
IDENTIFYING DIRECT MARKET OPPORTUNITIES AND
CHALLENGES FOR KING COUNTY FARM BUSINESSES:
A STRATEGIC INITIATIVE OF
KING CONSERVATION DISTRICT

**UNIVERSITY OF WASHINGTON,
CENTER FOR PUBLIC HEALTH NUTRITION**
LINA PINERO WALKINSHAW, EMILEE QUINN, JENNIFER OTTEN

UNIVERSITY OF
WASHINGTON

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HEALTH NUTRITION

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DIRECT MARKETING REPORT EXECUTIVE SUMMARY

BACKGROUND

Small farm businesses have found profit in direct-to-market sales, but often find that they need better marketing and promotion support in order to sustain and amplify that profit. King Conservation District (KCD) and key stakeholders identified direct marketing support for farmers as a 2018 strategic initiative area for investment and contracted with the University of Washington Center for Public Health Nutrition (CPHN) to address two research question areas:

- ❖ **What is the current state of King County's direct market farm economy?**
- ❖ **What are the perceived challenges, areas of opportunity, and desired supports among farmers related to direct marketing?**

METHODS

To address these questions, CPHN conducted:

1) A SYSTEMATIC LITERATURE REVIEW on direct marketing in the United States. The literature review included academic literature as well as reports from credible agencies using three online databases and specified search queries and strategies, resulting in the inclusion of 106 studies published since 1990.

2) SURVEYS AND INTERVIEWS WITH KING COUNTY FARMERS about their experience with farming and direct marketing. The survey targeted 212 King County farmers identified through KCD's farmer mailing list and directories published by several state and local organizations. Survey questions related to farmer demographics, respondents' farm businesses, perceived challenges and opportunities related to direct marketing, current and needed areas of producer support related to direct marketing, and participation in food access programs. The survey was made available in both online and paper-based formats. Fifty-one farmers completed the survey for a 24% response rate. Eight survey respondents and several key stakeholders participated in follow-up interviews and discussions in which they shared responses to and feedback on the survey results.

KEY FINDINGS, LITERATURE REVIEW

SCOPE OF DIRECT MARKETING IN THE UNITED STATES. The farm direct marketing sector is small and steady. Over the past twenty years, a steady 6-8% of all U.S. farms are typically engaging in direct marketing. Similarly over this time, direct market sales have steadily accounted for 1% or less of total agricultural sales in the U.S.

Direct markets are important to small farms although there is significant diversity in the size of farms that participate. The majority of farms that participate in direct marketing are small (i.e., most have gross sales below \$250,000) and farm on fewer than 100 acres. Farmers markets, CSAs, and roadside stands are the most widely used direct marketing outlets among these farms. Institutional and retail channels are more likely to be utilized by farms that can sell at volumes needed for wholesale or diversified markets and thus are typically the small farms with more acreage or mid-sized farms. Farms with more than \$250,000 in gross sales tend to account for a greater percent of direct sales revenue.

PROFITABILITY OF DIRECT MARKETING. Profit margins are likely higher in direct markets, but overall profit may be lower relative to wholesale markets due to smaller volume sales and additional costs. Producers may perceive farmers markets to produce high sales returns which contributes to their popularity, but research suggests a strong likelihood that other market channel sales, such as farm stands, may exceed farmers' market sales. Relatedly, CSAs can produce more predictable sales and net returns. Retail markets often have barriers to entry and sustainability challenges that limit profit potential. Institutional markets offer low monetary returns relative to other outlets and farmers often choose to participate for social benefits rather than monetary.

CHALLENGES ASSOCIATED WITH DIRECT MARKETING. Direct marketing requires more resources, time, infrastructure, and skills than selling through wholesalers or distributors. Challenges include higher costs, inconsistent or inadequate returns, food safety knowledge or certification barriers, and competitive challenges from supermarkets, wholesale markets, and other direct marketing farmers.

SUCCESSFUL STRATEGIES & OPPORTUNITIES ASSOCIATED WITH DIRECT MARKETING. “Word-of-mouth” is the most widely used form of advertising. Direct market producers also often use unique and creative forms of advertising to promote business and draw customers, such as recipes and on-farm events. Additional strategies identified as helpful in the literature include having a strong network of producers for resource and knowledge sharing; building customer connection and rapport; creating a business and production plan; and investing in farm operation or infrastructure. Opportunities for direct marketing recommended in the literature include: creating educational opportunities for farmers; policies that provide government subsidies, capital, and incentives for direct market farms; networking opportunities or databases to forge connections between buyers and producers, and tailoring programs and supports for market-specific channels.

KEY FINDINGS, KING COUNTY FARMER SURVEY

KING COUNTY FARMER SURVEY RESPONDENTS. Most farmer survey respondents owned their own farms, identified as White non-Hispanic/Latino, and were evenly distributed in age from age 30 to 60, with a few over and a few under this age range. Several respondents self-identified their genders, and the remainder were evenly split between male and female. Most were food secure and had health insurance.

KING COUNTY FARMER BUSINESSES. Most respondents grew vegetables, followed by fruit, eggs, meat, and flowers/bedding plants; 30% produced value-added products. A strong majority of survey respondents farmed on small acreage farms and report no full-time or part-time paid employees. Thirty percent of respondents reported 2018 gross sales \leq \$10,000, 30% reported gross sales between \$20,000-\$40,000, and 30% reported gross sales \geq \$50,000. Sales were higher among farmers producing value-added products. Farmers sold to a range of one to seven market outlets, with a mean of 2.8 market outlets across all farmers. Most farmers sold in only one or two market outlets (22% and 37%, respectively), and 93% sold in fewer than five market outlets.

CURRENT STATE OF KING COUNTY FARMERS DIRECT MARKET PRACTICES:

- Farmers spend very few financial resources on marketing and advertising, and label and market products in a plethora of ways. Farmers viewed social media as an important, useful, and easy mode of advertising, but felt that it was difficult to measure reach and effectiveness. Farmers described relying on a wide variety of resources for information pertaining to direct marketing, with no one primary information source.
- Most farmers reported wanting to expand their current direct marketing customer base or increase their direct marketing sales.
- Farmers sold via a range of one to seven outlets total, with a mean of 2.8 market outlets across all farmers. Most farmers sold in only one or two market outlets (22% and 37%, respectively), and 93% sold in fewer than five market outlets.
- On-farm sales and farmers markets were the two most common sales outlets; the least common outlets included agritourism, food banks, direct to institution, direct to school, and meal kit services.
- The average percent of sales by market outlet showed that of those participating in the market, the greatest percent of sales came from on-farm sales and farmers markets (45% each) followed by CSAs (38%).
- One third of respondents either accepted Fresh Bucks at farmers markets or sold to one of the federal, state, or King County food access programs. Those participating in Fresh Bucks described a strong economic benefit as a result of selling to these programs.

KING COUNTY FARMER PERCEPTIONS OF DIRECT MARKETING BENEFITS, CHALLENGES, AND NEEDED SUPPORTS:

- Perceived benefits. Community and price topped the list of farmer-identified benefits of direct marketing. Specifically, the top five farmer-identified benefits were: (1) Building relationships with customers; (2) Positively impacting community health and nutrition; (3) The ability to set prices; (4) A premium price; and tied for (5) Raising awareness about food and farming, and Access to a predictable market.
- Challenges. Marketing, seasonality, and logistics and infrastructure rose to the top of the list for challenges to direct marketing across all farmer survey participants. The top five farmer-identified challenges were: (1) Marketing to potential customers; (2) Seasonal constraints; (3) Identifying market outlets; (4) Distribution to multiple sites; (5) Washing, packing, and processing facilities.
- Desired supports. The top desired supports reported most often included help identifying new market outlets and opportunities; marketing and promotional services; food safety, GAP, or FSMA training; consumer education; and value-added product development. Moreover, when asked to report their highest priority desired supports in selling direct-to-consumer markets, farmers most often cited marketing/branding, followed by consumer education, help collecting and managing data about their farm businesses, help directly accepting SNAP/EBT, and help identifying new market outlets and opportunities.

There were interesting differences in direct marketing challenges and desired supports across farmers by years of experience farming, farm size, and between farmers raising and selling meat versus those not

selling meat. Younger, newer farmers experienced more challenges to direct marketing, and expressed more interest in receiving direct marketing support as compared to older, more experienced farmers.

DISCUSSION OF RESULTS

Many of the findings from the survey of King County farmers were consistent with evidence emerging from the literature review, including the characteristics of farms likely to engage in direct marketing, the perceived benefits of direct marketing, and the most popular direct market outlets. Similar to national trends, on-farm sales and farmers markets were the two most common direct market outlets used by King County farmer survey respondents. Many survey respondents are likely utilizing on-farm sales and farmers markets because they are relatively low-barrier and there are many barriers to small farms to expanding beyond these markets, such as the stated challenges to entry to direct-to-institution and direct-to-retail sales.

One important finding of the farmer survey, given the project purpose, is that most King Country farm operators participating in direct marketing were interested in growing sales and expanding into other markets, including food access programming. Another notable finding was that the smallest farm expenditure reported by respondents was for marketing and advertising. At the same time, survey participants ranked marketing and advertising as their most desired support.

The top direct marketing barriers across all farmers include marketing to potential customers, seasonal constraints, identifying market outlets, distribution to multiple sites, insufficient washing, packing, and processing facilities, and affording and finding sufficient staffing. The top desired supports identified by farmer survey respondents were closely aligned with these challenges and needs. Specifically, farmers want support marketing and advertising their products, help identifying and getting into new market outlets, trainings (e.g., food safety, GAP, or FSMA training), consumer education, and value-added product development.

RECOMMENDATIONS TO SUPPORT A VIBRANT DIRECT MARKETING ECONOMY

OVERALL STRATEGIES FOR PROVIDING SUPPORT TO FARMERS

- ❖ Target newer farmers for direct marketing support
- ❖ Offer support in seasons when it is most accessible to farmers
- ❖ Tailor support for meat vs. non-meat farmers, and newer vs. more experienced farmers
- ❖ Consider developing an advisory group, or convening a regular group of key stakeholders to ensure potential supports to farmers are developed collaboratively and efforts are not duplicated
- ❖ Identify ways for to support farmers working together to share resources and create efficiencies

MARKETING SUPPORT OPPORTUNITIES

- ❖ Sponsor and support marketing/advertising workshops
- ❖ Explore opportunities for shared or collective resources around marketing (i.e. regional branding)

INFRASTRUCTURE SUPPORT OPPORTUNITIES

- ❖ Identify and support collaborative processing, packing, and distribution efforts

- ❖ Support farmers to identify and locate funding or grants for infrastructure
- ❖ Identify opportunities for a USDA-certified meat processing facility

RESOURCE SUPPORT OPPORTUNITIES

- ❖ Consider identifying one key support-person (potentially a paid staff person) who could serve as an economic development manager for regional farmers
- ❖ Consider developing and providing business planning or development assistance to help farmers understand needs and goals, resources, and potential markets

NETWORKING SUPPORT OPPORTUNITIES

- ❖ Sponsor networking events for farmers to connect with the institutional and retail buyers, as well as regional hubs or collaborative selling organizations
 - Note that newer and younger farmers were most interested in networking opportunities
- ❖ Develop new and/or support the growth of current databases or websites that could allow farmers and buyers to connect with one another

CONSUMER EDUCATION AND ENGAGEMENT

- ❖ Support farmers with consumer research and education
- ❖ Consider future research to understand consumer response to advertising and marketing
- ❖ Consider developing a consumer education campaign based around raising awareness of production practices, including seasonality and consumer understanding of variations in yields throughout the year and due to weather

DIRECT MARKETING REPORT INTRODUCTION

THE IMPORTANCE OF DIRECT MARKETING FOR FARM BUSINESSES

Farm businesses are high-risk and often high-capital enterprises that face profit challenges. Small farm businesses have found profit in direct-to-market sales but often find that they need better marketing and promotion support in order to sustain and amplify that profit. In a 2009 survey of 30 King County farm stakeholders, the King County Agriculture Program found that marketing to consumers was a top challenge for farmers.¹ At the same time, direct-to-consumer market channels, such as farmers markets and community-supported agriculture (CSAs), have expanded and evolved rapidly over the last two decades due to increased consumer interest in local foods. Also, consumer access to organic and even local produce has increased significantly with many grocers now offering organic sections and the proliferation of produce delivery services such as Amazon Fresh. The 2017 National Young Farmers Coalition Survey found that CSAs and farmers markets together made up the highest proportion of overall sales for 37% of respondents.² There are signs that market opportunities, such as meal box programs and online ordering, may be emerging as additional sources of profit for direct market farmers. While these surveys have provided some information about direct marketing, there have been calls for more data to improve knowledge about various direct market channels and to better define what support would be useful to optimize market channels and farmer benefit. Moreover, national surveys are insufficient for illustrating more regional or county needs that must often take more localized geographies and markets and their demand into account.

THE DIRECT MARKETING STRATEGIC INITIATIVE

In 2017, King Conservation District (KCD), as a result of broad stakeholder outreach, identified direct marketing support for King County farmers as a 2018 strategic initiative area for investment. In April 2018, KCD contracted with the Center for Public Health Nutrition (CPHN) at the University of Washington to work on aspects of this strategic initiative. Specifically, the goals of CPHN's work were to determine the benefits of direct marketing and direct marketing challenges for King County farm operators, as well as describe and assess strategies for supporting farmers in scaling up their businesses and establishing sustainable business models. In addition, CPHN's work would identify opportunities for KCD, King County, and other regional partners to best support farm operators in direct marketing. CPHN sought to achieve these goals by conducting: (1) a systematic review of literature published since 1990 on direct marketing in the United States, and (2) surveys and interviews with King County farmers about their experience with farming and direct marketing.

¹ <https://www.kingcounty.gov/services/environment/water-and-land/agriculture/documents/farms-report-future-of-agriculture.aspx>

² <http://www.youngfarmers.org/wp-content/uploads/2017/11/NYFC-Report-2017.pdf>

RESEARCH QUESTIONS

The **systematic literature review** and the **farmer survey and follow-up interviews** were guided by five key research questions, identified by KCD and key stakeholders:

Current direct market farm economy

- 1) What is the current state of King County's direct market farm economy?
 - a. Where are farmers currently selling their products?
 - b. What are farmers' sales and inventory in different sales markets (i.e. what percent of their sales comes from farmers markets vs. CSA vs. wholesale, etc.) and what combinations of market outlets do farmers use?
 - c. For farmers who sell wholesale, how are they doing this?
 - d. How do food banks fit in as part of this network? How do farmers donate food to food banks?

Direct market sales opportunities, challenges, and supports

- 2) What are the challenges to and opportunities in direct market sales?
- 3) What are the competitive challenges that farmers currently face?
- 4) What changes would farmers like to see to improve direct market sales?
- 5) What support do farmers need to realize these desired direct market changes? What support do farmers need with direct market sales?

The **systematic literature review** informs these questions by examining academic literature and reports issued since 1990 by reputable and credible agencies to identify themes, strategies, findings, and key lessons learned from direct marketing efforts nationwide, and in some cases, regionally. The **farmer survey and follow-up farmer interviews** ask these questions directly of King County farmers, so that we can understand the current state of direct marketing for our local farmers, as well as their perspectives on the local challenges, desired supports, and opportunities for improvements and growth.

SECTION 1: A SYSTEMATIC LITERATURE REVIEW

SYSTEMATIC LITERATURE REVIEW METHODS

RESEARCH QUESTIONS

We conducted a systematic review to answer the following questions:

1. What is the current state of direct market sales in the U.S.?
 - How many farms in the U.S. participate in direct marketing?
 - What size farms generally participate in direct marketing?
 - How does profitability compare between direct market sales and indirect sales?
 - Does the type of farm or products sold have an effect on direct market profitability, and how does this compare?
 - Are certain direct market channels more profitable and/or widely used than others, and by how much?
2. What are the challenges, strategies, and opportunities to improve direct market sales from the producer perspective?

LITERATURE SEARCH STRATEGY

Based on the research questions developed with input from KCD and CPHN, we developed literature search queries and strategies (see Appendix A). These search queries were entered into three online databases—Web of Science, CAB Direct, and ProQuest Agricultural and Environmental Science Database—to identify all written articles, papers, etc. on the related topics. Results yielded both academic published literature and reports and publications from credible organizations and agencies. All references were imported into Mendeley, a software tool for storing and organizing sources. All duplicate sources were removed using Mendeley’s “remove duplicates” tool, and titles and abstracts were screened for eligibility based on the screening criteria (see below). Sources were then reviewed by full text; one trained reviewer reviewed all articles; a second trained reviewer additionally reviewed 10% of articles. Sources were eliminated if they did not meet the eligibility criteria (see Appendix A), or if full text was not available. During full text review, relevant data were pulled into a table organized by research question. Following full text review, a qualitative approach was taken to organize the data by topic within each area of interest which allowed recurring themes to surface. Data were omitted from the final collection of themes if they were highly specific or didn’t occur frequently enough to fit among the common themes.

Ultimately, 106 studies were included in this systematic literature review. Appendix B includes a flowchart outlining the total number of articles identified and reviewed.

In addition to presenting the results from this review here in Section 1, we have additionally used the results from this literature review to inform the discussion and recommendations presented in Section 2 of this report.

Literature Review Key Results:

The definition of direct marketing varies widely in the literature. For this review, direct marketing includes direct-to-consumer, direct-to-institution, and direct-to-retailer sales.

Scope of direct marketing in the US

- As of 2012, 6-8% of all U.S. farms used direct marketing. Sales from direct marketing accounted for less than 1% of total farm sales in the U.S. in 2007.
- Farms primarily selling direct-to-consumer typically manage the smallest operations (approximately <5 acres to 15 acres) while farms selling to diversified or intermediated markets such as institutions are larger with a wider range of deviation (approximately <50 to >100 acres).
- Farmers markets, CSAs, and roadside stands are the most widely used direct marketing outlets among smaller-sized farms. Institutional and retail channels are more likely to be utilized by larger scale farmers who sell in wholesale or diversified markets.

Profitability of direct marketing

- Returns are likely higher in direct markets, but profitability may be low compared to wholesale markets due to smaller volume sales and additional costs.
- Producers may perceive farmers markets to be highly profitable which contributes to their popularity, but research suggests that actual profitability is low. CSAs produce higher sales and net returns. Retail markets have barriers to entry, and sustainability challenges limit profit potential. Institutional markets offer very low returns and farmers often choose to participate for social benefits rather than monetary.

Challenges

- Direct marketing requires more resources, time, infrastructure, and skills than selling through wholesalers or distributors.
- Challenges include higher costs, inconsistent or inadequate returns, food safety knowledge or certification barriers, gaps in support, and competitive challenges including supermarkets, and wholesale markets, and competition among other direct marketing farmers in certain channels.

Successful strategies & opportunities

- “Word-of-mouth” is the most widely used form of advertising. Direct market producers often use unique and creative forms of advertising to promote business and draw customers such as newsletters, recipes, and on-farm events. Helpful strategies identified in the literature include a strong network of producers for resource and knowledge sharing; building customer connection and rapport; creating a business and production plan; and investing in farm operation or infrastructure.
- Opportunities for direct marketing recommended in the literature include: creating educational opportunities; policies that provide government subsidies, capital, and incentives for direct market farms; and networking opportunities or databases to forge connections with buyers and other producers. There are also additional market-specific opportunities.

LITERATURE REVIEW RESULTS SUMMARY:

Below we present a topline summary of the full results of the systematic review. Please see Appendix C for the unabridged report and relevant citations from the systematic review.

WHAT IS DIRECT MARKETING?

The definition of direct marketing varies widely in the literature. The USDA Food and Nutrition Service defines “direct marketing farmers” as those who “sell their own agricultural products directly to the general public.” The USDA Census of Agriculture only accounts for sales made directly to individuals, but many researchers agree that there are additional direct marketing outlets unaccounted for in this definition.

Some researchers define direct marketing as sales that are made directly to the consumer and exclude other direct market channels. Additionally, retail and institutional sales are often grouped with intermediaries such as wholesale or distribution channels. Some channels, such as farm-to-school, are not explicitly defined as a direct market channel and often standalone in the literature.

Local food marketing and direct marketing are periodically conflated in the literature. The USDA Local Food Marketing Survey expands on their definition of direct marketing to include intermediary channels such as wholesale, distribution, and processing that market locally or regionally branded products.

For the purposes of our research, direct marketing includes sales made directly from a farmer to a buyer to include:

- Direct-to-consumer sales (i.e., farmers markets, CSAs, pick-your-own operations, on-farm stores, roadside stands)
- Direct-to-institutions (i.e., schools, hospitals)
- Direct-to-retailers (i.e., grocery stores, restaurants)

SCOPE OF DIRECT MARKETING IN THE U.S.

Concentration of direct market operations and sales, and variation by geographic location in the U.S.:

- As of 2012, approximately 150,000 farmers implemented some form of direct marketing strategy, making up approximately 6-8% of all U.S. farms. Sales from direct marketing accounted for less than 1% of total farm sales in the U.S. in 2007.
- Reports on direct marketing growth have varied based on how the numbers have been captured. Some reports indicate the number of direct-to-consumer operations (i.e., farmers markets, CSA programs) grew by more than 100% between 1997 and 2007 resulting in an increase in sales by almost 50%. The number of farmers who adopted a direct marketing strategy in their farm business increased by 17% from 2002 to 2007 resulting in a revenue increase of nearly 50% during this time.
- Though direct market sales continue to rise, some literature suggests that market saturation may be resulting in slowed growth in the number of direct market operations. Additionally, some

research indicates that the number of direct market farms have begun to decline as recently as 2015, suggesting that some farms are seeing growth in their operations while fewer are participating in direct marketing.

- The Northeast region of the U.S. is noted for its high concentration of direct market sales, but only accounts for a very small percentage of total national farm revenue. One publication reported that 25% of all farm direct marketing sales occurred in the Northeast, which accounts for less than 5% of total national farm revenue.

Most direct market farmers manage small- to medium-sized operations, some farming on <5 acres.

- The majority of farms that participate in direct marketing farm on fewer than 100 acres, but this is variable based on the target market. Farms primarily selling direct-to-consumer typically manage the smallest operations (approximately <5 acres to 15 acres) while farms selling to diversified or intermediated markets such as institutions are larger with a wider range of deviation (approximately <50 to >100 acres).
- Farms that sell exclusively through direct market channels are smaller on average than farms that do not participate in any forms of direct marketing or sell to intermediated market channels in addition to direct market channels. Fewer than 20% of direct marketing sales are attributed to medium to large farms. Large farms are 2-3x less likely to adopt or rely on direct marketing strategies and more than 50% of all large local farms sell exclusively through intermediated channels.

WHAT CONTRIBUTES TO PROFITABILITY OF DIRECT MARKET CHANNELS?

Comparison of profitability between indirect and direct markets.

- Direct market farms make less profit than those who sell through wholesale and other indirect markets. Few direct market farmers generate more than \$250,000 in income annually with reports of less than \$10,000 in annual farm sales for a majority of direct market farmers.
- Direct marketers are able to charge a premium price for goods and capture more of the consumer food dollar than when selling through wholesale markets, which improves profitability.
- Profitability of a farm business is related to many other factors such as size and producer experience, making direct marketing profitability difficult to quantify. Many direct market farms are run by producers who have less farming experience, or farm part-time and rely on off-farm income.
- Indirect markets such as wholesale and distribution move more volume at lower unit prices whereas direct markets move smaller volumes at higher unit prices. Returns are likely higher in direct markets, but profitability may be low compared to wholesale markets due to smaller volume sales and additional costs.

Contributors to profitability:

- Direct market farms typically raise a diversity of high-value crops and livestock and are more likely to market sustainably produced goods and specialty items such as grass-fed beef and organic products—these types of goods/items can be sold at higher prices.

- Direct-to-consumer market channels such as farmers markets, CSAs, and roadside stands are more widely used outlets among smaller-sized direct marketing farmers and make up a large portion of the literature. Institutional and retail channels are more likely to be utilized by larger scale farmers who sell in wholesale or diversified markets.
 - Farmers markets and roadside stands are the most widely used direct marketing channel, solely relied upon by a majority of direct market farmers and have steadily increased in number. From 1994 to 2006, the number of farmers markets in the U.S. doubled from around 2,000 to 4,000; between 2002 and 2012, the number continued to increase by 150%.
 - CSAs are also popular but less widely used by producers than farmers markets. The number of CSA farms nationally has grown exponentially to more than 12,000 in 2007, compared to only 50 in 1990. CSAs are more labor intensive and require more commitment from producers which is likely a contributor to its lower popularity.

Producers may perceive farmers markets to be highly profitable which contributes to their popularity.

- However, research suggests that farmers market profitability is low, despite producers' perceptions.
- Farmers markets may act as a reliable risk management tool by providing producers additional marketing opportunities.
- Farmers markets also pose fewer marketing challenges than other outlets making them more easily accessible to a wide range of producers.
- Additionally, farmers markets are one of the oldest forms of direct marketing whereas other channels, such as CSAs, were introduced more recently.
- Many part-time farmers, who likely generate less revenue than full-time farmers, report marketing goods at farmers markets. Profitability may be low at farmers markets in spite of their increasing popularity. This may be due to the cost of labor for storage, packaging, transportation, and advertising as well as the fact that most farmers markets are only open a few days per week. Leftover products are also common at farmers markets which may be sold at very low prices in an effort to prevent waste.

CSAs produce higher sales and net returns compared to farmers markets and other outlets.

- In 2007, CSA farms made just over \$100,000 in average total sales which is a much higher volume when compared to all U.S. farms; 34% of CSA farms made more than \$50,000 in 2007 while only 23% of all U.S. farms generated this level of revenue. While a majority of direct market farms had sales below \$5,000, fewer than 25% of CSA farms had sales this low.
- In addition to higher volume sales, CSAs also have lower marketing costs as compared to farmers markets resulting in higher returns. Producers are inclined to charge higher prices with CSAs compared to farmers market and other outlets such as farm stores because they are less prone to direct competition.

- Retail markets have the potential for high profitability, but barriers to entry and sustainability challenges limit profit potential. Institutional markets offer very low returns and farmers often choose to participate for social benefits rather than monetary.

Resource-Based Challenges:

- Direct marketing requires more resources, time, infrastructure, and skills to be successful than selling through wholesalers or distributors.
- Direct marketing has higher costs, and returns may be inconsistent or inadequate to support the operation, depending on the marketing channel.
- Food safety poses a barrier to direct marketers; knowledge gap and difficulty adhering to or navigating certifications.
- There are gaps in support that are essential for direct marketing success. These include forging connections between producers and buyers as well as from farmer to farmer; training and education; technical assistance and grants.

Competitive Challenges:

- Supermarkets are more widely used by consumers than direct market outlets due to convenience.
- Direct market farmers are becoming devalued due to the industrialized food system which co-opts their ideals for the mass market. This limits consumer awareness of food production and ultimately favors large-scale, commodity growers.
- Buyers in institutional, retail, and restaurant markets typically purchase through wholesale markets which can provide a more streamlined experience and larger volumes than when purchasing direct.
- As a result of direct market growth, competition among other farmers within certain channels is increasing.
 - Saturation in the CSA market poses a barrier to new farmers looking to enter the market.
 - In an effort to compete with other sellers at farmers markets, farmers charge lower prices reducing profitability.

Market Variability and Sustainability Challenges:

- Seasonality, adequate supply, and unpredictability inherent with food production and sales is a challenge.
- CSAs experience high member turnover rates and have difficulty retaining and recruiting members from season to season.

STRATEGIES

Marketing, Advertising, and Promotion Strategies:

1. In order for direct marketing to be successful, farmers must understand the demand and preferences of their target customer base, which varies widely by location.

2. “Word-of-mouth” is most widely used form of advertising and most successful for growing customer base. It is often recommended that producers provide incentives or rewards to customers who bring in new members.
3. Direct market producers use unique and creative forms of advertising to promote business and draw customers such as CSA newsletters, recipes to promote certain products, and on-farm events.
4. Diversifying market outlets and products is an opportunity for producers to mitigate risk, improve efficiency of production, and improve profitability.
5. Marketing items in populated, high volume areas provides an opportunity to challenge competition of conventional retailers and often improves profitability.

Social Embeddedness:

- Having a strong network of producers provides support and an opportunity to pool resources and knowledge. Novel market channels such as cooperative CSAs, co-ops, and producer-owned retail outlets allow farmers to overcome challenges related to inadequate supply.
- Connection and customer rapport set direct marketing apart from conventional marketing. Connecting with customers, buyers, and the community in person and on social media is an opportunity to provide education on production practices and gain new business.

Business/Management:

- Creating a business and production plan and carefully selecting markets that are suitable for the operation are essential for success. Producers may benefit from making investments in farm operation or infrastructure which boost profitability.
- It is important for producers to comply with regulatory standards to overcome barriers to entry in certain markets.
- Producers can capitalize on opportunities or markets where they may receive premium price for a product by offering unique options or services not available at conventional retail outlets.

OPPORTUNITIES

Recommendations to support growth in direct marketing:

- Offer technical assistance to encourage growth and sustainability.
 - Create educational opportunities for new and established direct marketers to fill the knowledge gap and provide training on topics such as advertising and promotion, business planning, food safety policies, and navigation of regulatory standards and certifications.
 - Educational opportunities and resources must be individualized and tailored to the range of experience, size, and market type that is represented among direct marketers. A “one-size-fits-all” approach is inadequate to effect lasting change in the food system.
 - Efforts should be made to target producers for which technical assistance will be most effective including young and beginning farmers as well as those eager to engage comprehensively. Farmers who seek advice from professionals are more likely to adopt direct marketing strategies.

- Support policies that provide government subsidies and working capital to meet the unique needs of direct marketers and incentivize or mandate institutional food procurement directly from farmers.
- Offer networking opportunities or databases to forge producer-producer and producer-buyer connections to promote social embeddedness in the direct marketing food system.
- Provide collective marketing support to groups or collaboratives of farmers engaged together in novel market channels such as cooperative CSAs, co-ops, and producer-owned retail outlets.
- Develop strong outreach channels to reach producers so that producers can be connected to existing resources, and so that current and ongoing support efforts are accessible to all producers.
- Develop supports for producers entering into less widely used market channels like restaurants and institutions.
- Support for producers with farm and product brand development.

Market-specific opportunities:

- Farmers Markets
 - Flexible and reliable outlet ideal for beginning farmers to sell a wide range of items with low overhead and labor costs.
 - Offers an opportunity for established direct marketers to enter new markets by making contacts, learning about consumer preferences, and promoting other ventures such as a CSA program.
- CSA
 - Asking members to commit time and labor lowers production costs and provides an opportunity for farmers to educate consumers about food production and encourage appreciation for farming.
- Food Hubs/Farmer Cooperatives
 - While they are less prevalent compared to other direct marketing channels, the number of food hubs grew by 288% between 2007 and 2014 to a total of 302. This up-and-coming market provides a unique marketing opportunity for small and beginning farmers to scale up sales and spend more time on the farm by removing distribution responsibility while maintaining connection to buyer.

SECTION 2: KING COUNTY FARMER SURVEY

KING COUNTY FARMER SURVEY BACKGROUND

In 2018, the Center for Public Health Nutrition (CPHN) at the University of Washington conducted a farmer survey as part of this project to assess the experience of farmers within the context of King County specifically. The purposes of the survey were to determine the market needs, benefits, and direct marketing support challenges for King County farm operators, and to identify strategies for supporting farmers in scaling up their businesses and establishing sustainable business models. In addition, CPHN's work would identify opportunities for KCD, King County, and other regional partners to best support farm operators in direct marketing.

The **King County farmer survey and follow-up interviews** were guided by these key research questions:

- 1) What is the current state of King County farm businesses and the direct market farm economy and practices? This includes gaining an understanding of where farmers currently sell their products and the relative sales in different markets, including wholesale markets and farmers' involvement in selling or donating to food access programs and emergency food organizations as well as more traditional direct markets.
- 2) What are the challenges to and opportunities in direct market sales, including current competitive challenges?
- 3) What support do farmers need to realize these desired direct market changes? What support do farmers need with direct market sales, and what changes would they like to see in order to best support them in direct marketing?

FARMER SURVEY METHODS

SAMPLE DEVELOPMENT

We identified the King County farmer survey sample in two steps. First, we compiled a list of farms from five sources: 1) KCD's mailing list, 2) the Tilth Alliance Farm Guide,³ 3) the Washington State University (WSU) Extension Farm Finder,⁴ 4) the Local Harvest Find your Farmer tool,⁵ and 5) the Washington State Beef Commission's Local Beef Directory.⁶ Next, after removing all duplicate farms, we shared this full list of unique farms with multiple key stakeholders who reviewed the list and added missing farms, identified relocated farms, or removed non-operational farms. The final list comprised 212 King County farms.

³ <http://www.seattletilth.org/about/farm-guide-2018>

⁴ <https://farmfinder.cahnrs.wsu.edu/Search/BasicSearch>

⁵ <https://www.localharvest.org/search.jsp?jmp&scale=8&lat=47.5298&lon=-122.0346>

⁶ <https://www.wabeef.org/cooking/local-beef-directory>

SURVEY DEVELOPMENT

We developed the farmer survey to answer the three research questions outlined above, crafting specific survey questions based on prior direct marketing and farmer surveys, including the Washington State Direct Marketing Survey (Washington State Department of Agriculture) and The National Young Farmers Survey (National Young Farmers Coalition) among many others, and were designed to align with King County Local Food Initiative metrics. The survey included the following sections:

1. Farmer Demographics: individual- and household-level demographics, including food insecurity;
2. Farm Business Overview: characteristics of respondents' farm, and business practices;
3. Direct Marketing Challenges and Opportunities: including those related to selling directly to institutions, retail and/or restaurants and types of competition farmers are facing;
4. Producer Support: support farmers would like to receive in selling to different market outlets; and
5. Food Access Programs: interactions with and experiences selling products to food access programs.

The survey was refined for clarity and applicability using an iterative process in which we regularly shared drafts with KCD and several key partners for input and feedback. The Food Access Programs survey section was developed in partnership with the City of Seattle's Office of Sustainability and Environment (OSE) to answer key questions OSE had about farmers' experiences with food access programs and took the place of a separate survey OSE had considered distributing to farmers. This collaboration was intended to reduce farmer survey fatigue by distributing just one collaborative survey rather than two separate surveys. Some of these data are also included in a report to the City of Seattle on the economic impact for farmers of the City's spending on food access programs.

Prior to distributing the survey, we piloted it with five farmers, and made final edits based on their feedback. We distributed the final survey both electronically (via REDCap, a secure online survey and database tool), and on paper. We distributed it electronically to all farmers we had active emails for, and via mail for all farmers for whom we only had mailing addresses. We additionally had several partners distribute the link to the online survey to their own internal mailing lists. The survey took between 20 and 40 minutes to complete, and all participants were offered the opportunity to enter their names into a raffle for a chance to receive one of twenty \$50.00 cash gift cards.

INTERVIEWS, KEY STAKEHOLDER DATA REVIEW, AND GROUND-TRUTHING

FOLLOW-UP FARMER INTERVIEWS. After the survey data were initially analyzed, we recruited a subset of survey completers for follow-up interviews by sending an email to survey respondents who indicated that they were open to follow-up by our study team. We interviewed 8 farmers from the sample of survey respondents to better understand and contextualize the survey results and hear their more in-depth comments about some of the emerging key themes and findings. We used their responses to inform the reporting of our results and recommendations.

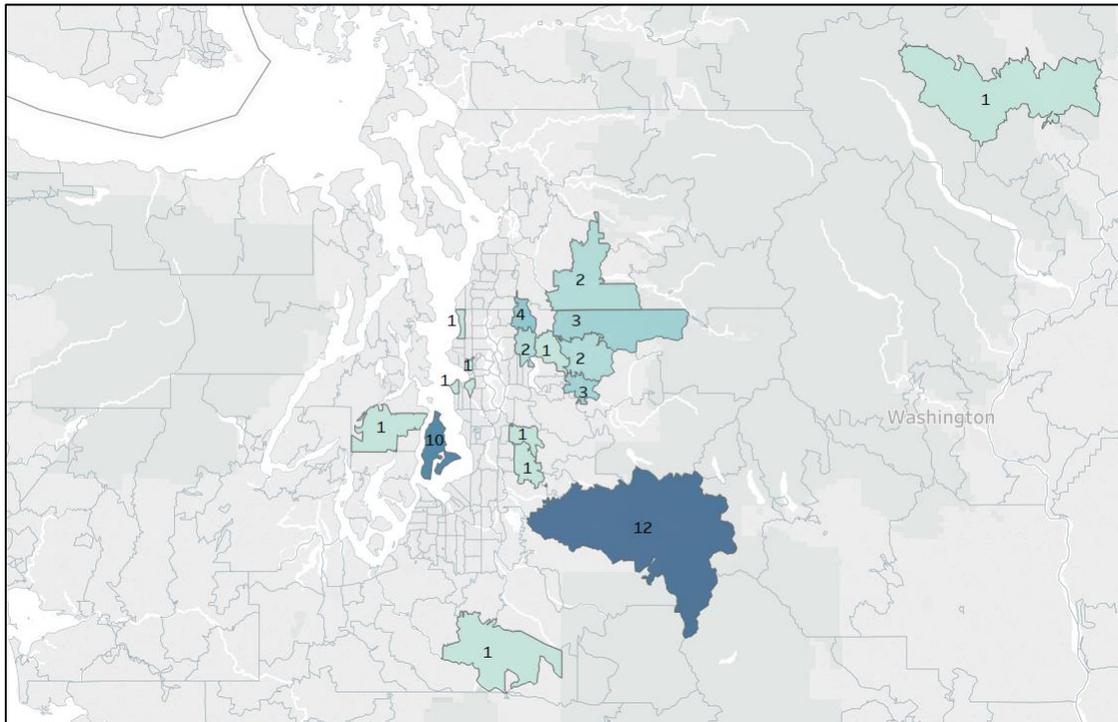
KEY STAKEHOLDER DATA REVIEW AND GROUND-TRUTHING. We shared farmer survey results with several key stakeholders in order to hear their thoughts and comments on the survey results and learn how these

results resonated with the work they do to support King County farmers. Key stakeholder comments helped shape further data analyses, and we have incorporated key stakeholder thoughts and comments into the discussion and recommendations of this report.

FARMER SURVEY RESULTS

Fifty-one farmers completed the direct marketing survey, 24% of our initial sample of King County farms, including 46 King County farmers and five farmers from outside of King County. Six farmers responded via paper surveys, and the remainder completed the survey online. We are including the data from all farmers in this analysis and describe these survey results as results from 'King County farmers' despite five respondents from outside King County. Survey results are presented below by research question. In the data presented below, the total number of respondents for each question varies; this is because some survey respondents did not answer every question.

FIGURE 1. MAP OF THE NUMBER OF FARMER SURVEY RESPONDENT FROM EACH ZIP CODE (N=47)



1. FARMER SURVEY RESPONDENT DEMOGRAPHICS

Key Points:

Most farmer survey respondents owned their own farms, identified as White non-Hispanic/Latino, and were evenly distributed in age from age 30 to 60, with a few over and a few under this age range. Several respondents self-identified their genders, and the remainder were evenly split between male and female. Most were food secure and had health insurance.

The majority of farmer survey respondents owned their farms (63%), while 22% leased their farm. These response options were not mutually exclusive, and farmers could select as many options as were relevant to them. One-third of farmer survey respondents reported managing their farm.

TABLE 1. FARMER SURVEY RESPONDENT'S RELATIONSHIPS TO THEIR FARM (N=51)

Ownership: "I own this farm"	32	62.7%
Ownership: "I manage this farm"	17	33.3%
Ownership: "I lease this farm"	11	21.6%
Ownership: "I am staff at this farm"	6	11.8%
Ownership: "I volunteer at this farm"	3	5.9%

Farmer survey respondents were majority White (80%), and non-Hispanic/Latino (83%). However, farmer respondents were diverse in age, gender, and household income.

We had equal male/female representation across all farmer survey respondents, with 41% identifying as male, 41% as female, 6% self-specifying, and 12% not responding. Approximately one-third of respondents were under the age of 40, one-third between 40 and 60, and the remainder either over 60, or choosing not to respond (no response, 12%). For household income, 33% had a household income under \$50,000, 27% had a household income between \$50,000 and \$100,000, and 27% had a household income over \$100,000.

TABLE 2. FARMER SURVEY RESPONDENT DEMOGRAPHICS (N=51)

<i>Survey Respondent Demographics</i>			
		N	% of Total
Gender			
	<i>Male</i>	21	41.2%
	<i>Female</i>	21	41.2%
	<i>Self-specify</i>	3	5.9%
	<i>No response</i>	6	11.8%
Age			
	<i>18-30</i>	3	5.9%
	<i>31-40</i>	15	29.4%
	<i>41-50</i>	8	15.7%
	<i>51-60</i>	10	19.6%
	<i>61-70</i>	5	9.8%
	<i>71-80</i>	4	7.8%
	<i>No response</i>	6	11.8%

TABLE 3. FARMER SURVEY RESPONDENT DEMOGRAPHICS (N=51), CONTINUED

Income			
	<i>Less than \$15,000</i>	2	3.9%
	<i>\$15,000 to \$24,999</i>	2	3.9%
	<i>\$25,000 to \$34,999</i>	4	7.8%
	<i>\$35,000 to \$49,999</i>	9	17.7%
	<i>\$50,000 to \$74,999</i>	10	19.6%
	<i>\$75,000 to \$99,999</i>	4	7.8%
	<i>More than \$100,000</i>	14	27.5%
	<i>No response</i>	6	11.8%
Hispanic/Latinx			
	<i>Yes</i>	3	5.9%
	<i>No</i>	41	80.4%
	<i>No response</i>	7	13.7%
Race¹			
	<i>White</i>	39	83.0%
	<i>Native Hawaiian or Pacific Islander</i>	1	2.1%
	<i>Asian</i>	1	2.1%
	<i>Other</i>	6	12.8%

¹Note that the 'Other' race category includes write-ins. No farmer survey respondents identified as Black or African American, American Indian or Alaskan Native, or Native Hawaiian or Pacific Islander, which were the other race category response options provided here.

We additionally asked survey respondents to report their health insurance status, food security status, and any food benefit programs they utilized to access food for themselves and/or their families.

The majority of survey respondents reporting having health insurance (82%), with 10% reporting no health insurance and 8% not responding. This represents a slightly higher rate of uninsured as compared to the

Washington State average, where in 2017 just 6% of all Washington residents did not have health insurance.⁷

In measuring food security, approximately 10% of survey respondents indicated that in the past twelve months they had either run out of food and not had resources to purchase more, or that they had worried about running out of food and not having money to purchase more. This is slightly lower than the Washington state average rate of food insecurity, which in 2016 was at 12%.⁸ No more than 6% of survey respondents reported participating in a meals program or receiving food or nutrition benefits (Table 4).

TABLE 4. FARMER SURVEY RESPONDENT BENEFITS PARTICIPATION (N=51)

	<i>N</i>	<i>% of Total</i>
<i>Health insurance</i>		
<i>Yes</i>	42	82.4%
<i>No</i>	5	9.8%
<i>No response</i>	4	7.8%
<i>Food security: worry food will run out</i>		
<i>Often true</i>	1	2.0%
<i>Sometimes true</i>	4	7.8%
<i>Never true</i>	42	82.4%
<i>No response</i>	4	7.8%
<i>Food security: food runs out</i>		
<i>Often true</i>	1	2.0%
<i>Sometimes true</i>	3	5.9%
<i>Never true</i>	42	82.4%
<i>No response</i>	5	9.8%
<i>Benefits participation</i>		
<i>School breakfast/lunch for kids</i>	3	5.9%
<i>Food banks / food pantries</i>	2	3.9%
<i>Free summer meals for kids</i>	2	3.9%
<i>SNAP/EBT</i>	2	3.9%
<i>Fresh Bucks</i>	1	2.0%

⁷ U.S. Census, Health Insurance Coverage in the United States: 2017, Current Population Reports. <https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-264.pdf>

⁸Washington State Department of Health, Food Insecurity and Hunger. <https://www.doh.wa.gov/Portals/1/Documents/Pubs/160-015-MCHDataRptFoodInsecHunger.pdf>

2. WHAT IS THE CURRENT STATE OF KING COUNTY FARM BUSINESSES AND THE DIRECT MARKET FARM ECONOMY AND PRACTICES?

Key Findings:

Current state of farm businesses

- Most respondents grew vegetables, followed by fruit, eggs, meat, and flowers/bedding plants; 30% produced value-added products.
- A strong majority of the farmer survey respondents farmed on small acreage farms and report no full-time or part-time paid employees.
- 30% reported 2018 gross sales \leq \$10,000, 30% reported gross sales between \$20,000-\$40,000, and 30% reported gross sales \geq \$50,000. Sales were higher among farmers producing value-added products.

Current state of direct market practices

- Farmers spend very few financial resources on marketing and advertising, and label and market products in a plethora of ways. Farmers viewed social media as an important, useful, and easy mode of advertising, but felt that it was difficult to measure reach and effectiveness. Farmers described relying on a wide variety of resources for information pertaining to direct marketing, with no one primary information source.
- Most farmers reported wanting to expand their current direct marketing customer base or increase their direct marketing sales.
- Farmers sold via a range of one to seven outlets total, with a mean of 2.8 market outlets across all farmers. Most farmers sold in only one or two market outlets (22% and 37%, respectively), and 93% sold in fewer than five market outlets.
- On-farm sales and farmers markets were the two most common sales outlets; the least common outlets included agritourism, food banks, direct-to-institution sales, direct-to-school sales, and meal kit services.
- The average percent of sales by market outlet showed that of those participating in the market, the greatest percent of sales came from on-farm sales and farmers markets (45% each) followed by CSAs (38%).
- One third of respondents either accepted Fresh Bucks at farmers markets or sold to one of the federal, state, or King County food access programs. Those participating in Fresh Bucks described a strong economic benefit as a result of selling to these programs.

2.1 WHAT ARE FARMERS GROWING AND PRODUCING?

The majority of farmer survey respondents (73%) grew vegetables. The next most commonly produced items were fruit (49%), eggs (43%), meat (33%), and flowers/bedding plants (29%). Dairy, grains, and tree nuts were among the least commonly produced items. See Table 5 below.

TABLE 5. NUMBER AND PERCENT OF FARMS BY PRODUCT CATEGORY GROWN/PRODUCED (N=49)

	N	% of Farms
Vegetables	37	72.5%
Fruit	25	49.0%
Eggs	22	43.1%
Meat	17	33.3%
Flowers/bedding plants	15	29.4%
Poultry	13	25.5%
Nursery starts/plants, seeds	12	23.5%
Honey	11	21.6%
Tree nuts	6	11.8%
Grains	4	7.8%
Milk, cheese, yogurt, or other dairy	3	5.9%
Other	4	7.8%

Table 6 below illustrates the sum of different product categories farmers are producing (i.e., vegetables, fruit, eggs, meat). For example, if a farmer produced just vegetables, this counted as producing 1 product category; if a farmer produced vegetables, eggs, and fruit, this counted as producing 3 product categories. Most farmers (n=31, 61%) reported selling items from fewer than three different product categories.

TABLE 6. NUMBER AND PERCENT OF FARMS BY SUM OF DIFFERENT PRODUCT CATEGORIES PRODUCED BY FARMERS (N=49)

<i>Sum of product categories farmers produce</i>	<i># of farmers N (%)</i>
<i>1 product category</i>	10 (19.6%)
<i>2 product categories</i>	10 (19.6%)
<i>3 product categories</i>	9 (17.7%)
<i>4 product categories</i>	5 (9.8%)
<i>5 product categories</i>	6 (11.8%)
<i>6 product categories</i>	5 (9.8%)
<i>7 product categories</i>	1 (2.0%)
<i>8 product categories</i>	2 (3.9%)
<i>9 product categories</i>	1 (2.0%)

Few farmers reported labelling products or defining their growing or producing strategies as ‘Humanely Raised,’ ‘Certified Organic,’ ‘Certified Naturally Grown,’ ‘Conventional,’ or ‘Salmon Safe.’ See Table 7. However, a majority of farmers (54.9%) reported using an alternative labelling strategy or an alternative definition.

TABLE 7. NUMBER AND PERCENT OF FARMS BY PRODUCT LABELLING AND/OR PRODUCTION PRACTICE CATEGORY (N=51)

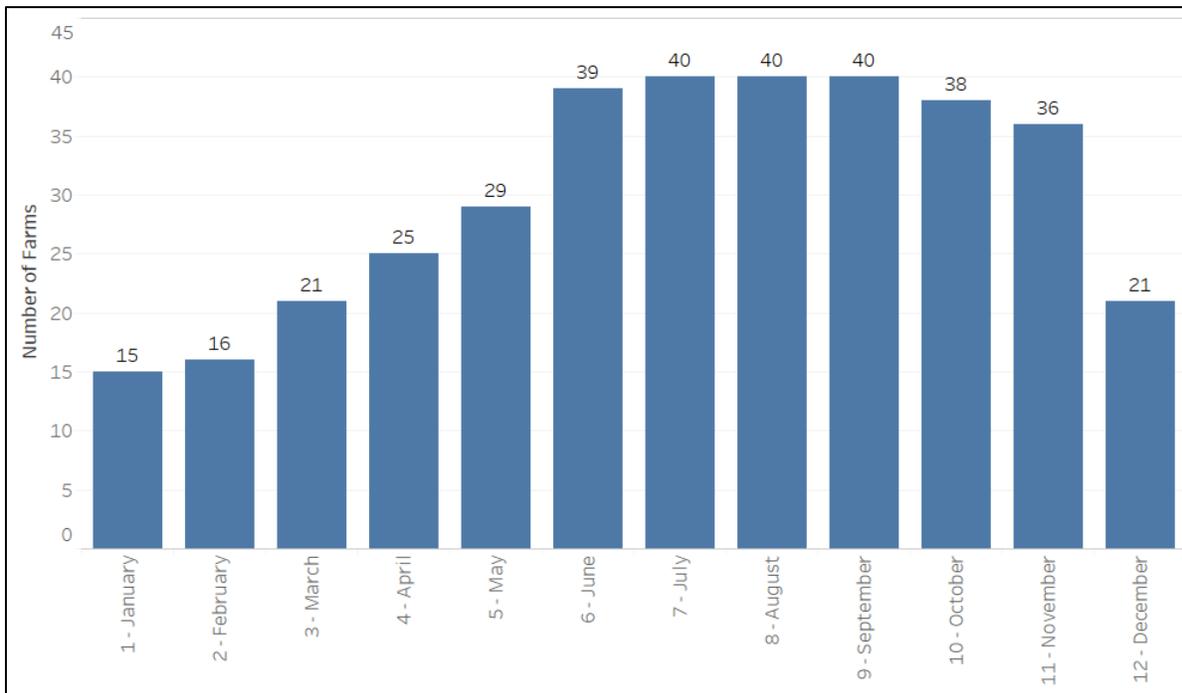
	N	% of Farms
Humanely Raised	9	17.6%
Certified Organic	8	15.7%
Certified Naturally Grown	7	13.7%
Conventional	4	7.8%
Salmon Safe	2	3.9%
Other	28	54.9%

Among the ‘Other’ labelling strategies farmers entered, the most common were some form of ‘organic practices not certified,’ which 13 farmers (25%) described using. Additional labelling strategies included organic methods, local, free range, natural farming, pesticide- and herbicide-free, and eco-farming or earth friendly, among others.

Fifteen farmers (29%) reported producing value-added products, such as yogurt, cheese, pickled vegetables, dried fruits, canned goods, jams, pesto, teas, tinctures, balms, household cleaning products, and prepared foods (e.g., farm-to-table dinners, catering, egg sandwiches, pies).

Many farmers had products to sell in the shoulder and off-seasons in addition to peak harvest season. Figure 2 below illustrates the total number of farms with products to sell each calendar month. Just under 30% of farmers reported having products to sell year-round, with 15 farmers (29%) with products for sale in January, and 40 farmers (78%) with products for sale in July-September, the peak sales months.

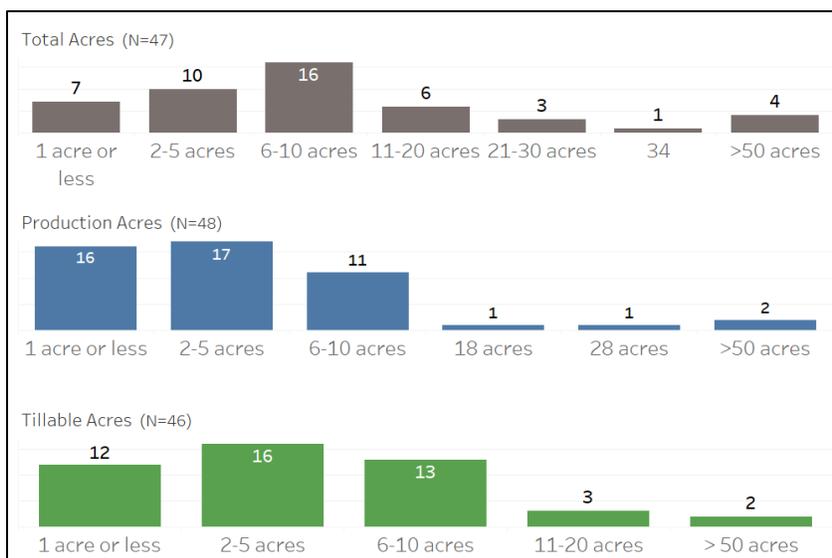
FIGURE 2. NUMBER OF FARMS WITH PRODUCTS TO SELL EACH MONTH (N=51)



2.2. HOW BIG ARE KING COUNTY FARMS WITH RESPECT TO ACREAGE, STAFFING, AND SALES?

A strong majority of the farmer survey respondents are farming on small acreage farms; 70% of farmers (n=33) reported access to a total of 10 acres or fewer, and 89% of farmers (n=41) reported having 10 acres or fewer currently in production. Fifty-seven percent (n=28) reported five or fewer acres in production (Figure 3).

FIGURE 3. NUMBER OF FARMS BY TOTAL ACRES, ACRES IN PRODUCTION, TILLABLE ACRES (N=46-48)



Approximately one-third of farmers (27%) reported 2018 gross sales at \$10,000 or less, one-third (31%) reported gross sales between \$20,000 and \$40,000, and one-third (31%) reported gross sales as \$50,000 or more. Twenty-four percent reported gross annual sales of \$100,000 or more. See Table 8 for a breakdown of farmer-reported 2018 gross sales.

TABLE 8. NUMBER AND PERCENT OF FARMS BY 2018 GROSS SALES ESTIMATES (N=51)

	N	% of Total
\$5,000	9	17.6%
\$10,000	5	9.8%
\$20,000	6	11.8%
\$30,000	4	7.8%
\$40,000	6	11.8%
\$50,000	1	2.0%
\$60,000	2	3.9%
\$90,000	1	2.0%
\$100,000	5	9.8%
\$150,000	1	2.0%
\$200,000	1	2.0%
\$220,000	1	2.0%
\$240,000	1	2.0%
\$280,000	1	2.0%
> \$500,000	2	3.9%
No response	5	9.8%
Grand Total	51	100.0%

Almost 70% of farmer survey respondents reported that their sales had increased over the past five years. Only four farmers (less than 1%) reported that their sales have decreased during this same time (Table 9).

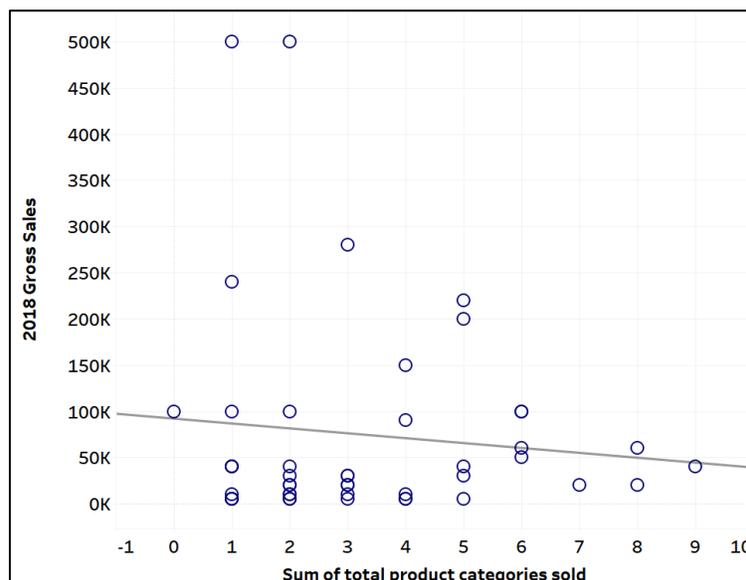
TABLE 9. NUMBER AND % OF FARMS BY REPORTED SALES CHANGES OVER THE PAST 5 YEARS (N=51)

	N	% of Total
My sales have increased a lot	11	21.6%
My sales have increased some	23	45.1%
My sales have not changed	9	17.6%
My sales have decreased some	3	5.9%
My sales have decreased a lot	1	2.0%
No response	4	7.8%
Grand Total	51	100.0%

Respondents who reported increases in sales over the prior five years (n=34) cited a wide variety of reasons, with the most commonly reported reason being improved marketing or other means of growing a good reputation for their farm and its products (n=10). For example, one respondent reported this reason as “More focused effort on online marketing. Developing relationships with customer base.” Other reasons for increased sales included increased crop production or productivity (n=7); improved growing practices or techniques (n=6); growing customer demand (n=5); use of new, more, or strong market outlets (n=4); making changes to prices or products grown (n=4); or improving their farming skill and knowledge through increased experience or training (n=4). Only one respondent mentioned addressing a prior crop disease or the ability to take advantage of new infrastructure (e.g., cold storage). The few respondents reporting sales decreases (n=4) attributed the decreases to personal choices (e.g., downsizing), changes in customer demand, weather, and “county interference.”

The following Figure 4 displays a scatterplot of 2018 gross sales on the Y-axis, and a total count of unique product categories sold on the X-axis. Note that sales trend downward as the total number of products grown/produced increases. This may suggest that gross sales are higher among farmers who specialize.

FIGURE 4. SCATTERPLOT OF 2018 GROSS SALES BY SUM OF PRODUCT CATEGORIES GROWN/RAISED



In the next two tables (10 and 11) we look at mean gross sales and the sum of product categories sold by farmers by whether or not farmers produced and sold any value-added products. Table 10 shows that mean gross sales is significantly higher for farmers who produced and sold a value-added product as compared to farmers who did not.

TABLE 10. MEAN GROSS SALES AMONG FARMERS WHO DO & DO NOT SELL A VALUE-ADDED PRODUCT

	<i>Sells value-added products</i> N=14 Mean (95% CI)	<i>Does not sell value-added products</i> N=25 Mean (95% CI)
<i>Gross 2018 sales</i>	\$131,071* (39,071 , 117,852)	\$49,000* (6,065 , 91,935)

*p<0.05

While farmers who produced and sold a value-added product on average produced a greater variety of products as compared to farmers who do not sell a value-added product (4.12 products vs. 2.96 products, respectively) this difference is not statistically significant (Table 11).

TABLE 11. MEAN NUMBER OF PRODUCT CATEGORIES SOLD AMONG FARMERS WHO DO & DO NOT SELL A VALUE-ADDED PRODUCT

	<i>Sells value-added products</i> N=15 Mean (SD)	<i>Does not sell value-added products</i> N=28 Mean (SD)
<i># of product categories sold</i>	4.12 (2.67)	2.96 (1.48)

To further understand how gross sales varied across farms, we have divided all respondents into two groups: (1) farms with 10 acres or fewer, and (2) farms with more than 10 acres. In the survey we measured total acreage, tillable acres, and acres in production. Table 12 below shows the number of farms that fall into the fewer than 10 vs. more than 10 acres groupings for each acreage measure, as well as the mean gross 2018 sales for that group of farms. Overall, gross farm sales were higher for larger farms and with farms with more tillable acres and more acres in production.

TABLE 12. NUMBER OF FARMS AND MEAN GROSS SALES BY TOTAL FARM ACREAGE

	<i>Acreage ≤10</i> Mean (SD)	<i>Acreage >10</i> Mean (SD)
<i>Total Farm Size</i>	N=30 ¹	N=14
<i>Gross 2018 sales</i>	\$70,000 (107,831)	\$86,785 (133,382)
<i>Tillable Acres</i>	N=38	N=5
<i>Gross 2018 sales</i>	\$71,316 (100,624)	\$119,000 (213,378)
<i>Acres in Production</i>	N=41	N=4
<i>Gross 2018 sales</i>	\$67,195 (97,955)	\$142,500 (238,660)

¹Note that 8 farms listed that they had 10 acres total; these 8 farms are included here.

The majority of farmer survey respondents reported that they accomplished this work with zero full-time or part-time paid employees; 53% of farmers reported no full-time employees, and 49% reported no paid part-time employees. See Tables 13 and 14 below.

TABLE 13. NUMBER AND PERCENT OF FARMS BY TOTAL NUMBERS OF FULL-TIME EMPLOYEES

<i># of full-time employees</i>	<i># of farmers N (%)</i>
0	27 (52.9%)
1	8 (15.7%)
2	2 (4%)
3	3 (6%)
7	1 (1%)
<i>No response</i>	10 (19.6%)

TABLE 14. NUMBER AND PERCENT OF FARMS BY TOTAL NUMBERS OF PART-TIME EMPLOYEES

<i># of part-time employees</i>	<i># of farmers N (%)</i>
0	25 (49.0%)
1	7 (13.7%)
2	4 (7.8%)
3	2 (3.9%)
4	1 (1%)
<i>No response</i>	12 (23.5%)

2.3. HOW ARE FARMERS SPENDING THEIR RESOURCES?

In the survey, farmers were asked to estimate the proportion of their farm spending to each of the following categories:

- Labor (with separate categories for Full Time, Part Time, Self, and Contract)
- Property and maintenance
- Raw materials (e.g. fertilizer and seeds)
- Utilities
- Operational expenses (e.g. storage, fuel, and transportation)
- Accounting/legal/insurance/interest services, and
- Marketing and advertising

A total of 34 survey respondents completed this question. We present average survey respondent answers by category in Table 15. Raw materials (fertilizers, seeds, etc.) was the largest bucket where farmers are spending money, representing on average 26% of total expenditures. Hired labor was the second largest expenditure category at a total of 22% of expenditures (including full-time, part-time, and contract labor), and property and maintenance was the third largest expenditure category at 17% of total

expenditures. Farmers reported spending just 11.8% on their own income. The smallest expenditure categories were “other” and marketing and advertising. See Table 15 below.

TABLE 15. PERCENT OF FARM SPENDING BY EXPENDITURE CATEGORY (N=34)

	<i>Average percent of total expenditures</i>
<i>Raw Materials (Fertilizers, Seeds)</i>	26.1%
<i>Property and Maintenance</i>	17.3%
<i>Full-time employees</i>	12.0%
<i>Proprietor income</i>	11.8%
<i>Part-time employees</i>	6.2%
<i>Operational Expenses (Storage, Transportation, Fuel)</i>	6.2%
<i>Accounting/Legal/Insurance/Interest</i>	6.2%
<i>Utilities</i>	5.6%
<i>Contract Labor</i>	3.8%
<i>Marketing and Advertising</i>	2.5%
<i>Other (Taxes, Corporate Profits)</i>	2.2%

2.4. WHERE ARE FARMERS SELLING THEIR PRODUCTS?

On-farm sales and farmers markets were the two most common sales outlets reported by farmer survey respondents, with 51% of farmers reporting they sold products in each of these outlets. Direct-to-restaurant sales was the next most common sales outlet, with 46% of farmer survey respondents participating. Approximately 30% of farmers participated in CSAs, sold directly to grocers, and/or made wholesale sales. The least common sales outlets included agritourism and food banks (with only 12% of farmers participating in each of these) and direct-to-institution sales, direct-to-school sales, or selling to meal kit services (with only 2% of farmers selling in each market).

In addition to displaying the total number of farmers making sales through each sales outlet, Table 16 shows the average percent of sales that farmers earn from each outlet. For farmers who sold via on-farm sales and at farmers markets, the average percent of all sales coming from each of these venues was 45%. CSAs on average contributed 38% of total farm sales for farmers participating in that outlet. In general, it is interesting to consider high and low participation vs. high and low percent of sales.

TABLE 16. NUMBER AND PERCENT OF FARMS BY PARTICIPATION IN INDIVIDUAL MARKET OUTLETS, AND AVERAGE PERCENT OF SALES FROM EACH OUTLET

<i>Sales outlet</i>	<i># of farmers selling in each outlet N (%)</i>	<i>Average % of sales</i>
<i>On farm sales</i>	21 (51%)	45%
<i>Farmers markets</i>	21 (51%)	44%
<i>Direct-to-schools</i>	1 (2%)	40%
<i>CSAs</i>	13 (32%)	38%
<i>Wholesale</i>	11 (27%)	37%
<i>Direct-to-restaurants</i>	19 (46%)	30%
<i>Direct-to-grocers</i>	12 (29%)	23%
<i>Online sales</i>	10 (24%)	20%
<i>Agritourism</i>	5 (12%)	18%
<i>Meal kits</i>	1 (2%)	9%
<i>Food banks</i>	5 (12%)	6%
<i>Direct-to-institutions</i>	1 (2%)	1%

Most farmers (60%) reported wanting to expand their current direct marketing customer base or increase their direct marketing sales; 10% reported they may be interested in growing and expanding direct marketing sales; and, 29% reported that they were not interested in expanding direct market sales (Table 17).

TABLE 17. NUMBER AND PERCENT OF FARMS BY INTEREST IN DIRECT MARKET EXPANSION

<i>Do you want to expand direct market sales?</i>	<i># of farmers N (%)</i>
<i>Yes</i>	29 (60.4%)
<i>Maybe</i>	5 (10.4%)
<i>No</i>	14 (29.2%)

Table 18 below shows the full data table for all farmer survey respondents who reported their percent of sales for each market outlet, and illustrates market outlet diversification. This table also includes zip code and 2018 gross sales; the table is sorted by zip code then sales. Four farmers did not enter percentages that add to a total of 100; the remaining farmers did report how all sales split across these market outlets. Each row in this table represents one farm.

As shown in Table 18, Farmers sold via a range of one to seven outlets total, with a mean of 2.8 market outlets across all farmers. Most farmers sold in only one or two market outlets (22% and 37%, respectively), and 93% sold in fewer than five market outlets

TABLE 18. PERCENT OF TOTAL SALES FROM EACH MARKET OUTLET FOR EACH FARM, INCLUDING ZIP CODE, AREA, AND TOTAL GROSS 2018 SALES

Zip code	Area descriptor	Annual sales	Agro-tourism	CSAs	Foodbanks	Institutions	Restaurants	Grocers	Schools	Farmers markets	Meal kits	Online sales	On farm sales	Wholesale	Count of outlets	
98014	Carnation	\$20,000		80%											1	
		\$40,000		5%						95%					2	
98019	Duvall	> \$500,000	1%	30%	1%	1%	60%						5%	2%	7	
98022	Enumclaw/ Greenriver	\$5,000											100%		1	
		\$5,000												100%	1	
		\$10,000		50%							50%				2	
		\$20,000									60%			40%	2	
		\$20,000												40%	60%	2
		\$20,000		75%							25%					2
		\$30,000	0%	70%				10%						20%		4
		\$30,000									50%			50%		2
		\$100,000						5%						95%		2
		\$100,000										100%		1		
98024	Fall City	\$10,000		25%										75%	2	
		\$150,000					35%	17%		22%	9%		2%	15%	6	
		\$220,000					40%	5%		40%			1%	14%	5	
98042	Kent	\$5,000											99%		1	
98052	Redmond	\$60,000					100%								1	
		\$200,000	10%	6%			40%			5%					4	
98058	Renton	\$5,000											100%		1	
98070	Vashon Island	\$5,000						65%		5%		35%			3	
		\$10,000								90%		10%			2	
		\$40,000					10%	30%		20%		20%	20%		5	
		\$40,000			10%		15%	30%	40%			5%			5	
		\$50,000	5%				5%					15%	75%		4	
		\$60,000					0.5%	0.5%			18%			81%		2
		\$100,000					5%				45%			50%		3
		\$280,000							1%		90%		8%		1%	4
98072	Woodinville	\$40,000	75%	20%									5%		3	
		\$100,000					100%								1	
98109	Seattle	\$5,000					1%			99%					2	
98134		> \$500,000											100%		1	
98177		\$5,000								90%		10%			2	
98247	Everson	\$20,000		65%	10%										2	
98249	Whidbey	\$90,000		20%			0.5%	8%		32%			0.5%		2	
98272	Monroe	\$30,000			1%		55%			30%			2%	12%	5	
		\$40,000					40%	20%		20%				20%	4	
98328	Eatonville	\$30,000		40%	10%			10%				20%	10%	10%	6	
98367	Port Orchard	\$20,000					45%	5%		25%		25%			4	
98856	Twisp	\$240,000		5%			5%	80%		10%					4	
missing		\$10,000										50%	50%		2	
average % sales			18%	38%	6%	1%	30%	23%	40%	44%	9%	20%	45%	37%		
count			5	13	5	1	19	12	1	21	1	10	21	11		
% of farmers			12%	32%	12%	2%	46%	29%	2%	51%	2%	24%	51%	27%		

2.5. HOW AND WHY DO FARMERS PARTICIPATE IN FOOD ACCESS PROGRAMMING?

In the Food Access Programs section of the survey we asked farmers six questions about selling to food access programs and the benefits of selling to these programs. Food access programs are food benefit programs that expand healthy food access to individuals experiencing material hardship. Examples of food access programs included in this survey are the Supplemental Nutrition Assistance Program (SNAP) which can be utilized via direct sales or at farmers markets; the Women, Infants, and Children (WIC) or Senior Farmers Market Nutrition Program (FMNP) at farmers markets; “boxes or bags” programs which sell healthy food bags or boxes to organizations that distribute them through various channels (e.g., child care settings); Fresh Bucks, which is an incentive-based program for SNAP users at farmers markets; and, Farm to Table, which is a program which gives childcares funding to purchase local fruits and vegetables. These survey questions were designed to enhance understanding of farmer operator experiences with food access programs and identify opportunities for improvement.

Program participation. Seventeen of the 51 farmer survey respondents (33%) either accepted Fresh Bucks at farmers markets or sold to one of the food access programs. At farmers markets, 13 (25%) accepted Fresh Bucks, and seven (14%) accepted WIC or Senior FMNP. Seven (14%) reported selling to a food access program; five sold to the Farm to Table program, and four sold to a Fresh Bucks to Go program (previously the Good Food Bag program). Four respondents (8%) reported accepting SNAP/EBT directly (Table 19).

TABLE 19. NUMBER AND PERCENT OF FARMS BY PARTICIPATION IN FOOD ACCESS PROGRAMS

<i>Program</i>	<i># of farmers N (%)</i>
<i>Fresh Bucks at farmers markets</i>	13 (25%)
<i>WIC at farmers markets</i>	7 (14%)
<i>Senior farmers market nutrition program</i>	7 (14%)
<i>Farm to Table program</i>	5 (10%)
<i>Fresh Bucks to Go</i>	4 (8%)
<i>Accept SNAP/EBT directly</i>	4 (8%)

Among the farmers who reported participating in these programs and accepting the various currencies, there was a mix of small, large, new, and long-time farmers.

Interest in growing participation. A total of 16 farmers (31%) reported that they were interested in accepting SNAP/EBT directly; 12% (n=6) reported interest in selling to the Fresh Bucks to Go program, and 20% (n=10) reported interest in selling to the Farm to Table program (among respondents reporting not already participating in each).

Reasons for participation. Thirteen (of the 17) farmers who accepted Fresh Bucks or sold to these programs completed questions about the programs’ economic benefits. The majority of these 13 farmers described a strong economic benefit as a result of selling to these programs. As a result of accepting Fresh Bucks or selling to these food access programs, of these 13 survey respondents:

- ❖ 100% agreed that they make more money,
- ❖ 85% agreed that they sell more products,

- ❖ 100% agreed that they have more repeat customers,
- ❖ 85% agreed that they have more new customers, and
- ❖ 77% agreed that their customers are more diverse as a result of selling to these programs.

However, few survey respondents (<10%) felt that these programs caused them to hire more employees, increase their acres in production, or grow new foods.

2.6. WHAT ARE FARMERS’ PREFERRED MARKET OUTLETS?

When asked for their “preferred” direct market outlet, across all market outlets, 41 respondents named 10 different markets (see Table 20), indicating that a number of direct markets can benefit King County farmers in different ways. The rationales for the various selections provide insight as to the unique and common perceived benefits.

TABLE 20. FARMERS’ "PREFERRED" DIRECT MARKET OUTLETS (N=41)

Preferred direct market	Perceived benefits
<i>On farm/on site sales, including farm stands, “u-pick,” and on-site farm stores (n=13)</i>	Easy, no need to travel; good prices and no/low expense; offers a good/learning experience for customers that builds relationships and loyalty; good option for selling “excess” produce; a year-round option
<i>Direct-to-restaurants (n=9)</i>	Predictability/guaranteed sales; efficient use of time, no waste (can grow and harvest what farmers know restaurants need); can allow for pre-payment; able to build a relationship with the chef/owner; can be a source for “excess” produce
<i>Farmers markets (n=7)</i>	Good exposure for the farm; can take whatever amount of produce the farm has; is not administratively burdensome; can sell produce at a good price; allows for building relationships with customers and customer loyalty; farmers markets handle promotion
<i>CSA (n=6)</i>	Guaranteed sales and pre-payment; less need for marketing during growing season; no/less waste; allows for interacting with and building relationships with customers; the farm can keep all sales; less distance to travel
<i>Online (n=6)</i>	Less travel; can move higher volume; good price; efficient use of time
<i>Direct-to-retail (n=3)</i>	Good sales; don’t have to manage retailing
<i>Direct-to-school/child care (n=2)</i>	Simplicity; can devote time to farming
<i>Food bank (n=1)</i>	Can sell in advance; can sell cosmetically imperfect produce; able to make healthy food available to people who otherwise could not afford it
<i>Agritourism (farm classes) (n=1)</i>	Good fit for suburban location
<i>Food hub/co-op (n=1)</i>	Unspecified

As shown in Table 21, seventeen respondents reported affiliations or work with a cooperative, food hub, or other entity that collaborates on aggregation, processing, marketing, sales, etc. Most affiliated as members or were able to sell product to or through the organization.

TABLE 21. NUMBER AND PERCENT OF FARMS BY PARTICIPATION/MEMBERSHIP IN A FOOD HUB OR CO-OP (N=51)

	N	% of Total
Yes	17	33.3%
No	31	60.8%
No response	3	5.9%
Grand Total	51	100.0%

Reported affiliations included:

- Snoqualmie Valley Farmers Coop (n=7)
- Farmstand Local Foods (n=5)
- Vashon Fresh (n=4)
- Tilth Alliance Food Hub (e.g., for Good Food Bag Program) (n=3)
- Pacific Coast Harvest (n=3)
- Barn to Door (n=1)
- Puget Sound Food Hub Coop (n=1)
- Growers Association online market place (n=1)
- Members of a cooperative farm stand in Whatcom County (n=1)

2.7. HOW ARE FARMERS ADVERTISING AND MARKETING THEIR PRODUCTS?

Respondents reported advertising their products in a variety of ways, with different forms of social media in the top six most-named advertising methods, as shown in Table 22: 43% reported advertising on Facebook, 37% reported advertising via word of mouth, 35% reported utilizing ‘social media’ more broadly for advertising, 30% reported using their websites, and 28% reported using Instagram.

In follow-up interviews with farmers, we asked farmers to describe their current advertising methods, and talk through how they use social media to market their products. The farmers we interviewed all broadly agreed that the top advertising methods that emerged from the survey reflected their own marketing and advertising strategies. However, a few farmers we spoke with did not use social media and relied most heavily on word of mouth.

Farmers we spoke with viewed social media as an important, useful, and easy mode of advertising, but felt that it was difficult to measure reach and effectiveness. A few farmers who sold to a reliable base of customers felt that they could use social media to advertise and alert their regulars as to when products were ready for purchase; other farmers used social media to post photos and felt that their photos would get many ‘likes,’ but that it didn’t seem to translate into more sales. In follow-up interviews, farmers underscored their desire for effective social media strategies that allowed them to most efficiently use their time.

TABLE 22. NUMBER AND PERCENT OF FARMS BY ADVERTISING METHOD

<i>Advertising method</i>	<i>N</i>	<i>%</i>
<i>Facebook</i>	20	43%
<i>Word of mouth</i>	17	37%
<i>Social media</i>	16	35%
<i>Website</i>	14	30%
<i>Instagram</i>	13	28%
<i>FM</i>	9	20%
<i>Networking</i>	8	17%
<i>Listserv</i>	4	9%
<i>Road signs</i>	4	9%
<i>Member organizations</i>	3	6%
<i>Eatwild.com</i>	2	4%
<i>Farm Guide</i>	2	4%
<i>Radio interview / Podcasts</i>	2	4%
<i>Special events</i>	2	4%
<i>Distributors</i>	1	2%
<i>Etsy</i>	1	2%
<i>Farmstand Local Foods</i>	1	2%
<i>Food banks</i>	1	2%
<i>Food demos</i>	1	2%
<i>Google</i>	1	2%
<i>Grocery branding</i>	1	2%
<i>Local Harvest</i>	1	2%
<i>Newsletter</i>	1	2%
<i>None</i>	1	2%
<i>Print materials</i>	1	2%
<i>Restaurant branding</i>	1	2%
<i>Vashon Fresh</i>	1	2%
<i>Yelp</i>	1	2%

2.8. WHICH RESOURCES DO FARMERS CURRENTLY RELY ON MOST FOR INFORMATION ABOUT SELLING IN DIRECT-TO-CONSUMER MARKET OUTLETS?

In order to understand the current resources farmers were accessing and identify what organizations and partners may be strong partners in providing information to farmers around direct market sales, we asked farmers to report the organizations and agencies they rely on most for information.

Thirty-four respondents reported agencies, organization types, or products as information sources used in relation to direct-to-consumer marketing. Those cited most often included:

- Washington State University, for guidelines and extension services (n=9)
- Washington State Department of Agriculture for its “Green Book” and information about regulations, grants, insurance, and best practices (n=8)
- Other farmers/growers for general tips and advice (n=8)

- Farmers markets, the state farmers market association, and local farmers market groups for information related to selling in markets (n=7)
- Tilth Alliance, for its farm guide and email listserv (n=6)
- Various growers' associations and commissions (e.g., VIGA, Blueberry Commission, Beef Commission, American Pastured Poultry Association) (n=6)
- Growing for Market newsletter for information about trends and tips/advice (n=5)
- Pierce and especially King Conservation Districts (n=5; KCD mentioned by 4 respondents)
- USDA, including the Farm Service Agency, for information about regulations, grants, insurance, and best practices (n=3)

Others information sources mentioned by one to two people each included: King County, Oregon State University, Farm Bureau, Farm Commons, Vashon Fresh, Edible Seattle, eatwild.com, Lonely Produce, Sustainable Connections (classes), SnoValley Tilth, Ventures Nonprofit, Natural Resources Conservation Service, ATTRA Sustainable Agriculture Program, and Three Cow Marketing. One respondent said they don't use any resources due to their small scale.

3. WHAT BENEFITS AND OPPORTUNITIES EXIST IN DIRECT MARKET SALES?

Key Findings:

Community relationships and community benefit, as well as premium prices and price control made up the top farmer-identified benefits of direct marketing. The top five benefits, in this order, were: (1) Building relationships with customers; (2) Positively impacting community health and nutrition; (3) The ability to set prices; (4) A premium price; and tied for (5) Raising awareness about food and farming, and Access to a predictable market.

Marketing, seasonality, and logistics and infrastructure rose to the top of the list for challenges to direct marketing across all farmers. The top five challenges, in this order, were: (1) Marketing to potential customers; (2) Seasonal constraints; (3) Identifying market outlets; (4) Distribution to multiple sites; (5) Washing, packing, and processing facilities.

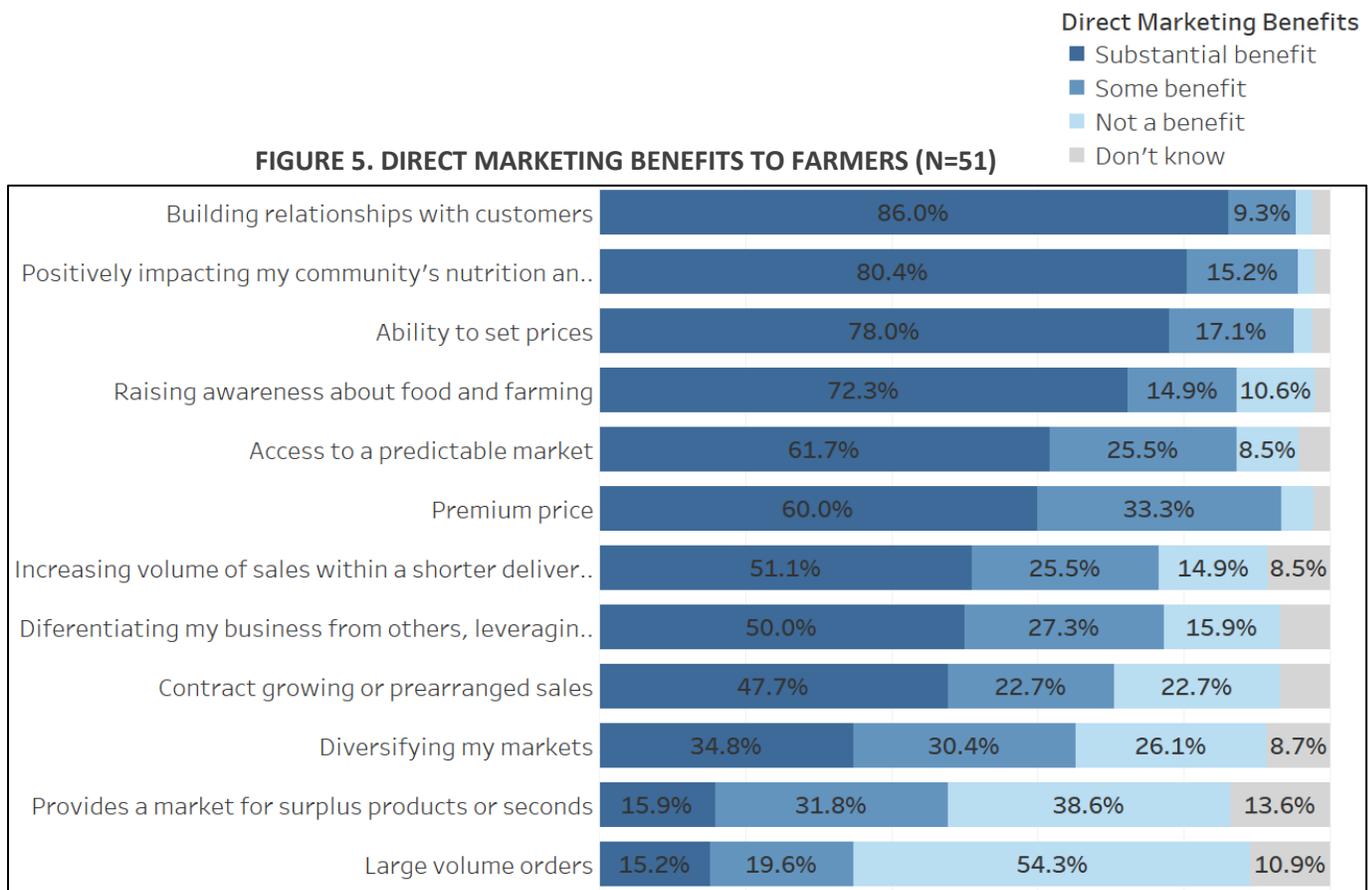
The top desired supports reported most often included help identifying new market outlets and opportunities; marketing and promotional services; food safety, GAP, or FSMA training; consumer education; and value-added product development. Moreover, when asked to report their highest priority desired supports in selling direct-to-consumer markets, farmers most often cited marketing/branding, followed by consumer education, help collecting and managing data about their farm businesses, help directly accepting SNAP/EBT, and help identifying new market outlets and opportunities.

There were interesting differences in direct marketing challenges and desired supports across farmers by years of experiencing farming, farm size, and between farmers raising and selling meat and those not selling meat. Younger, newer farmers experienced more challenges to direct marketing, and expressed more interest in receiving direct marketing support as compared to older, more experienced farmers.

In the survey, farmers were asked to identify the benefits they experience selling in direct market outlets. The top reasons identified, coalesced around two themes: first, social and community benefits, and second, strong prices for their products.

Farmers identified building relationships with customers and positively impacting community health and nutrition as the top two most substantial benefits of direct marketing, with 95% of respondents reporting each as either ‘substantial or ‘some’ benefit. The next two largest benefits identified overall were the ability to set prices, and a premium price available in direct market outlets (reported by 95% and 93% of respondents as either ‘substantial’ or ‘some’ benefit, respectively). Additionally, 87% of respondents saw raising awareness about food and farming as a benefit of direct marketing, and 87% of respondents also felt that direct marketing gave them access to a predicable market.

The volume or orders sold in direct markets and the ability to use direct markets for surplus products or seconds were the least-cited benefits of direct marketing.



3.1. WHAT ARE THE CHALLENGES TO DIRECT MARKET SALES? WHAT SUPPORTS CAN WE OFFER FARMERS TO HELP ADDRESS THESE CHALLENGES?

This section illustrates the current direct marketing challenges experienced by farmer survey respondents, as well as their interest in a variety of supports to address these challenges.

First, we present challenges and desired supports across all farmer survey respondents in Figures 6-7. Then, in order to look at how challenges and desired supports varied by sub-group, we examine challenges and desired supports by farmers/farms in four ways: (1) farm total acreage in production, (2) farmer years of experience farming, (3) farmer age, and (4) whether the farm does or does not sell meat, or poultry (Figures 8-23).

Across all farmers (Figures 6-7). Across all farmers, the number one direct marketing challenge was marketing to potential customers, with 22% reporting this as a ‘substantial challenge,’ and 56% reporting this as ‘some challenge.’ The next most commonly identified challenges were, in this order, seasonal constraints, identifying market outlets, distribution to multiple sites, and washing, packing, and processing facilities, which were all identified by at least 63% of farmers as either a ‘substantial’ or ‘some’ challenge.

Examining just challenges identified as ‘substantial’ challenges, seasonal constraints and affording sufficient staffing were the most severely felt, with approximately 40% of farmers reporting these as ‘substantial challenges.’

The top five desired supports across all farmers—identified by survey respondents as either ‘very interested’ or ‘moderately interested’—included help identifying new market outlets and opportunities (67%); marketing and promotional services (61%); food safety, GAP, and/or FSMA training (61%); consumer education (59%); and value-added product development (57%).

By acreage in production (Figures 8-11). We examined how direct marketing challenges and desired supports varied across farmers with 10 or fewer acres in production (N=47), versus farmers with more than 10 acres in production (N=4). Because only four survey respondents indicated having more than 10 acres in production, the samples are not representative. However, we feel the comparison is still useful. By dividing farms into more than and less than 10 acres, we see that the larger farms reported experiencing substantially fewer direct marketing barriers as compared to the smaller farms, with the majority of larger farms indicating most items as ‘not a challenge.’

Unsurprisingly perhaps, larger farms also reported less interest in the various proposed supports as compared to smaller farms. The exceptions being a desire for processing support and help accepting SNAP/EBT directly at their farm business, with approximately 50% in each group indicating they were either ‘very’ or ‘moderately’ interested in this support.

By years of farming experience (Figures 12-15). Farmers with 10 years of experience farming or fewer (N=28), on average reported experiencing more challenges to direct marketing as compared to farmers with more than 10 years of experience farming (N=21). Large differences existed in the challenges of distribution to multiple sites—82% of newer farmers reported distribution was either a ‘substantial’ or ‘some’ challenge for them, compared to 53% of more experienced farmers who had no challenges with

distribution. In differentiating their businesses from others—70% of newer farmers reported this as a ‘substantial’ or ‘some’ challenge, compared to 41% of more experienced farmers. More than 20 percentage point differences—where at least 20% more of the newer farmers reported ‘substantial’ or ‘some’ challenges as compared to the more experienced farmers—existed for challenges related to washing, packing, and processing facilities; affording sufficient staffing; and identifying strategies to deal with excess products.

Top challenges for more experienced farmers included marketing to potential customers (53% reporting it as a ‘significant challenge,’ 18% as ‘some challenge’), seasonal constraints (41% reporting it as a ‘significant challenge,’ 18% as ‘some challenge’) and affording sufficient staffing (35% reporting it as a ‘significant challenge,’ 12% as ‘some challenge’).

Newer farmers reported more interest overall in potential supports for direct marketing as compared to more experienced farmers. Interest in marketing or promotional services was particularly high among newer farmers, with 57% reporting that they were ‘very interested,’ and 21% reporting that they were ‘moderately interested;’ compared to 14% of more experienced farmers who were ‘very interested,’ and 29% who were ‘moderately interested.’ Interest in help collecting and managing data about their farms was also particularly high among newer farmers; 43% were ‘very interested,’ and 18% were ‘moderately interested,’ as compared to 19% of more experienced farmers who were ‘very interested’ and 23% who were ‘moderately interested.’

There was particularly low interest among more experienced farmers as compared with newer farmers for the following: value-added product development (5% ‘very interested’ vs. 32% ‘very interested’ newer farmers), support utilizing technology in marketing (10% ‘very interested’ vs. 36% ‘very interested’ newer farmers), transportation services (10% ‘very interested’ vs. 32% ‘very interested’ newer farmers), agricultural training and crop planning (10% ‘very interested’ vs. 36% ‘very interested’ newer farmers), support accessing or selling in to the digital marketplace (5% ‘very interested’ vs. 25% ‘very interested’ newer farmers), and provisions of or support in getting liability insurance (5% ‘very interested’ vs. 18% ‘very interested’ newer farmers).

Top desired direct marketing supports among more experienced farmers overall included consumer education (38% ‘very interested,’ 19% ‘somewhat interested’), processing support (29% ‘very interested,’ 24% ‘somewhat interested’), help directly accepting SNAP/EBT (29% ‘very interested,’ 19% ‘somewhat interested’), and help identifying new market outlets (24% ‘very interested,’ 29% ‘somewhat interested’).

By farmer age (Figures 16-19). Farmers age 40 or under (N=18) reported more direct marketing challenges as compared to farmers over the age of 40 (N=27). This is similar to the results examining differences by years of experience farming; likely because farmers aged 40 or under are more likely to have fewer years of experience farming as compared to farmers over the age of 40. However, the differences in both challenges experienced and desired supports are bigger by age as compared to years of experience farming.

By sale of meat or poultry (Figures 20-23). To understand how challenges to direct marketing varied by the products a farmer sold, we divided farmers into two groups: those selling any meat or poultry (N=21),

and those not selling any meat or poultry (N=30). Farmers who sold eggs but no meat are in the no meat group.

The bigger challenges for meat farmers as compared to non-meat farmers included affording sufficient staffing ('substantial challenge' for 50% of meat farmers vs. 33% of non-meat farmers); liability insurance requirements ('substantial challenge' for 29% of meat farmers vs. 14% of non-meat), and lacking information about market requirements ('substantial challenge' for 12% meat farmers vs. none of non-meat farmers). Washing, packing, and processing facilities were also overall a much larger challenge for meat farmers as compared to non-meat farmers, with 79% reporting it as either a 'substantial challenge' or 'moderate challenge,' compared to 50% of non-meat farmers.

The bigger challenges for non-meat farmers as compared to meat farmers included differentiating their business from others ('substantial challenge' for 4% of meat farmers vs. 30% for non-meat farmers), not currently enough money in direct market outlets ('substantial challenge' for 12% of meat farmers vs. 35% of non-meat farmers), and lacking relationships to sell in direct markets ('substantial challenge' for 16% of meat farmers vs. 41% of non-meat).

The particular challenges for meat farmers were additionally brought up in our follow-up interviews with farmers. The number one challenge described by these farmers in interviews was the lack of an accessible USDA-certified meat processing facility. The currently available facilities were described as prohibitively far, expensive, and unreliable, for farmers raising animals in King County to use. The farmers interviewed described a high demand for a facility in this region, and that having access to a facility would allow them to sell their products for higher value and in more locations, something essential to their growth and sustainability.

Top two direct marketing challenges across all farmers. We additionally asked farmers to identify and describe their top two direct marketing challenges. Among the 30 respondents reporting their "top two" constraints in selling direct-to-consumer markets, time (n=8), labor/staffing (n=6), and scale (n=5) were the most commonly reported. Challenges related to time included time for farm management and the time required to go "off farm" to sell products and deal with customers. Challenges related to staffing included finding affordable labor (especially when there was a desire to pay a fair wage and offer benefits) and a lack of affordable housing for farm workers. Challenges relating to scale focused on the difficulty in meeting customer demand without investments in growing the business, such as gaining certifications or securing more or different land. In addition to these three themes, a number of reported top constraints related to various aspects of selling at farmers markets (n=7), such as getting into a "good" farmers market ("getting into a popular Seattle market can make or break a small farm business"), dealing with an unpredictable number of market customers, competition at farmers markets with large produce wholesalers, and the time and logistics involved in preparing for, traveling to, setting up at, and staying to sell produce at the market. In addition to these, a wide variety of other constraints were prioritized by respondents that didn't coalesce into common themes, illustrating the heterogeneity of the farmers' experiences.

Deep-dive into direct marketing challenges. In follow-up interviews with farmers, we asked farmers to expand on these top most commonly experienced challenges, and discuss what those challenges looked like for them, and the potential support they could envision to help mitigate these challenges.

In describing what makes **marketing to potential customers** a challenge, farmers described how farming is all about efficiencies—they need to know that how they spend their time is effective and that it will produce the outcomes they need. However, when it comes to marketing, farmers described not knowing what works or how to be efficient in their marketing, and not having metrics or measures to show them that investing X amount of time and money into a website or social media strategy, will result in Y amount of sales. Farmers described wanting support on identifying how to brand themselves and draw customers in and knowing which marketing strategies were the most effective for reaching customers and increasing sales. Most farmers felt that social media was easy to use, which made it more attractive than maintaining a website, but that it was hard to know how to most effectively use it, or even how effective it is as a marketing strategy. Word of mouth also prevailed as a widely used marketing strategy; most farmers also felt that their farm’s location was crucial, and their ability to bring customers to their farm or draw them to their farm stand helped make easy sales.

Farmers discussed how **seasonal constraints** were generally more challenging with fruit and vegetables as compared to meats, and that it is a challenge to know how to take the step to have your farm producing year-round. Farmers described substantial costs associated with producing year-round, such as costs for heated greenhouses. The other challenge related to seasonality farmers described, was the challenge of communicating to customers the concept of seasonality and eating in-season.

Challenges related to **identifying market outlets** primarily centered on how to get in to different market outlets, and what steps to take to establish the necessary relationships, or meet the necessary requirements, to be able to sell through various outlets.

See Figures 6-23 below for the complete comparisons and illustrations of direct marketing challenges and desired supports in the full sample of farmer survey respondents and by sub-group.



DIRECT MARKETING CHALLENGES AND DESIRED SUPPORT ACROSS ALL FARMERS

FIGURE 6. CHALLENGES ACROSS ALL FARMER SURVEY RESPONDENTS (N=51)

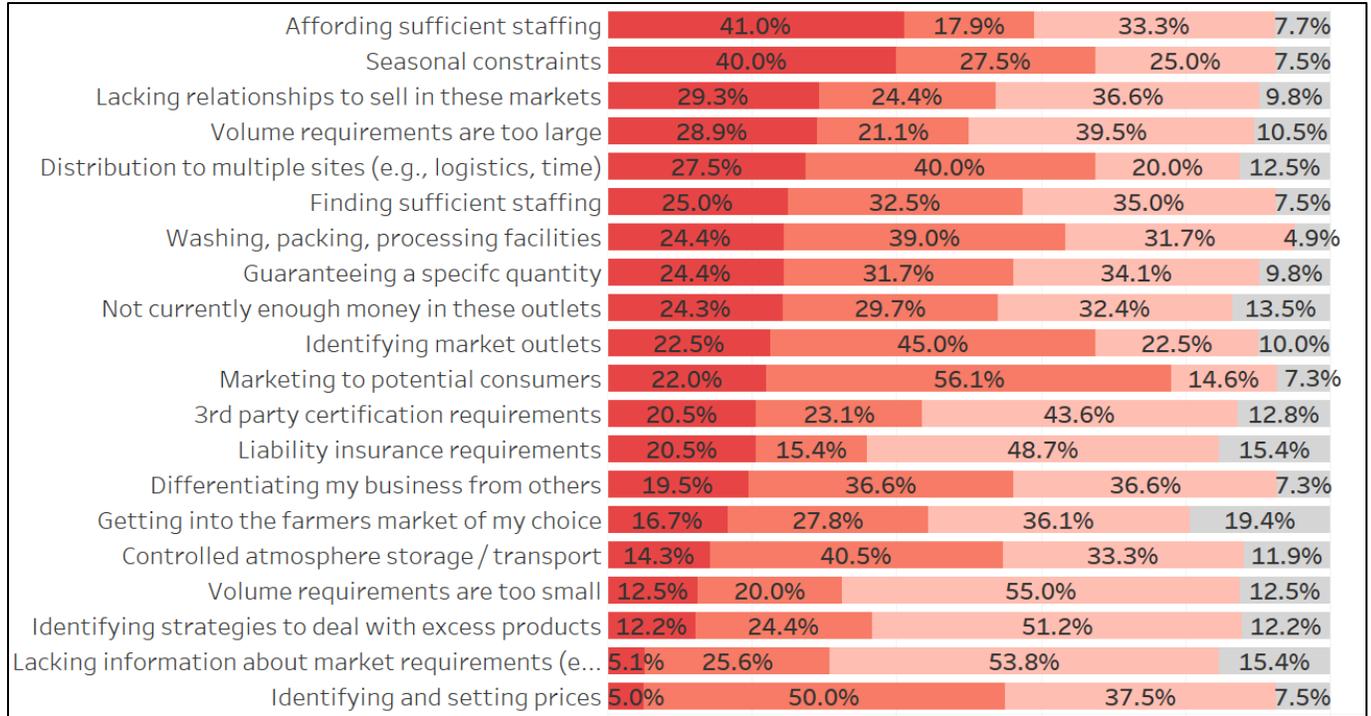
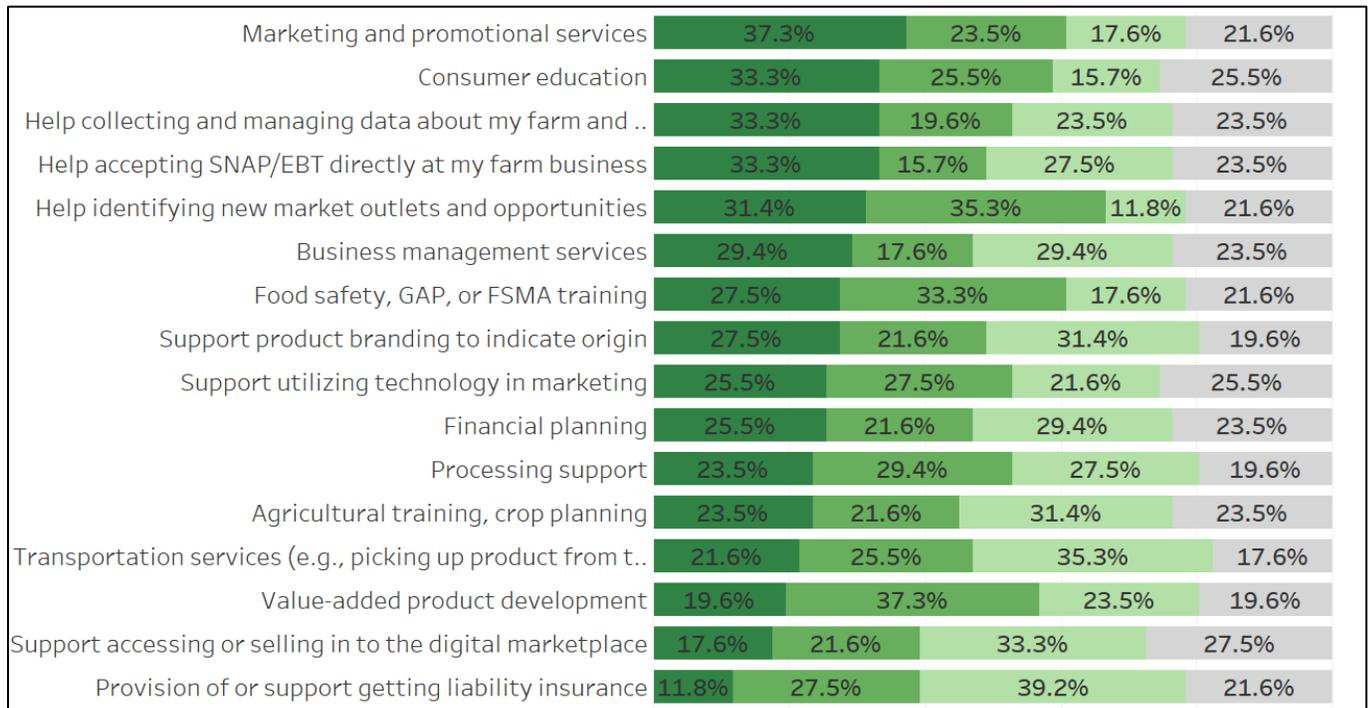


FIGURE 7. DESIRED SUPPORT ACROSS ALL FARMER SURVEY RESPONDENTS (N=51)



- Substantial challenge
- Some challenge
- Not a challenge
- Don't know

DIRECT MARKETING CHALLENGES AMONG FARMERS BY ACREAGE IN PRODUCTION

FIGURE 8. CHALLENGES AMONG FARMERS WITH FARMS WITH ≤10 ACRES IN PRODUCTION (N=47)

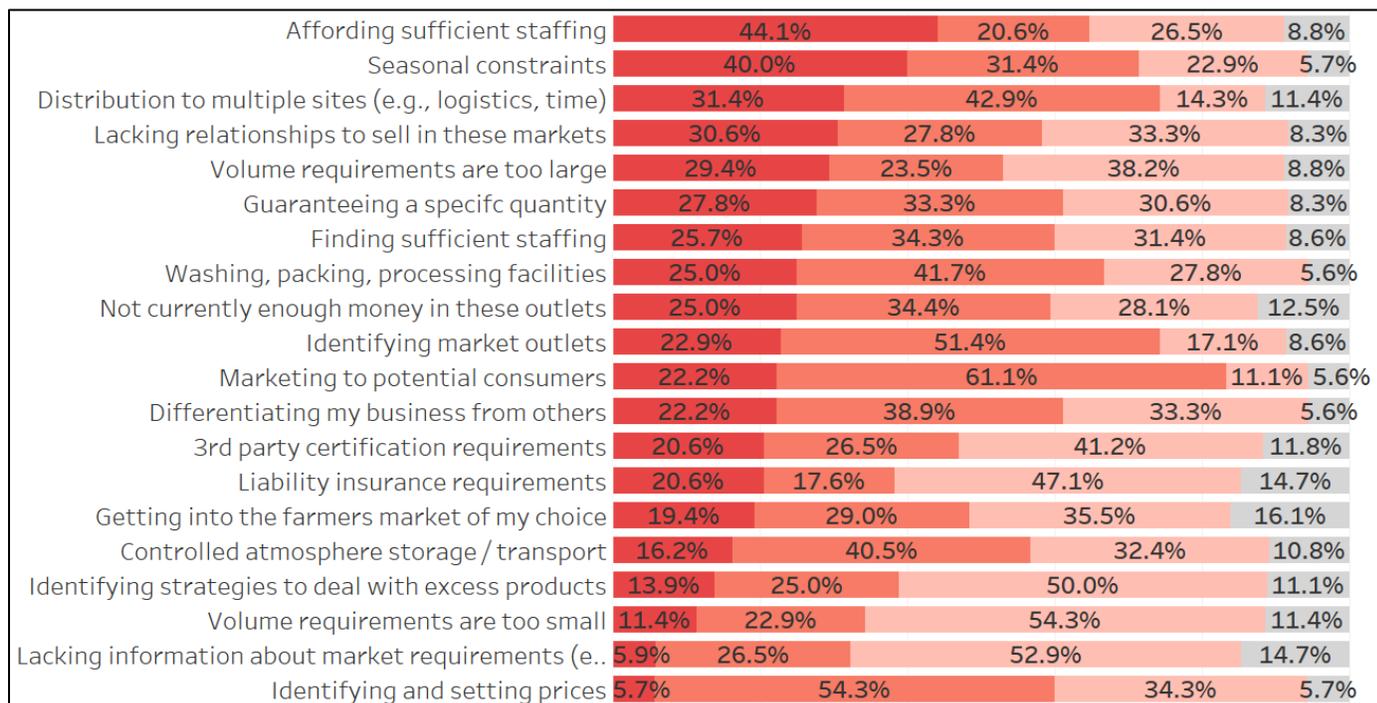
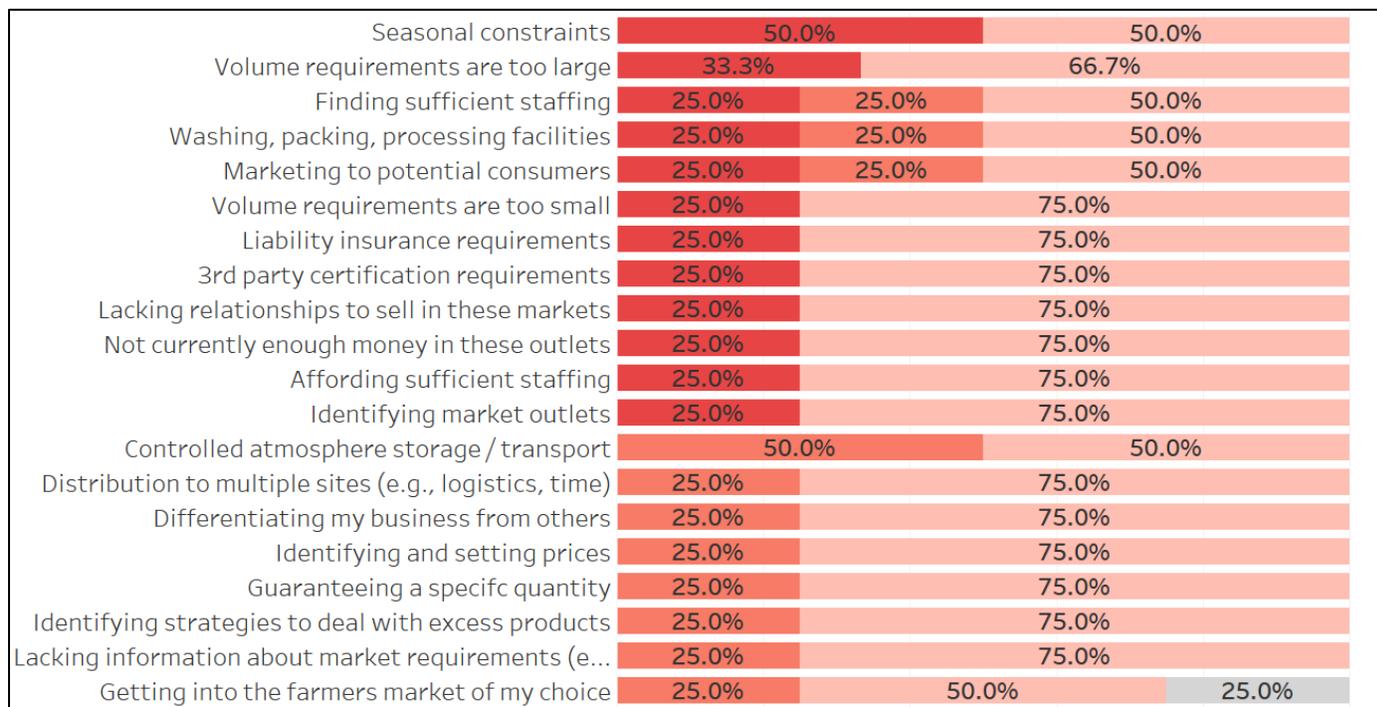


FIGURE 9. CHALLENGES AMONG FARMERS WITH FARMS WITH >10 ACRES IN PRODUCTION (N=4)



- Very interested
- Moderately interested
- Not at all interested
- No response

DIRECT MARKETING DESIRED SUPPORTS AMONG FARMERS BY ACREAGE IN PRODUCTION

FIGURE 10. DESIRED SUPPORT AMONG FARMERS WITH ≤10 ACRES IN PRODUCTION (N=47)

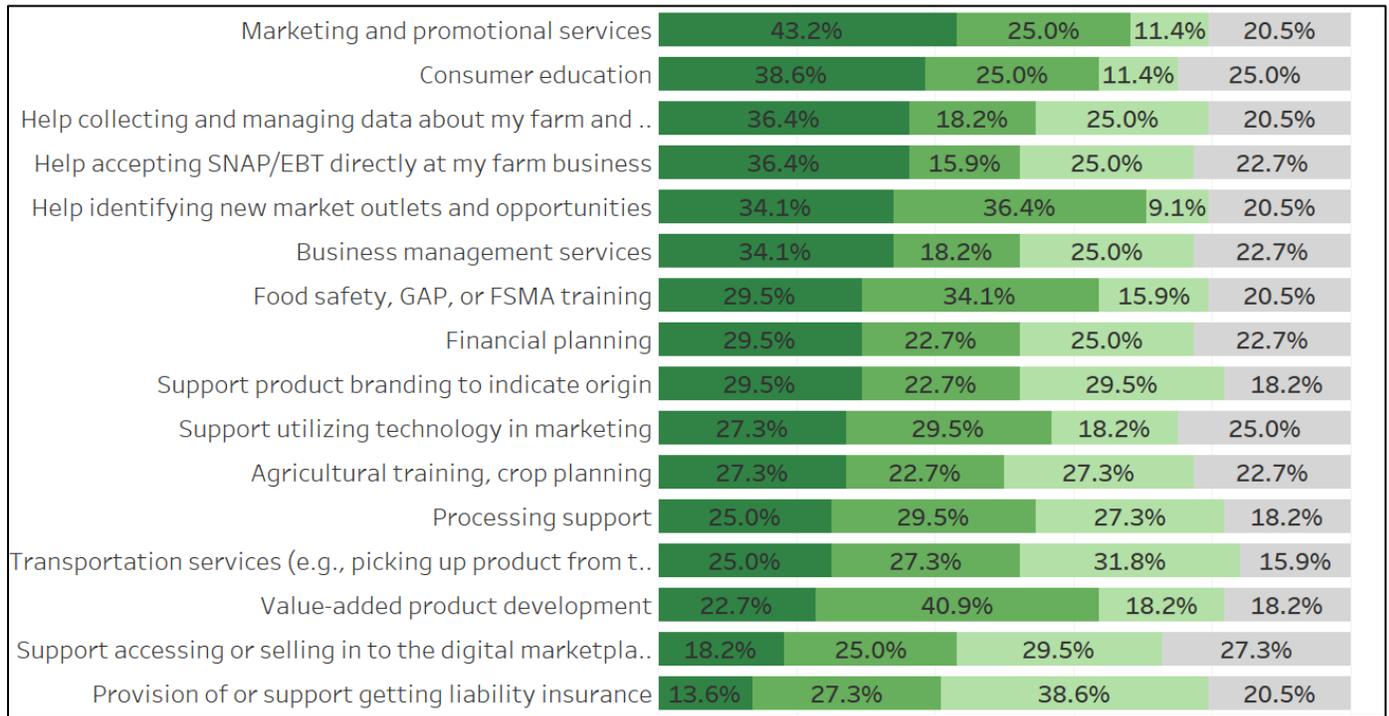
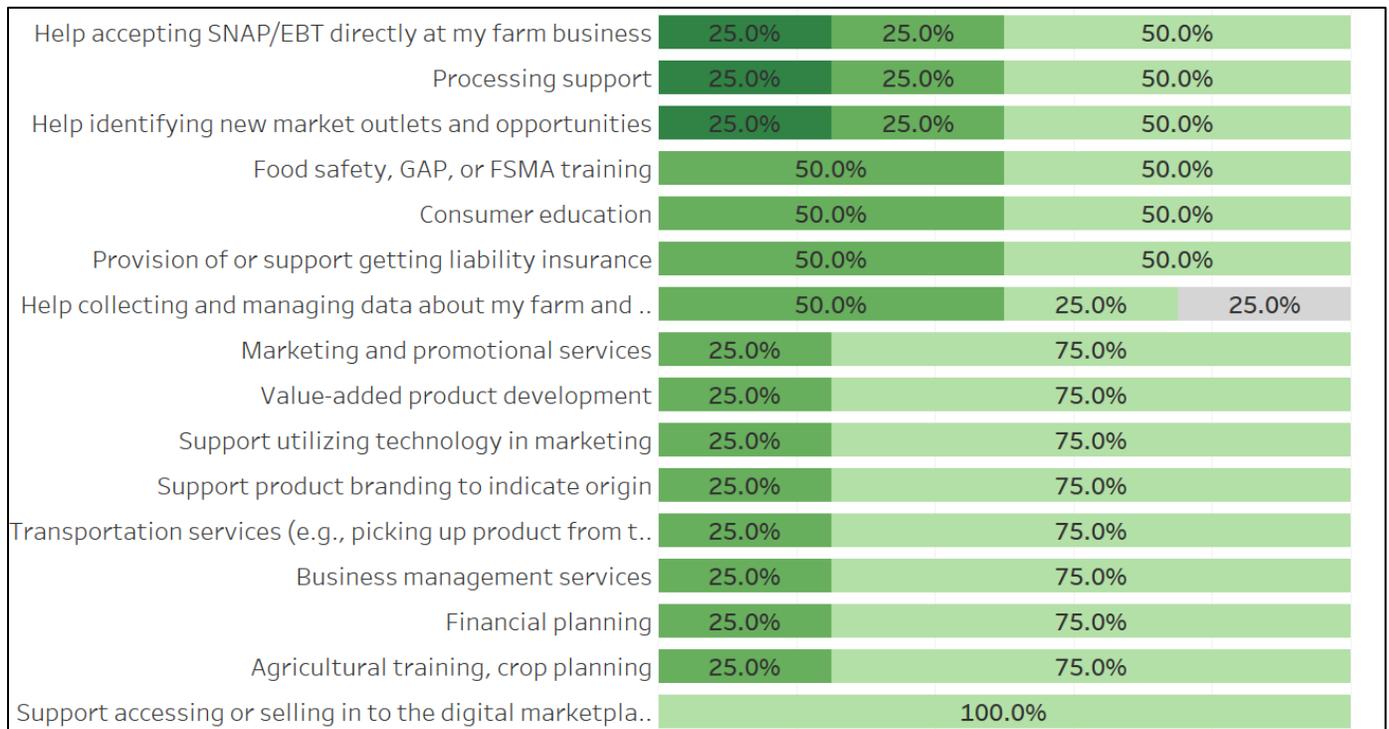


FIGURE 11. DESIRED SUPPORT AMONG FARMERS WITH >10 ACRES IN PRODUCTION (N=4)



- Substantial challenge
- Some challenge
- Not a challenge
- Don't know

DIRECT MARKETING CHALLENGES AMONG FARMERS BY YEARS OF EXPERIENCE IN FARMING

FIGURE 12. CHALLENGES FOR FARMERS WITH ≤10 YEARS OF EXPERIENCE (N=28)

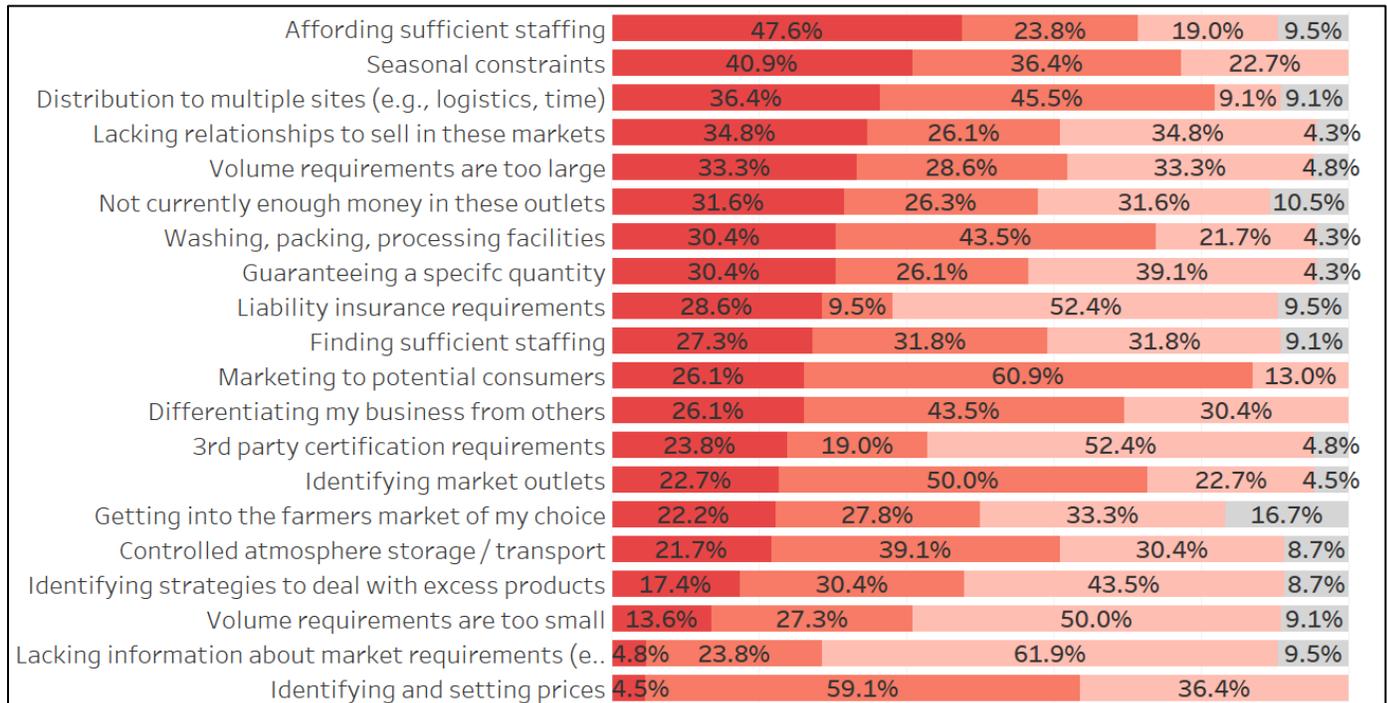
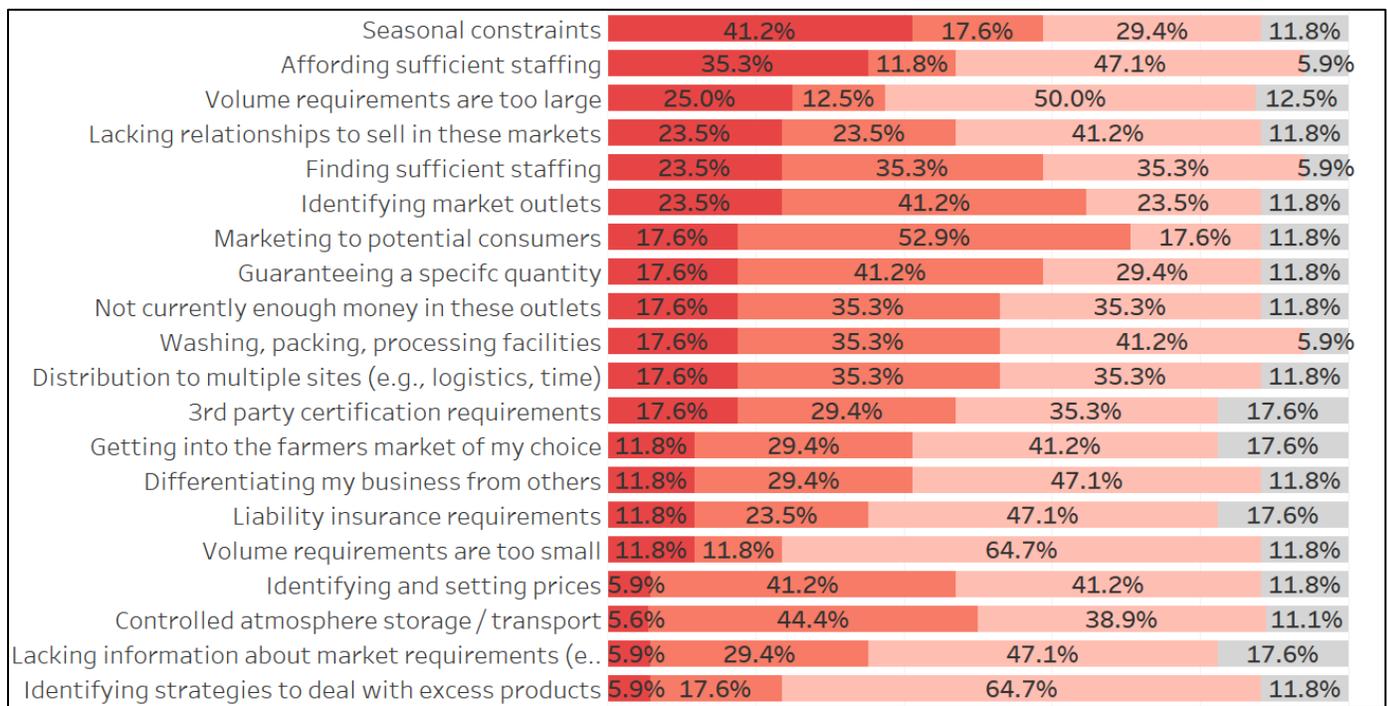


FIGURE 13. CHALLENGES FOR FARMERS WITH >10 YEARS OF EXPERIENCE (N=21)



- Very interested
- Moderately interested
- Not at all interested
- No response

DIRECT MARKETING DESIRED SUPPORTS AMONG FARMERS BY YEARS OF EXPERIENCE IN FARMING

FIGURE 14. DESIRED SUPPORTS FOR FARMERS WITH ≤10 YEARS OF EXPERIENCE (N=28)

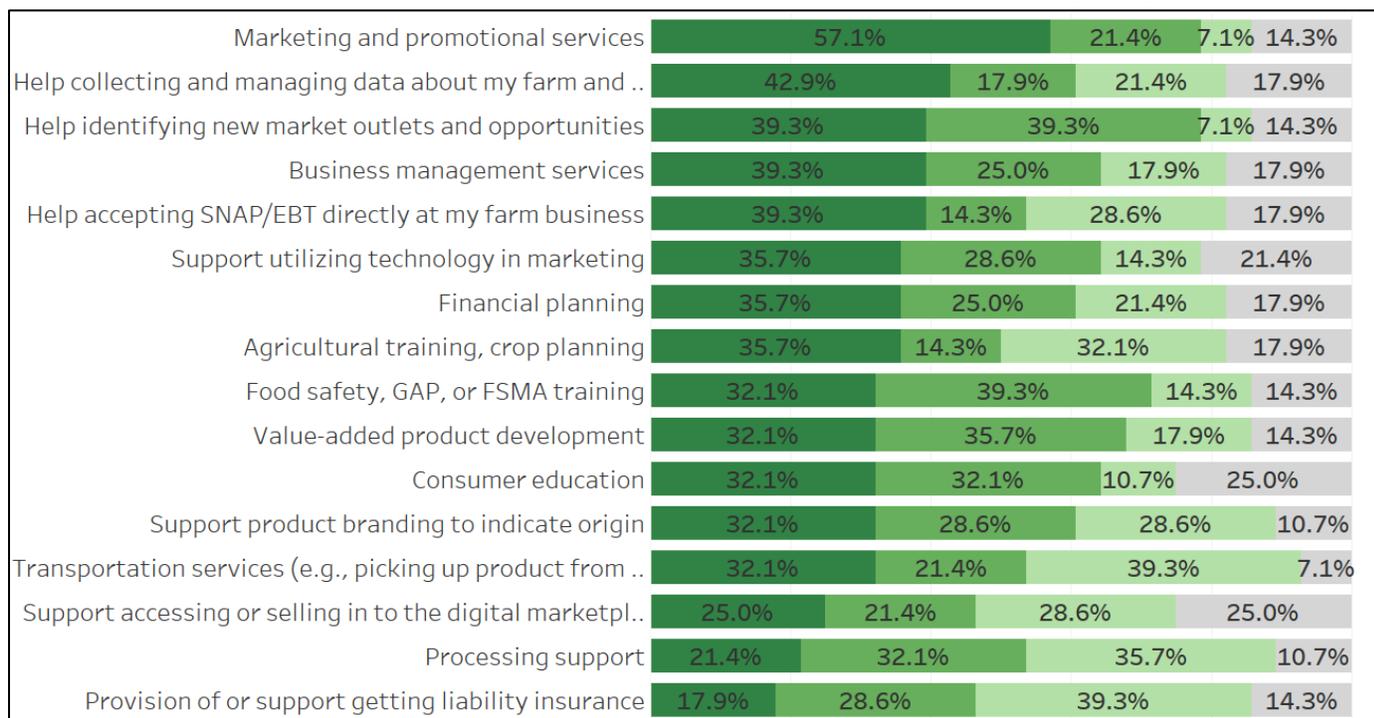
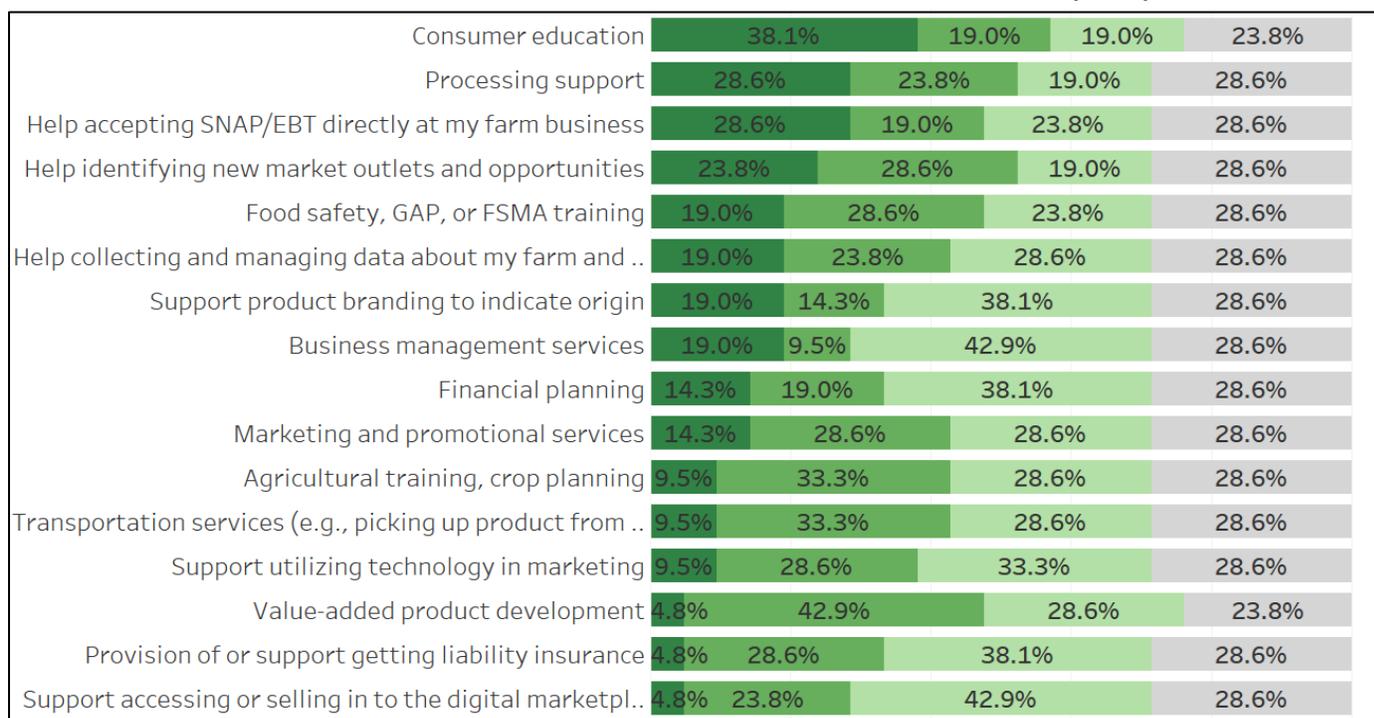


FIGURE 15. DESIRED SUPPORTS FOR FARMERS WITH >10 YEARS OF EXPERIENCE (N=21)



- Substantial challenge
- Some challenge
- Not a challenge
- Don't know

DIRECT MARKETING CHALLENGES AMONG FARMERS BY FARMER AGE

FIGURE 16. CHALLENGES FOR FARMERS AGE 40 OR UNDER (N=18)

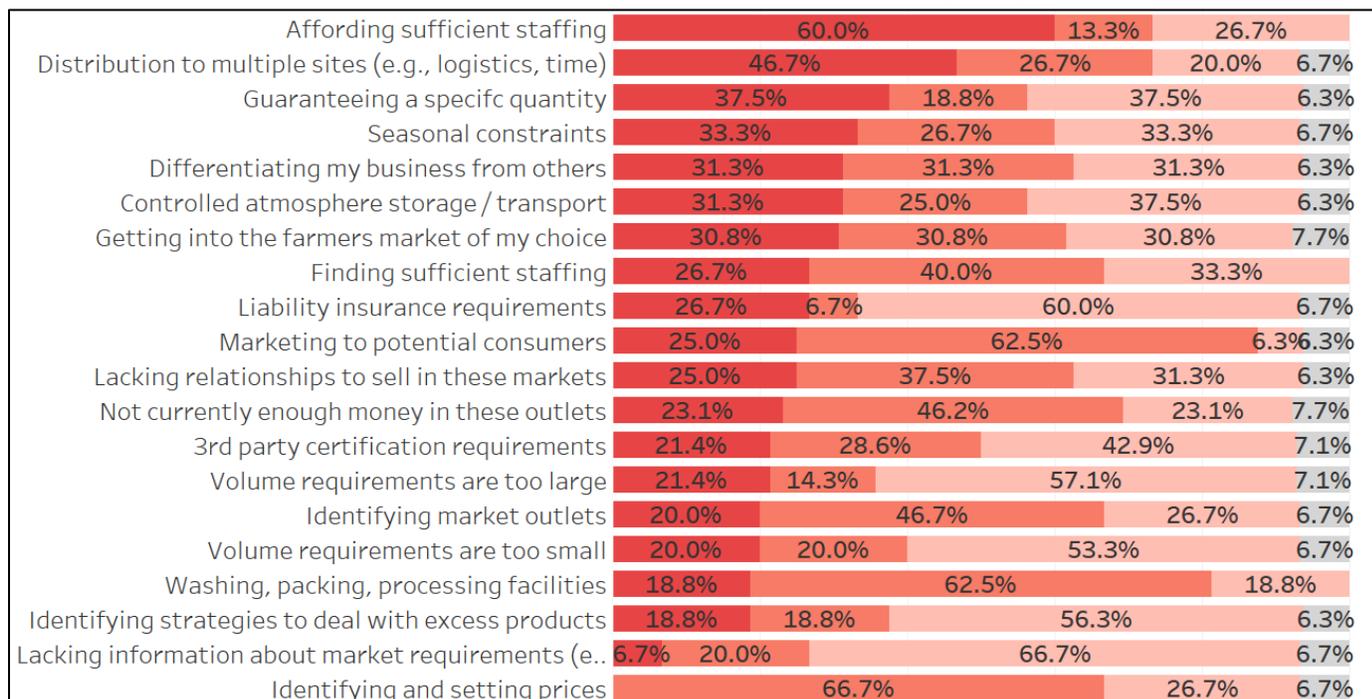
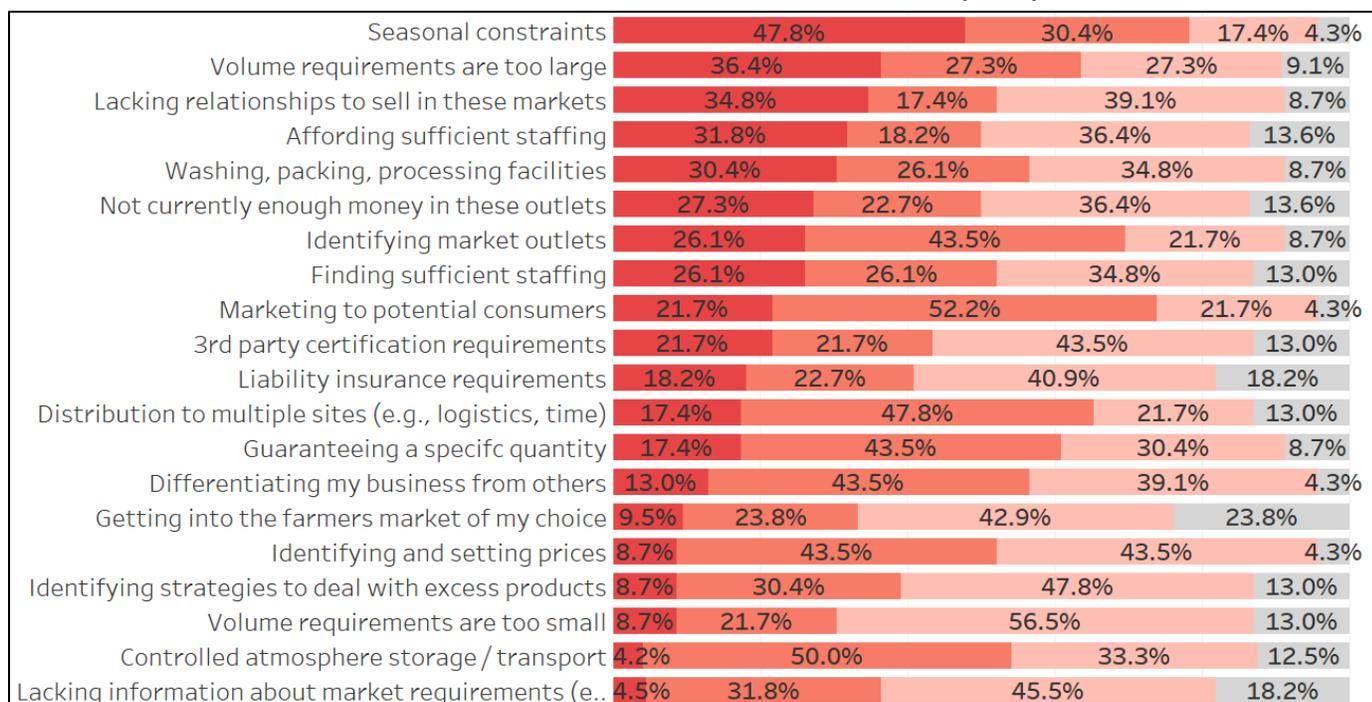


FIGURE 17. CHALLENGES FOR FARMERS OVER THE AGE OF 40 (N=27)



- Very interested
- Moderately interested
- Not at all interested
- No response

DIRECT MARKETING DESIRED SUPPORT AMONG FARMERS BY FARMER AGE

FIGURE 18. DESIRED SUPPORTS FOR FARMERS AGE 40 OR UNDER (N=18)

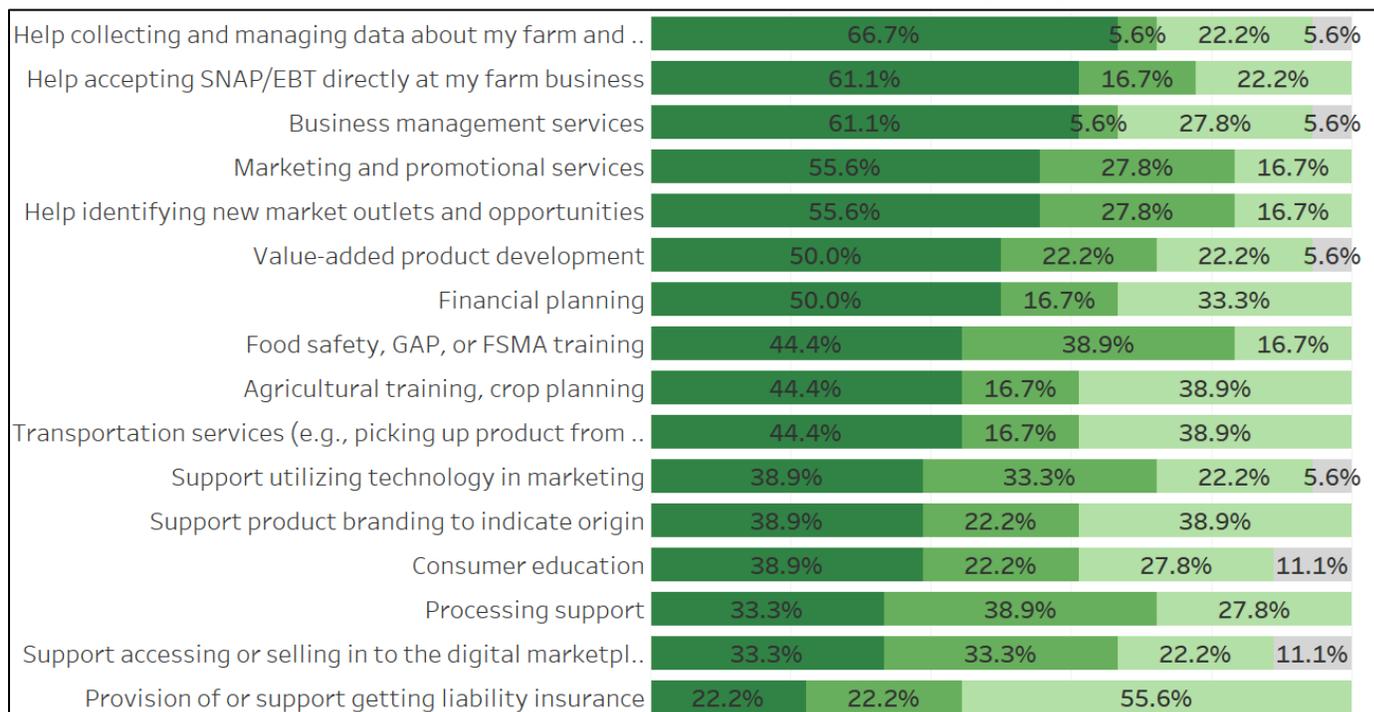
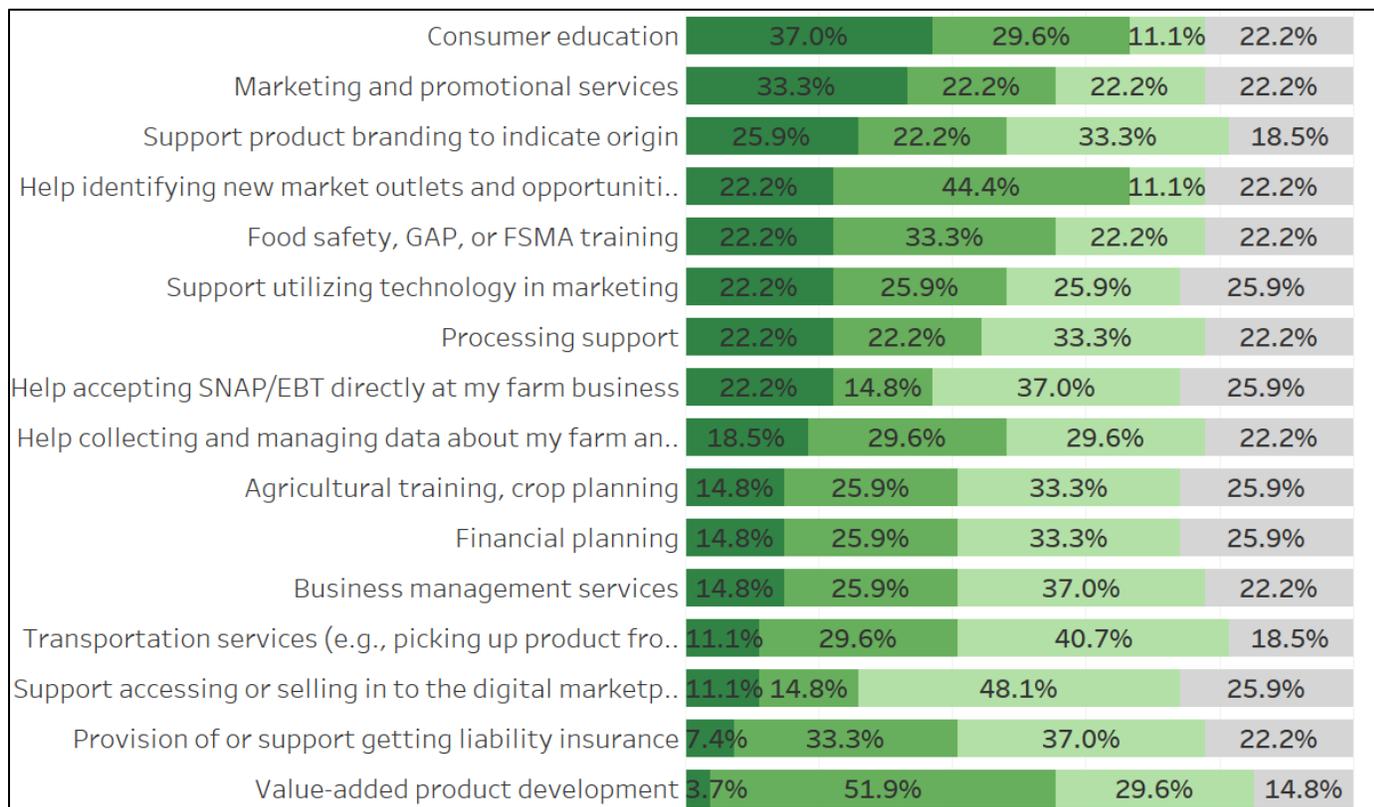
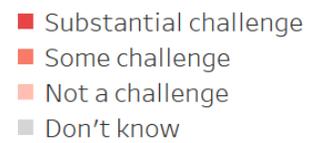


FIGURE 19. DESIRED SUPPORTS FOR FARMERS OVER THE AGE OF 40 (N=27)





DIRECT MARKETING CHALLENGES AMONG FARMERS BY WHETHER OR NOT THE FARM SELLS MEAT OR POULTRY

FIGURE 20. CHALLENGES FOR FARMERS WHO DO NOT SELL MEAT OR POULTRY (N=30)

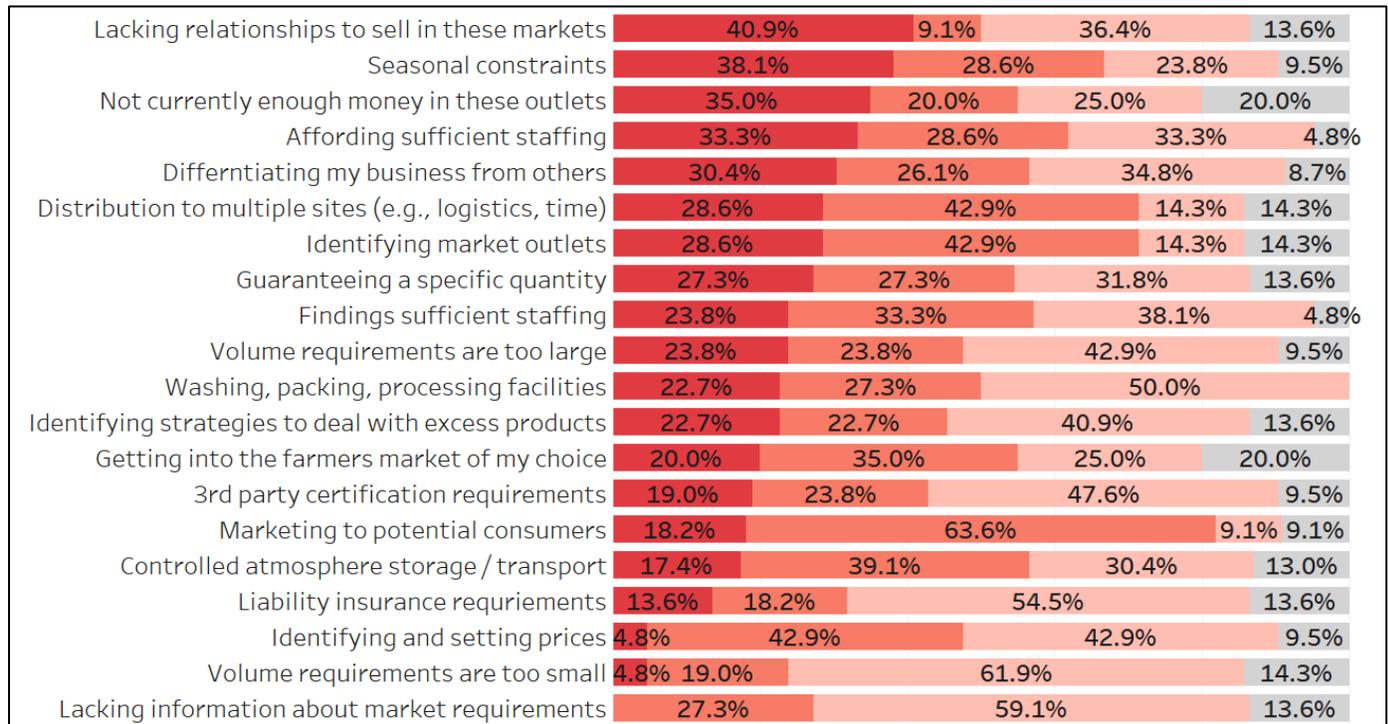
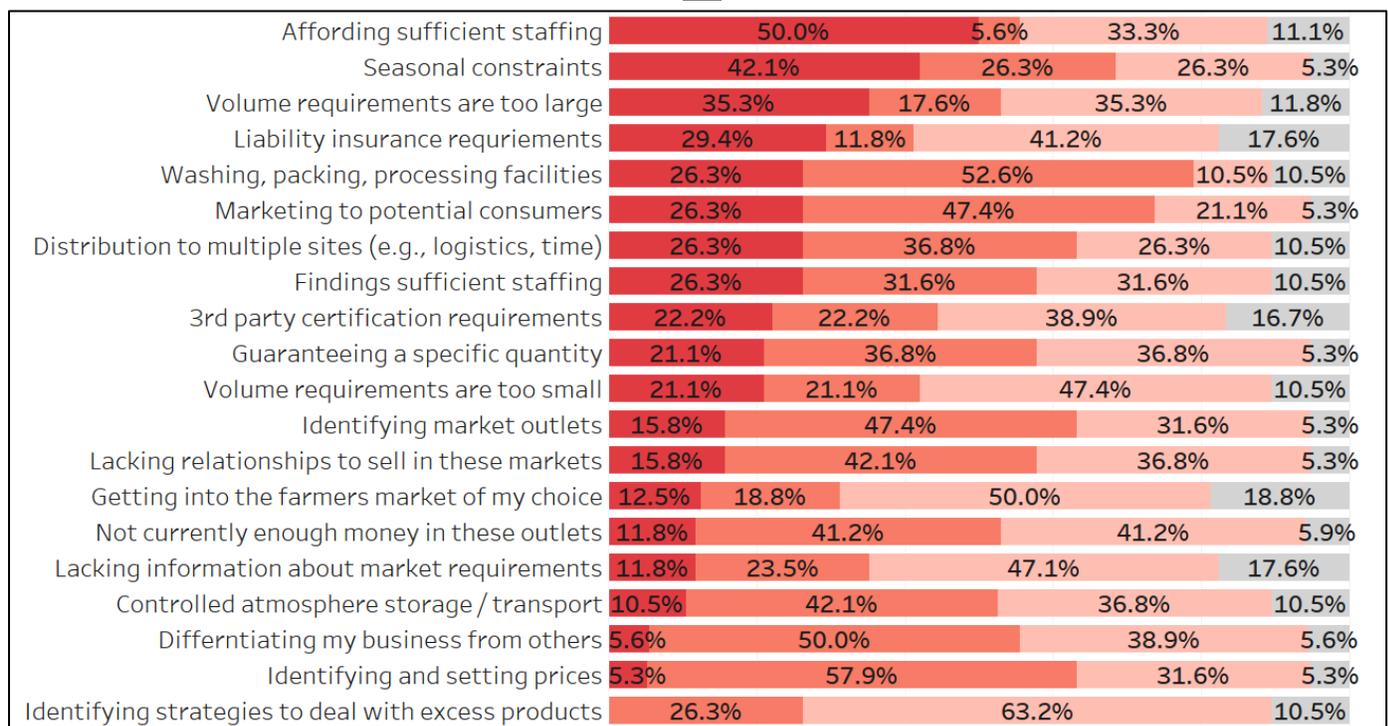
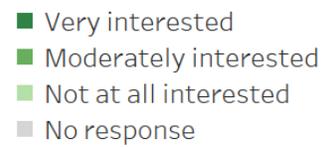


FIGURE 21. CHALLENGES FOR FARMERS WHO DO SELL MEAT OR POULTRY (N=21)





DIRECT MARKETING DESIRED SUPPORT AMONG FARMERS BY WHETHER OR NOT THE FARM SELLS MEAT OR POULTRY

FIGURE 22. DESIRED SUPPORT FOR FARMERS WHO DON'T SELL MEAT OR POULTRY (N=30)

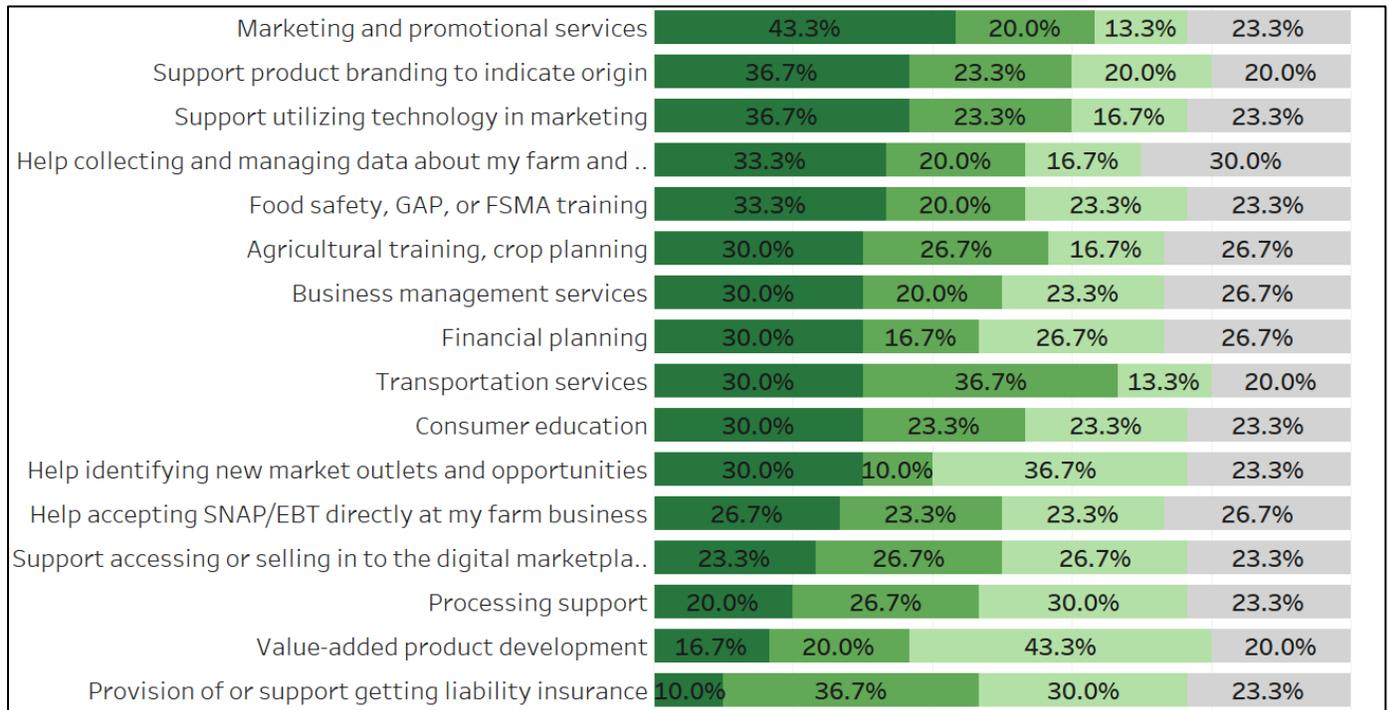
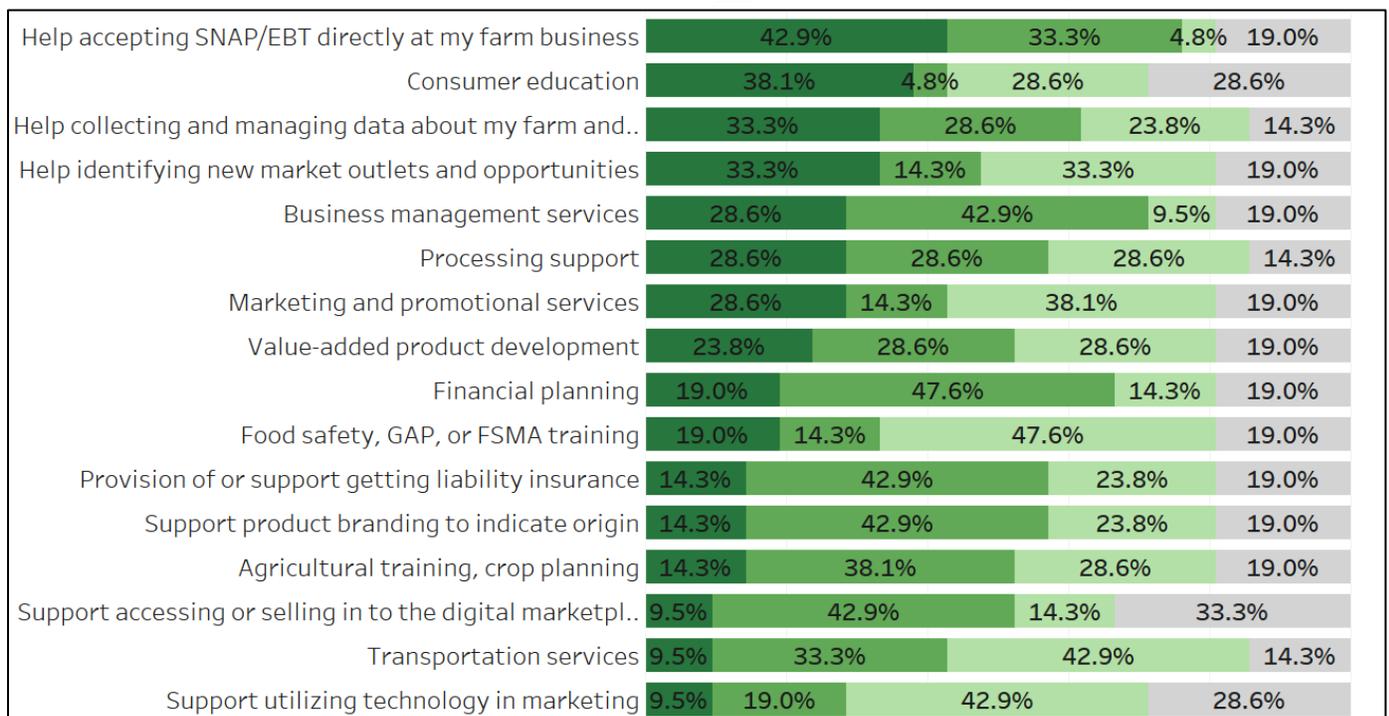


FIGURE 23. DESIRED SUPPORT FOR FARMERS WHO DO SELL MEAT OR POULTRY (N=30)



3.2. WHAT ARE FARMERS' TOP DESIRED SUPPORTS?

In open-ended survey questions, some respondents added specificity to several types of supports asked about on the survey, including the need for processing support in the form of a mobile slaughter unit; coordinated pick up sites and transportation for wholesale sales; and training or support specifically related to business management, specific crops, food safety, and “enterprise budget information” (e.g., how to price a product). Farmers additionally identified and described other direct marketing desired supports not included in the above figures. Of the desired supports farmers listed, the supports vary from squarely direct marketing supports, to more general items farmers need:

- Infrastructure (generally unspecified, but one respondent mentioned a desire for physical aggregation infrastructure to go with Vashon Island’s online aggregation)
- Grant-writing services
- Grants to open farm stands
- Developing regional food systems in rural/developing areas
- Farm worker connections
- Land purchasing assistance
- Zoning to allow small homes on farms
- Design support for logos/websites
- Clarity about on-farm sales
- Co-op organizations
- Farm subsidies
- CSAs for low-income populations

In the survey we additionally asked respondents to list, of all potential supports, what would be their **top two desired supports**? Twenty-three respondents specified their “top two” desired supports. The most commonly desired supports related to marketing/branding (n=7) (i.e., “regional branding,” “marketing/promotion of local, whole foods,” “design support”) followed by consumer education (n=6) and transportation (n=6). Other prioritized supports included business/financial planning and management (e.g., “enterprise budgeting”) (n=4), training on topics such as GAPs, food safety, and crop planning (n=4), and infrastructure—especially processing, but also storage and aggregation more generally (n=4). In addition, a number of other priority supports were mentioned by just one or two respondents, including identifying new markets, accepting SNAP, and assistance with insurance and licensing. One respondent referred to allowing homes on farms, and three suggested support that could be related to multiple topics: “mentoring,” “grants and subsidies, and an “active extension service.”

In interviews with farmers, farmers identified several key areas of need and potential support, including: the need for a USDA-certified meat processing facility, support securing affordable housing for farm laborers, funding and resources to support building heated greenhouses to allow for year-round growing, networking opportunities between farmers and buyers (i.e., institutional buyers, and retail and restaurant buyers) as well as networking opportunities between farmers and regional resource-providers (e.g., funders, marketing workshops), support identifying and implementing effective and efficient marketing strategies, and support for more co-operative ventures, such as a milk co-op, hubs to support farmers to

collectively sell products to larger buyers that they wouldn't have access to otherwise due to limited quantities, shared cold storage, and shared bottling or processing facilities to support value-added product development and sales.

3.3. WHAT COMPETITIVE CHALLENGES DO FARMERS CURRENTLY FACE?

In the survey we asked farmers to describe the effect of 'new' types of competitors to their sales. The majority of respondents felt that these newer direct marketing businesses, including grocery delivery services, national produce aggregators, meal kit delivery services, and online ordering platforms, had no impact to their sales. Of these new business types, farmer respondents felt least affected by online ordering platforms (with 24% reporting a negative impact to their sales), and most affected by grocery delivery services (with 36% of farmers reporting a negative impact to their sales).

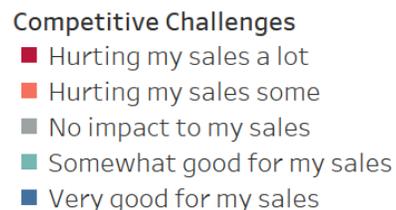
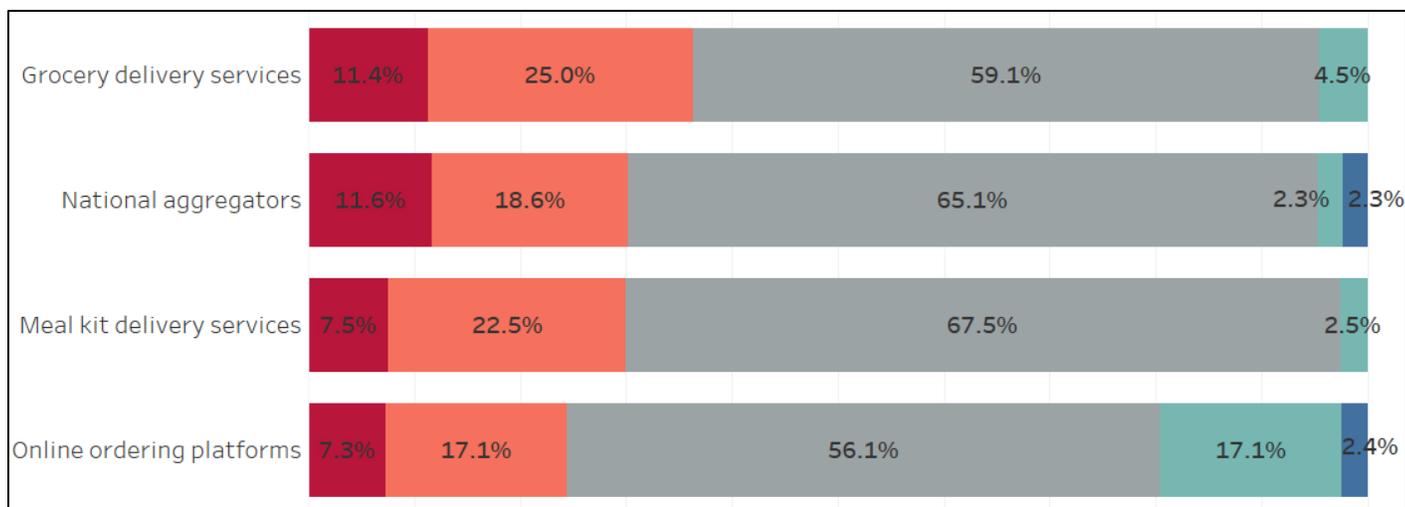


FIGURE 24. CURRENT COMPETITION WITH "NEW" FOOD PURCHASING MODELS



In open-ended survey questions, fourteen respondents who indicated that one or more of the business models hurts their sales described the harm as resulting in two primary ways. First, these newer models offer conveniences – especially through delivery (but also lower pricing and convenient portion sizes and packaging in some cases) that has become a customer expectation that small farms can't often offer. Secondly, respondents described the business as "corrupting the system" and customers' relationship to food. For example, one respondent said, "As people are able to order anything they want any time of year and have it delivered to their door, they seem to forget local seasonality and the importance of their community economies." Another said, "This is just another way for more folks to pretend they are supporting the local food movement without having to lift a finger." And a third said, "Large businesses that sell food home delivery style are not selling food for the correct value of what it's worth to produce. False pricing, not locally sourced, and freshness quality lacks."

Of the eight respondents who indicated that one or more of the business are somewhat or very good for their sales, several referenced specific online sales platforms (e.g., Vashon Fresh, localharvest.org, and Amazon). One mentioned that online sales platforms “generate sales but charges and delivery take a cut.” Another mentioned that “aggregators like Pacific Coast Harvest are great for our sales.”

4. DIRECT-TO-INSTITUTION AND DIRECT-TO-RETAIL RESULTS

Although the focus and purpose of this project, as part of the direct marketing strategic initiative, was to understand direct-to-consumer marketing, in the King County farmer survey we additionally asked farmers to identify the benefits and challenges of selling (a) direct-to-institutions and (b) direct-to-retail and/or restaurants.

The top-identified benefits and challenge for both institution and retail/restaurant sales somewhat differed from the top benefits and challenges of direct-to-consumer marketing sales. Figures 25 and 26 below illustrate the direct-to-institution results, and Figures 27 and 28 illustrate the direct-to-retail/restaurant results.

Direct-to-institutions. The top five farmer-identified benefits of direct-to-institution sales included positively impacting my community’s health, diversifying my markets, large volume orders, access to a predictable market, and contract or prearranged sales (Figure 25).

The top five farmer-identified challenges to direct-to-institution sales included lacking the relationships to enter and sell in to this market, marketing to potential consumers, guaranteeing a specific quantity, volume requirements are too large, and seasonal constraints (Figure 26).

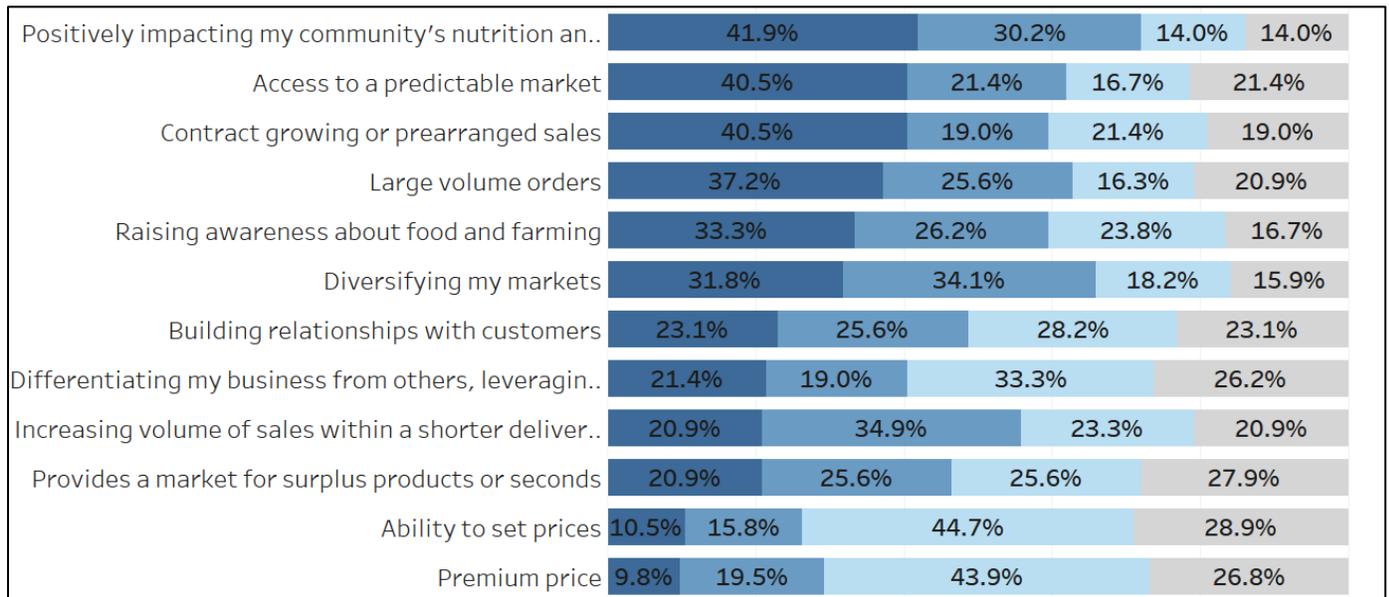
Direct-to-retail/restaurants. The top five farmer-identified benefits of direct-to-retail/restaurant sales included access to a predictable market, raising awareness about food and farming, diversifying my markets, positively impacting my community’s nutrition and health, and contract growing or prearranged sales (Figure 27).

The top five farmer-identified challenges included seasonal constraints, guaranteeing a specific quantity, affording sufficient staffing, volume requirements are too large, and identifying market outlets (Figure 28).



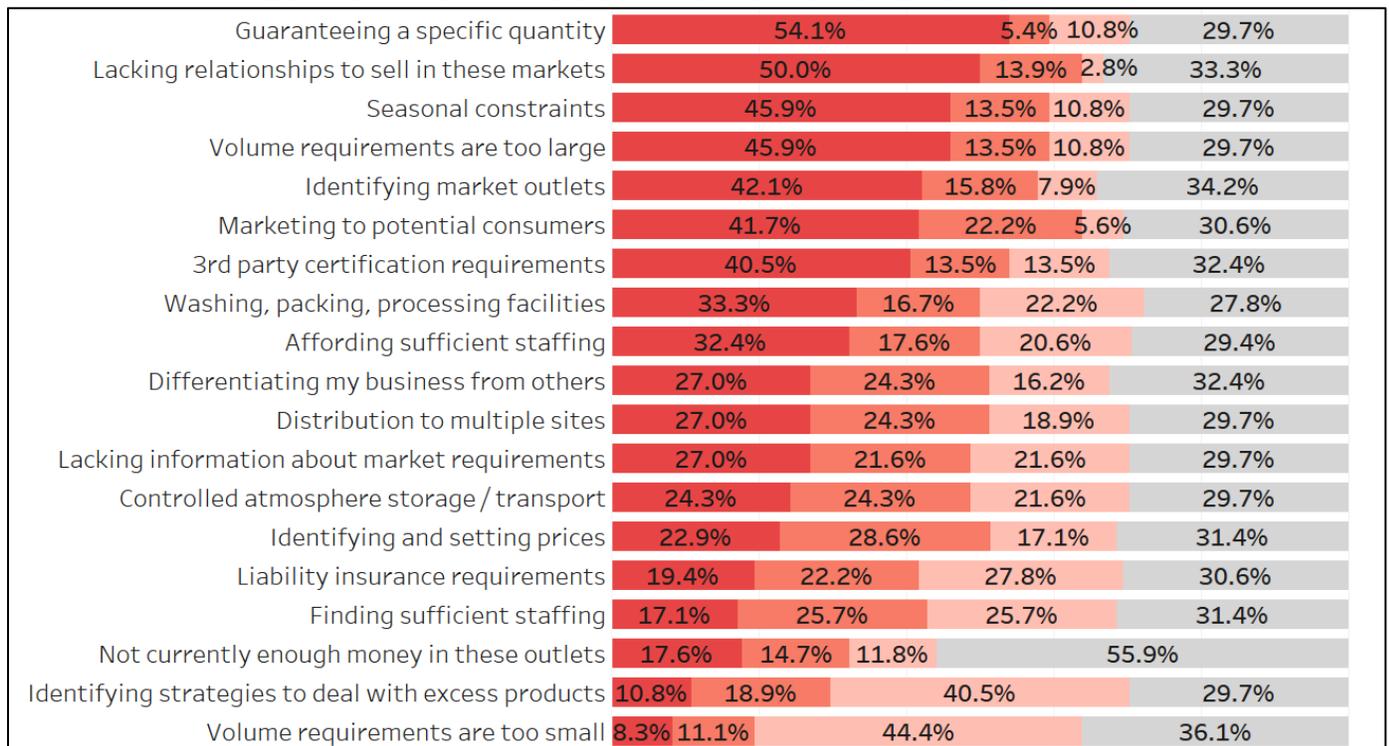
BENEFITS OF DIRECT-TO-INSTITUTION SALES

FIGURE 25. THE BENEFITS OF DIRECT-TO-INSTITUTION SALES



CHALLENGES OF DIRECT-TO-INSTITUTION SALES

FIGURE 26. THE CHALLENGES OF DIRECT-TO-INSTITUTION SALES



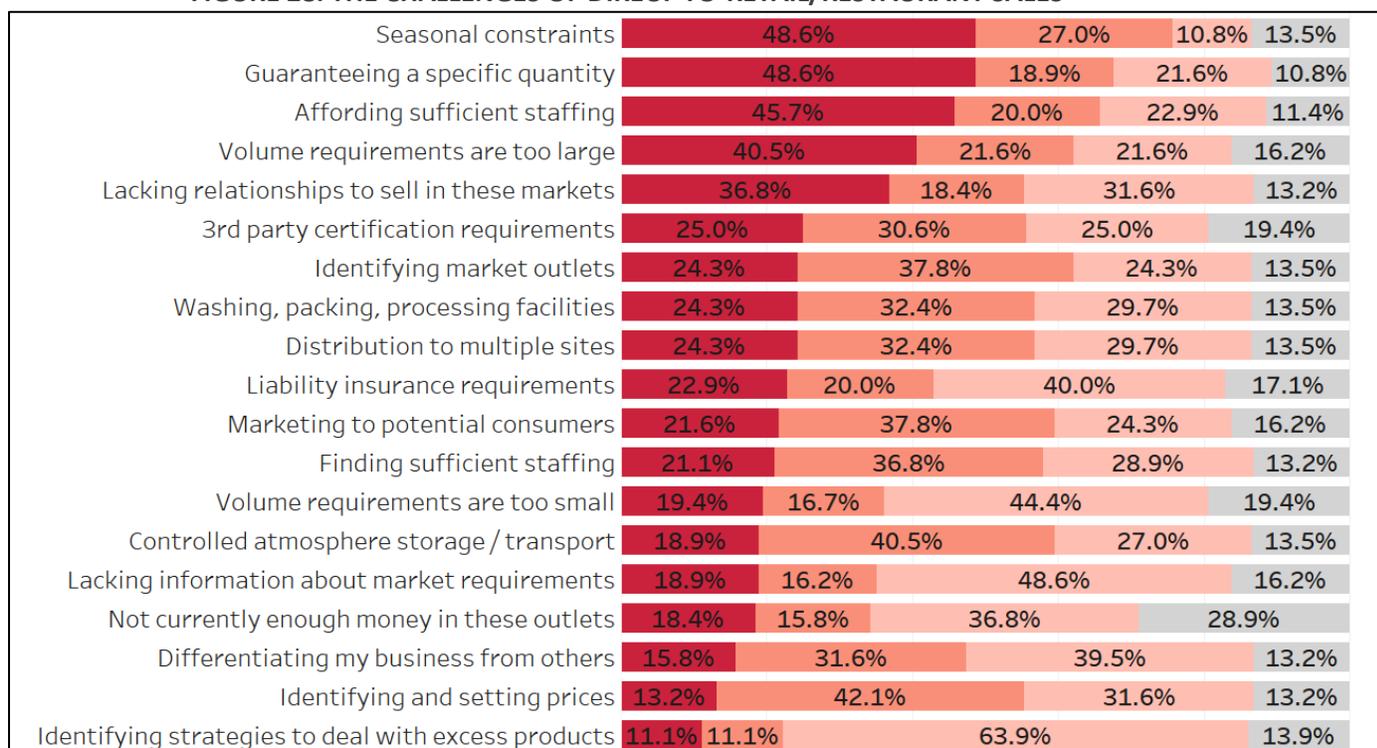
BENEFITS OF DIRECT-TO-RETAIL AND/OR RESTAURANT SALES

FIGURE 27. THE BENEFITS OF DIRECT-TO-RETAIL/RESTAURANT SALES



CHALLENGES OF DIRECT-TO-RETAIL AND/OR RESTAURANT SALES

FIGURE 28. THE CHALLENGES OF DIRECT-TO-RETAIL/RESTAURANT SALES



DISCUSSION OF FARMER SURVEY FINDINGS

We surveyed King County farm operators to learn more about their businesses and current direct marketing practices, to determine the perceived benefits and challenges of direct marketing, and to assess strategies for supporting them in sustaining and scaling their businesses for success.

Survey findings indicate that the scale of King County direct market farm operators is small both in acres with a majority of under 5 acres in production, and in gross annual sales with one-third of farmers under \$10,000 annual sales. King County farm operators raise a variety of products, including fruit, vegetables, eggs, and meats. They tend to focus in on producing three or fewer different product categories and this type of specialization appears to be associated with greater profitability. These characteristics—small, lower in sales, and diversified fruits and vegetables and meats—are consistent with the national profile of farms that are most likely to use and benefit from direct marketing. Likewise, respondents indicated that direct marketing allows them the opportunity to set prices, particularly premium prices, and they thus see direct marketing as important for the profitability and sustainability of their small farms. Existing literature affirms that many direct market farmers across the country share these perceptions.

In this sample, half of direct market farm expenditures are spent on raw materials (26%) and labor (22% on full-time and/or part-time employees, contract labor). The smallest farm expenditure reported by respondents was for marketing and advertising (2.5%). This is notable for two reasons. First, as survey respondents indicated, they have no dominant or consistent labelling strategy. And, while most use some form of social media or word of mouth to advertise and market their products, they have little sense of reach or effectiveness for these methods. Second, as we will highlight below, marketing and advertising emerged as their most desired support. This was reiterated and elaborated upon by farmers in our farmer interviews—there is a strong interest in understanding what the best practices are for marketing and understanding how to most efficiently and effectively spend time engaging in marketing activities. There is substantial room and demand for support in helping farmers to use the most effective and efficient marketing and advertising strategies. Farmers want to know—what marketing strategies work?

Similar to national trends, on-farm sales and farmers markets were the two most common direct market outlets used by King County farmer survey respondents. This is important to note given the literature review finding that research suggests farmers market profitability may be lower than producers' perceptions. Given that several of the top-identified benefits of direct marketing had to do with community connections, community education about food and farming, and a desire among farmers to positively impact community health and nutrition, it may be that on-farm sales and farmers markets are the top-two market outlets because they provide this connection to the community and to consumers. However, the stated challenges to entry to direct-to-institution and direct-to-retail sales (lack of connections, high volumes required, seasonality), indicate that many survey respondents are likely utilizing on-farm sales and farmers markets because they are low-barrier (with the exception of the time commitment associated with farmers markets), and there are many barriers to small farms to expanding beyond these markets. It is possible that additional support to investigate opportunities or to reduce barriers to entry beyond on-farm and farmers market sales might help direct market farm operators to use and profit from more outlets.

One-third of farmers surveyed produced a value-added product. Farmers who produced value-added products had significantly higher gross sales as compared to farmers who did not. Farmers expanded on this finding in interviews; most farmers we interviewed felt that developing and selling value-added products was one of the most effective ways to be more profitable and sustainable. Interviewees identified a strong need for more access to washing, packing, and processing facilities for both meat and fruit and vegetable farmers in order to support the development and sale of value-added products, specifically. Interviewees additionally discussed the potential benefits of collaborating and developing shared facilities for value-added product development and packaging in order to help spread out risks and costs and provide opportunities to farmers who would not otherwise have the finances and infrastructure to create value-added products. This suggests that support for shared infrastructure to create value-added products might be useful in enhancing farmers' profitability.

Most King Country farm operators participating in direct marketing were interested in growing sales and expanding into other markets, including food access programming. This was true even of respondents engaged in farming as a part-term enterprise, as emerged through several of our interviews. Seventy percent stated that they wanted to or were interested in expanding or growing their direct marketing sales and the number of market channels they serve. Thirty percent were interested in participating in food access programming and believed that this would benefit communities and a greater diversity of customers. Thus, focusing support for direct marketing might be worthwhile for economic development. Additionally, working with consumers, institutions, and restaurants to build interest in regional foods and support consumer education may foster increased market opportunities.

Survey respondents elucidated clear challenges. The top direct marketing barriers across all farmers include marketing to potential customers, seasonal constraints, identifying market outlets, distribution to multiple sites, insufficient washing, packing, and processing facilities, and affording and finding sufficient staffing. Younger, newer farmers experienced more challenges in direct marketing as compared to older, more experienced farmers; these younger, newer farmers also reported significantly more interest in direct marketing supports as compared to the more seasoned farmers. Top challenges also varied by whether or not a farm raised/produced any meat or poultry—logistics and infrastructure (e.g., washing, packing processing facilities, staffing, insurance) were on average larger challenges for meat farmers as compared to non-meat farmers, whose primarily challenges on average centered more around marketing, reaching consumers, and finding and accessing marketing outlets that offer premium prices.

Results from the survey and interviews with farmers also identified ingredients that respondents thought were essential for direct marketing success but currently insufficient. These included forging connections between producers and buyers as well as from farmer to farmer; training and education; technical assistance, and grants. In the survey, when asked to identify where they access resources, farmers listed a disparate group of sources, with few trends or 'top resources' emerging. This potentially highlights an opportunity to streamline resources and bring together stakeholders to strengthen collective resources.

The top desired supports identified by farmer survey respondents were closely aligned with these challenges and needs. Specifically, farmers want: support marketing and advertising their products, help identifying and getting into new market outlets, trainings (e.g., food safety, GAP, or FSMA training),

consumer education, and value-added product development. In general, and as interviews helped to make clear, the concern underlying many of the challenges and desired supports reported by farmers is a desire to ensure an efficient use of their time and energy. Farmers are interested in direct market support that could help them make informed decisions about their business practices (e.g., less wasted time and effort) and use collaborative or collective resources when possible (e.g., less duplicated time and effort).

RECOMMENDATIONS TO SUPPORT A VIBRANT DIRECT MARKETING ECONOMY

Based on findings from the literature review, farmer survey and stakeholder interviews and reflections, we recommend the following county-level strategies as areas to explore for support aimed at growing and strengthening direct market practices and farm business.

OVERALL STRATEGIES FOR PROVIDING SUPPORT TO FARMERS

- ❖ Target newer farmers for direct marketing support, given that this is the group who expressed the most desire for support
- ❖ Recognize the seasonality of farming, and offer support in seasons when it is most accessible to farmers (e.g., in January and February for in-person events, workshops, or activities)
- ❖ Tailor support for meat vs. non-meat farmers, and newer vs. more experienced farmers, given that these sub-groups have different needs and desire different support
- ❖ Consider developing an advisory group, or convening a regular group of key stakeholders to ensure potential supports to farmers are developed collaboratively and efforts are not duplicated
- ❖ Identify ways for to support farmers working together, including collaborative or cooperative models to share resources and create efficiencies

MARKETING SUPPORT OPPORTUNITIES

- ❖ Sponsor and support marketing/advertising workshops that help farmers understand the most effective and efficient marketing strategies to reach customers and increase sales, including exploration of effective labelling and branding strategies
- ❖ Explore opportunities for shared or collective resources around marketing strategies (i.e. regional branding)

INFRASTRUCTURE SUPPORT OPPORTUNITIES

- ❖ Identify and support collaborative processing, packing, and distribution efforts (e.g., food hubs selling directly to consumers, institutions, retail or restaurants, shared processing or packing facilities for value-added products)
- ❖ Support farmers to identify and locate funding or grants for infrastructure, such as heated greenhouses and coolers
- ❖ Identify opportunities for a USDA-certified meat processing facility

RESOURCE SUPPORT OPPORTUNITIES

- ❖ Consider identifying one key support-person (potentially a paid staff person) who could serve as an economic development manager for regional farmers
 - This individual could:
 - Help identifying new market outlets and opportunities
 - Provide marketing and promotional services or support
 - Connect farmers to food safety, GAP, and/or FSMA training
- ❖ Consider developing and providing business planning or development assistance to help farmers understand needs and goals, resources (e.g., land, capital, equipment, infrastructure, network), and potential markets

NETWORKING SUPPORT OPPORTUNITIES

- ❖ Sponsor networking events for farmers to connect with the institutional and retail buyers, as well as regional hubs or collaborative selling organizations
 - Note that newer and younger farmers were most interested in networking opportunities
- ❖ Develop new and/or support the growth of current databases or websites that could allow farmers and buyers to connect with one another

CONSUMER EDUCATION AND ENGAGEMENT

- ❖ Support farmers with consumer research and education, in order to best understand how consumers are accessing local foods, and what direct marketing strategies could be most effective in reaching new customers or fostering long-term customers
- ❖ Consider future research in order to understand how consumers respond to different advertising and marketing, and customer satisfaction at and with different market outlets
- ❖ Consider developing a consumer education campaign based around raising awareness of production practices, including seasonality and consumer understanding of variations in yields throughout the year and due to weather

STUDY LIMITATIONS

This study has many strengths. Study strengths include our mixed methods approach, and working directly with farmers to capture their thoughts, voices, and ideas directly. The data presented here are from King County farmers. Additionally, the ongoing involvement of stakeholders throughout this project helped reduce duplicity in surveys and survey questions, helped ensure the questions asked were appropriate and useful, and helped to confirm and ‘ground-truth’ survey findings.

This study also has limitations. Limitations include a moderately low response rate (approximately 24% of King County farmers), and that the farmers who responded to this survey may not be representative of all farmers in King County. Despite these limitations, it is clear that the survey captured a diverse set of King County farmers. In addition, despite small sample size and low response rate, many of our findings are consistent with findings from national surveys.

ACKNOWLEDGEMENTS

We would like to extend our deepest thanks to the many individuals who supported this project. We would like to thank the many farmers who completed the survey, including the several individuals who helped us pilot the survey prior to distribution, and the farmers who participated in interviews with us to share more about their experiences, and reflect on the survey results to help us understand what these results meant for them and their suggestions for next steps. We would also like to acknowledge and thank Nutrition Sciences Graduate Student Casey McCoy for her work conducted the systematic literature review. Finally, we would like to thank King Conservation District, Mary Embleton, and King County, Mike Lufkin, for their support and feedback throughout this project.

SUGGESTED CITATION

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