Assessing the Status of Farmers Markets in the Black Belt Counties of Alabama

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Abstract

The study used a case study approach and a survey questionnaire to collect data on farmers markets in the Alabama Black Belt. Specific objectives were to describe the current state of development of farmers markets, categorize the farmers markets, and make comparisons between and assessments of the various markets. The data were summarized and tabulated using descriptive statistics. A typology was developed with three categories and associated intervention policy or program attributes identified for farmers markets. It was found that there were three developed markets, all in urban areas; four developing markets, which had one market in the urban, two in the suburban, and one in the rural areas; and seven underdeveloped farmers markets, most of which were in rural areas. Consequently, it was recommended that for underdeveloped and developing farmers markets to move into the developed category, assistance must be provided with a mix of interventions that comprise facilities, proper organization, and efforts to strengthen the customer base. Such technical assistance will contribute to increased sales and economic activity in the communities.

Keywords: typology of farmers markets, market development, Black Belt counties, technical assistance, economic activity

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Introduction

Although agriculture’s gross domestic product in Alabama is only 1.25 percent of the state total, it still represents one of the largest economic enterprises and provides a mainstay for its rural communities. A large majority of farmers in Alabama produce agricultural commodities on family or individual farms of 200 acres or less. Individual and family sole proprietorships account for 94 percent of these farms. Also, a majority of farms (nearly 99 percent) had sales of less than $250,000, while less than 2 percent of Alabama farms had sales over $1 million. According to the USDA-National Agricultural Statistics Service (2002), over 6 percent of Alabama farmers are Black or Native American, and approximately 11 percent are women, most of whom, gross less than $20,000 annually, and therefore, are considered limited resource farmers.

Small and limited resource farmers make up a large portion of the farming operations in Alabama and minority farmers make up a disproportionate number of the socially disadvantaged and low income category. The challenges they face include the lack of information and low receipts due to relatively low prices received for their produce, which in turn, make technology and equipment hard to purchase. Other issues affecting limited resource farmers are related to the shortage of labor, limited access to insurance and credit, lack of appropriate technological information, the perception that farming is a low-income job, the realization that farming is a risky business, the issue of farmers not being able to meet their contract deadlines, and the necessity of appropriate marketing strategies for greater access to buyers (O’Sullivan 2005).

Direct marketing, in general, has thus been one the strategies promoted by government and land grant programs to help Alabama farmers increase their customer base and reduce the role of the middleman. It increases income for the producer and also helps other farmers like the large farmers who use direct selling methods to dispose of excess capacity and, in some cases, reduce operational costs (Tippins, Rassuli, and Hollander 2002). These direct forms of marketing include farmers markets, pick-your-own, roadside stands, farm stands, and wholesale markets.

Farmers markets, in recent years, have become one of the most popular forms of delivering fresh fruits and vegetables to consumers at specific locations, either through open lots or sheltering structures where farmers either rent stalls or set up displays for direct marketing (Tippins, Rassuli, and Hollander 2002). The growth in popularity of farmers markets has been variously attributed to factors of changing consumer interest and the changing economics of agriculture (Brown 2002). In Alabama, for example, the Alabama Farmers Market Authority (FMA) assists farmers in the marketing of agricultural products by providing information, leadership, and modern facilities necessary to move agricultural products from the farm to consumers. The intent is to provide the consumer with better quality products at reasonable prices and a fair return to the producer by providing a convenient, dependable place through which producers and consumers can meet, sell, and buy (FMA 2006).

Ashman et al. (1993), Hilchey, Lyson, and Gillespie (1995), and Festing (1998), for example, note that the benefits of farmers markets include economic stimulation and sustainability, enhanced vitality of the local economy, reduced produce prices for consumers, and increased produce quality. Abel, Thompson, and Maretzki (1999) explored the benefits of farmers markets and ways that Extension educators could help support and sustain these efforts in their communi-
ties. In surveys conducted in several farmers markets throughout the country, consumers ranked freshness as the main factor that they considered when buying produce. Consumers indicated that farmers markets provided freshness of produce. It was also found that farmers markets are also effective at keeping food dollars in a given region, and keeping family farms in business. When farmers markets are well managed, they can provide economic, nutritive, educational, social, and psychological benefits to vendors and the community. Extension’s role in farmers markets is to help promote the growth of markets through education, advocacy, and advertising.

Focusing on the growth of farmers markets would require knowledge and understanding of their current growth levels. Most existing studies use a variety of factors to describe or classify farmers markets. Govindasamy and Nayga (1996) assessed the characteristics of customers patronizing farmer-to-consumer direct marketing centers in New Jersey. The results were expressed in terms of average number of visits per month to a direct marketing facility, average dollar amount spent per visit, and respondents’ household family composition and annual income. Uva (2002) looked at direct marketing activities of vegetable farms in New York State and concluded that farmers markets were an important source of their income. And since many of those farms were considering expansion of direct marketing, it was necessary that more attention be paid to marketing and business management in order to ensure future profitability and success.

Kreesta (2005) examined the growth of farmers markets in Manitoba, Canada. A case study of 21 farmers markets showed that Manitoba farmers markets provided increased choice for both vendors and consumers, while providing many community benefits. He reported that contributions of farmers market go beyond the provision of agricultural products and include providing ways for people to make a living, build their communities, address issues of health, and create rural-urban and agricultural awareness. Farmers markets also create food security, and help rural and urban residents to diversify their household incomes.

Rural and low-income communities in general and those in the south in particular have not fared well in terms of sustained attention paid to the viability and role of their farmers markets. Fisher (1999) looked at farmers markets in low-income communities. Low-income people face many barriers in obtaining a healthy and nutritious diet including price considerations, lack of transportation, and food access. Farmers markets can play an integral role in providing nutrition education and access to healthy foods. Additionally, farmers markets can help foster cooking skills through recipe distribution, cooking demonstrations, and other similar activities. Fisher concluded that markets serving low-income consumers should consider weekend or evening hours of operation to accommodate the needs of working people.

Baker (2003) analyzed farmers markets in low-income neighborhoods based on results of a community-based research project undertaken in two low-income communities in Toronto. He found that farmers markets are under researched spaces, which offer a valuable place for the understanding of the theoretical and practical challenges involved in combining social justice and environmental sustainability. He also noted that low-income farmers markets force community food security advocates to simultaneously and creatively address disparate issues such as food and agriculture subsidies, organic agriculture, community economic development, public space revitalization, growing cultural diversity, poverty, urban sprawl, and farmland preservation.
The USDA Agricultural Marketing Service (2001) conducted a study on improving and facilitating a farmers market in a low-income urban neighborhood in Washington, DC. This study found that while the number of farmers markets in the United States has increased dramatically in recent years, many low-income customers, particularly in the urban areas, have not benefited from this growth. Also, many low-income customers in these areas have difficulty accessing fresh fruits and vegetables. Thus, the importance of location and publicity, in particular, should not be overlooked, and more signage, such as banners, would help to overcome this challenge. Customer surveys confirmed indeed that outreach into the community and semi-permanent signs are the most effective long-term methods of advertising.

Suarez-Balcazar et al. (2006) analyzed African Americans’ perceptions of a local farmers market and access to healthy produce in a community in Washington D.C. The results showed that individuals living in low-income communities face many barriers in accessing fresh produce, such as lack of adequate transportation and high fresh food prices. Furthermore, the results showed that low-income Latino and African-American neighborhoods have fewer numbers of supermarkets that are easily accessible to them compared with higher income neighborhoods. The majority of community residents believed that they were underserved by the lack of farmers markets, since the local grocery stores lacked fresh, healthy, and organic produce at affordable prices. However, they were satisfied with the access to fresh fruits and vegetables provided by the summer farmers markets than they were with the access, quality, variety, and prices of produce available to them year round through local grocery stores.

Onianwa, Mojica, and Wheelock (2006) examined the characteristics and views of farmers market consumers. Consumers were randomly selected and interviewed in two selected markets—one in Huntsville and one in Birmingham. Results showed that when buying fruits and vegetables, consumers are interested in freshness, appearance, variety and selection of produce, availability of locally grown items, price and atmosphere of the store. It was also reported that Alabama consumers at these farmers markets thus generally prefer farmers markets to supermarkets.

Biermacher et al. (2007) used an example from a south-central region in rural Oklahoma to actually determine the net return from a mix of producing and on-site retailing of produce. The initial project intent was to provide farm producers with information regarding possible opportunities that might be available to them from small-scale production and retailing of fresh fruits and vegetables. Although the project did not generate a profit, results showed that a substantial number of consumers were willing to pay premiums for certain types of produce. However, there were not enough such consumers to overcome production and harvesting expenses.

And yet, government programs and resources at all levels and through the land-grant system-based research, extension, and outreach continue to promote the use of direct marketing and farmers markets by small-scale producers and consumers in rural and minority communities. These efforts would be much enhanced if there is better understanding of the different types, associated factors, and thus, the levels of development of the farmers markets. Fisher (1999) in particular classified farmers markets into two main categories depending on patronage. The first is about markets located in low-income neighborhoods, which are almost only attended by residents from that neighborhood. The second consists of markets located in low-income neighborhoods, but attract both low-income and wealthier consumers. Tiemann (2004) also assessed
farmers markets in seven states and reported a great variety among farmers markets. However, he grouped them into two major categories, “indigenous” and “experience” farmers markets. The latter is a grower-only market, managed by farmers, and offering customers a unique experience along with the market produce.

It is obvious from the above that farmers markets will continue to vary greatly in size. They have certain characteristics in common, in that they feature small scale farmers and a wide variety of locally grown seasonal produce in vibrant settings at prices higher than those at other farmers markets. However, there is lack of current assessment on how well farmers markets are developed within a frame that uses key factors related to producers, consumers, the market infrastructure, and management itself. The purpose of this study was to assess the development of farmers markets in the Black Belt Counties of Alabama. Specific objectives were to describe the current state of development of farmers markets, categorize the farmers markets, and make comparisons between and assessments of the various markets.

**Methods and Data**

In order to determine the development level of farmers markets, (1) relevant variables were identified and selected from previous studies, (2) sample farmers markets were selected from Alabama Black Belt Counties, and (3) data collected from producers, and the farmer’s market managers. The variables identified and related parameters are as follows:

(a) Physical facility and management
   a. permanency
   b. proximity with urban, suburban or rural population
   c. open year around or seasonal
   d. paid staff or not
   e. full utilities or not

(b) Producer participation and perceptions
   a. limited to agricultural producers or not
   b. acceptance of farmers market nutrition program (FMNP) coupons
   c. observed or perceived size of participation
   d. perception of satisfaction with price received

(c) Consumer participation and perceptions
   a. observed or perceived size of participation
   b. perception of satisfaction with price paid

(d) Produce marketed
   a. limitation to fruits and vegetables
   b. other/no agricultural products

Data were collected from 16 farmers markets in 13 Black Belt Counties in Alabama. Each farmers market constituted a case study element. A case study is a form of qualitative research which looks at an individual or small participant pool and draws conclusions only about the participants group and only in specific context (Yin 2003). Data were collected through interviews of farmers or vendors and market managers through the use of survey questionnaires at the Bullock County Farmers Market, Crenshaw County Farmers Market, East Chase Farmers Market (Montgomery...
County), Fairview Farmers Market (Montgomery County), Greene County Farmers Market, Hale County Farmers Market, Lowndes County Farmers Market, Macon County Farmers Market, Montgomery Curb Market (Montgomery County), Montgomery State Farmers Market (Montgomery County), Pineapple Farmers Market (Wilcox County), Selma Farmers Market (Dallas County), Sumter County Farmers Market, Thomaston Farmers Market (Marengo County), United Farmers Market (Greene County), and Uniontown Farmers Market (Perry County).

Farmer’s market managers or coordinators and farmers were interviewed in summer of 2007. Convenience sampling was used to select farmers for the study. The information gathered was on their level and nature of participation as well as other information. Data were summarized and tabulated using descriptive statistics, and based on usable data from 14 farmers markets, 14 managers, and 34 producers, farmers, or vendors.

The use of the word “farmer” or “producer” in the text refers to sellers who were farmers. The word “vendor” refers to other sellers at the market, i.e., non-farmers who sold farm products. The words urban, suburban, and rural in the text were used to describe, respectively, areas in the city with large population, areas outside the city with lower population, and areas further away from the city and distinct from urban and suburban areas.

**Results**

Table 1 shows summarized key characteristics and a typology in three proposed development levels of farmers markets. The eleven observed attributes are: physical structure; salary support for the staff; seasonality of the market; sale of products limited to only products produced by the producers or not; participation limited to producers or not; farmers acceptance of the farmers markets nutritional program (FMNP) coupons or not; perception on prices being higher or not; limitation to the sale of locally grown produce or not; provision of utilities; level of participation by vendors and consumers; and if sale is limited to only fruits and vegetables or not. The three development levels of farmers markets are: developed, developing, and underdeveloped. Table 2 represents the overall case profiles of the farmers markets. Based on the variables for categorization in the proposed typology, farmers markets were found to have similarities and differences as well as determination of markets as developed, developing, and underdeveloped markets. Three of the markets in the Alabama Black Belt Region were found to be developed (East Chase Farmers Market, Fairview Farmers Market, and Montgomery State Farmers Market), all of which were in the urban area, four were developing (Crenshaw County Farmers Market, Selma Farmers Market, Macon County Farmers Market, and Montgomery Curb Market), out of which one was found in the urban area, one in the suburban area, and two in the rural area. Seven farmers markets were found to be underdeveloped (Bullock County Farmers Market, Greene County Farmers Market, Lowndes County Farmers Market, Pineapple Farmers Market, Sumter County Farmers Market, United Farmers Market, and Uniontown Market Market) out of which two were found in the suburban area and five in the rural area.
Table 1. Proposed typology and observed attributes of Farmers Markets

<table>
<thead>
<tr>
<th>Developed Market</th>
<th>Developing Market</th>
<th>Underdeveloped Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent facility</td>
<td>Permanent or temporary facility</td>
<td>Permanent or temporary facility</td>
</tr>
<tr>
<td>Paid staff</td>
<td>No paid staff</td>
<td>No paid staff</td>
</tr>
<tr>
<td>Opened year round</td>
<td>Seasonal market</td>
<td>Seasonal market</td>
</tr>
<tr>
<td>Sale of products is not limited</td>
<td>Sale of products is limited</td>
<td>Sale of products is limited</td>
</tr>
<tr>
<td>Not limited to producers</td>
<td>Limited to producers</td>
<td>Limited to farmers</td>
</tr>
<tr>
<td>Not all farmers accept FMNP coupons</td>
<td>All farmers accept the FMNP coupons</td>
<td>All farmers accepted the FMNP coupons however not the WIC FMNP coupons</td>
</tr>
<tr>
<td>Higher prices</td>
<td>Lower prices</td>
<td>Lower prices</td>
</tr>
<tr>
<td>Both locally grown produce and produce from outside the local area</td>
<td>Both locally grown produce and produce from outside the local area</td>
<td>Locally grown produce</td>
</tr>
<tr>
<td>Full utilities</td>
<td>Some utilities</td>
<td>No utilities</td>
</tr>
<tr>
<td>Many vendors and consumers</td>
<td>Less number of vendors and consumers</td>
<td>Less number of farmers and consumers</td>
</tr>
<tr>
<td>Not only fruits and vegetables</td>
<td>Not only fruits and vegetables</td>
<td>Only fruits and vegetables</td>
</tr>
</tbody>
</table>

The developed farmers markets were situated under a permanent facility. They had full utilities, six or more farmers, a location in urban areas, paid managers, and hired workers who helped with the maintenance of these markets. Items sold at these markets were not limited to farm produce. There was a variety of produce to choose from and markets were usually opened throughout the year and not limited to the growing seasons. Prices at these markets were usually higher in comparison to other farmers markets. These markets attracted more consumers, most of whom were high income earners. They accepted FMNP coupons, and some of the vendors who did not accept the coupons were either because they were not certified to do so, or because they were not farmers. Some of these markets accepted the EBT card.

Farmers markets identified as developing were established in permanent or temporary facilities. They had about two to six farmers, and the markets were usually open-shed structures with no utilities, no managers, no membership fees, and were seasonal markets. In addition, these markets were situated in low-income communities, where most of the consumers are low income earners, and there is less patronage at these markets. The markets had no hired workers. Also, sale of produce at these markets was limited to only producers, only produce from the local areas are allowed, prices were much lower, and all these markets accepted FMNP coupons. However, not all accepted the EBT card.
Table 2. Frequency distribution of farmers markets per type and location

<table>
<thead>
<tr>
<th>Markets</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Urban Area</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developed Markets</td>
<td>3</td>
<td>75.0</td>
</tr>
<tr>
<td>Developing Markets</td>
<td>1</td>
<td>20.0</td>
</tr>
<tr>
<td>Underdeveloped</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>4</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Suburban Area</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developed Markets</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Developing Markets</td>
<td>1</td>
<td>33.3</td>
</tr>
<tr>
<td>Underdeveloped Markets</td>
<td>2</td>
<td>66.7</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Rural Area</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developed Markets</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Developing Markets</td>
<td>2</td>
<td>28.6</td>
</tr>
<tr>
<td>Underdeveloped Markets</td>
<td>5</td>
<td>71.4</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>100.0</td>
</tr>
<tr>
<td>Urban Markets</td>
<td>4</td>
<td>28.6</td>
</tr>
<tr>
<td>Suburban markets</td>
<td>3</td>
<td>21.4</td>
</tr>
<tr>
<td>Rural Markets</td>
<td>7</td>
<td>50.0</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The underdeveloped markets were all in rural areas and had no permanent facilities or utilities. The farmers met under a tree or in an open space where they just parked their trucks and sold their produce. Some vendors also met in front of buildings to sell, served mainly the low-income population, had zero to three vendors, who were mostly older farmers, had vendors who were inconsistent in attendance, no hired workers, and patronage of these markets was low. Only produce from the local area were allowed, and only producers were allowed at these markets. These markets were seasonal markets. The markets accepted only SFMNP coupons but not the WIC coupons.

The results of the profiles seem to add to those described by Fisher (1999) who reported two categories of low-income markets. The first was about markets located in low-income neighborhoods, which were almost only attended by residents from that neighborhood. The second consisted of markets located in low-income neighborhoods, but attracted both low-income and
wealthier consumers. According to Fisher, the markets with only low-income consumers have trouble operating profitably. He argued that it was difficult for these markets to attract vendors, as volume of sales was low. They also tended to be dependent on subsidies. However, he argued that there were examples of successful markets in low-income communities as found in those long-established in a neighborhood.

In addition, the results are consistent with Tiemann (2004) who categorized two types of farmers markets as “indigenous” and “experience farmers” markets. These markets are a grower only market, they are managed by farmers themselves and offer consumers an experience along with the market produce, they vary greatly in size, they feature small-scale farmers, they offer wide varieties of locally grown seasonal produce in a vibrant setting, prices are higher than those of other farmers markets but near what is charged at grocery stores, they restrict sales by casual, distant, and large-scale growers, and competition among vendors is a non-price competition.

Summary and Conclusions

This study extends Fisher (1999) and Tiemann (2004) from a two-category classification to three types of farmers markets in terms of their development levels. This proposed typology of farmers markets uses and describes specific attributes and factors that can be the focus of government, land-grant, and local organization efforts to provide technical assistance, education, and resource support for better produce distribution in rural and Black Belt Alabama. Based on the individual profiles and the proposed typology of farmers markets, there were three farmers markets found to be developed and they were all located in urban areas. These markets had well developed physical structures, a paid staff, and a strong customer base with higher income patrons, and some of these markets had paid mangers to supervise market activities. Seven of the farmers markets were underdeveloped, most of which were the rural areas with small populations. Although some of these markets had well developed physical structures, their location in rural and near low-income communities did not allow for enough patronization of these markets. The remaining four markets were termed developing and were located in places between urban and rural areas. These markets have a mix of characteristics and attributes that could easily lead to less participation by producers and consumers, and could turn them into underdeveloped farmers markets.

Needed assistance for the developing and underdeveloped farmers markets would require a mix of interventions that comprise not only activities or items such as advertising, local promotion, and diversification of products sold, but also other things such as facilities, proper organization, and efforts to strengthen the customer base. Such a strategy or assistance will increase traffic and sales at these markets, and hence, generate much needed economic impact or activity in the communities. The findings of this study are important because first, they add to the literature by extending the typology of farmers markets, and second, the study recommends how underperforming and less developed farmers markets can be improved to benefit farmers, consumers, and community.
References


