

Evaluating Your Alberta Approved Farmers' Market



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Evaluating Your Alberta Approved Farmers' Market

Once your Alberta approved farmers' market is open, it is important to evaluate all aspects of the market each season. Look at the market operations from all sides – market operations, vendors, management, board of directors or advisory committee, the sponsor and consumers. This will help to identify areas that need improvement and will enable you to plan for market growth.

The information contained in this document is meant to help you get started in your evaluation efforts. There may be other aspects to your farmers' market that should also be evaluated.

Market Operations

The following sections deal with evaluating the day-to-day operations of your farmers' market.

Market Logistics

During the planning phase, the market organizers think very carefully about the most suitable time of day, day of the week, and length of the market day and season. They usually consider what is the most convenient for prospective vendors and customers. It is important to evaluate these things once the market is operational to ensure this holds true.

Evaluate the market logistics with respect to your vendors. Vendors may change their operations making it difficult for them to commit to certain days of the week. Seasonal vendors may not have product at certain times of the year making your vendor pool quite small in the shoulder seasons. A good vendor mix throughout the season is critical for success as your goal is to keep your customers engaged for the full season. Customers who come early or late in the season to find nothing but home-based businesses may not come back. Once a full season has occurred, you can look at how many vendors you had each week, what categories they fell into (food, agricultural, crafts or other) and whether you had gaps at certain times of the year. Also keep in mind the guideline requirements to have an average of at least ten vendors per market with an average of 80 per cent of the vendors being Albertans making, baking or growing the products they are selling.

Sometimes what customers say they will do and how they actually behave once the market is open may be entirely different. While a market operating from 3:00 pm to 7:00 pm may have appealed to customers during the planning phase, you may find that no one comes after 6:00 pm. Customer counts can be invaluable in helping you determine how busy your market is overall as well as at what times during the market. This can be done several ways: one would be to simply count the number of paying customers (although influential, children are typically not the ones making purchases and so shouldn't be included in your customer counts) several times throughout the market day to gauge when it is busiest; another way would be to count all the customers throughout the day, keeping track every half hour or hour so you know when it was busiest. Repeat this exercise several times throughout the season. Also, have a look to see how long they are staying and whether they are shopping or visiting at the coffee table. You may have to think about the customers you are attracting versus the customers you would like to attract in relation to your market hours and day of the week.

Market Location

There are several factors that need to be looked at when evaluating the location of the market:

- Does it meet your needs with the current number of vendors and vendor tables or stalls?
- Is there an ability to expand the number of vendors or vendor tables in this location? Keep in mind your vision for the size of the market.
- Is the current location missing any amenities for customers and/or vendors?
 - Do you have an ATM machine? If you do, track how many transactions per week went through the machine as well as the average amount of money dispensed per transaction.
- Is the current location accessible for customers by foot, car and/or public transit? If you are lacking in any of these areas, what might you do to help your customers get to the market?
- Is parking acceptable? Is there a parking lot or do customers park on the street? Are there an adequate number of stalls? The rule of thumb is 2 – 3 stalls per vendor. Is the parking lot dirt, gravel or paved? How far do customers have to walk from the parking lot to the market itself? If customers have to walk a considerable distance, do the vendors offer a carry-out service or is this something the market can implement?

Once you have evaluated these points, consider how much freedom you have to make improvements to your current location. Also consider what impact not making changes will have on the future success of the market.

Market Rules

The market rules are developed by the board/advisory committee with input from the market manager. They are what guides the manager on a day-to-day basis and set the culture for the market. The rules should inform the vendors of what is required, what is acceptable and where to seek clarification. Some markets have very detailed rules, trying to take into consideration every possible scenario while other markets operate with fewer written rules and handle situations outside the rules on an ad hoc basis.

When evaluating your market rules:

- What is missing? Did situations arise during the year that could have been handled better if a rule had been in place?
- What rules might be unnecessary? For example, maybe you planned to allow vendors to park behind their outdoor stalls but the town you are in no longer allows that. If the rule simply doesn't apply, it should be removed.
- Are all rules enforced consistently? Are some rules simply not enforceable and therefore redundant? Consistency is key when enforcing market rules. Vendors can live with strict rules as long as all vendors have to abide by the same rules. Sometimes rules simply aren't

enforceable and should be removed or changed. At other times, however, lack of rule enforcement may be a performance issue with the manager which needs to be dealt with during the manager's performance evaluation.

- Do you have an appeals process in place and are vendors aware of it? Sometimes rules that make sense on paper really don't work too well in practice. If you have specific rules that are being appealed over and over again, revisit the rule to see if it needs revising.

Alberta Agriculture and Rural Development (ARD) has posted sample markets rules at [http://www1.agric.gov.ab.ca/\\$Department/deptdocs.nsf/all/apa6620/\\$FILE/Sample_Market_Rules.pdf](http://www1.agric.gov.ab.ca/$Department/deptdocs.nsf/all/apa6620/$FILE/Sample_Market_Rules.pdf) with a list of potential areas to consider but you will need to phrase your rules according to your situation. Simply delete those items that don't apply to your market situation. In addition, many Alberta approved farmers' markets post their market rules on their websites. Browse through several websites and see how other markets handle different situations. Talk to other farmers' market managers about how they handle different situations and adapt to fit your market culture.

Advertising and Promotions

Unlike in the movies, just because you build it doesn't mean they will come. Promoting your farmers' market is critical to its success. Customers need to be made aware of the market when it is first starting out and they also need to be reminded each week and each season when it is open. Year-round markets are challenged with the fact that customers may not think the market is open because there is snow on the ground and they forget there are many year-round products available. Seasonal markets are challenged with getting customers back into the habit of going to the market again in the spring.

When evaluating your advertising and promotional efforts, consider the following:

- During the planning stages, you should have identified your target audience and how to reach them. Were your advertising and promotional efforts successful at enticing your target audience to shop at the market?
- Some markets very effectively use free publicity to spread the word about the market. What is available in your community and are you tapping into it?
- What was your advertising budget versus actual expenditures? Some markets don't have a marketing budget, relying solely on word of mouth advertising. While this can be effective, was it effective at attracting the target audience you want at the market?
- When you consider word of mouth advertising, can you gauge the "buzz" about the market in your community? Are people talking about the market and what are they saying? If there is positive talk, how can you build on that? If there is negative talk, how can you rectify that?
- What formal methods did you use in the past year to promote the market? Do you have a website, a Facebook or Twitter account and how often do you update or make posts? Do you use radio, television or print ads, flyers, posters, signs, etc.? Do you have a customer newsletter? How many customers receive it?
- If you use social media such as Facebook and Twitter, track your number of "likes" on Facebook and your number of "followers" on Twitter. If you received any negative posts on your Facebook page or negative tweets, how did you handle them?
- Ask your customers how they found out about you and if any type of advertising or promotions in particular caught their eye.

- Did customer traffic seem steady throughout the year? When were there gaps? Could this have been changed with increased advertising and promotions?
- Consider advertising and promotional efforts done by other farmers' markets and other businesses. What caught your attention and is this something that could be adapted and implemented for your farmers' market?

Don't forget to use the Sunnygirl logo in your promotions. As an Alberta approved farmers' market, you are able to use this official mark, identifying your market as one of over 130 markets offering quality Alberta-produced products that consumers can trust.

For additional promotional ideas, check out the ARD booklet Promoting Your Alberta Approved Farmers' Market posted online at [http://www1.agric.gov.ab.ca/\\$Department/deptdocs.nsf/all/agdex14579](http://www1.agric.gov.ab.ca/$Department/deptdocs.nsf/all/agdex14579).

Special Events

Some markets very successfully incorporate special events into what they offer customers. There are two different types of special events to be considered. The first are special events hosted solely by the farmers' market and are often viewed simply as special markets. These can include events like a Mother's Day Market, July 1st Celebration, Customer Appreciation Day, Christmas Market, etc. The second type of special event is one where the market partners with another group to either bring the partner's celebration to the market or the market to the celebration. This could include holding the market during the local fair, etc. and may involve changing locations. Under either scenario, the special event can draw additional customers and vendors to the market and always requires more work by either the market manager or other market volunteers. Be sure to evaluate all special events separately. It is important to evaluate the success of these events from a customer, vendor and event management point of view.

Customer Evaluation

- How many additional customers did the event attract?
- Did the customers come to shop or simply take part in the celebrations?
- Did you receive any feedback from customers? If you didn't get any feedback during or immediately following the event, how can you seek out feedback now? If you did receive feedback, was it positive or negative? Positive feedback, i.e. testimonials, can be used in your promotional materials for future events. Negative feedback can be used to help make improvements to future events.
- Did you continue to see an increase in customer volumes in the weeks following the event?

Vendor Evaluation

- How many additional vendors did the event attract?
- Did the vendors sell the same, more or less product during the event? This is important because some vendors find special events are not as successful as regular markets simply because the customers are there to enjoy the celebration and don't come to shop. This can be true of events held in conjunction with other events such as fairs when the customers plan

to spend a long period of time at the fair and can't readily purchase perishable products. However, craft vendors may do particularly well because the clientele is different from a regular market.

- Given the above, did you have the right vendor mix for the customers that attended? If not, what can you do to make improvements for future events?

Event Management Evaluation

- How many additional hours were required to put on the event? Was the market manager solely responsible for planning, organizing and executing the event or were there additional volunteers?
- Was there additional budget required to host the event? Was it sufficient to properly host and promote the event and attract the expected crowds?
- If the special market was held in a different location, what were the challenges with that location? Were you able to have the same, more or fewer vendors?
- If you were able to have more vendors, how difficult was it to fill the vendor stalls with appropriate vendors? Vendor information from the special events is included in the annual 80/20 calculation for the market so it is important to consider what types of products the additional vendors brought and how that will impact your annual 80/20 split.
- If you partnered with another group, what were the challenges of working with the partner? Would you consider working with that partner again? Or what would have to be done differently in order to work with that partner again? It is a good idea to have an event debrief with partners to talk openly about what did and didn't go well and how improvements can be made for future events you work together on.
- Did you receive any local press as a result of the event, i.e. did the local newspaper write a story about it? If yes, did this have any impact on customer attendance at future regular markets?

Revenues

There are potentially two different areas to be evaluated when it comes to revenue – market revenue and vendor revenue.

Market Revenue

It would be valuable to have someone on your board/committee who is an accountant or bookkeeper to help with this evaluation category. With respect to market revenue, you are really evaluating both revenues and expenses.

- Do you do an annual budget? All Alberta approved farmers' markets operate as non-profits so you want to create a budget that shows enough revenue to cover expenses.

Some revenue categories to consider are:

- Table fees/stall rent
- Donations
- Fundraising
- Sponsorships
- ATM revenues if machine is owned

Some expense categories to consider are:

- Accounting fees
 - Advertising/promotion
 - AFMA membership fee
 - ATM fees if machine is rented
 - Bank charges
 - Business license
 - Insurance
 - Manager's professional development
 - Manager's salary/honorarium
 - Signage rental or purchase
 - Table rental or purchase
 - Venue rent
- Did you bring in enough revenue to cover all your expenses?
 - If a sponsored market, any budget surplus is often used to help offset the costs of other operations or events put on by the sponsor; any budget deficit is typically covered by the sponsor's other operations.
 - If your market is a non-profit society, you need to be careful how much money is accumulated by the market. It can impact your non-profit status. Some markets give excess funds to charity or set up a scholarship fund for any surplus funds. If you had a deficit, how do you plan to cover the deficit?
 - If you experienced a deficit, is it possible to raise table rents, attract more vendors, receive sponsorship money, etc.?
 - Were there any expense categories that were particularly high? Are there other options available to you so you don't have that high expense in future?

Vendor Revenue

It is often very challenging to collect vendor revenue information. However, it is important to know how the vendors are doing financially in your market because it can impact whether or not they come back in future years and if you will be able to attract additional vendors. At the very least, market managers should ask their vendors how sales are, if they are the same, better or lower than previous years and will hopefully receive some honest anecdotal data. In addition, ask your vendors if they know the average sale per customer. If you can get this sort of information from each vendor and you also track customer counts, you can come up with an idea of sales volume going through the market.

In the United States, it is a fairly common practice to set vendor fees based on a percentage of vendor revenue, i.e. 6 per cent of sales or a minimum of \$25, whichever is greater. The markets can then use the vendor revenue data to determine year-over-year success of individual vendors and product categories, to help the market apply for grants, to help market management have discussions with the City and, to calculate economic impact. All of these things can be very important for the long-term success of the market. In Alberta, this method of determining vendor fees is not utilized, but you should consider collecting some vendor revenue data if it would be useful to the market and if your vendors would be willing to share that information with you anonymously. Be clear on what you will do with the information once you have it and how it will benefit the market and the individual vendors in the long term.

The Vendors

The success of your farmers' market depends on having a good mix of vendors with quality products. Things to consider when evaluating your vendors:

- The number of vendors in your market each week; and
- What categories those vendors fall into - agricultural products, food products, craft products, other/resell products.
 - Smaller markets are often challenged with maintaining an average of 10 vendors each week as required under the Alberta Approved Farmers' Market Guidelines. It is important to maintain a critical mass of vendors so that customers feel there is a reason to shop at the market. At the end of the year, look back at the number of vendors who came each week. If there were weeks where you fell short, were there valid reasons, i.e. snowstorm, funeral, etc.? Or were those weeks early or late in the season when seasonal vendors didn't have sufficient product to attend the market? This goes back to the points made above when considering the length of your season.
 - Consumer surveys indicate that agricultural and food products are the primary products customers buy at farmers' markets with over 80 per cent of farmers' market expenditures made on food grown or made in Alberta. With that in mind, determine your category breakdowns. What percentage of your vendors are selling food that is grown or made in Alberta? What percentage of your vendors are selling crafts or other/resale items? If challenged with getting sufficient vendors in the appropriate categories, what needs to change in order to reach your vision for the market?
- Once you have considered your numbers, evaluate how you are recruiting vendors. Do you specifically seek out certain types of vendors? Or do you wait until potential vendors approach you? Do you advertise for vendors? If yes, where and how successful has that been? Some markets recruit new vendors by using print advertising in local papers, ads on online classified sites such as Kijiji or Craigslist, Facebook posts, flyers on vacant tables at the market, by attending other markets in the area operating on a different day of the week or time of day, etc.
- Are you able to get vendors to commit to a full season? Vendors will act very strategically and choose markets where their products sell the best. This can result in them trying out markets and not necessarily committing until they have a good sense of profitability at that market. There are some tactics that other markets use to get vendors to commit to a full season: discounts are offered for full-season commitment; voting privileges are granted at vendor meetings if the vendor has attended a certain number of markets per season, etc.
- Evaluate how many vendors you have in each micro-category, i.e. how have you determined how many bakers or produce vendors to have? How have you determined what the "demand" is for certain products in your marketplace so that you can adjust your vendor mix accordingly? Competition and choice for customers is good but there needs to be thoughtful decision-making between having choices and ensuring your market is not saturated with certain products. You want your vendors to make money in your market and saturating the market could potentially drive vendors away. However, some vendors push for exclusivity which also doesn't result in a healthy marketplace.

- Evaluate your market flow. Can customers enter and leave only in one place or can they come into the market multiple ways? How does this impact how they move through the market? Is how customers walk through the market logical? Which vendors are at the front door and which are at the back of the building? Which vendors are a “draw” for customers and where are they placed in your market? Appropriately placing vendors in a market can be really challenging. Vendors all want the “best” spot but the manager needs to balance that with ensuring that customers are drawn through the market, giving each vendor equal opportunity to be seen and to sell.

The Market Manager

It is imperative that the manager have a performance evaluation each year. It should be based on the requirements of the job as laid out in the agreed upon job description. This helps to ensure the manager knows when he/she is doing things well, when things didn’t go so well and where improvements can be made. As with all evaluations, the manager’s evaluation is about continuous improvement.

Start with the job description. Does the manager have a job description and fully understand his/her role? If a job description does not exist, one should be created. A sample job description can be found online at [http://www1.agric.gov.ab.ca/\\$Department/deptdocs.nsf/all/apa6620/\\$FILE/Market_Manager_Job_Description.pdf](http://www1.agric.gov.ab.ca/$Department/deptdocs.nsf/all/apa6620/$FILE/Market_Manager_Job_Description.pdf)

- Customize this to meet the needs of your market.
- Evaluate the market manager on each duty or responsibility within that job description. To get the discussion started, have the manager complete his/her own appraisal. This way, examples can be included. You will often find that individuals are harder on themselves than others observing them.
- Did the manager complete the required training? Has the manager participated in or asked to participate in any additional training throughout the year? Is the market able to fully or partially finance this training?
- Managing conflict can be a big part of the market manager’s job that can’t be accounted for in a job description. Most people don’t like dealing with conflict but some people are much better at handling issues than others. Be sure to include discussions about conflict situations – what went well, what didn’t go so well, how the process can be improved in the future, etc.

It is preferable to document any evaluation of the manager’s performance in writing. Have the manager sign off on the comments within the document as well as the person conducting the review. Ensure that a plan is put in place to follow up should any corrective action be needed.

The Board of Directors/Advisory Committee

All non-profit societies are required by law to have a board of directors. Sponsored markets have an advisory committee which is accountable to the sponsor’s board of directors. Both operate in a very similar manner and often choose members in a similar way. A strong board/committee can add significantly to the overall success of a market.

Effective boards/committees do 360 degree evaluations of all members. What this means is that each board/committee member evaluates the strengths and areas of improvement for each of his/her peers as it relates to board/committee relations. While this can be difficult to do, it is important if the board/committee is to be effective, function well as a team and help the market be successful.

Most boards/committees choose their members from among the vendor community for the market. They are generally voted in at an annual meeting of all vendors. You want to recruit board members who will prioritize the market's needs and make sound decisions for the betterment of the farmers' market. An ongoing evaluation needs to be done of each board/committee member as to whether he/she is able to do what is for the greater good of the market. A sign of strong board/committee is when peers will remind each other when they are not acting in the best interest of the market.

Sub-committees also need to be evaluated for their effectiveness. Sub-committees may include vendor selection committees, food safety committees, fundraising committees, special market committees, etc.

While many people want to be part of boards/committees, many do not have much or any experience at it. Board governance and knowing the role of a board member is a learned skill. Two resources available from Alberta Agriculture and Rural Development are the Board Governance Guidebook and Running Effective Meetings Guidebook. Information regarding these resources is available online at [http://www1.agric.gov.ab.ca/\\$department/deptdocs.nsf/all/hst13487](http://www1.agric.gov.ab.ca/$department/deptdocs.nsf/all/hst13487).

The Sponsor

About 75 per cent of Alberta approved farmers' markets are sponsored by a non-profit community group, chamber of commerce or municipality. The remainder of markets have formed their own non-profit societies under the Societies Act. The sponsor is ultimately responsible and accountable for everything that happens in the market. A list of sponsor responsibilities can be found in the guidelines found online at [http://www1.agric.gov.ab.ca/\\$Department/deptdocs.nsf/all/apa2577](http://www1.agric.gov.ab.ca/$Department/deptdocs.nsf/all/apa2577).

It is important to evaluate the sponsor's role to ensure that both the market and the sponsor are benefiting from the relationship. In the past, some sponsors were very hands-off when it came to the market operations and management. They would only become involved with the market when significant conflict arose. This sort of arrangement is not beneficial to either party and can result in more conflict in the market when the sponsor is seen as suddenly "taking over."

Rather than evaluating the day-to-day involvement, look at it from a more global perspective:

- What involvement does the sponsor have with the farmers' market?
- Is there a liaison from the sponsor who attends market meetings and sits on the market advisory committee or does someone from the advisory committee attend the sponsor's meetings? This is important so that communication is open; either way is acceptable.
- Is the sponsor supportive of the day-to-day operations or how could the sponsor have been more supportive?
- Has the sponsor been supportive in times of conflict or how could the sponsor have been more supportive?

The Customer

It is important to consider your customers and the impact your decisions will have on them. In many cases, your other evaluation pieces will involve asking your customers what they think about certain aspects of your market and what they would like to see improved upon.

- Has the customer base been sufficient on a weekly basis to make the market viable for vendors? If not, are the market times, day of the week or season length convenient for them? Are your promotional efforts reaching your target audience?
- What are customers asking for? Complaining about? How have issues been resolved with customers?
- Is there a good relationship between customers and the manager? Do customers approach the manager if they have concerns about vendors or the market in general?
- How do you elicit input/feedback from customers? What other methods could you use? How often do you ask for input/feedback from your customers during the year?

Who Does the Evaluations?

Who is involved in the evaluations of your market will depend on what is being evaluated as well as your staff and volunteer base. While the manager will be the most knowledgeable in many of these areas, this should not fall solely on the manager's plate. Evaluations can be a lot of work and sometimes a fresh set of eyes will yield a different perspective that is invaluable.

Some evaluations need to be completed by the board/advisory committee such as the manager's evaluation and the evaluation of the entire board/advisory committee. A successful market is a team effort.

Evaluation Tools

There are many tools out there to help you evaluate your market.

- You could hire a consultant to help you evaluate aspects of your market. This option should be considered carefully because of the potential costs to use a consultant.
- Rapid Market Assessment: This tool was developed by Larry Lev, Linda Brewer and Garry Stephenson of Oregon State University. It includes information on conducting attendance counts, using dot surveys where you ask a series of pointed questions that the respondents answer by putting colored sticky dots on a flipchart and, constructive comments and observations. The data collection and assessment is done by market management and market volunteers. It doesn't require a large budget but does require commitment from the volunteers. You can access information about how to conduct your own rapid market assessment by going to <http://www.ksfarmersmarkets.org/sites/default/files/images/content/84/RMATools.pdf>.

- There are a number of resources available for conducting evaluations of your farmers' market. These can be found online by typing evaluating your farmers' market into your internet search engine.
- There are several online survey tools that can be used to conduct and compile survey results. Some of these tools are free while others require you to purchase the software and sign a licensing agreement. Consider how often you will use the tool and how user friendly it is prior to making your final decision. If your needs are simple, questions on a flipchart may suffice.

Implementing Improvements

Now that you've completed your evaluations, what are your next steps? While collecting the information in all these areas can seem daunting, analyzing the results and determining what to do next can also be challenging. While we want everything with our markets to be perfect, you need to be realistic and set priorities.

- Consider changes that need to be made for safety reasons first. Vendor, customer and staff safety is paramount.
- Look at improvements that would be considered "low hanging fruit" – things you can do fairly easily with minimal costs and which will have a fairly significant impact on your market.
- Some improvements will take longer periods of time to accomplish and can be tackled at the same time as other, simpler changes.
- Always consider budget and human resource requirements. You don't want to spend beyond your means and you don't want to overtax your manager or volunteers.

For More Information

For more information about Alberta approved farmers' markets or how to evaluate them, contact:

Eileen Kotowich
Farmers' Market Specialist
Alberta Agriculture and Rural Development
4701 52 Street, Box 24
Vermilion, AB T9X 1J9
Phone: 780-853-8223 (dial 310-0000 first for toll-free access)
Email: eileen.kotowich@gov.ab.ca