

Vegetable Growers: Deciding Where to Market

Developing an effective marketing strategy is an important key to success for vegetable growers. Vegetable growers must contend with many factors that are beyond their control. Reducing risk and managing uncertainty is how businesses and growers can improve profits.

Grower marketing strategies can be broken down into four broad categories:

- Marketing methods - deciding where to market
- Product decision - deciding what and when to produce
- Pricing strategies - realizing the potential
- Merchandising - making the most of the marketing payoff.

These decisions are not made independently but must be evaluated in relation to other considerations. For example, deciding what to produce depends on when and where it will be sold which in turn determines how it will be packed and labeled.

Marketing Methods:

Deciding where to market depends in large part on the volume of produce to be marketed. In general, the larger the volume of produce handled, the greater the number of marketing alternatives. Small scale producers may be limited to local or regional markets while larger producers are able to market on national and international levels as well. Some small growers are able to access national markets by selling their produce through a growers' cooperative or a dealer at a State Farmers' Market.

Local Markets

Local markets are easier to access because they can be served by an individual grower with a small or large volume of produce. Local markets that can be used by growers are discussed below.

U-Pick Markets

U-pick is advantageous in that it eliminates the cost of harvesting and transporting product to the market. It also eliminates the need for a produce dealer and the fees they charge. U-pick operations often are set up in fields after it has become unprofitable for the grower to commercially harvest and market the produce. A disadvantage of u-pick operations is that the grower may need to provide additional management and capital investment to prevent field damage and to provide for fee collection. Other factors important for the grower to consider are insurance, advertising, traffic control, pricing, containers, and supervision of pickers.

Roadside Stands

Roadside stands have the advantage of reducing produce dealers' fees. Success of a stand depends on locating near a large urban population center; a long selling season; a high percentage of year-round residents; acreage available for vegetable production;



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and grower income from other sources besides vegetables. An additional factor that is important, is developing repeat customers through goodwill and consistency of supply.

City and Local Farmers' Markets

City and local farmers' markets are basically roadside stands that are concentrated in an urban area. These markets are generally well established and have developed a clientele who purchase in the local market. The disadvantage to this type of market, compared to roadside stands, is that the grower may have to pay higher transportation costs. The advantage is that the grower does not need to worry about advertising to entice customers to travel to the stand.

Local Retail Outlets

Local retail outlets include locally owned and operated grocery stores and produce markets. The chain-store type of supermarket usually has a central purchasing department responsible for supplying many stores, and therefore, often has a policy of not buying produce locally. Nevertheless, check with produce managers in local stores to see if they have the flexibility of buying locally.

Regional and National Markets

Regional and national markets are generally accessed through State Farmers' Markets, growers' cooperative, and direct selling to produce dealers.

Reference: VanSickle, J.J., "Marketing Strategies for Vegetable Growers." *University of Florida Extension* Sept. 2007. <http://ufdcimages.uflib.ufl.edu/IR/00/00/16/77/00001/CV11600.pdf>

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Small Farms Research Center Background. The Small Farms Research Center was developed to assist small farmers with limited resources in Alabama's underserved communities. The center was first developed in 2000 to assist minorities, especially women, African Americans and underserved individuals improve their farm management practices, given ones condition and resources. The mission of the Center and the Small Farmers Outreach program is to assist all small and limited resources farms effectively deal with risk management and food safety issues and provide them with informational sessions. The Center has also expanded its outreach efforts to meet the needs of entrepreneurs and businessman. The center is located at Alabama A&M University in the Dawson Building. The center specializes in following areas

Marketing and Business Plans	-Record keeping and Loan Application
-Identify alternative enterprises	-Personal Management
-Legal Issues	-Finances
-International Business and Procurement	-Accounting Issues
-Taxes	-Business Development
-Conducting seminars on Government programs and other issues	

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