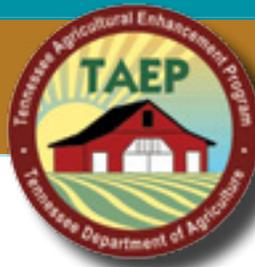


Making the Most of the Market: Merchandising Considerations for Direct Farm Marketers

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Farmers marketing products directly to consumers through farmers markets, roadside stands or on-farm retail markets face many challenges. Having high-quality products to sell is vital, but only one piece of the puzzle. Farmers must be able to effectively merchandise products by maintaining product quality, enticing customers with attractive displays and providing excellent customer service.

Retail is detail. It takes about three seconds for people to form a first impression. Direct farm marketers should strive to make an immediate, positive impression to entice customers to invest time and dollars in shopping with them.

Shopping and buying are sensory activities. Customers use all five senses (sight, taste, touch, smell and hearing) to aid them in making purchasing decisions. Merchants who appeal to customer senses will increase their potential for making sales. Merchandising techniques help to accentuate products, appeal to customer senses and make shopping convenient and enjoyable for customers.

Direct farm marketers should also consider the image they are trying to convey to customers (i.e., positioning or brand image) when developing merchandising strategies. All aspects of a business, including merchandising techniques, that customers come in contact with should be consistent with this image. Sending a consistent message will help solidify the business image in customer minds and help customers recognize the business, thus improving the effectiveness of marketing efforts.

This publication presents basic merchandising considerations and techniques to help farmers make the most of market opportunities. Display design, signage, lighting and customer service are all important merchandising components to consider.

Develop a Strong Foundation

Products should not be displayed directly on the ground or floor, even in a container. Customers associate the ground or floor with dirt and would prefer not to purchase and consume food that has been on the ground after harvest. It is also difficult for customers to see products on the ground and to bend or stoop to pick up products from the ground. Products should be displayed at least at knee level.

Customers are most easily able to reach products that are displayed from waist level to about 6 inches over their heads. Elbow level is the ideal height. With typical customers between 5 foot 4 inches and 6 feet 2 inches tall, tables, shelves and counters should be

between 36 and 40 inches high. Empty containers can be used to raise products off shorter surfaces. Tables or shelves should be no deeper than 2 feet so that customers can easily reach products at the back.

Sloped shelves can create an attractive and effective product display. The industry standard is 15 degrees downward slope. Depending upon the items to be displayed, a greater slope can be used. For instance, lightweight produce can be stored on shelving that slopes downward as much as 25 to 30 degrees.

Table, shelf and counter surfaces should be clean and visually appealing. Merchants may want to paint or stain surfaces or utilize a covering such as a tablecloth. Whatever the method, the surface or tablecloth should accentuate the products rather than dominate the display. A solid color (non-patterned background) complementing product colors is best.

A color wheel can be used to identify complementary colors – complementary colors would be across the wheel from each other. For example, for a display featuring strawberries or red tomatoes, a green tablecloth would best complement the products. For a display featuring orange pumpkins, a blue table covering would be attractive. Burlap is often a good option for use in displays, as it is durable and typically consistent with the image farmers would like to convey to customers.



Aisles in markets should be 5 feet wide to allow two-way traffic, strollers and wheel chairs.

This farmers market vendor draws customer interest by using a solid-color tablecloth, filling containers to overflowing and arranging products by contrasting colors. Signs indicating product name and price are attached to the front of the table. Products are clean and visually appealing.

Position Products for a Dynamite Display

Displays should be designed to accentuate and maintain the quality and freshness of the products. All products and display materials should be kept clean. Keep products at a desirable temperature and cull products with diminished quality. Items that are discarded should be out of the sight line of customers.

Products can be arranged directly on the table, shelf or counter or put into large containers such as baskets or bins in bulk. Some merchants may divide products for sale by the container. Containers, baskets and bins used in displays should be visually appealing, clean and free of stains. Containers such as old or antique boxes, crates and baskets with links to farms can be attractive in displays. Containers with wording inconsistent with the product should not be used. For example, for a farm that is promoting sales of product grown only on that farm, boxes indicating the source of the product as another farm, state or country should not be used, as it may make customers question the farm's credibility.



This farmers market vendor creates a unique display by using baskets and old/antique crates and table. Brightly colored wildflowers in a pitcher make customers think of a farmer's kitchen table. Small chalkboards become signs with product names and prices. A major disadvantage of using the wooden table without a tablecloth is that excess boxes and cull product stored under the table are visible to customers.

Displays should create a sense of abundance. The old retailing adage of "pile them high and watch them fly" applies. Customers will likely buy more when there appears to be a bountiful amount of product. Customers may think that a display with a few items means that the products are picked over and undesirable. Carefully piling products high and moving products to smaller containers as they sell can help merchants create the appearance of abundance. Products should be pushed to the front of the table, shelf or counter for easy access by the customer.

Products should be displayed artfully. Alternating contrasting colors of products in the display, such as displaying a green product next to a red product next to a yellow product, or displaying vegetables vertically, for example, can draw eyes of customers and create interest.

Done Well, Signage Sells

Signage is an important merchandising tool. It can help attract customers, give customers information they need to make purchasing decisions and entice customers to

purchase. A sales display without proper signage is just a display, because there are typically few sales. Signage can also save merchants from answering the same question over and over.

The farm name and logo should be prominently displayed in multiple places. In a farmers market situation, for example, it will help return customers find their favorite vendors quickly. It will also help new customers identify a vendor referred by a friend or recall the farm name for the future. Farmers market vendors often affix a sign with the farm name to the front of their table. This is not effective, as the sign is often blocked by people walking or standing in front of the table. A sign with the farm name in letters large enough to see from quite a distance should be placed above head level, either behind the table or to the front of a pop-up tent, for example.

At a minimum, signs should also be used to indicate the names and prices of every product. Products without posted prices will not sell as well as products that are appropriately priced. Customers are used to having product and price information in a retail setting. Customers do not want to ask the price of the product and often will not – many will do without the product rather than ask. They may feel that the product is too expensive or that the merchant is not credible or trustworthy if prices are not posted.

Signs may also be used to provide additional information to customers. Examples include product characteristics or descriptions, best use, ingredients, complementary product suggestions, featured product, special of the

week, etc. If the sales site is not on the farm, a display of enlarged photographs may help customers connect with the farm and visualize where the products were produced.

Signs should look neat and professional and be easy to read. Characteristics of an easy-to-read sign include:

- Dark lettering on a light background
- Relatively plain font (*script fonts* or *italics* may be pretty but are difficult to read)
- Capitalization of Each Word (NOT ALL CAPS)

Information on signs should be concise and spelled correctly. In addition, information should be truthful and be consistent with any regulatory requirements that may exist for the use of special terms (such as "organic" or special claims for meat products).

At a minimum, signage should indicate farm name, product names and prices.

Signs can be made using a variety of materials, including paper, card stock, chalk boards and dry erase boards. Chalk pens or dry erase pens make changing signs simple. Paper or card stock can be laminated to protect signs from water damage and allow changes to be made using dry erase markers or grease pens.

Signs can be attached to dowels or 3-pronged floral stakes or attached neatly to containers or shelves with staples, clothespins or tape.

Shed Light on the Market

Lighting may be a challenge for direct marketers. In some cases, marketers may be faced with too much light, causing heat, which may present problems to product quality and customer and staff comfort. In other cases, there may be no natural light, and marketers must find a way to introduce it in the market. Lighting is an important consideration in direct marketing, however, as it can influence the amount of time shoppers will stay in a market and the visual appeal of products, thus impacting sales.

For merchants marketing products outside of a facility, such as at a farmers market or roadside stand, a pop-up tent may help shade products, customers and vendors. Choosing a tent that is white, tan or beige is best because it allows the product to be seen in natural light. Light filtered through brightly colored tents may make the product seem unappealing.

For merchants marketing in a building, shed or pavilion, lighting may be more of a challenge. Natural light helps increase the amount of time customers will spend in the market. While most do not have the luxury of installing skylights in an enclosed building, natural light may be incorporated in the retail area through windows and entrances. For areas where natural light is not accessible or for time frames when natural light is not available, recessed lighting will provide the closest imitation of sunshine. If recessed lighting is not possible, pendant and track lighting are other options. These can greatly enhance displays by spotlighting certain areas. It is also important to keep lighting sources clean so light can shine unhindered by dust.

Customer Service

Customer service is also an important merchandising consideration. Excellent customer service can add value for customers, and poor customer service can turn customers away.

All owners and employees serving customers should be well-groomed, look neat and be enthusiastic. Employees should be knowledgeable about the farm and the products offered so they

Peaceful Pastures helps customers from across the market find them by posting a sign with the farm name and product description above the market stall. The sign is easily read with a relatively simple font with dark lettering on a white background.



A chalkboard provides customers with information needed to make their purchasing decisions, including listing available products with prices. The green tablecloth creates a finished look to the market booth and screens storage of boxes, etc. from view under the table.

can answer questions and make recommendations for customers. Employees should be able to tell customers about the product, product benefits, how to store it, how to cook it, favorite recipes and how to preserve it. Recipe cards and other information may be helpful to have on hand to give to customers.

Personnel should appear busy by moving product around, cleaning or some other appropriate activity. Potential customers should be immediately welcomed with a smile and friendly greeting and served quickly and efficiently. Attentiveness to customers is vital. Appearing indifferent, avoiding contact with customers, eating, taking personal phone calls, listening to the radio or other device, smoking or sitting down will be unattractive to customers and will be detrimental to sales.

Providing a way to keep customers' hands empty can help bolster sales. If customers have something in their hands, they are often just looking and no longer shopping. Providing bags or baskets for customers to fill as they shop

can help. Also, merchants may ask if they can hold items for customers at the register or checkout while the customer continues to shop.



Karen Norton of Norton Family Farm provides excellent customer service by listening intently to customers, maintaining eye contact and standing up ready to serve at a moment's notice. She has bags and an apron with change close at hand to speed up service. Bountiful products are displayed in attractive baskets and packaging. Signs indicate product names and prices. The color red is used consistently in the tablecloth, signs and staff shirts and creates a pulled-together look. While the checked tablecloth brings to mind "picnics" and "country," a solid-color cloth would be a better choice to accentuate the product. The checked cloth calls attention to itself and creates a bit of a cluttered look.



Bonnie Blue Farm tells the farm story at the market by exhibiting an album with pictures and educational tidbits about dairy goats. The eye-catching signage indicates product names, characteristics and awards won. The white tablecloth accented by blue cloths creates a clean, attractive foundation to show off the farm's goat cheese.

Listening and maintaining eye contact will help customers feel valued and important. If possible, learn names and get to know something about regular customers. For new customers, use names listed on checks or credit cards. Listen to customers, as they will give hints on ways to improve or on additional products to offer. Promise only what you can deliver or under-promise and over-deliver. Merchants should always thank customers for their business and invite them to come again. Merchants can also tell customers that they look forward to hearing how they liked the products purchased and how the new recipe they gave them worked.

All necessary supplies should be on hand. This may include bags, change, display bins, a legal-for-trade scale,¹ price signs, brochures or business cards, etc. An adequate number of personnel should be on hand to assist customers.

Farmers should find a way to “tell their story” to help build relationships with customers. Many customers are interested about the history of the farm and the farmers, the production process and philosophy, what’s going on at the farm currently, etc. Marketers can tell their story by developing a printed rack card or brochure or putting together a display with information and photos from the farm for the market.

Keeping a guest book on hand for customers to provide their names and email addresses may be a good way to gather information to stay in contact with customers and help tell the farm’s story. Offer customers something of value for providing their information, such as announcements of product availability, special recipes, information about life on the farm, news of events or special offers. Be sure to

¹ Information about scales required for selling products by weight can be found on the Center for Profitable Agriculture Web site in CPA Info #166 at <http://cpa.utk.edu/pdf/cpa166.pdf>.

indicate how often customers may receive a message and that their information will be kept private.

Additional Considerations

The sales area should be kept clean and free of clutter. Trash, personal items and excess packaging, etc. should be out of the view of customers, whether stashed in a back room, under a table hidden by a tablecloth or in a vehicle. Be conscious of undesirable odors, as they can turn customers away.

Keep displays fresh and alive by moving products around occasionally. If all items are kept in the same place all the time, customers may not see all that a merchant has to offer.



Beaverdam Creek Farm also incorporates several merchandising techniques. The white pop-up tent shelters the product and vendor from the elements while shedding natural light on the product. The tent also provides a method to secure a sign indicating the farm name and logo above the products and a place to hang bags for customer convenience. Clean, attractive baskets and shelves are slanted to provide customers a clear view and easy reach of the merchandise. Containers are relatively full and should be filled as the quantity of product diminishes or traded out for smaller containers. Contrasting colors of products add visual interest. Signs indicate product name and price. The solid blue tablecloth is attractive and calming and is symbolic of water relating to the name of the farm. It reaches almost to the ground in front, hiding boxes and supplies from customer view. The vendor appears neat and even wears a shirt matching the tablecloth. His body language indicates he is friendly, approachable and ready to serve customers.

Reference

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