

***Farmers' Markets
and the
Benefits of Participation
for
Small Family Farms:***

***A Case Study of Two Markets on the
Mid-North Coast
of
New South Wales***

Gabriella Brie

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Declaration

The candidate hereby declares that the work in this thesis is original work by the candidate and has not been previously submitted to any other university or institute for the award of a higher degree. Information derived from published or unpublished work of others has been acknowledged in the text and a list of references has been provided.

The candidate gives consent to this copy of the dissertation, when deposited in the University Library, being available for loan and photocopying.

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Abstract

In popular literature as well as some academic articles, farmers' markets are usually described as a very positive development in the world of food retailing. However, farmers' markets generally require some forms of government assistance for setting up, and a lot of nurturing from enthusiasts often on a voluntary basis. Many market managers report difficulty in attracting growers to participate and a high drop out rate of stallholders.

Relevant literature from the United States, the United Kingdom and Australia is examined and the results of discussions held with two groups of producer stallholders who participate in small markets on the Mid-North Coast of New South Wales are analysed. This paper thereby seeks to examine the benefits that farmers may derive from participation in farmers' markets and whether these benefits are sufficient to improve or maintain the viability of small family farms, as many enthusiastic supporters claim.

The literature establishes that there are different kinds of markets: frequently held 'experience' markets situated in metropolitan and large regional centres and small less frequent, usually monthly markets held in small rural centres. The two kinds of markets provide benefits on a very different scale and the producers who frequent them are also at very different stages in their enterprises. Full-time successful stallholders who make much of their income from farmers' markets are to be found taking part in the frequently held city markets, while the smaller, less frequently held 'indigenous' markets tend to attract hobby and part-time farmers who derive the bulk of their income from elsewhere. Many of them only sell a very small proportion of their produce at farmers' markets.

The conclusion reached by this study is that while they confer many intangible, hard-to-quantify benefits on growers, such as advertising, market research, pleasurable social experiences and a reinforcement of their feeling valued as producers of high-quality food, small farmers' markets do not provide the answer to the difficulties faced by small family farms. They are only one of several different marketing initiatives that entrepreneurially inclined farmers, who are by no means the majority, may be able to take advantage of, while still selling much of their produce to other outlets.

For as much as foods, markets are people, offering sustenance not only to individuals but to society¹

Preface

The topic for this dissertation had its beginnings in a workshop organised by the New South Wales Farmers Association which I attended at Warwick Farm Racecourse in Sydney in June 2003. It featured John Stanley, a retailing consultant who travels the world advising retailers on how to maximise their profits. He concentrates on customer service, displays and the physical ambience of retail spaces. The workshop was largely organised for the benefit of the vendors of the farmers' market held at Warwick Farm at the same time. Many of them attended, as did potential market participants like my little group.

There seemed to be a general air of despondency at the market that day and many of the stallholders were going home at the end of the day's trading with their trucks nearly as full as when they arrived in the morning. There was no consensus as to why sales were not going as well as they could. The market organizers, employees of the New South Wales Farmers Association, apparently felt that the growers just needed more retailing skills. The vendors clearly felt that what they needed were more customers.

That was the beginning of my interest in farmers' markets as a research topic, and the realisation that some of the assumptions underlying decisions made in respect of markets need to be examined. In 2004 I became involved with the setting up of the Kempsey Growers' Market and the uptake of the idea by potential vendors was frustratingly slow. A despairing Kempsey Shire Economic Development Manager exclaimed: "we are trying to help our farmers and they won't help themselves!" Apparently the benefits were not as obvious to the local farming community as they were to us, and to this day there are as many vendors from outside the shire as there are locals.