

*Results from a Survey of Farmers’
Tailgate Market Vendors*

in

Buncombe and Madison Counties

Prepared for the
Appalachian Sustainable Agriculture Project



by

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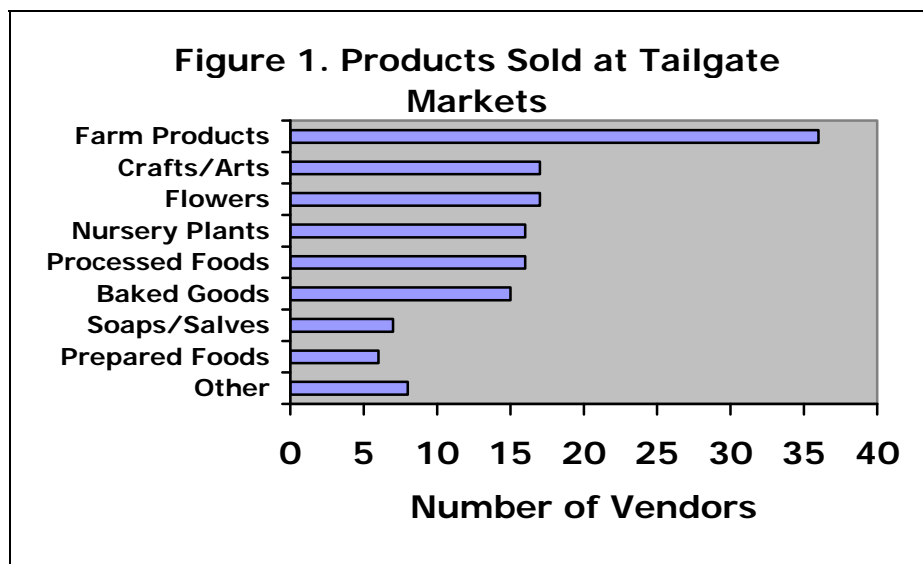
January 2006

This report may be considered a companion piece to *A Market Analysis of the Tailgate Farmers Markets of Buncombe and Madison Counties*,¹ prepared for ASAP by the Richard L. Hoffman Center for Assessment and Research Alliances at Mars Hill College. That report provides information about tailgate market customers, their shopping and spending patterns, and their attitudes and perceptions towards local food.

This report explores the markets from the perspective of tailgate market vendors. For the report, 61 growers and producers representing eight markets in Buncombe and Madison counties were asked about their farm or business products and sales and their experience selling through tailgate markets. For the survey, vendors completed a written questionnaire. Results are presented according to three broad sections. Section 1 provides descriptive information about tailgate market vendors, including how their products are produced and where they are sold. Section 2 examines tailgate market sales and profitability. And Section 3 looks at vendors' perceptions about tailgate market promotions and strategies for improving market business.

Section 1. Descriptive Information about Tailgate Market Vendors

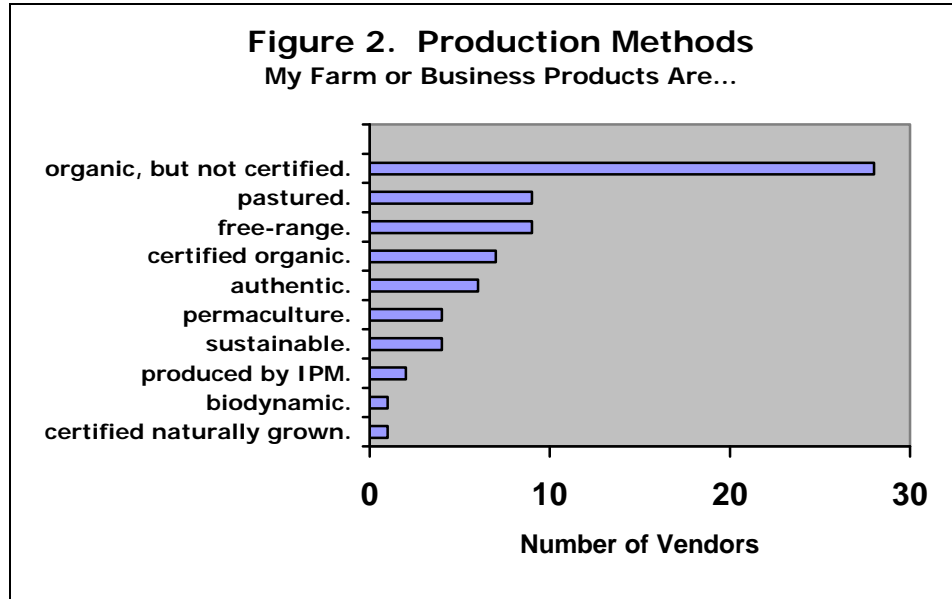
Many tailgate market vendors sell more than one type of product. While farm products are by far the most common type of product sold, a significant number of vendors sell flowers, plants, crafts, baked goods and processed foods. 13% of vendors completing the survey are or have been tobacco farmers. Figure 1 highlights different types of products sold and the number of vendors that sell each.



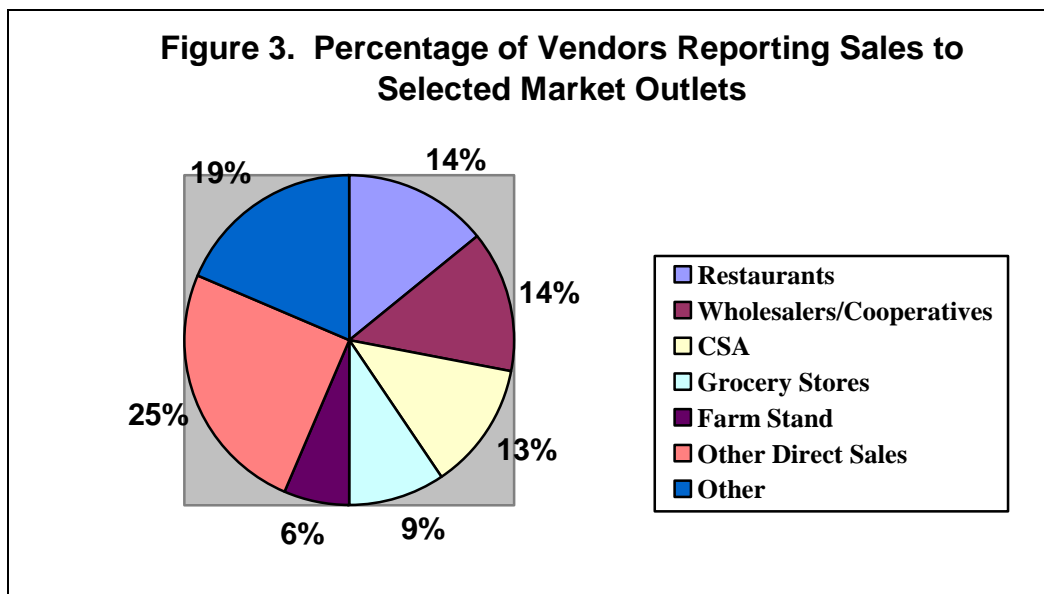
Very few tailgate market vendors follow the strict guidelines required to be certified organic growers. Only 7 (11.5%) reported that they are currently or are planning to be

¹*A Market Analysis of the Tailgate Farmers Markets of Buncombe and Madison Counties*. 2005. Appalachian Sustainable Agriculture Project: Asheville, NC.

certified organic. Extra cost and time required for certification were the main reasons cited for not wanting to be certified organic. One vendor reported that not having the organic designation “doesn’t seem to bother buyers.” In fact, many still follow organic guidelines and other types of non-conventional farming practices (see Figure 2).



Only about one quarter of tailgate market vendors (26%) sell exclusively through tailgate markets. On average, the vendors reported selling between 60% and 70% of their products through tailgate markets and the rest through other outlets. Other market outlets and their relative usage by vendors are identified in Figure 3. The large category “Other Direct Sales” might include things such as pick-your-own farms for fruits and berries or various retail locations for crafts. There was no significant difference in market outlets used from 2002 to 2003.

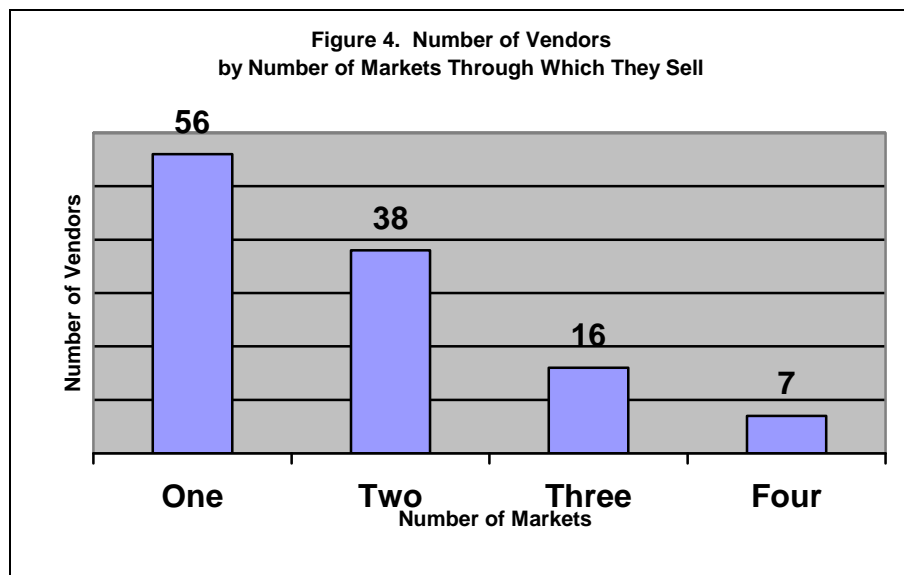


Tailgate market vendors sell primarily to buyers within their communities. Across both years, 57% of tailgate market vendors reported that 100% of sales go to buyers in the local area. That figure jumps to nearly 80% when calculating vendors who reported at least 90% of sales to buyers in the local area. In 2003, 31 vendors (51%) reported an increase in sales to local markets over 2002, though the increase was modest. Most of those who reported an increase identified the increase as 10% or less.

While not all tailgate market vendors have farms – those producing only baked goods or crafts, for example – 43 reported having some amount of farm acreage. Farm sizes ranged from very small at 1/10th of an acre, to very large at approximately 100 acres. Across both years, the average farm size was 19 acres, with an average of 4.5 acres in production. According to the surveys more than 600 acres owned by tailgate market vendors went unfarmed each year, suggesting significant excess production capacity for this group of farmers.

Section 2: Tailgate Market Sales and Profitability

Tailgate markets are a viable option for farmers wishing to sell their products directly to consumers. Vendors were asked questions about sales at their most profitable tailgate market and other markets where they sometimes sell their products. Most vendors routinely participate in more than one market (see Figure 4). In fact, each of the eight markets was identified as the “most profitable market” by at least one group of vendors.



When asked how they determine prices for products sold at tailgate markets, most vendors (63%) reported that they base their pricing on current market prices. Some (31%) reported using both market prices and production costs to set prices. A few (6%) said they simply base their prices on the costs of production.

Vendors vary widely in size and scale of business. Weekly sales ranged from \$20 to \$700. For those reporting total sales for the season, the range was from \$100 to \$25,000. Using the average full season sales number multiplied by the number of vendors surveyed generates an estimate of \$238,112 in total sales for the season from a single market. The same formula can be used to estimate \$108,034 in sales from the second most profitable market for the 38 vendors who reported selling at two markets, and \$44,800 in sales from the third most profitable market for the 16 vendors who reported selling at three markets.

Adding together these estimates generates a total seasonal sales estimate of \$390,946 for the 61 vendors surveyed here. To the extent that there are more or less vendors, total tailgate market sales for a season will of course be higher or lower. There are currently an estimated 150 vendors who participate in some level in the farmers tailgate markets during the months of May through September, though all of them do not participate each week.

Section 3. Tailgate Market Promotions

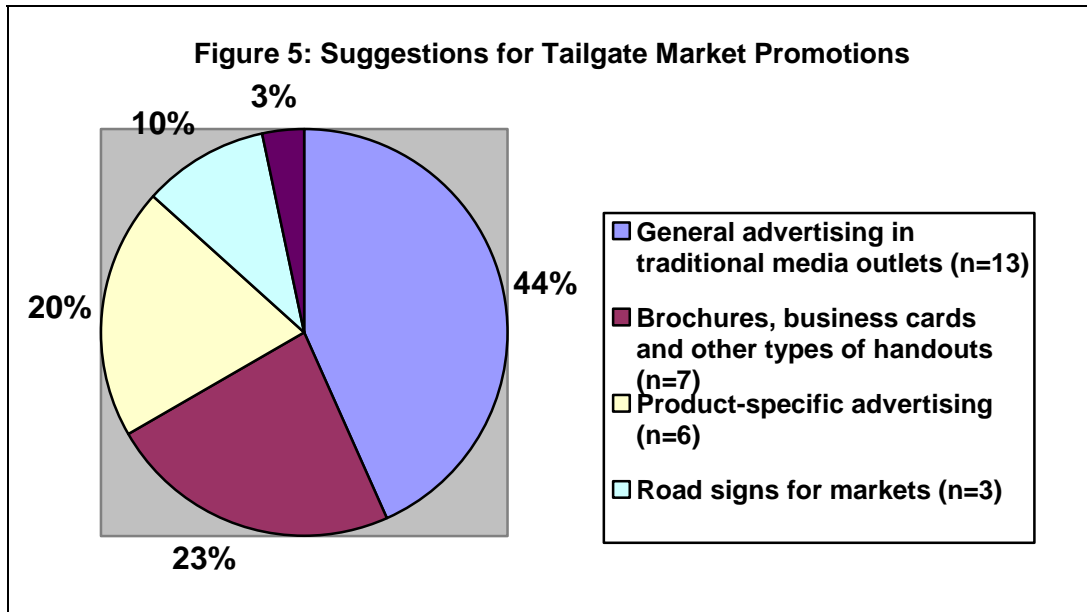
The Appalachian Sustainable Agriculture Project's (ASAP) *Local Food Guide* is one formal type of advertising used to promote farmers tailgate markets. More than 70% of vendors responded that the *Local Food Guide* does increase consumer demand for their products, but only 45% of vendors reported that they are listed in the guide. In other words, vendors do not need to be listed in the guide in order to benefit from it. ASAP, along with the Mountain Area Tailgate Marketing Association (MTMA), has developed marketing campaigns, logos and professional signage for promoting tailgate markets. Vendors were asked their opinions about these promotions and the effect the promotions have had on their business. Overall, opinions about the promotions were positive. Table 1 highlights the number and proportion of vendors who agree or strongly agree with a series of statements about tailgate promotions.

Table 1. Opinions of Vendors on Tailgate Market Promotions

	Agree or Strongly Agree	Disagree or Strongly Disagree	No opinion	Total
I have noticed an increase in market promotions this year compared to last year.	52 (85.2%)	2 (3.3%)	7 (11.5%)	61 (100%)
The new promotions are effective ways to expand tailgate markets' customer base.	54 (88.6%)	1 (1.6%)	6 (9.8%)	61 (100%)
The promotions provide advertising and outreach that enhances the marketing of my products.	48 (80.0%)	3 (5.0%)	9 (15.0%)	60 (100%)
The promotions have enhanced my business with existing customers.	35 (59.3%)	9 (15.3%)	15 (25.4%)	59 (100%)
The promotions have helped me access new markets.	30 (50.0%)	9 (15.0%)	21 (35.0%)	60 (100%)
The promotions have increased my sales at	41 (68.3%)	6 (10.0%)	13 (21.7%)	60 (100%)

market.				
There are many new shoppers at the market this year.	43 (70.5%)	7 (11.5%)	11 (18.0%)	61 (100%)

Vendors were asked for ideas about marketing materials or promotions that would enhance their market business. From 30 responses, suggestions are grouped according to topic and presented in the following chart (Figure 5). Vendors clearly want to see more advertising through traditional media outlets such as radio, television and newspaper.



When asked for suggestions for improving tailgate markets overall, a significant number (n=11) asked for more traditional advertising, expanded to include ads for individual markets and for specific types of products available at markets. Several (n=5) suggested having special events at markets and special market days that could enhance the festive atmosphere of the markets. A few (n=3) introduced the idea of having financial incentives for tailgate market shoppers. These ranged from subsidizing food for the needy to distributing coupons that would be accepted by market vendors and reimbursed by MTMA. All vendors were asked whether they would be willing to accept food stamps at tailgate markets. Responses were mixed, with 46% responding yes and 54% responding no.

Related to market expansion and improvements, vendors were asked their opinions about participating in a centrally-located growers tailgate market in Asheville that could accommodate a large number of vendors and customers, with ample parking, a permanent shelter and bathroom facilities. More than half of vendors surveyed (59%) were interested or very interested in the idea. Of those who opposed the idea, concerns included the fear of losing the social and community atmosphere that makes tailgate markets unique, apprehensions about increased regulations or requirements that might go along with a larger market, and worry that a large, centralized market would not remain exclusively local in nature.

Conclusion

Farmer's tailgate markets represent an effective option for direct marketing of locally-grown food and farm products in Buncombe and Madison Counties. They are flexible enough to accommodate both large and small scale producers, organic and other types of growers, farmers as well as vendors of other locally made products. Moreover, there appear to be opportunities for growth based on the number of unfarmed acres owned by vendors, the overall satisfaction of vendors with tailgate markets, and the high level of interest in a new, centrally located grower market in Asheville. Suggestions for market improvements and promotions identified by vendors in this survey will be useful for market leaders hoping to facilitate such market growth.