

Strategies For Direct Marketers

As direct marketers gear up for the summer season, they will be interested in a timely report on marketing strategies to improve operations and profits prepared by Penn State extension economists.

According to marketing project director, James G. Beierlein, associate professor of agricultural economics extension, Pennsylvania's direct marketers could increase their profits by paying closer attention to consumer preferences — preferences detailed in the report.

While most consumers are quite satisfied with the produce they purchase at supermarkets, there is a growing number who like to buy locally grown fresh fruits and vegetables at roadside stands, outdoor markets or pick-your-own farms. In Pennsylvania alone that preference has turned into more than \$47 million in sales.

Background for the report came from surveys of 400 randomly chosen households and all 350 roadside operators in the state. The Pennsylvania Department of Agriculture sponsored the \$96,000 project to analyze the state of direct marketing in the Commonwealth and to identify factors that encourage or inhibit consumers from purchasing produce at direct markets.

Who buys direct? According to the report, 78.7 percent of those surveyed use one or more types of direct market outlets at least once

a year and have been shopping at their local direct market for over 10 years. Women are the most frequent customers. Some take husbands along, but take children less frequently. Most users shop at roadside stands, followed by farmers' markets and pick-your-own outlets. Three-fourths of those surveyed who do not now have a direct market in their area said they would shop at one if it were nearby.

And why do they shop direct? Survey participants judged locally-grown produce to be fresher, to keep better, to taste better, look better, and to be more nutritious. However, participants noted shortcomings of some markets, including poor parking, dirty markets and crowded shopping conditions.

"Farmers want to be growers. But if some don't also become marketers and managers, they may have to get out of farming altogether. Direct marketing can work in many areas if marketers are willing to put consumer preferences into their operation," says Beierlein.

By selling directly to consumers and performing some of the intermediate preparation, packaging and management themselves, farmers can capture a larger portion of customers' food dollars. Taking cues from survey participants, direct marketers can tailor promotions, inventory and

service to increase customer sales.

Highlights of the marketing surveys are the subject of the May/June issue of *Farm Economics*, titled "Meeting the needs of Direct-Market Customers." The report suggests a number of strategies for managers.

- Most shoppers prefer to shop at direct markets on Thursday, Friday and Saturday mornings. Since some shoppers say that direct markets (especially farmer's markets) are too crowded, it may be advisable to add personnel for these peak shopping times.

- Most shoppers spend about \$6 to \$8 per visit and buy only what they can carry. Managers might be able to increase that amount by having shopping baskets or carts in the sales area.

- Almost twice as many direct market shoppers process fresh

fruits and vegetables by canning, preserving, or freezing than those who do not shop at direct markets. Thus, any effort to promote home processing would be well received — demonstrations, recipe exchanges, how-to pamphlets, nutrition information, and processing safeguards.

- Most shoppers travel less than 10 miles to reach their favorite market and find out about direct markets in their area by passing by or by word-of-mouth. Roadside signs should be large, legible, clearly visible, and include the times and days the market is open. Radio and newspaper advertisements could increase patronage, but should be concentrated within the market area.

The May/June issue of *Farm Economics* was prepared by Cathleen M. Connell, research associate in agricultural

economics, and is available free from the Department of Agricultural Economics and Rural Sociology Extension, 2 Weaver Building, University Park, PA 16802.

"By connecting consumer demand to targeted production, farmers are creating real economic opportunities in rural areas," says Beierlein. "And by doing the background work and conducting workshops, Extension has become an important partner in making these opportunities possible."

A Manager's Manual for Roadside Operators will be available early this summer and will be sent to all County Extension Service offices and the roadside marketers who participated in the survey. Additional copies will be available through your county extension office.

Reighard Retires From Board



Earl T. Reighard

Earl T. Reighard, of Route 1, Woodbury, recently retired from the board of directors of Lehigh Valley Farmers, after nine years of service on the dairy cooperative's board. He received a Commendation at Lehigh's annual meeting by President Alpheus L. Ruth.



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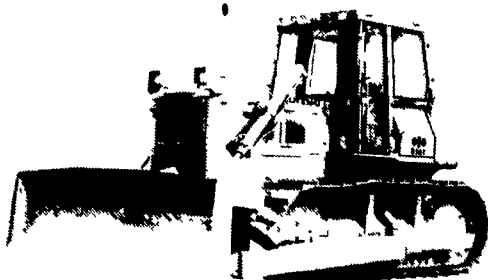
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