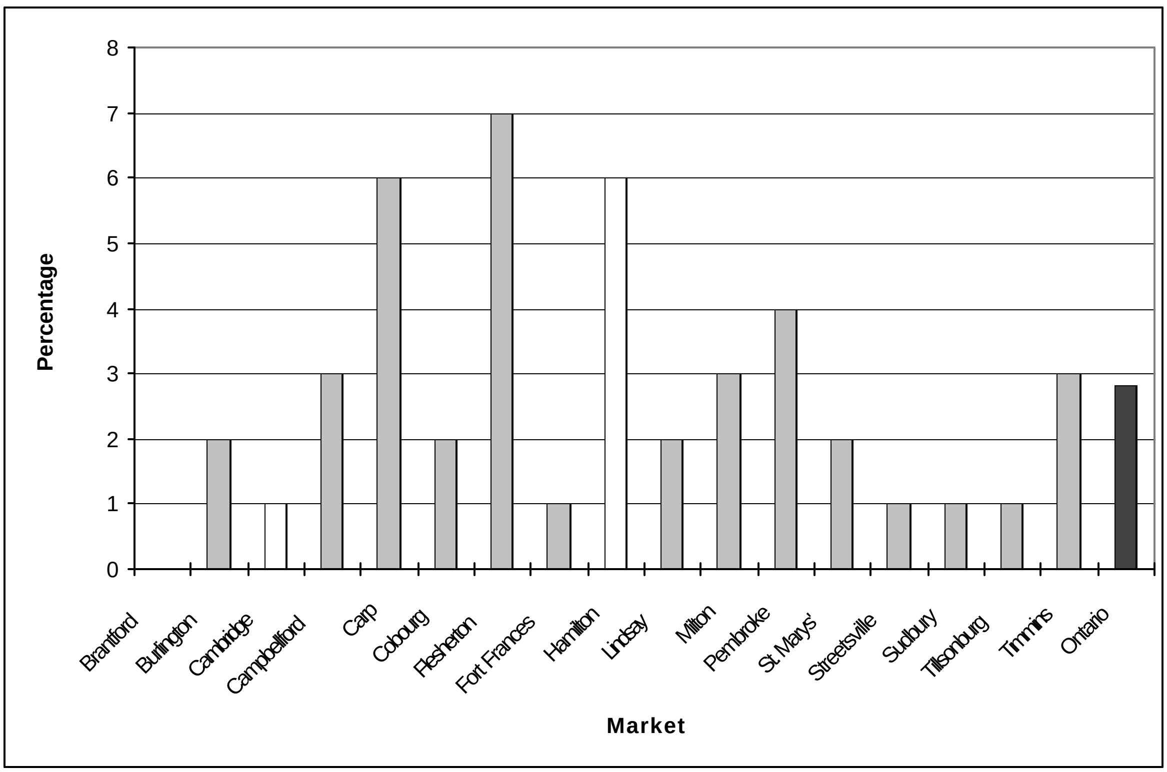
Closely associated with the value that customers attach to supporting local growers, is the loyalty that customers display for specific vendors. Customers and vendors both commented at length on the special relationships that have formed between the two groups over the years. Indeed, the interaction between Market customers and vendors is often underscored by lively conversation. As indicated in Graph 4.12, most customers routinely purchase their products from the same vendor(s) each time they visit the Market.

Graph 4.12 Percentage of customers who make purchases from the same vendor(s) during each visit.



On average, approximately 3% of the Market customer base is made up of first time visitors. A number of Farmers' Markets in the study attracted significantly more first time visitors than the provincial average. The research shows that first time visitors account for at least 6% of the customer base in Flesherton, Carp and Hamilton. Additional details are provided in Graph 4.13.

Graph 4.13 Percentage of customers who are first time visitors to the Market.

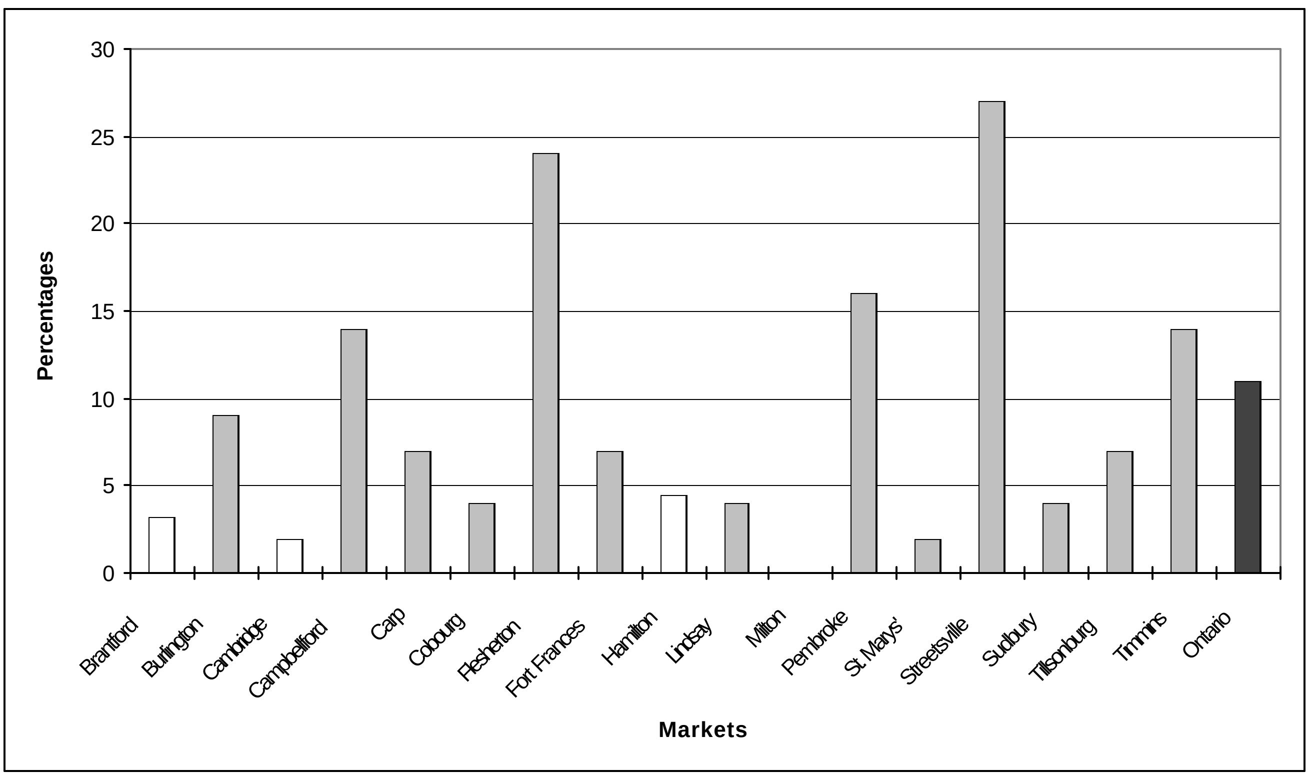


(Parkdale and By Ward data not available.)

4.4. *How did customers first learn about the Market?*

Most customers indicated that they have been coming to “their” Market for many years and/or heard about the Market through family and friends. However, individual Markets in Ontario undertake a variety of promotional activities to keep the Market in the public eye and attract new customers. Many Markets utilize signage as a way of promoting the Market. It appears as though some Markets have been more effective in attracting attention to the Market via this method than others. In particular, the signage being used by year round Markets does not appear to be having as significant an impact on customers as it is with some seasonal Markets. Markets that are interested in enhancing their exposure in the community may be able to learn lessons from the promotional techniques being successfully applied by a number of small seasonal Markets across the province.

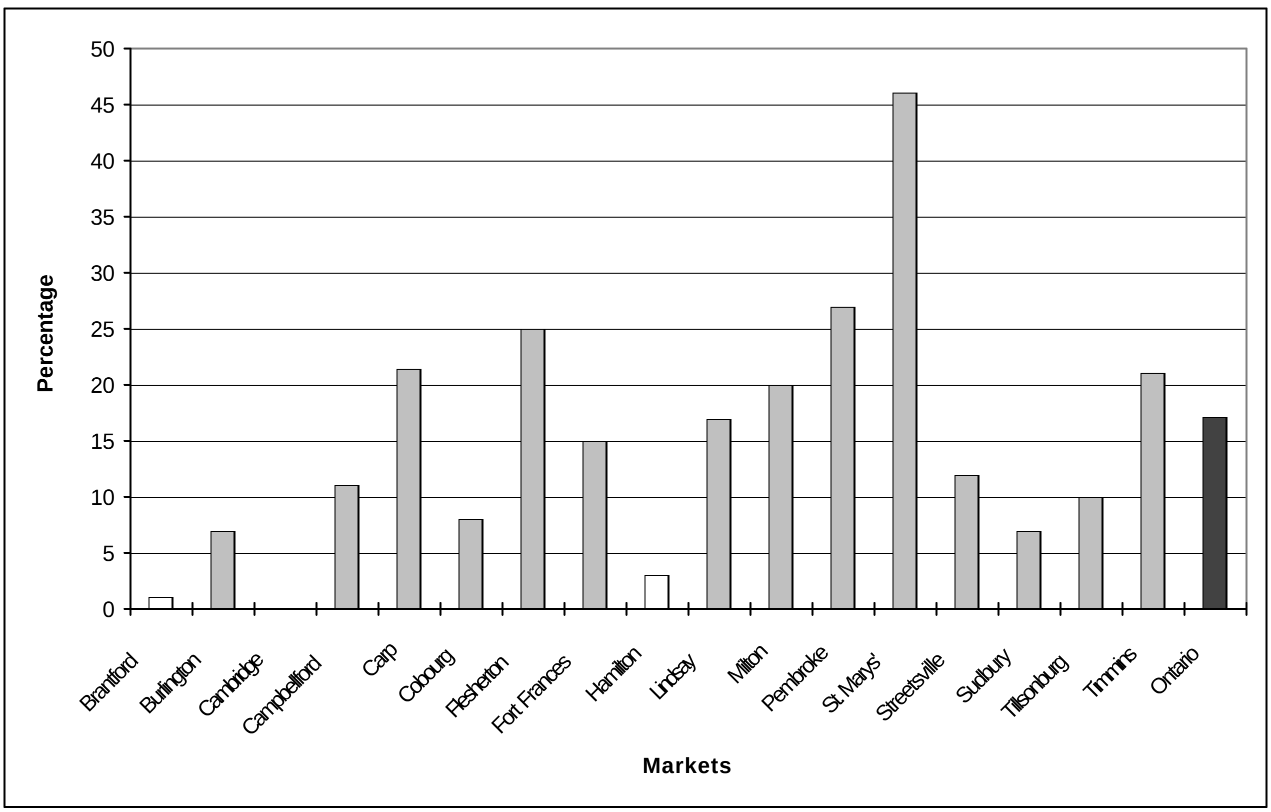
Graph 4.14 Percentage of customers who learned of the Market through road signs.



(Parkdale and By-Ward data not available.)

Local newspapers are also used extensively by Farmers’ Markets in Ontario to advertise the Market. As shown in Graph 4.15, this form of promotion has proven to be rather successful in attracting customers in some seasonal Markets. Again, Market customers at year round Markets do not appear to be responding to this form of promotion. Several factors could be responsible for this occurrence. For example, the Market may be doing a minimal amount of newspaper advertising and/or has an ineffective advertising feature in the paper. In any event, it appears as though some Markets are effectively using newspapers to attract customers to the Market. Markets seeking to initiate or intensify this form of promotion should observe the manner in which other Markets have successfully utilized it in their promotional package.

Graph 4.15 Percentage of customers who learned of the Market through newspaper advertisements.



(Parkdale and By-Ward data not available.)

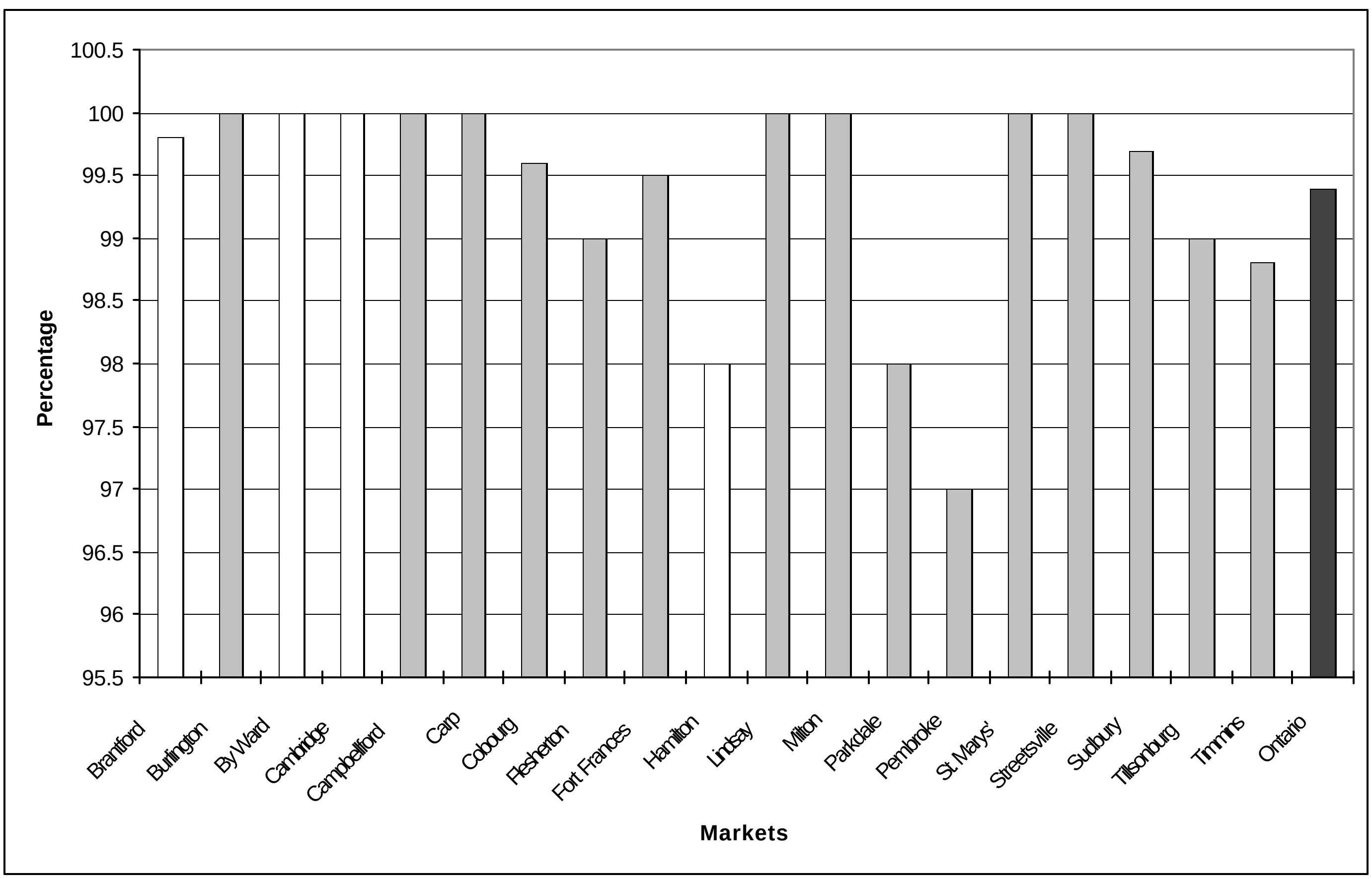
4.5. *Satisfaction with the Market*

Customers encounter a variety of sights, sounds and personalities during their visit to the Market. As part of the survey, customers were asked to indicate their level of satisfaction with various aspects of the Market including quality of produce, variety of produce, quality of service, location of the Market, and Market facilities.

4.5.1. *Quality of Products*

Customers were clearly satisfied with the quality of produce available at the participating Markets. On average, over 99% of customers were satisfied with the quality of produce and there appeared to be little difference between seaonal and year round Markets. Graph 4.16 provides additional details.

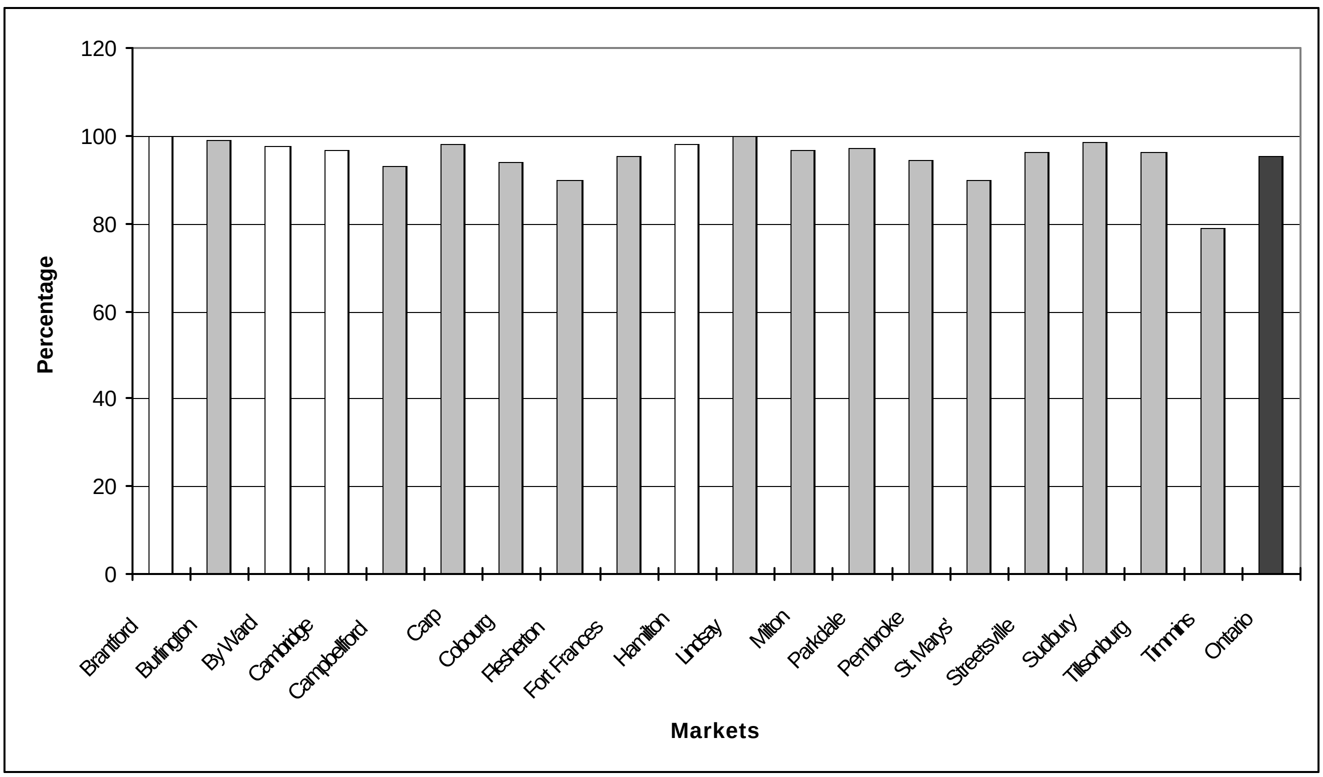
Graph 4.16 Percentage of customers who are satisfied with the quality of produce at the Market.



4.5.2. *Variety of goods*

Customers were also largely satisfied with the variety of produce available at Markets. On average, 95% of customers were satisfied with the variety of produce. The results revealed that a slightly higher proportion of customers at year round Markets were satisfied with the variety of produce than customers at seasonal Markets. Interestingly, some of the Markets located in the northern zone where there is limited local production, scored higher satisfaction levels than Markets located in the southern zones. Graph 4.17 provides additional details.

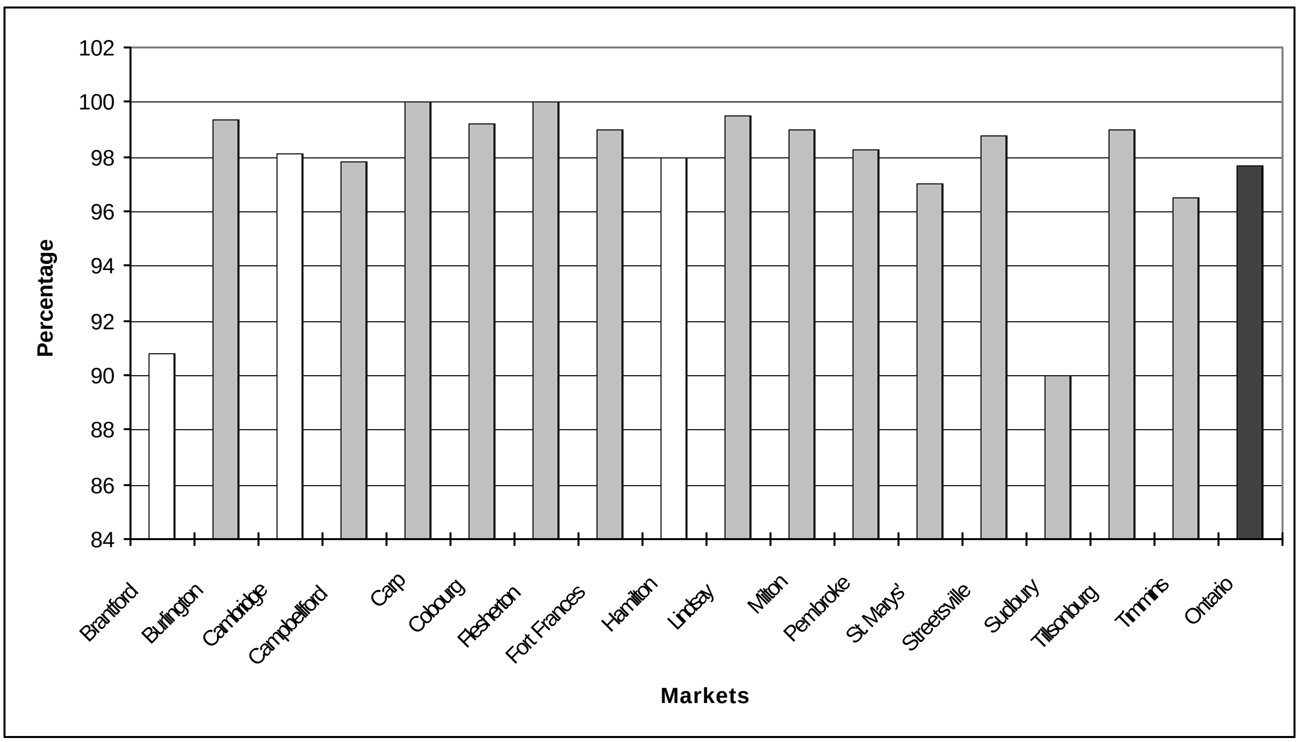
Graph 4.17 Percentage of customers who are satisfied with the variety of products at the Market.



4.5.3. *Location of the Market*

As noted earlier, the location of the Market in a particular town or city varies from place to place. Some Markets are located in close proximity to the downtown while others are located on the outskirts of town. However, customers for the most part, are satisfied with the location of their Market. There does not appear to be any significant difference between year round and seasonal customers with respect to this aspect of the Market. Graph 4.18 reveals how the participating Markets compared to one another.

Graph 4.18 Percentage of customers who are satisfied with the location of the Market.

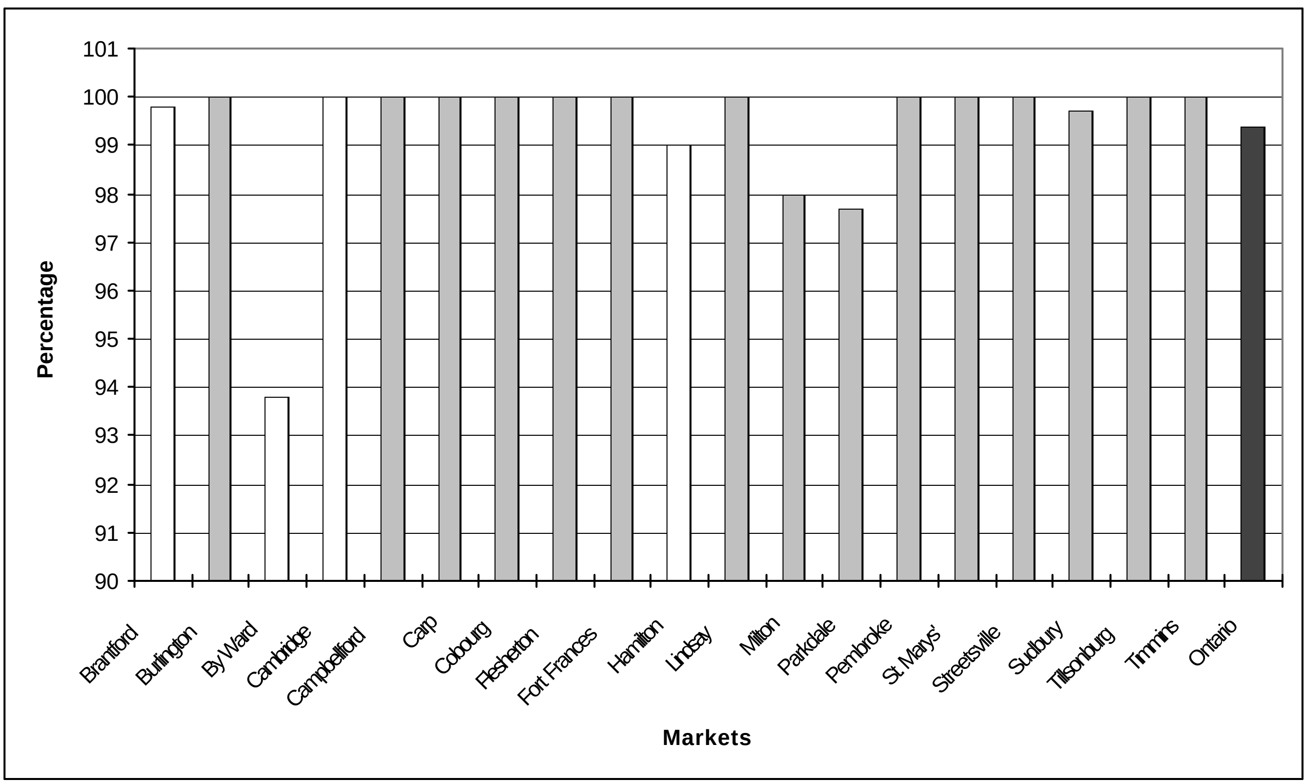


(Parkdale and By-Ward data not available.)

4.5.4. ***Quality of service***

Customers tended to be satisfied with the quality of service at Farmers' Markets. From a provincial perspective, close to 100% of customers indicated that they were satisfied with this aspect of Farmers' Markets. In their comments, customers frequently mentioned how friendly the vendors are at the Farmers' Market. They also emphasized the importance of being able to interact with the producer directly. Vendors clearly enjoyed the opportunity to meet and interact with the community members as well. The provincial average and the results for each Market are presented in Graph 4.19.

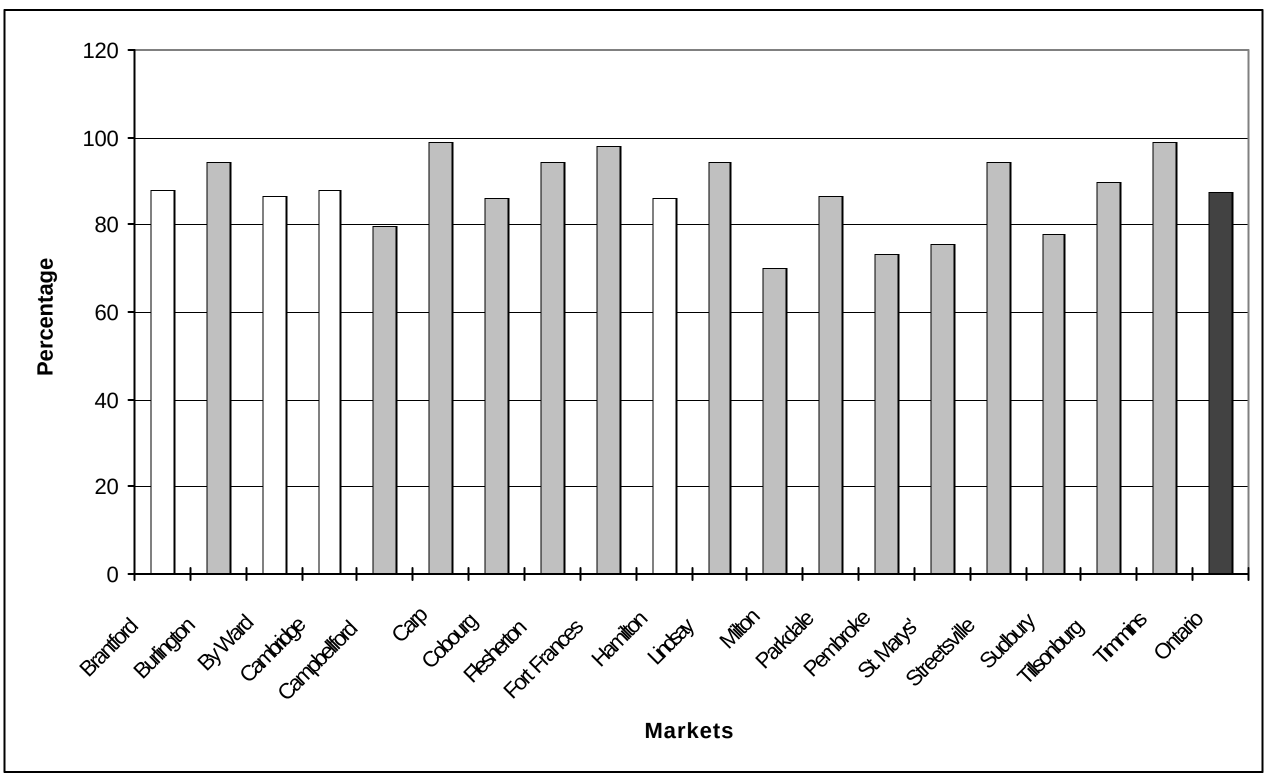
Graph 4.19 Percentage of customers who are satisfied with the quality of service.



4.5.5. ***Facilities at the Market***

The least satisfactory aspect of Farmers’ Market are the Market facilities. This was a fairly consistent complaint across all Markets. In particular, washrooms were singled out by many customers as facilities that needed to be improved. The complaints were often related to the cleanliness and accessibility of washrooms. Another common complaint was that there was not enough seating available at the Market. Insufficient or inadequate parking was also noted as a problem in some Markets. On average, close to 15% of customers found some aspect of the facilities at the Market to be unsatisfactory. Additional details are provided in Graph 4.20.

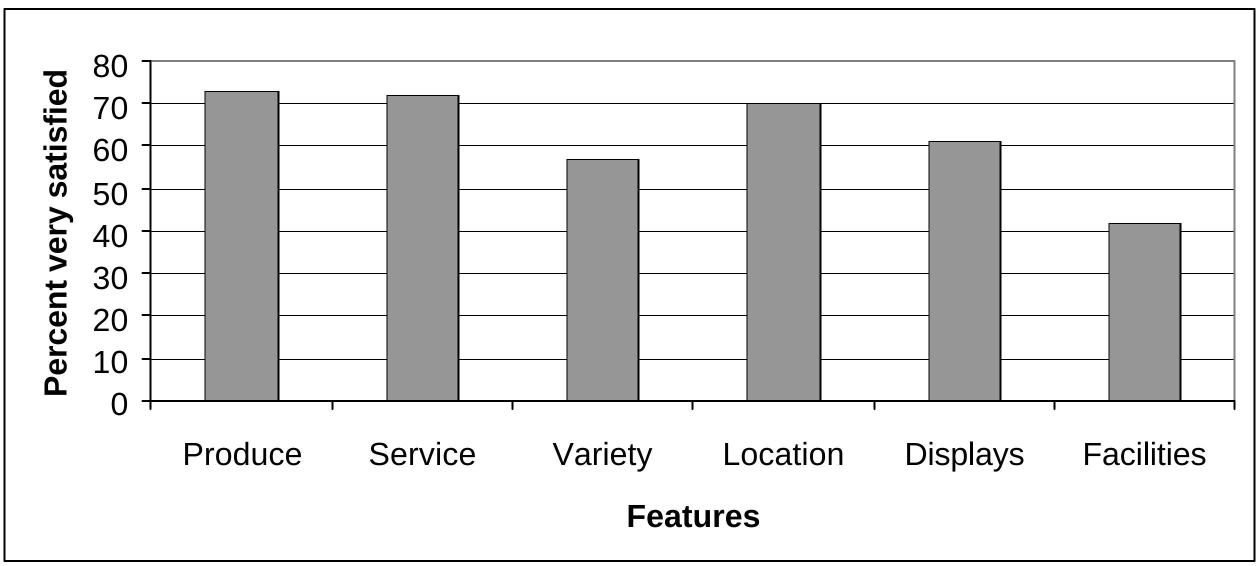
Graph 4.20 Percentage of customers who are satisfied with the facilities at the Market.



4.5.6. ***Customer satisfaction at the provincial level***

At the provincial level we note that approximately 73% of customers are *very satisfied* with the quality of produce at Farmers Markets. A strong majority of customers are also very satisfied with the location of the Market, the quality of service and the product display. Close to 60% of customers indicated that they were very satisfied with the variety of goods offered at Markets. However, the greatest area in need of need of improvement is in the area of facilities, where only 42% of respondents were very satisfied with existing facilities (Graph 4.21).

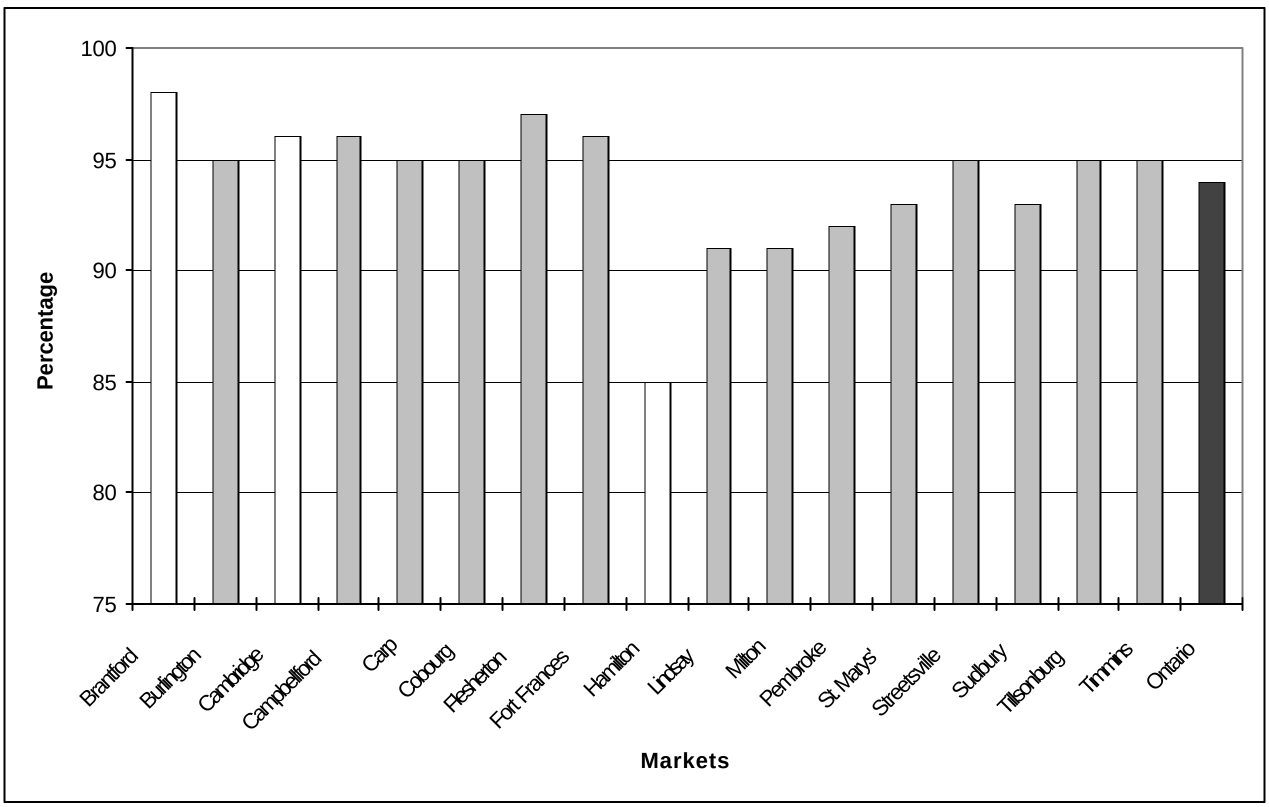
Graph 4.21 Percentage of customers who are *very* satisfied with various Market features



4.5.7. ***Food safety***

Ninety-four percent of customers have no food safety concerns at the Market. There is some variation on this aspect between Markets. The types of concerns raised include food that is left unprotected in the sun or exposed to the open air without sneeze guards, vendors not using sterile gloves to handle meat products, customers touching food products but not purchasing. Details for each Market are provided in Graph 4.22.

Graph 4.22 Percentage of customers who have no food safety concerns.



(Parkdale and By-Ward data not available.)

4.6. *Purchasing behaviour*

Farmer's Markets feature a variety of goods. The type and amount of products purchased by customers at the Market, are in part determined by the type of goods that vendors provide. For example, some markets feature meat products, fish and dairy products while others do not. These differences are reflected in the following graphs which illustrate the types of products that customers purchase at Markets.

Vegetables are clearly the most commonly purchased item at the market. As indicated in Graph 4.23, over 80% of Market customers purchase vegetables. Fruits are the next most popular market item. On average over 55% of customers purchase fruit while visiting the market (see Graph 4.24).

Baked goods are another very popular item at Farmers= Markets. Close to 40% of customers purchase baked goods while visiting the Market (Graph 4.25). Baked goods along with fruits and vegetables, are typically sold at every Farmers= Market.

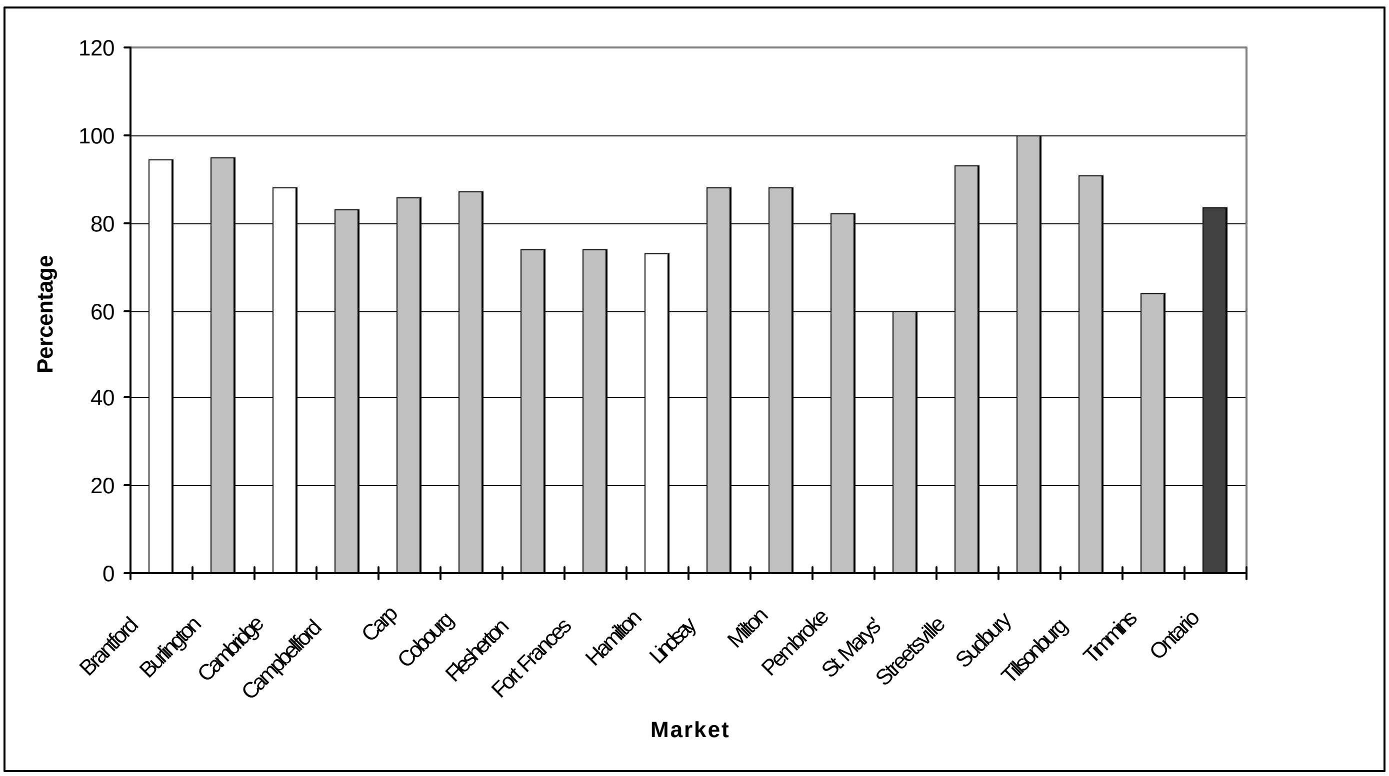
Year round Markets tend to have a greater selection of meat products than do seasonal markets and a greater proportion of customers at year round Markets tend to purchase meat than do customers at seasonal Markets. The provincial average of +20% is buoyed by the meat purchasing patterns in the year round Markets. Fish is not available in all markets but where it is offered it appears to be a very popular item with customers. Indeed, in several of the markets, customers indicated that they came to the Market specifically for the fish. Markets that are looking to expand and diversify their product line, should consider giving special attention to attracting a fish vendor to the Market. Additional details are provided in Graph 4.26 and 4.27.

Bedding plants and flowers are also fairly popular items at Farmers Markets. Bedding plants in particular help to draw customers to the Market in the spring and flowers enhance the aesthetic qualities of the Market. Graph 4.28 and 4.29 provide additional details.

Where available, eggs are extremely popular among Market customers (Graph 4.30). Dairy products however, appear to be much more popular in some Markets than others. It should be noted that some Markets offer a greater variety of dairy products including international cheeses and this has helped to boost the interest in dairy products (Graph 4.31).

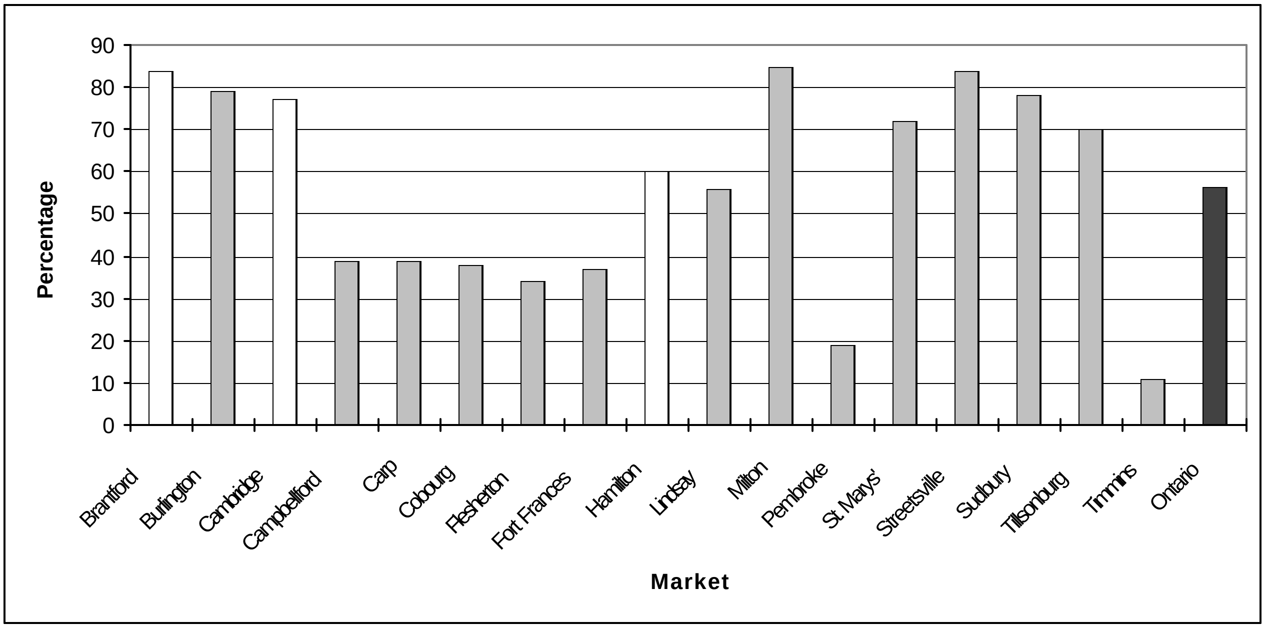
Honey and maple syrup products are commonly featured at Farmers' Markets and in many cases the vendor is a local producer (Graph 4.32 and 4.33). Interestingly, jams and preserves appear to be more popular with customers in seasonal Markets than in year round Markets (Graph 4.34).

Graph 4.23 Percentage of customers that purchase vegetables at the Market.



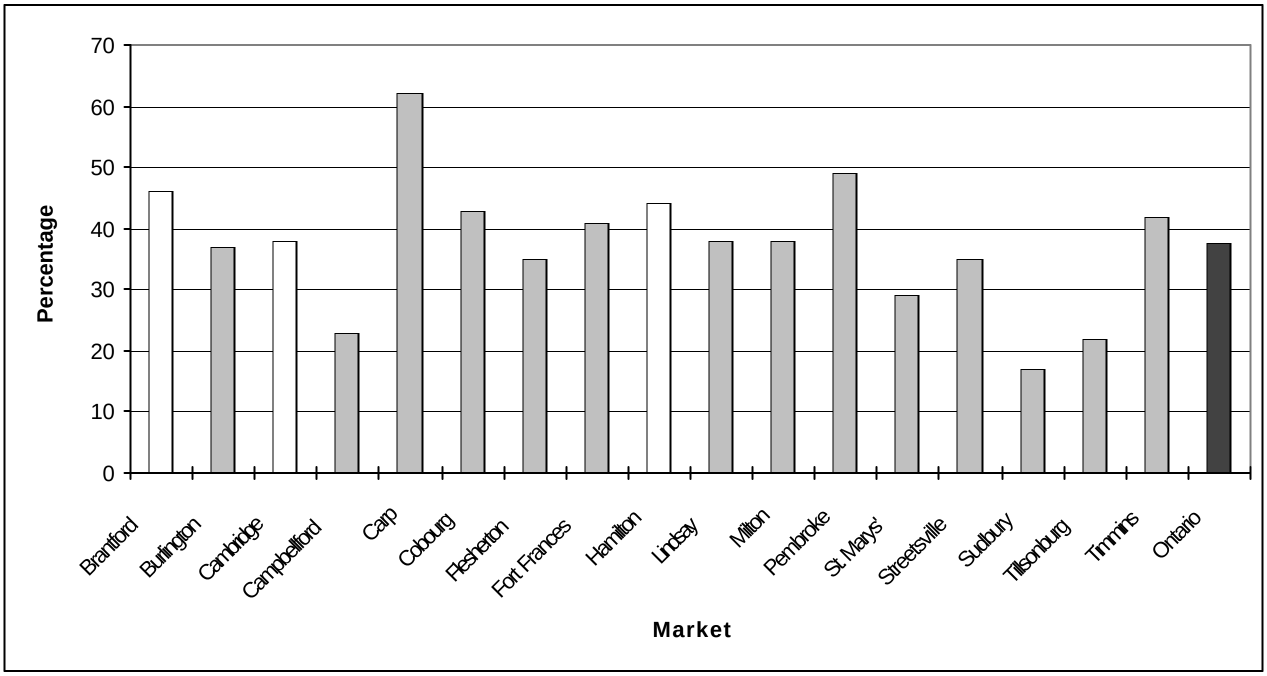
(Parkdale and By Ward data not available.)

Graph 4.24 Percentage of customers that purchase fruit at the Market.



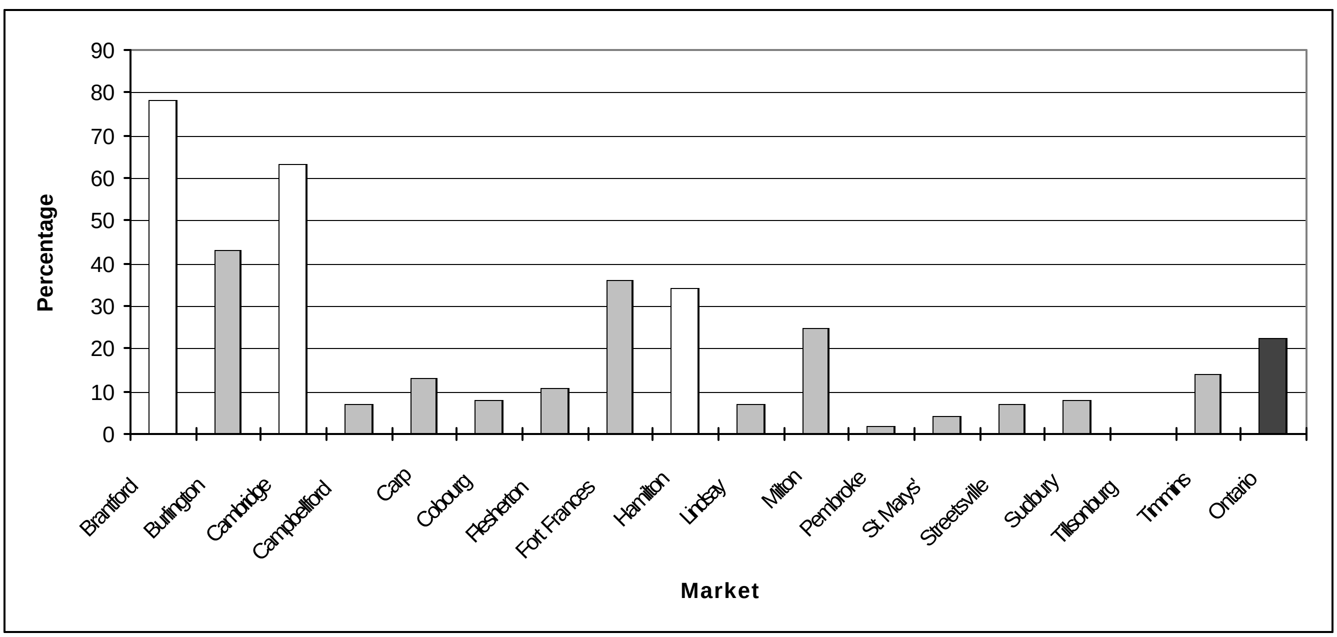
(Parkdale and By Ward data not available.)

Graph 4.25 Percentage of customers that purchase baked goods at the Market.



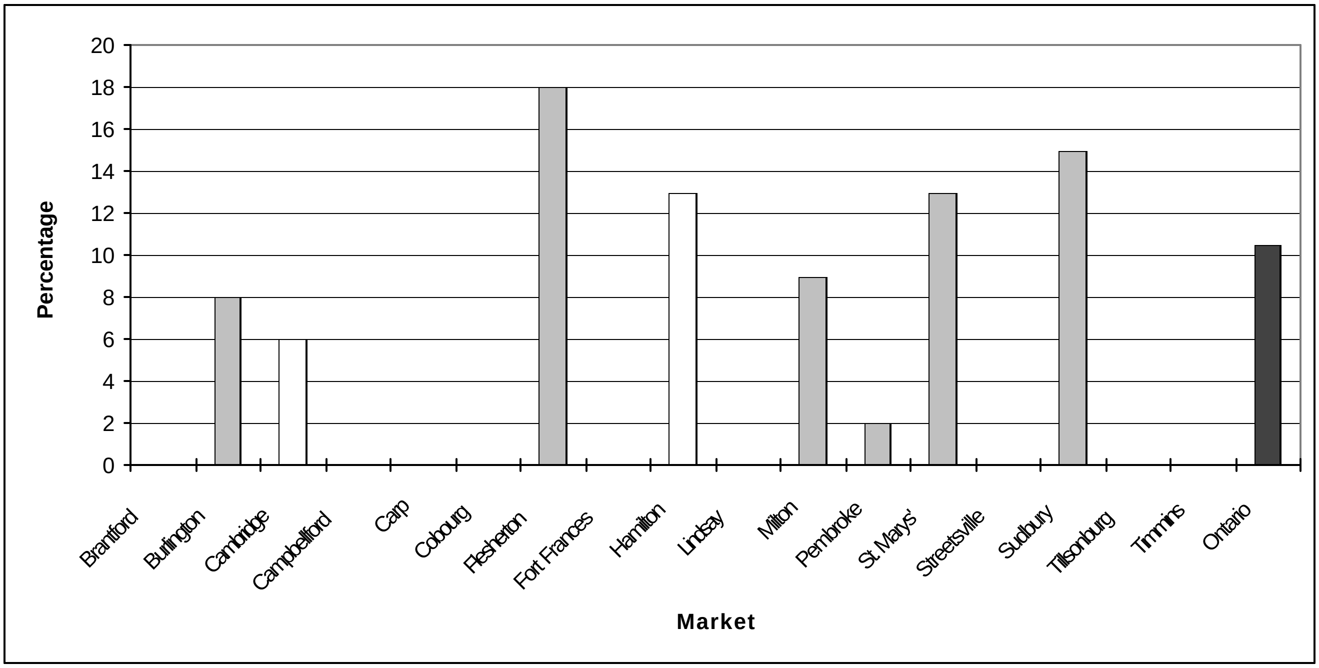
(Parkdale and By Ward data not available.)

Graph 4.26 Percentage of customers that purchase meat at the Market.



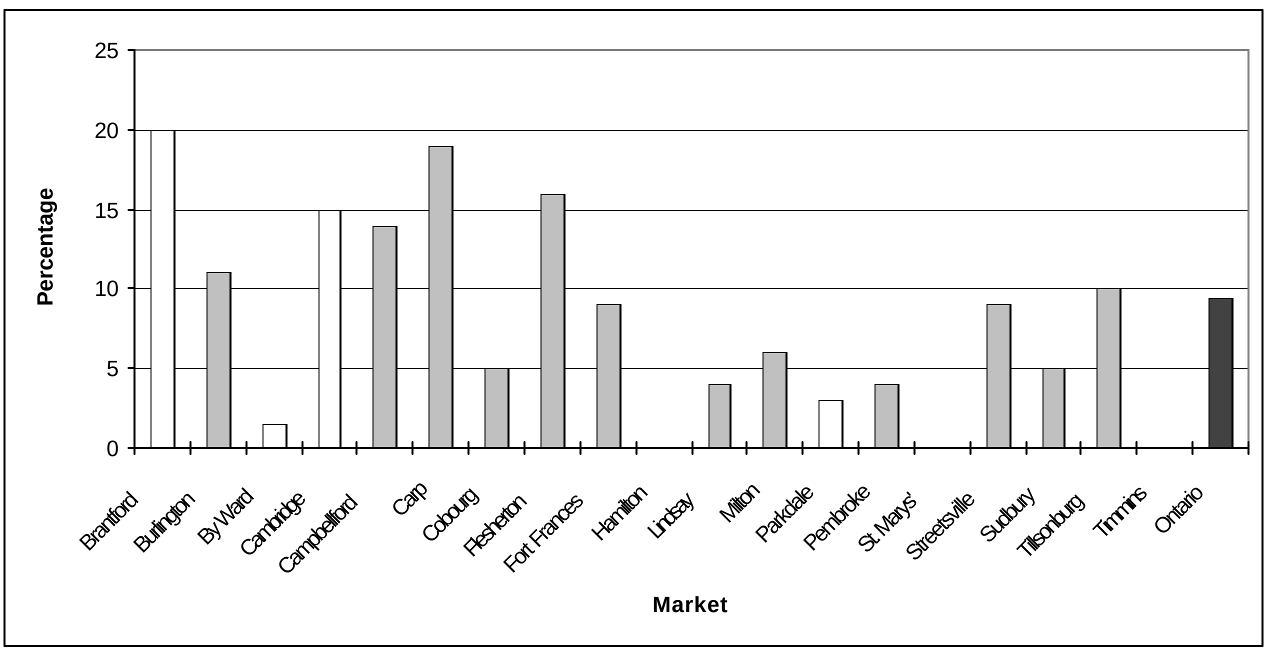
(Parkdale and By Ward data not available.)

Graph 4.27 Percentage of customers that purchase fish at the Market.

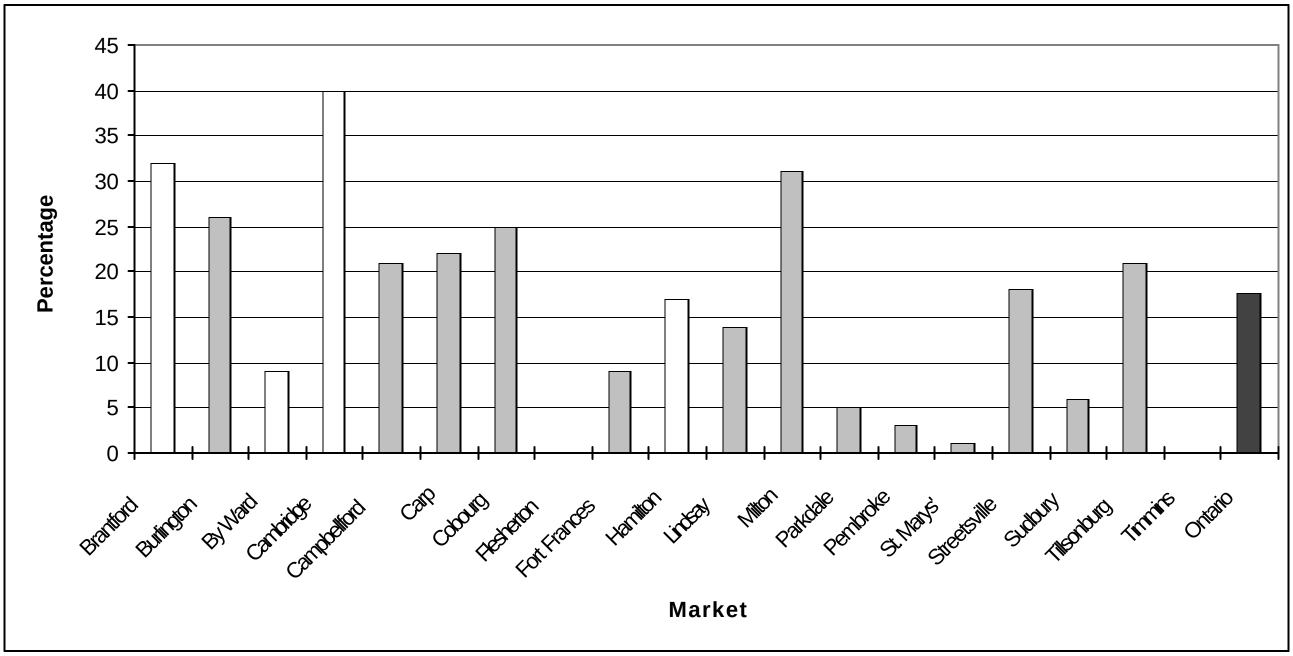


(Parkdale and By Ward data not available.)

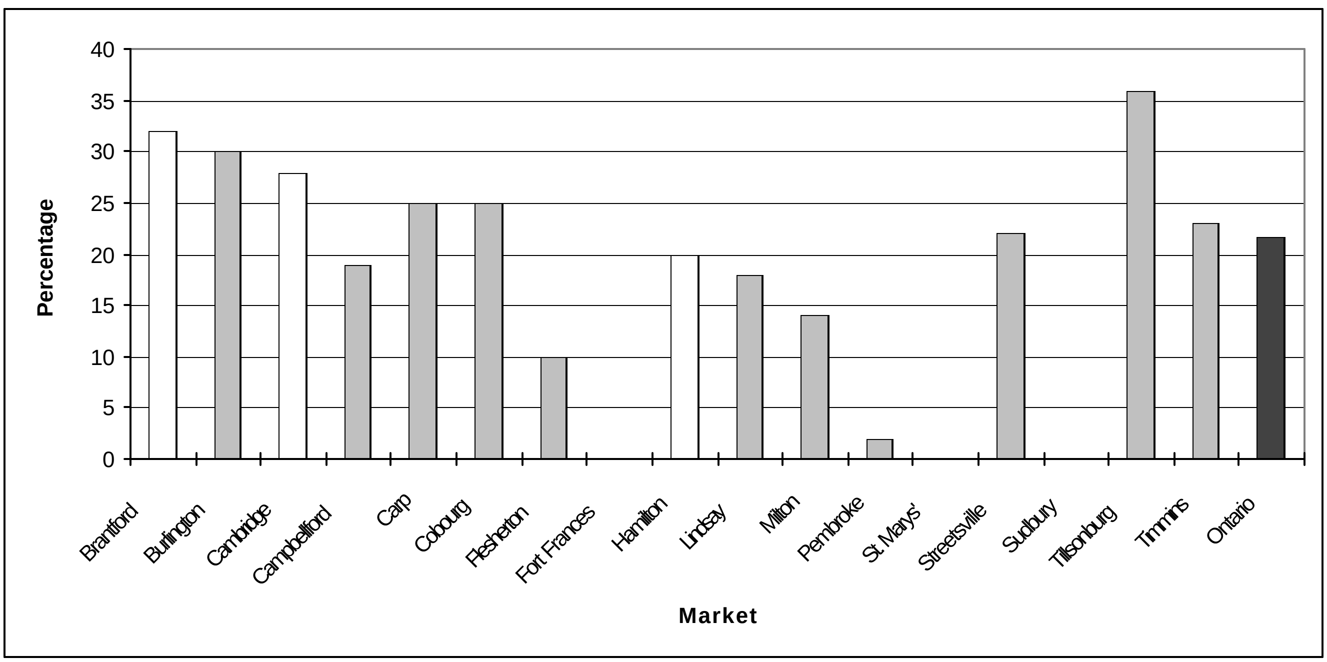
Graph 4.28 Percentage of customers that purchase bedding plants at the Market.



Graph 4.29 Percentage of customers that purchase flowers at the Market.

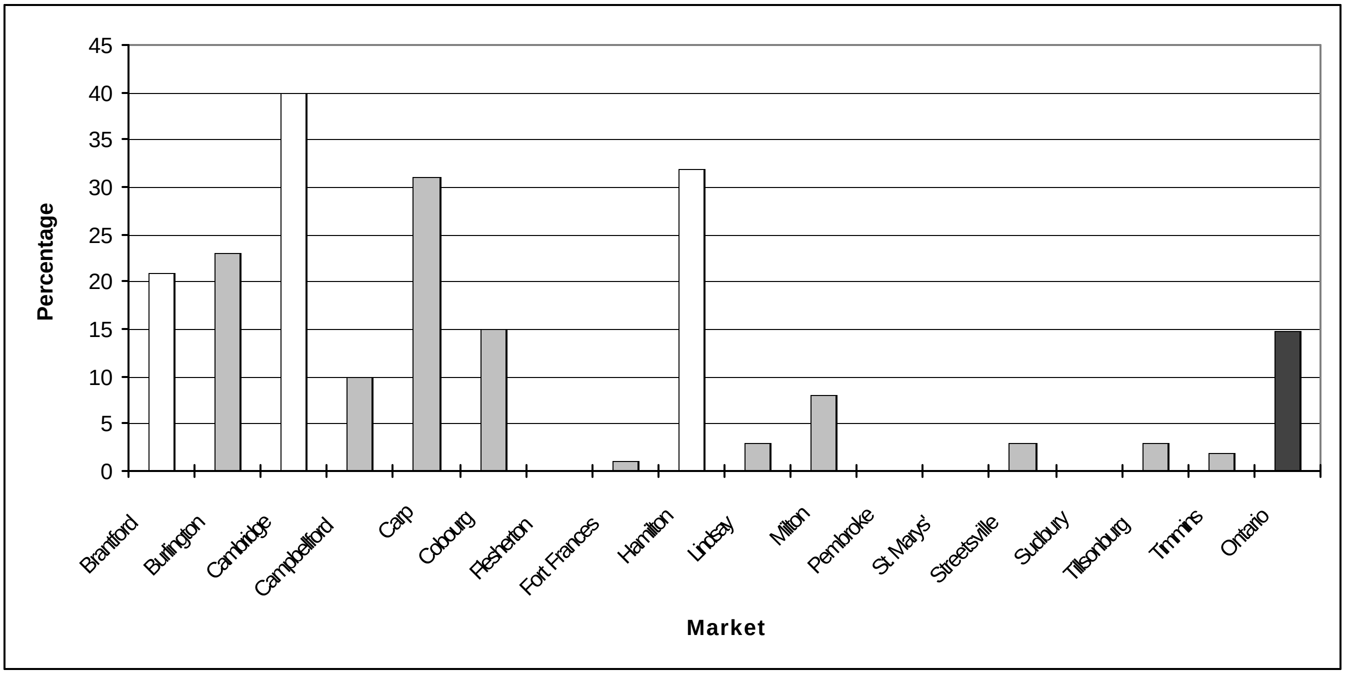


Graph 4.30 Percentage of customers that purchase eggs at the Market.



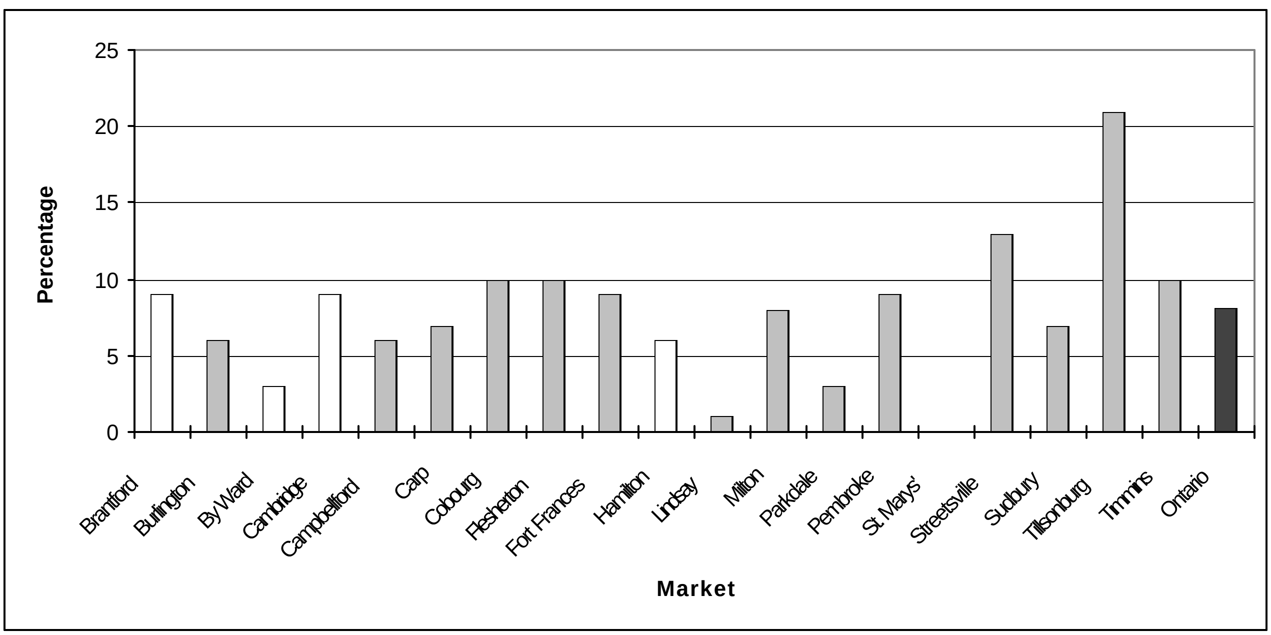
(Parkdale and By Ward data not available.)

Graph 4.31 Percentage of customers that purchase dairy products at the Market.

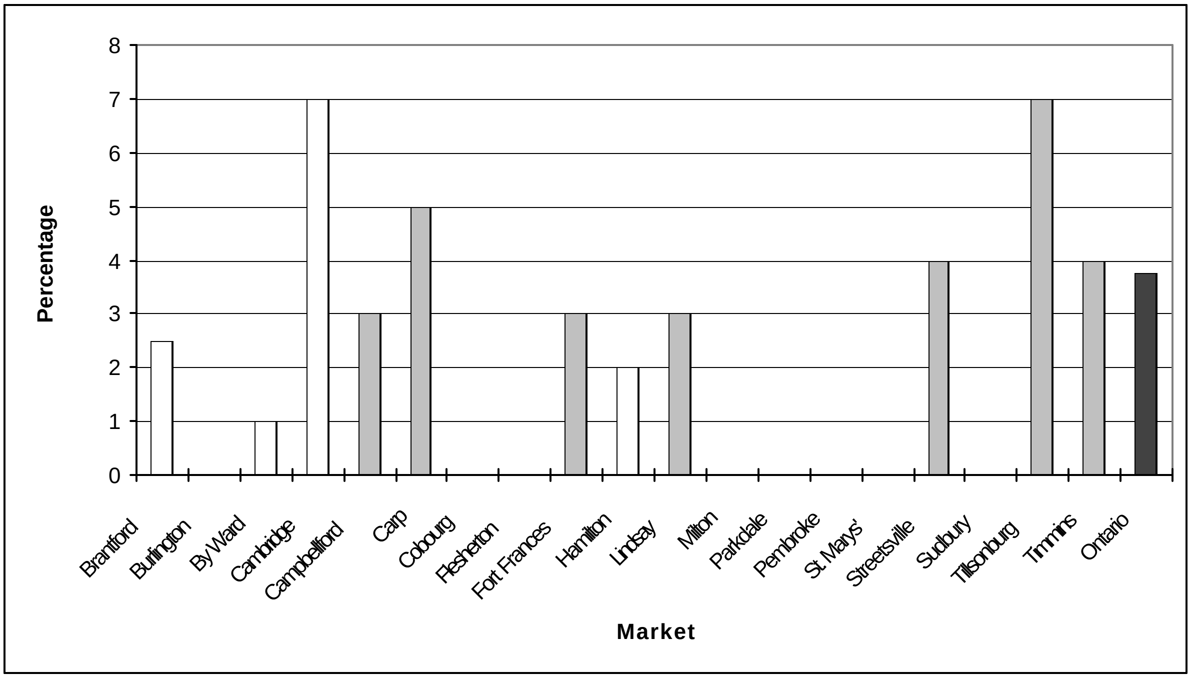


(Parkdale and By Ward data not avaialble.)

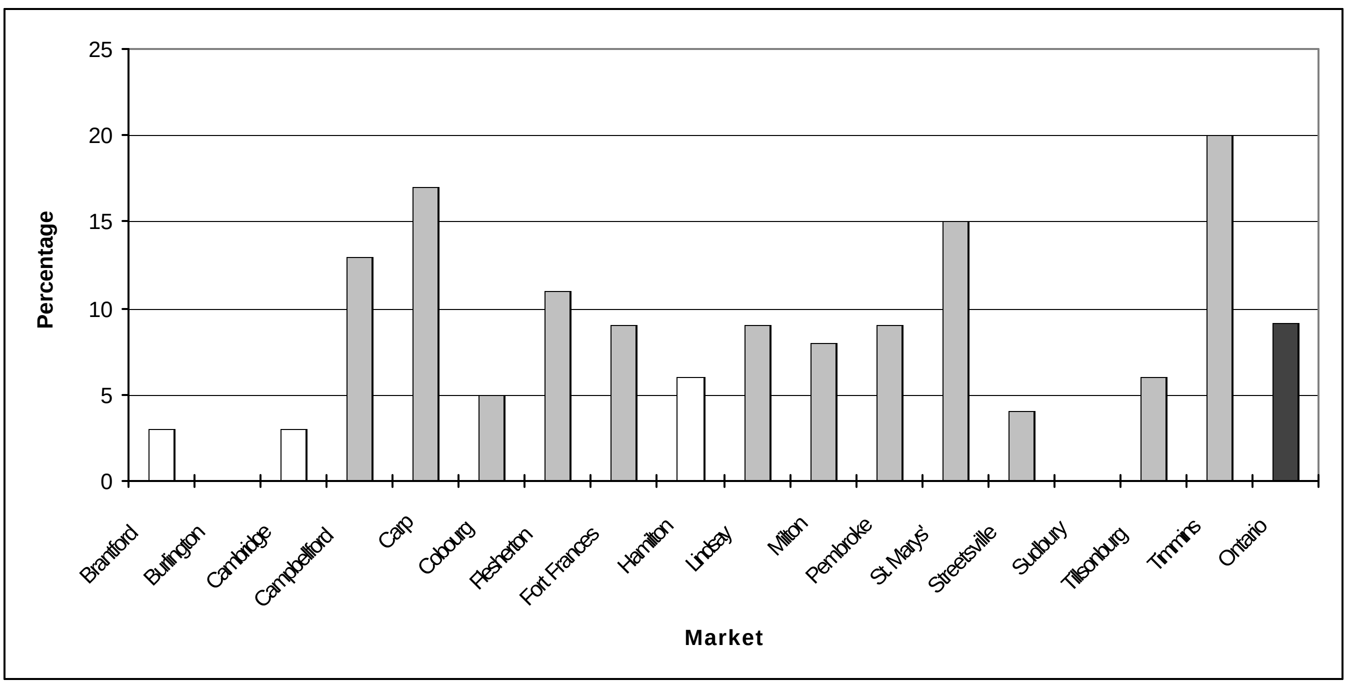
Graph 4.32 Percentage of customers that purchase honey at the Market.



Graph 4.33 Percentage of customers that purchase maple syrup products at the Market.



Graph 4.34 Percentage of customers that purchase jams/preserves at the Market.

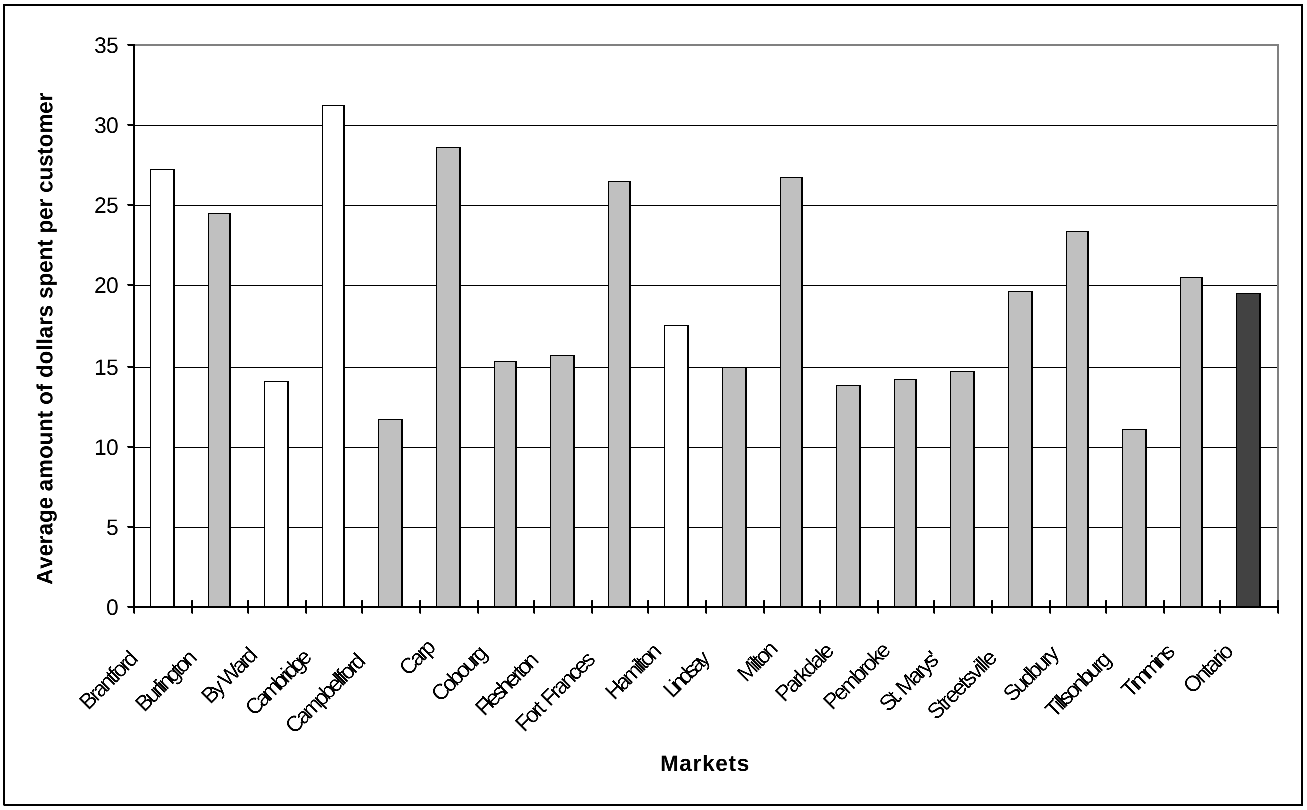


(Parkdale and By Ward data not available.)

4.7. *Spending behaviour*

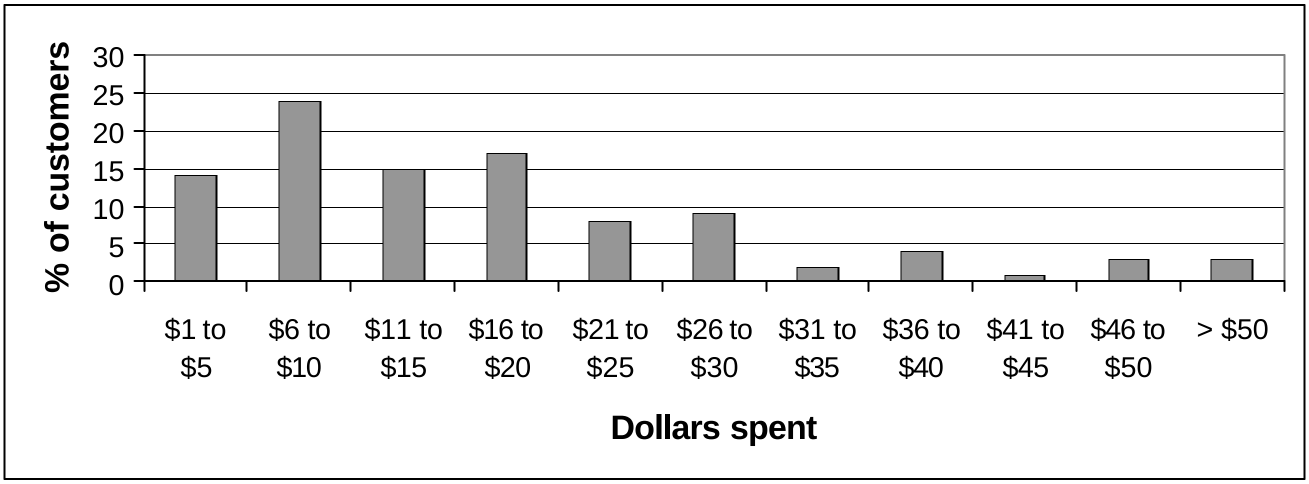
The survey revealed that on a provincial average, customers spend approximately $20 per visit to the Farmers' Market. The lowest Market average was just over $10 per Market visit and the highest was just over $30 per Market visit. In twelve of the Markets, the average amount spent by customers was over $15 per visit and in eight of the Markets the average amount spent by customers was over $20 per visit. Interestingly, neither the year round Markets nor the seasonal Markets displayed a consistency in the amount spent by customers (Graph 4.35). There appears to be as much variation within both the year round and the seasonal Market categories as there is between the year round and seasonal Market categories. Thus we note that although the Cambridge Farmers' Market recorded the highest level of customer spending, many seasonal Markets recorded impressive values as well (Burlington, Carp, Fort Francis, Milton, Sudbury). One notable difference between the Markets is that the customers who frequented Markets in small towns or villages tended, on average, tended to spend less than customers who frequented Markets situated in or near large urban centres.

Graph 4.35 Average amount of dollars spent at the market per customer.



At the provincial level the single largest spending category was \$6 to \$10 with just under 25% of customers. The next largest categoy was \$16 to \$20 with just over 15% of customers. Additional details are provided in Graph 4.36.

Graph 4.36 Dollars spent by customers (provincial average)

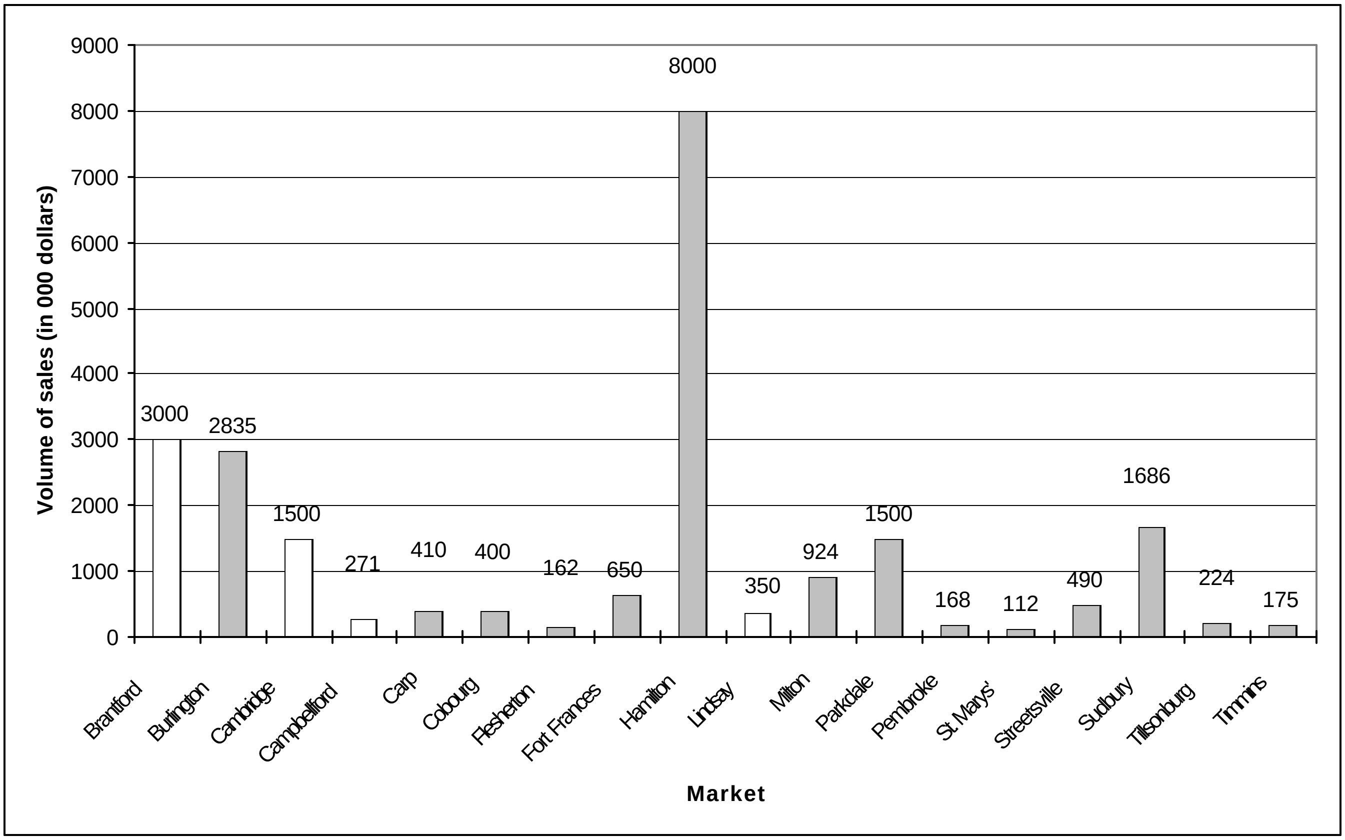


4.8. *Economic Impact*

Farmers' Markets have a significant economic impact on the local economy. Using the data collected from customers, the researchers were able to generate estimates of the total annual sales in each participating Market. The figures are presented in Graph 4.37.

All of the year round Markets (Brantford, Ottawa-By Ward, Cambridge, Hamilton) recorded annual sales figures in excess of $1.5 million. Three of these Markets (Brantford, Ottawa - By Ward, Hamilton) had annual sales of $3 million or more. Ottawa - By Ward had the highest annual sales value at $50 million and St. Marys had the lowest at $112,000. It is worth noting that several seasonal Markets also exceeded the $1 million annual sales level or came close to the measure (Sudbury, Ottawa-Parkdale, Burlington, Milton). The combined annual sales for the 19 Farmers' Markets amounts to approximately $73 million.

Graph 4.37 Estimated annual sales for the participating Markets.[1]



The variation in annual sales between Markets is the result of a number of factors including:

$ the proximity of the Market to consumers

$ the hours, days, and months the Market is open

$ the availability of goods in the Market

In most instances, the Farmers= Markets that had annual sales under $500,000 were:

1) distantly located from large urban centres

2) seasonally operated for only one or two days during the week

3) had a relatively small number of vendors in the Market.

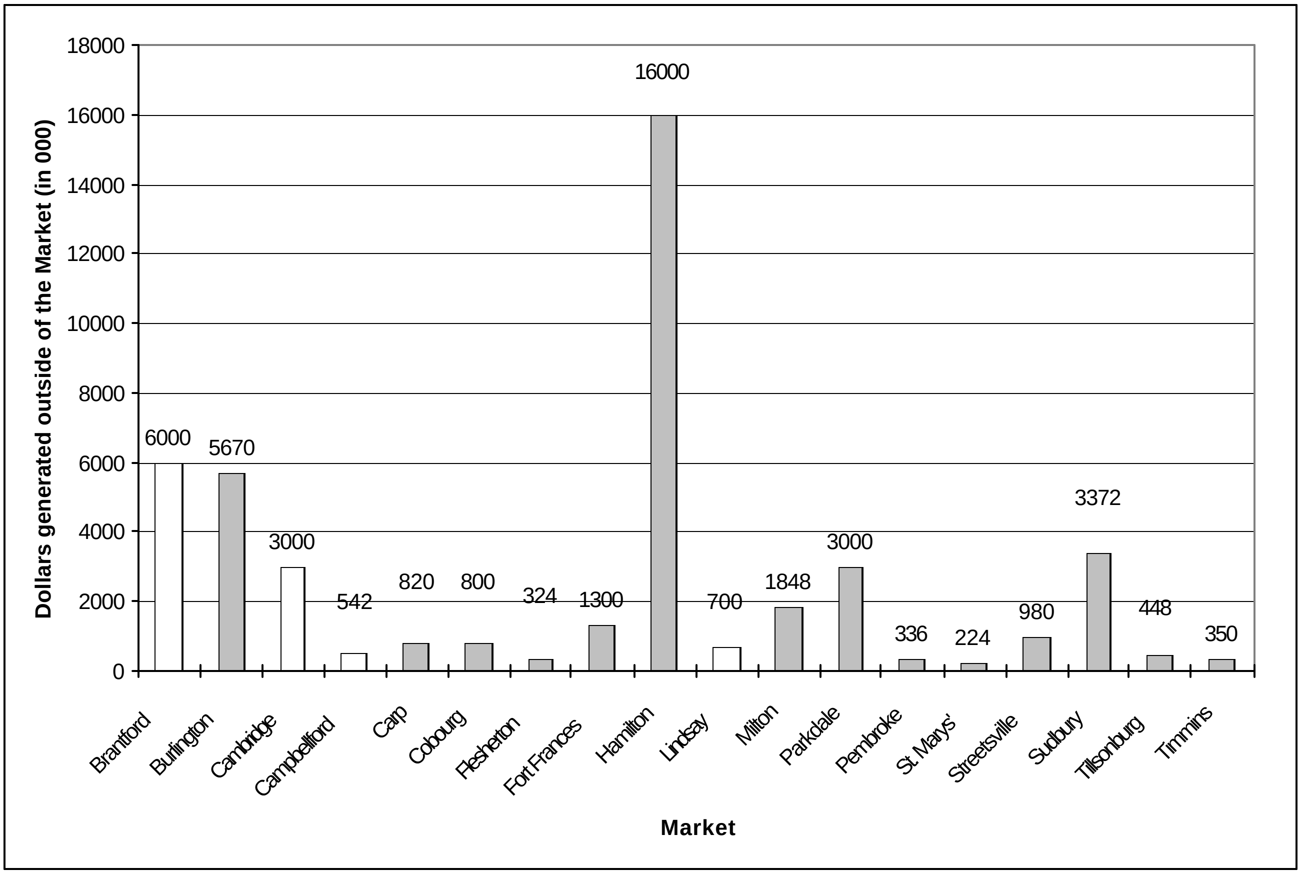
[1] The estimated annual sales for By Ward Market is $50 million. This number is based on the value of vegetable sales at the Market and a sales estimate provided by the Market Manager.

However, it was in the smaller Markets that customers typically attached a greater value to the Farmers= Market in terms of the way it provided the community with a place to socialize and how it served to reinforce a sense of community identity.

With respect to the influence of the Farmers= Market on the economy outside of the Market, the research clearly demonstrates that Farmers= Markets generate economic benefits across the community. Many of the businesses we spoke with acknowledged that the presence of the Market stimulates additional sales for neighbouring businesses and although we are unable to quantify this, it is important to emphasize that close to 50% of customers stop to shop at various businesses on their way to or from the Farmers= Market.

Additionally, multipliers associated with agriculture and other special events like agricultural fairs, suggest that for every dollar spent in the Market, another two dollars ripple through the provincial economy. These dollars may be spent by the businesses that supply the farmers that sell goods in the Market, the purchases of retail goods and services by employees in the Market and by customers who stop to make other purchases while on a trip to the Market. Thus, the annual sales figure for a Farmers= Market can be doubled to give an indication of the amount of dollars generated outside the Market. Graph 4.38 illustrates the estimated multiplier effect for each Market in the study.

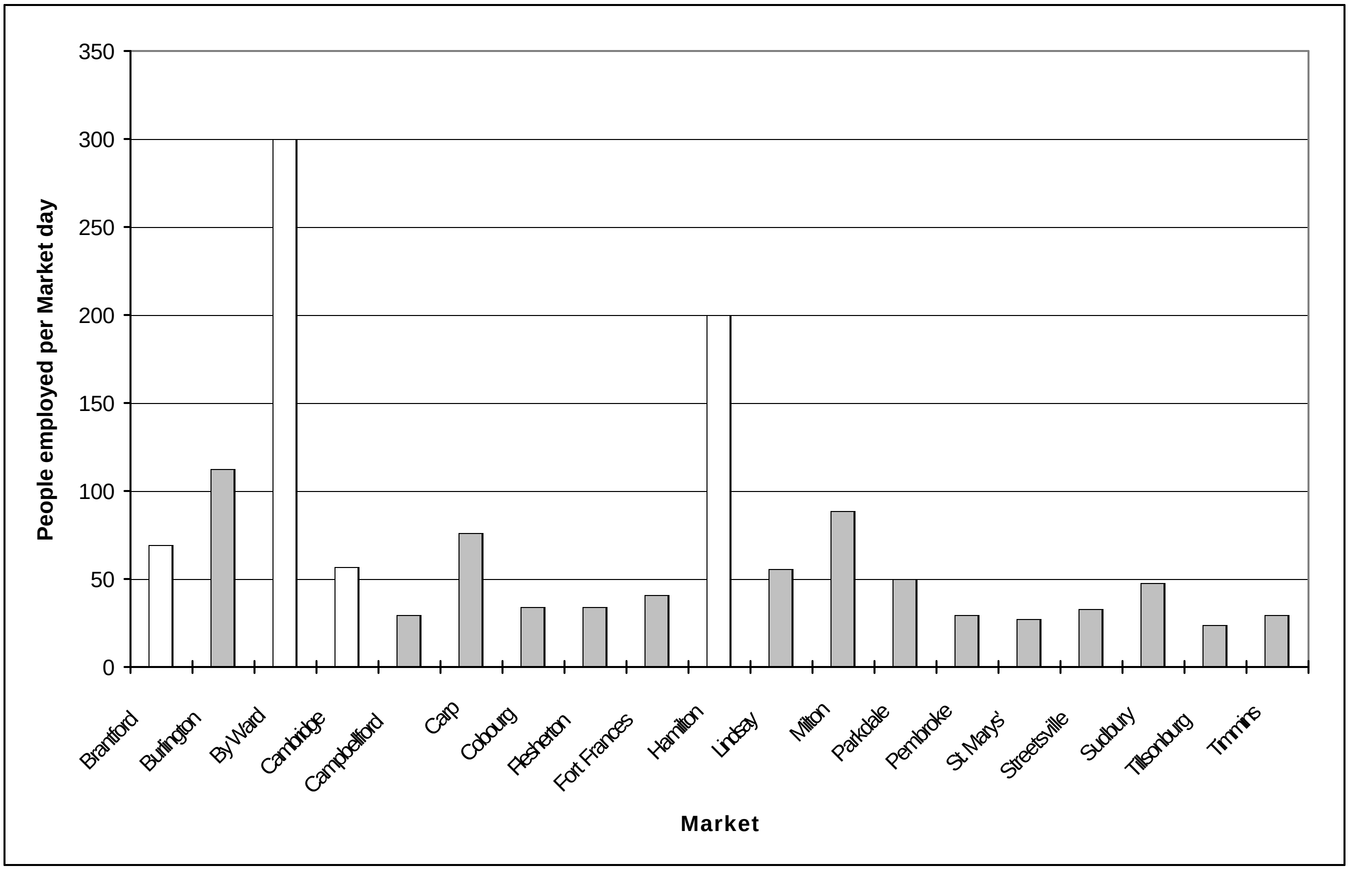
Graph 4.38 Estimated dollars generated outside the Market. [2]



Recognizing that the survey accounts for 19 of 127 Farmers= Markets in Ontario, and that these 19 Markets generated $73 million in annual sales, we estimate that the true level of sales for all Markets in the province amounts to close to $500 million. This leads to a total economic impact of approximately $1.5 billion in Ontario.

With respect to jobs, we estimate that the 19 participating Markets employed a total of 1,329 vendors and assistants (Graph 4.39).

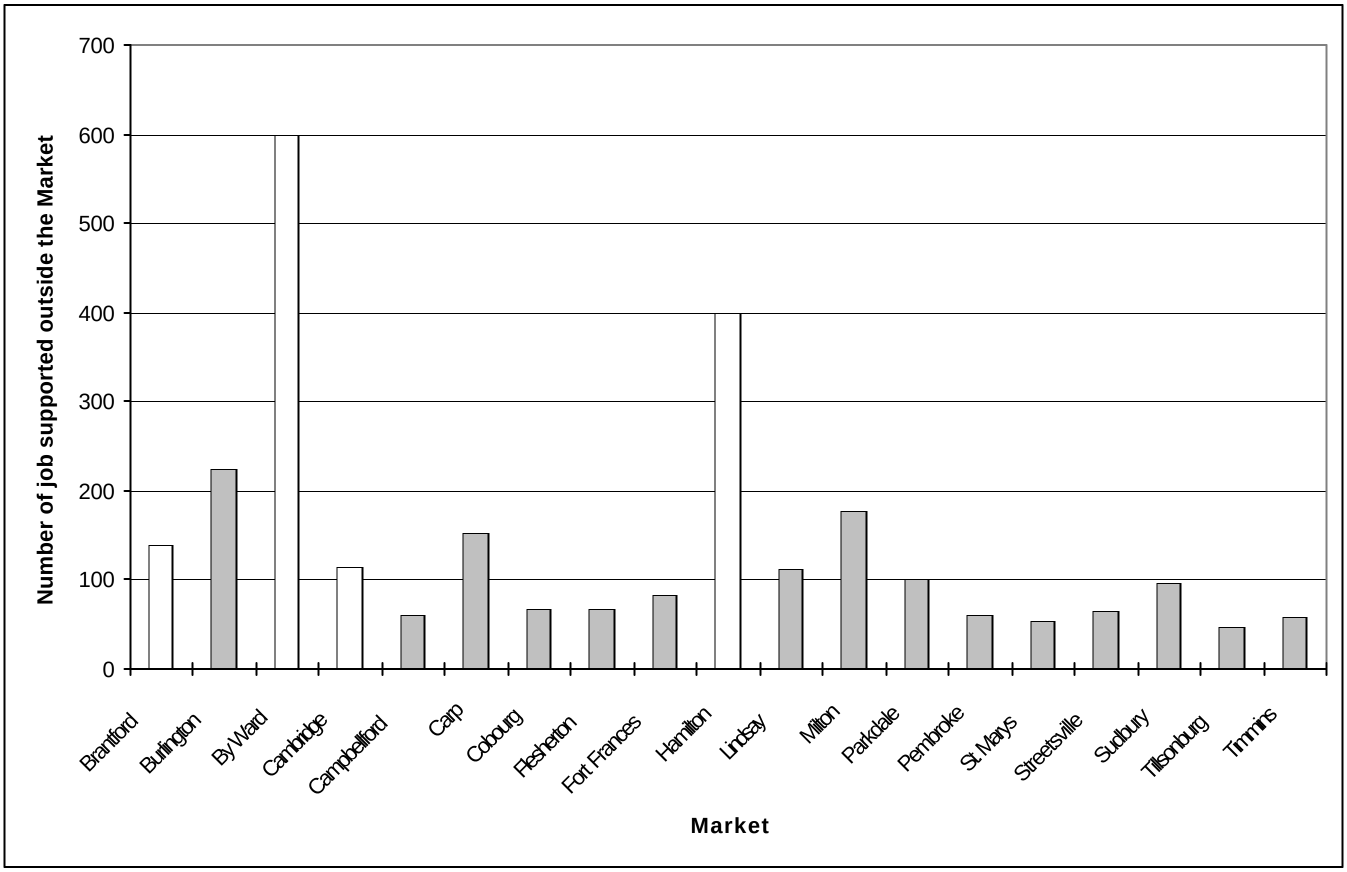
Graph 4.39 Estimated number of jobs at the Markets.



Normal multipliers would suggest that for every working person in the Market, there are approximately two persons involved away from the Market. These people may be involved in picking produce, packing, labelling, cleaning or engaged in other parts of the preparation and "getting ready for Market" process. Applying the multiplier of two, we obtain the number of jobs that each Market supports outside of the Market (Graph 4.40).

[2] Applying the multiplier of two to the By Ward Market, we would estimate that the Market generates an additional $100 million outside the Market.

Graph 4.40 Estimated number of jobs that the Market supports outside the Market.



Provincially, we estimate that on an average summer Market week, approximately 8,000 people are involved in sales and related tasks at Farmers' Markets across the province. This would suggest that a total of 24,000 people are directly and indirectly involved in preparing and selling the goods we find in Farmers' Markets.

4.9. ***Vendors***

Vendors recognize that farmers' Markets are an important retail outlet for local production and that they also serve an important social function. Many vendors are producers and the local Farmers' Market enables them to earn an income by supplying the local population with fresh produce. Indeed, in smaller Markets the great majority of vendors sell their own goods. Additionally, vendors clearly recognize the value of the Market in its ability to generate farm gate sales.

Vendors associate a number of other benefits with Farmers' Markets that extend beyond the direct economic benefits they offer. Many vendors believe that the Market serves an important social function in that it offers a venue for community members to socialize and stay in touch. Indeed, vendors themselves often commented on how much they enjoyed interacting with friendly and loyal customers.

The responses from customers revealed similar sentiments. In the customer survey it was discovered that the majority of customers routinely purchase from the same vendor(s) each time they visit the Market. Additionally, it was revealed that the majority of customers (60-70%) have been coming to the same Markets for more than five years.

Vendors relayed a number of challenges and issues that face Markets. A common concern raised by vendors is that a high percentage of the customer base at Farmers' Markets, is made up of senior citizens. Vendors question how long the Market will survive if steps are not taken to attract different age groups to the Market. Vendors would like to see Market administrators adopting more aggressive promotional campaigns that focus on attracting younger age groups to the Market.

Another challenge faced by Markets is attracting and maintaining vendors. Some Markets are having a difficult time retaining their vendors as other Farmers' Markets expand into additional days through the week. Vendors that have traditionally worked in two separate Markets on two separate days, feel compelled to choose one

Market over the other when one of the Markets expands to a second day. From the vendors' viewpoint, either additional staff must be taken on to handle the one day Market or the one day Market must be abandoned altogether to avoid losing customers in the two day Market. This effect can be particularly harmful on a small Farmers= Market where the loss of even two or three vendors can produce the appearance of a Market in decline. As mentioned earlier, word of mouth is one of the most important forms of advertising for the Market. Once customers have gained the impression that the Market is in decline, it becomes a struggle to reverse the notion in the community and the customer base may begin to shrink over time.

This problem may become even more pronounced as more communities attempt to establish their own farmers= Market as a means of stimulating local economic activity and bringing in tourist dollars. Market administrators will have to communicate more regularly with vendors to ensure that they remain committed to the Market from year to year and throughout the season.

Vendors themselves are aware that the Ahealth@ of the Market is closely associated with the level of commitment shown by its vendors. They recognize the importance of attending the Market on a regular basis. Again, this view was more strongly expressed in small Markets where the absence of one or two vendors can make the Market appear noticeably vacant. As emphasized throughout this report, Farmers= Markets derive the bulk of their customers from the local community and any negative impression gained by customers can quickly spread by word of mouth to undermine the popularity of the Market. Thus, it is crucial for Market administrators to create conditions in the Market that will capture the loyalty of the vendors.

One method of acquiring this loyalty is by inviting vendors to join the board of directors or other Market governing bodies. A number of Markets in Ontario are presently being managed by administrative bodies that have vendor representation. However, some vendors suggested that these positions should be filled by ›local producers= who are sufficiently experienced to represent the interests of producers.

This interest clearly compliments the desire shown by customers to support local growers. Having additional grower representation on the board would demonstrate that the Market is committed to supporting local producers and their interests. Markets could also consider offering reduced stall fees to local producers as a way of enticing them to join and stay at the Market.

Some vendors would like to have the option of leaving the Market early, once they have sold all of their produce or once the Market crowd begins to dwindle. However, other vendors noted that if a standard time is not adhered to and vendors are permitted to leave at their convenience, the customers will become confused. Furthermore, the early departure of vendors from the Market leave may give latecomers to the Market the impression that the Market is in decline.

Related to the issue of vendor loyalty is the controversial practice of allowing short-liners to attend the Market mid-way through the season. Short-line vendors may be local or non-local producers who have a limited variety of produce, usually one or two specialty crops such as sweet corn or peaches. Vendors who attend the Market throughout the length of the season or year round often produce similar products as the short-liners in addition to a variety of other goods. A number of vendors questioned the fairness of allowing short-liners at the Market. They contend that the all-season vendors enable the Market to open earlier in the year and that they stay with the Market even during periods when the volume of customers drops off. They suggest that all-season vendors sometimes shoulder losses during the Market season while short-line vendors only exploit busy periods. As such, all season vendors feel that they should be compensated in some way (lower stall fees) as short-line vendors come into the Market. Conversely, short-line vendors suggest that their appearance at the Market attracts more customers to the Market as produce comes into season. The dilemma faced by Market mangers is that customers expect there to be a variety of goods at the Market and utilizing short-liners is often their only option.

A common issue raised by vendors is that Market regulations are inadequate or not rigidly enforced. In some Markets, vendors suggested that more formal regulations were needed to ensure that everyone is treated fairly. Along with enforcing the regulations, vendors would like to see Markets draft comprehensive lists that detail what products are allowed and what products and not allowed for sale at the Market.

Vendors suggested that the Market could do more with respect to promoting the achievements of local producers. Some producers have been recognized for their quality produce and productivity and this could be an excellent selling feature for the Market. Other suggestions included offering food preparation demonstrations at the Market featuring seasonal produce.

In larger Farmers= Markets, it is not uncommon for the Market to have a combination of producer and wholesaler agents. Market producers may work together through one agent and in some instances vendors offer goods that have been sourced through wholesalers. Purchasing from wholesalers is particularly the case when out of season produce is sought by customers who may not appreciate the constraints the Ontario climate places on producers.

However, the presence of wholesalers is a fairly contentious issue. Producers/growers questioned the legitimacy of Markets that featured wholesalers. Although some growers are willing to acknowledge that wholesalers or re-sellers are necessary or beneficial when local produce is unavailable, they strongly believe that restrictions should be put in place to limit re-sellers at the Market as local produce comes into season.

As illustrated by the findings, Markets are faced with a variety of challenges in attempting to balance consumer interests with vendor interests. Introducing some form of standardized producer/grower certification that can be easily identified by customers, may be a first step in providing producers/vendors with the recognition they desire.

4.10. *Local businesses*

The researchers interviewed over 100 businesses operating near Farmers' Markets in order to gain a fuller understanding of the economic and social impact that Farmers' Markets have on the local community.

In general, businesses view Farmers' Markets as attractions that are very community oriented. Furthermore, businesses acknowledge that Market days generate considerably more customer traffic than non-Market days and many businesses indicated that they witnessed an increase in sales activity on Market days during Market hours. These effects appear to be more intense where businesses are located in close proximity to the Market.

A number of businesses have picked up on this association and they actively promote their goods to the Market crowd. Indeed, some business owners have adjusted their operating hours to coincide with the Market hours.

Interestingly, some businesses continue to hold the view that Market customers do not make purchases beyond the Market. The findings in this report clearly demonstrate that the majority of Market customers make additional shopping stops during their outing to the Market. Indeed, close to 50% of customers stop at neighbouring businesses during their outing to the Market. Markets should be more active in informing the local business community of this fact and seeking to develop joint promotional campaigns.

Although the research reveals that most businesses have a positive view of the Market, business owners voiced a number of common concerns regarding the Market. Business owners commented on the presence of competition in the Market in the form of vendors selling similar goods. They also expressed concern about the number of crafters that are being allowed at Markets and questioned whether a Market should be allowed to promote itself as a “Farmers' Market” when it features a high proportion of craft vendors and wholesale produce vendors. Businesses do not want Farmers' Markets to become flea Markets and they are concerned that some Markets are drifting toward that style. Business owners also questioned the fairness of allowing Markets to operate alongside local businesses without having to pay similar charges that are associated with the permanent establishment (e.g. property taxes).

Markets need to be sensitive to these concerns and place an emphasis on promoting the Market as a local economic and social asset that provides benefits across the community. Where the concern over property taxes has been made an issue, Markets need to communicate to the local business community that the Market plays an important role in stimulating additional economic activity in the community. Furthermore, Markets that are able to secure a large number of local producer/vendors, can boast that they are helping to keep money circulating in the local economy.

Many business owners indicated that they shop at the Market. This represents a great testimonial for the Market and Market mangers should make the most of these testimonials in promotional campaigns. Furthermore, some business owners have deliberately located in areas near to the Market in recognition of the economic spill-over effect.

Some Markets are distantly located from the business areas and as a consequence some businesses questioned whether the Market actually has an impact on generating additional economic activity. The report has clearly shown that even in those communities where the Market is not located in close proximity to business centres, customers make additional shopping stops during their outing to the Market. Businesses need to be informed of this fact.

Business owners often mentioned that the best selling feature of the Market is that it allows community members to buy from local growers. Consideration should be given to promoting this feature more intensively both on-site at the Market and in the community.

4.11. *Community Impact*

Farmers' Markets are very community oriented. The great majority of customers (80%+) are only ten minutes or less from "their" local market. This travel time indicates that people live close to or work close to the Market they shop in.

Customers strongly identified the Market as a unique community feature that offers both economic and social benefits. They expressed strong sentiments regarding the social importance of the Market as a venue where the community can come together and interact. Senior citizens find the Market to be particularly attractive as a meeting place.

Furthermore, customers suggest that the Market is a key community icon that can serve to reinforce and help retain community identity. These views are especially strong in communities that have seasonal Markets where the start of the Market season is seen as a special occasion and is eagerly anticipated as an indicator of the arrival of spring.

For many customers, the trip to the Market is part of their weekly routine and it represents the focal point of their day. This was particularly evident in the smaller Markets that operate only one or two days during the week. At these types of Markets, customers frequently regard the trip to the Market as a special event and they warn against any plans to expand the Market to other days during the week. In smaller Markets, customers tended to feel that increasing the number of Market days would spoil the atmosphere of the Market and make it less of a special occasion, thus undermining the appeal of the Farmers= Market.

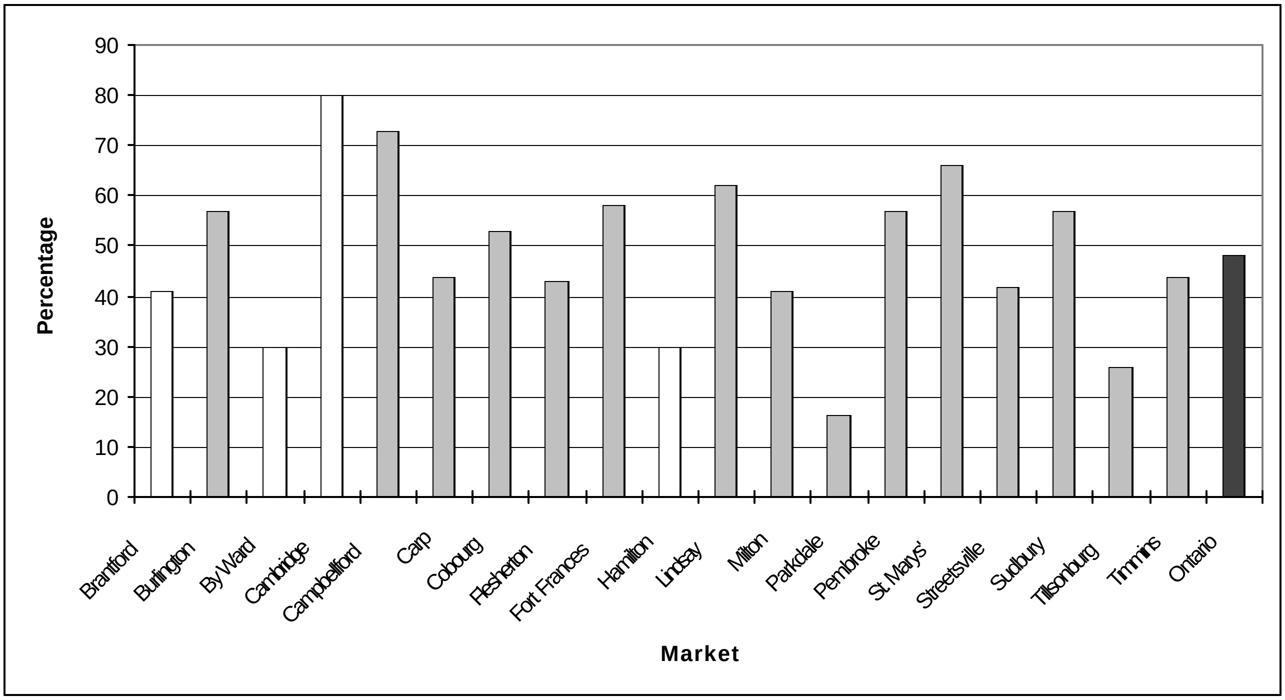
Customers pointed out that Farmers= Markets represents an excellent alternative to mainstream supermarket shopping with a friendly, relaxed atmosphere that can not be duplicated anywhere else. Customers suggested that this feature, along with the cultural and historical features of Farmers= Markets, should be more widely emphasized in promoting Markets as tourist attractions.

Many seasonal Markets are located outdoors or have an outdoor component to the Market. Customers greatly enjoy this aspect of the Market and they closely associate the outdoor aspect of the Market with freshness. Indeed, the outdoor setting of the Farmers= Market is a distinct feature that sets it apart from the mainstream supermarket experience. Markets that are looking to relocate indoors or develop permanent indoor sites should keep this factor in mind and attempt to incorporate an outdoor element to the Market. Most of the customers have been visiting "their" Market for many years and during the study it was noted that although customers are receptive to sheltered facilities, they do not wish to see "their" Market become entirely enclosed.

Whatever their background, customers love the fresh produce sold by local producers. Indeed, the great majority of customers go to the Markets to purchase fruits and vegetables. Customers identified Markets as important venues that provided opportunities for interacting with farmers and learning more about where our food comes from and the work involved in producing it.

Beyond its social attributes, customers recognize the value of the Market in terms of the income and employment opportunities it provides for local producers. Customers also believe that nearby businesses experience spill-over benefits as Market customers make additional shopping stops during their outing to the Market. Although we are not able to precisely quantify the economic impact of this shopping behaviour, we do note that on average, close to 50% of customers stop at other shops before and/or after visiting the Market (Graph 4.41).

Graph 4.41 Percentage of customers who make other shopping stops while travelling to or from the Market.



5.0 Summary

Farmers= Markets in Ontario have a long history that dates back to 1780 when the first Market was established in Kingston. Over time, markets grew in number with the expansion of the settlement frontier in Ontario. Farmers= Markets continued to be a popular shopping venue up until the 1970s when consumers began travelling to shopping malls and avoided the downtown shopping area.

In Ontario, a resurgence of Farmers= Markets began in the late 1980s through initiatives by the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). In early 1991, OMAFRA acted to provide Farmers= Markets with moral and financial assistance through the creation of Farmers= Markets Ontario, the provincial association of Ontario=s Farmers= Markets. The resurgence is also associated with the desire of community residents to preserve a shopping experience that is closely connected with the food producer and more personal in its character. In recent years, new Markets have been established, older markets revitalized and a new customer base has been introduced to the Farmers= Market experience.

As the Markets reestablished and broadened their role, there was an expressed desire to measure the community and economic impact of the Markets. In 1998, a financial commitment from Farmers= Markets Ontario, the Canadian Agricultural Adaptation Council and 19 Farmers= Markets across the province, laid the foundation for a provincial study of Farmers Markets. The School of Rural Planning and Development at the University of Guelph was selected to carry out the research on behalf of Farmers= Markets Ontario. The objective of the study was to measure the economic impact of Farmers= Markets in terms of the value of sales and the number of jobs associated with Market activity. The study was also concerned with measuring the community impact of Markets in terms of the Asoft@ benefits that Markets provide to community members.

The 19 participating Markets were selected from the Farmers= Market Ontario Directory. They represent a cross section of the variation in Markets that exists across the province. Data was collected from five sources: Market customers, Market vendors, local business owners, Market mangers and personal observation. Field coordinators from the University of Guelph were responsible for recording personal observations and collecting data from the vendors, local business owners and Market managers. Volunteers and/or municipal employees from each of the 19 Market areas were trained by the field coordinators to administer the customer questionnaires at the Market.

The sample size for each Market was based on the estimated size of the local customer base. This enabled the researchers to establish a 95% level of confidence in the statistical analysis. Data entry was done using a spreadsheet (Excel) and the statistical analysis was performed using the Statistical Package for the Social Sciences (SPSS). The final documentation for the study consists of 19 individual Market profiles and a provincial profile, which is the focus of this report.

The findings of the study indicate that Markets vary in their organizational structure. Some Markets are managed by vendor associations while others are operated through a local service club or Chamber of Commerce. The variation in

Market administration reflects the uniqueness of Markets from community to community. Markets also differ widely in the number of vendors they have and the types of products they offer but generally the emphasis is on fresh produce.

Markets have a number of common characteristics. A fairly consistent finding among the 19 Markets is that they attract a significantly higher proportion of women than men. Indeed, from a provincial perspective, 65% of Market customers are women. Another consistent finding is that the average market customer is older than the population at large having an average age of 45 years. With respect to income, 32% of Market customers have an income of $40,000 or more.

The great majority of customers travel to the Market by car (83%) while 13% of customers walk to the Market. Customers for the most part, live or work within a short distance from the Market. At the provincial level, 70% of customers have a travel time of less than 10 minutes.

Most of the customers (94%) visit the Market by themselves or with one other person. The findings suggest that seasonal Markets tend to attract a slightly larger shopping party than do the year round Markets.

As a group, Market customers are very loyal. Sixty-four percent of customers have shopped at their local Market for more than five years. Furthermore, once customers arrive at the Market, they tend to linger and enjoy the Market atmosphere. Indeed, fifty-five percent of customers spend more than 25 minutes at the Market.

Customers often commented on the importance of the Market as a meeting place where people can visit with friends and community members. They also stressed the importance of the Market as a venue where community residents could meet and support the local growers. These are clearly two key features that set the Farmers= Market shopping experience apart from the less personal supermarket experience. Interestingly, it appears as though customers at seasonal Markets hold a greater value in the social aspects of the Market than do customers at year round Markets.

The number one attraction at Farmers= Markets however, is the fresh produce. Provincially, over 90% of Market customers are attracted by the fresh produce.

Additionally, customers consistently indicated a strong preference for purchasing products from local producers. Again, over 90% of customers attached importance to supporting local growers. Customers displayed a high level of loyalty to specific vendors. Sixty-five percent of customers routinely purchase their goods from the same vendor during each visit to the Market.

Customers are generally very satisfied with ›their= Markets. Approximately 73% of customers are very satisfied with the quality of produce at Farmers= Markets whereas approximately 58% are very satisfied with the variety of produce. The greatest area in need of improvement are the Market facilities, where only 42% of respondents are very satisfied with existing facilities such as parking, washrooms and seating areas. Customers are particularly sensitive to the cleanliness of washrooms.

From a food safety perspective, close to 95% of customers have no concerns with respect to the manner in which products are handled at the market. However, customers do take notice when vendors fail to maintain standards such as wearing sterile gloves when handling meat products or when vendors improperly expose goods to the open air.

The great majority of customers go to the Market to purchase vegetables and fruits (+/- 80%). Baked goods, meat products and eggs also appear to be popular in the Markets where they are offered. Although few of the participating Markets feature fish, this appears to be a popular item with customers. Markets looking to expand or diversify their product line and increase their customer base should give greater consideration to bringing a fish vendor into the Market. Dairy products represent another featured item that appears to be popular with customers.

On a provincial average, customers spend just under $20 per visit to the Market. Almost twenty-four percent of customers spend $6 to $10 per visit to the Market while 22% of customers spend more than $25 per visit to the Market. The combined annual sales for the 19 Farmers= Markets amounts to $73 million.

The research revealed that Farmers= Markets have a significant economic impact on the local economy. Many local businesses operating near the Market indicated that the Market was beneficial in drawing people into the area and some business owners attributed a portion of their sales to the spillover effect of the Market. Indeed, the research found that close to 50% of Market customers stop at neighbouring businesses to make other purchases while travelling to or from the market. Interestingly, some business owners continue to hold the view that Market customers do not make purchases beyond the Market. Markets need to take an active role in dispelling this notion and promote the Market as a social and economic asset that provides benefits across the community.

Multipliers associated with agriculture and other special events like agricultural fairs, suggest that for every dollar spent in the Market, another two dollars ripple through the wider economy. Recognizing that the survey accounts for 19 of 127 Farmers' Markets in Ontario, and that these 19 Markets generated $73 million in annual sales, we estimate that the true level of sales for all Markets in the province amounts to approximately $500 million. This leads to a total economic impact of approximately $1.5 billion in Ontario.

With respect to jobs, we estimate that on an average summer Market week, approximately 8,000 people are involved in sales and related tasks at Farmers' Markets across the province. Normal multipliers would suggest that for every working person in the Market, there are approximately two persons involved away from the Market. This would suggest that a total of 24,000 people are directly involved in preparing and selling the goods we find in Farmers' Markets.

Many of the vendors you encounter at Farmers Markets grow/produce their own goods. Local vendors/growers are very supportive of local Markets because they offer the farmer an opportunity to earn income by supplying the local population. Vendors/farmers also gave a strong indication that that their presence at the Market helped to boost farm gate sales.

As with the customers, vendors find the Market atmosphere to be very pleasant and they enjoy talking with customers every week and connecting with the community.

However, vendors also expressed a number of concerns. A fairly contentious issue is the presence of wholesalers at the Market. Vendors who are producers question the legitimacy of Farmers= Markets that allow wholesalers to set up alongside producers. Producers would like to see Markets adopt policies that would restrict the number of wholesalers at the Market, especially when local produce comes into season. Producers would also like to be assured of representation on the Market management team. Some Markets presently allow for this representation but others continue to be managed without direct producer involvement.

Vendors also voiced their concern about the under-representation of younger age groups at the Market and they would like to see more advertising that targets different age groups. Finally, vendors discussed the challenges some Markets face in attracting and maintaining vendors. As more communities adopt Markets and as the established Markets move to expand their operating days, the shortage of vendors could become more problematic. However, Farmers' Markets offer many benefits (economic and social) to local growers and a greater effort needs to be placed on promoting these opportunities in attempting to attract growers to the Market.

Farmers' Markets are clearly much more than the sum of the economic impacts. They also serve to create and reinforce a sense of community identity and customers strongly value the personal touch that Farmers' Markets provide. Indeed, Farmers' Markets represent a truly unique, alternative shopping experience.