Are All Direct Market Consumers Created Equal?

Kynda R. Curtis

Extension programming focused on assisting farmers in moving to or expanding their direct marketing efforts often considers all direct marketing outlets and associated consumers as one general marketing channel or group. However, the benefits and costs to agricultural producers vary across direct marketing outlets, and it is likely that the customers they serve and appropriate marketing strategies vary as well. Common direct market outlets include farmers markets, community supported agriculture programs (CSAs), roadside stands, and restaurants. Success at each direct outlet entails a different set of skills, risks, and impacts on farm profitability. Producers may benefit from primarily focusing on the direct marketing outlet which more closely aligns with their skills, risk tolerance, and other preferences.

Farmers markets, a primary direct market, gained popularity in the 1990s, with the number of markets doubling between 1994 and 2004 (USDA AMS 2010). Since 2004, the number of markets has steadily increased 65 percent. An increasingly popular direct market outlet is the CSA, or basket program. While CSAs were few in 1990, numbering only 60 (Groh and McFadden 2006), their numbers have doubled since 2004, expanding from 1,700 to 3,300 in 2010 (Local Harvest 2010a). Local Harvest estimates that CSAs currently provide 380,000 shares across the country, accounting for one-half of one percent (0.5 percent) of all households in the U.S. CSAs offer many benefits to both producers and consumers, which is likely the reason behind the dramatic expansion in CSA programs (Local Harvest 2010b).

Studies have examined the general demographics, attitudes, and concerns of farmers market consumers (Wolf, Ahern, and Spittler 2005; Govindasamy, Adelaja, and Italia 2002), and some have looked at differing consumer segments within the farmers market group (Curtis et al. 2010). Other studies have examined CSA consumers and what motivates a consumer to join a CSA (Lea et al. 2006; Lang 2005; Bougherara, Grolleau, and Mzoughi 2009). These studies point out that both CSA and farmers market consumers tend to purchase local foods due to environmental and social concerns and for health and food safety reasons, are generally highly educated, and have a higher than average household income level. But very little has been done to assess the potential differences between consumers in these two popular direct markets. Do they have different lifestyles? Do they have similar concerns and/or attitudes? Are the demographic profiles similar? What characteristics of the direct market outlet are more closely aligned with their preferences? What are they willing to expend on local food purchases?

This study examines consumer demographics, attitudes, and lifestyle measures in an effort to compare farmers market and CSA consumers through the use of two surveys conducted in Nevada. Study results show that CSA consumers are more educated; more fully employed; and more involved in meal and food preparation activities such as canning/preserving, wine/beer making, and home gardening. They are more commonly vegetarians, concerned with health and diet, and looking to support local farmers. Variety, price, and product appearance were more important to farmers market consumers. CSA consumers spent 43 percent more per week on their CSA basket than farmers market consumers spent.

Data and Results

Data were collected through a farmers market survey conducted by 664 in-person interviews at 12 urban markets across Nevada in the summer and fall of 2008 and through a survey provided to members of the Great Basin Basket CSA in northern Nevada in the fall of 2009. The survey was conducted by Internet using Survey Monkey, with 135 members completing the survey. The Great Basin Basket CSA is the largest in Nevada in terms of membership, and

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Curtis is Associate Professor, Department of Applied Economics, Utah State University, Logan.

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depending on the year has as many as eight growers providing products to the program. The CSA member survey was completed as a student service project by undergraduate agricultural marketing students at the University of Nevada, Reno.

Demographics

The survey sample statistics regarding demographics are provided in Table 1. The largest differences between the two samples can be seen in respondent educational level, gender, and employment status. Both samples show a high level of education, but 51 percent of the CSA respondents versus 24 percent of the farmers market respondents have a graduate degree or higher. Given that only 28.3 percent of Reno, Nevada residents have a bachelor's degree or higher (U.S. Census Bureau 2008), this is quite remarkable. Additionally, the CSA respondents were more fully employed (60 percent versus 47 percent) and a greater number were female. The CSA sample demographics are consistent with pre-

Table 1. Farmers Market (FM) and CSA Survey Sample Demographics

Variable	Description	Frequency/mean FM (%)	Frequency/mean CSA (%)
Income	<20,000	5.0	2.0
	20,001–50,000	19.0	17.0
	50,001–100,000	31.0	
	>100,000	45.0	37.0
Children	No children	64.7	63.4
	Children in household	35.3	36.6
Education	Middle school	0.6	0.0
	High school	9.4	1.0
	Some college	25.5	7.0
	2-yr associate's degree	17.0	5.0
	4-yr college degree	23.0	36.0
	Graduate degree or higher	24.5	51.0
Employment status	Full-time employed	47.0	60.0
	Part-time employment	12.0	22.0
	Unemployed	5.0	1.0
	Homemaker	11.0	3.0
	Retired	21.0	9.0
	Student	4.0	4.0
Married	Married	65.6	70.0
	Single	34.5	30.0
Age		46.00	44.00
Gender	Male	27.5	16.0
	Female	72.5	84.0

vious studies on CSA members (Russell and Zepeda 2008; Brown, Dury, and Holdsworth 2009; Kane and Lohr 1997). Income levels in both samples are high. Median household income for Reno, Nevada residents is $49,957(Census 2008); annual household income levels for CSA respondents were higher, in the $50,000–$100,000 range, but slightly lower than the farmers market respondents, in the $100,000-and-above category.

Purchasing Habits and Activities

Survey sample statistics regarding purchasing habits and respondent activities are given in Table 2. CSA respondents were more involved in recycling and composting than were the farmers market respondents. However, this may be due to the higher education level of the CSA respondents, as Duggal, Saltzman, and Williams (1991) and Leonas and Cude (1991) find that recycling and composting are more common among the highly educated. The CSA respondents were also more involved in home gardening, food canning/preserving, and beer/wine making, and prepared more meals at home, with 69 percent consuming 16–21 meals at home per week, versus 49 percent of farmers market respondents. The CSA respondents purchased groceries more often at traditional grocery stores and specialty stores such as Whole Foods, and shopped at bulk stores and multi-purpose stores less often. A larger percentage traveled 16–20 miles to the purchase groceries, likely the result of the greater distance between specialty stores. Additionally, CSA customers traveled less distance to the basket pick-up location than farmers market customers traveled to the farmers market but spent $32.50 weekly on the CSA basket, roughly 43 percent more than was spent at farmers markets.

Product Attributes

Survey respondents were asked to evaluate 11 produce attributes on a scale of 1–5 with 1 indicating "Not Important," 2 indicating "Somewhat Important," 3 indicating "Important," 4 indicating "Very Important," and 5 indicating "Extremely Important." The comparison of importance rankings between the two samples is provided in Figure 1 and the average ranking for each sample is given in Table 3. Both samples rated product taste as the most important attribute, but the CSA sample rated quality, local origin, and organic as more important than did the farmers market sample. Additionally, product appearance, value, and variety were less important to the CSA respondents. Although product pricing was ranked seventh by both samples, it was of less overall importance to the CSA respondents, 3.43 out of 5, versus 3.91 to the farmers market respondents. Knowledge of the producer and the product being a specialty product were also rated lower by the CSA respondents.

Attitudes and Lifestyle

Survey respondents were asked to indicate their level of agreement with eleven statements regarding their attitudes, lifestyle, and concerns. Agreement levels were based on a five point scale, with 1 indicating "Strongly Disagree," 2 indicating "Disagree," 3 indicating "Unsure," 4 indicating "Agree," and 5 indicating "Strongly Agree." The results for both samples are shown in Figure 2 and Table 4. Among the CSA respondents, supporting local farmers, concern for health/diet, vegetarianism, and home meal preparation were more prevalent. Physical activity as a part of daily routine was more common as well. Concern for food safety and food origin were less prevalent in the CSA sample.

Discussion and Suggestions

Consumers responding to the farmers market survey were asked why they attend the farmers market and were given seven alternatives. The primary reason was purchasing produce (80 percent); the other 20 percent was due to social interaction, purchasing prepared foods, and attending events/activities. These results are consistent with Oberholtzer and Grow (2003) who found that farmers markets are places for social activity, sense of community, and fresh food. Interestingly, almost half of the farmers market respondents would not consider joining a CSA (46 percent) or needed more info before doing so (20.5 percent). Those looking for social interaction or events/activities at the farmers market would not find CSA membership a suitable substitute. As the farmers market respondents placed a higher value on variety and product appearance (also shown in Bougherara, Grolleau, and Mzoughi [2009] and Lea et al. [2006]), farmers markets pro-

Table 2. Farmers market (FM) and CSA Survey Sample Purchasing/Activities.

Variable	Description	Frequency/mean FM (%)	Frequency/mean CSA (%)
Activity participation	Composting	24.5	58.0
	Home gardening	51.0	72.0
	Recycling	70.0	93.0
	Food canning/ preserving	24.0	48.0
	Home beer/wine making	8.0	18.0
	4-H or FFA	8.0	10.0
	Master gardener	4.0	8.0
	Youth groups	16.0	9.0
	Earth Day	26.0	43.0
Primary food purchaser	Yes	85.0	93.0
	No	15.0	7.0
Weekly FM/CSA expenditure		$22.78	$32.50
Primary grocery outlet	Grocery (Raley's)	45.0	48.0
	Bulk (Costco)	10.0	7.0
	Multi-Purpose (WalMart)	17.0	6.0
	Specialty (Whole Foods)	23.0	27.0
	Discount (Savers, Winco)	5.0	12.0
Miles to grocery	1–7 miles	84.5	75.0
	8–15 miles	12.0	14.0
	16–20 miles	1.5	9.0
	21 or more miles	2.0	2.0
Miles to FM or CSA pick-up	1–7 miles	70.0	86.0
	8–15 miles	23.0	11.0
	16-20 miles	4.0	1.0
	21 or more miles	3.0	2.0
Home meals	<5	4.0	1.0
	6–10	14.0	13.0
	11–15	32.0	17.0
	16–21	50.0	69.0

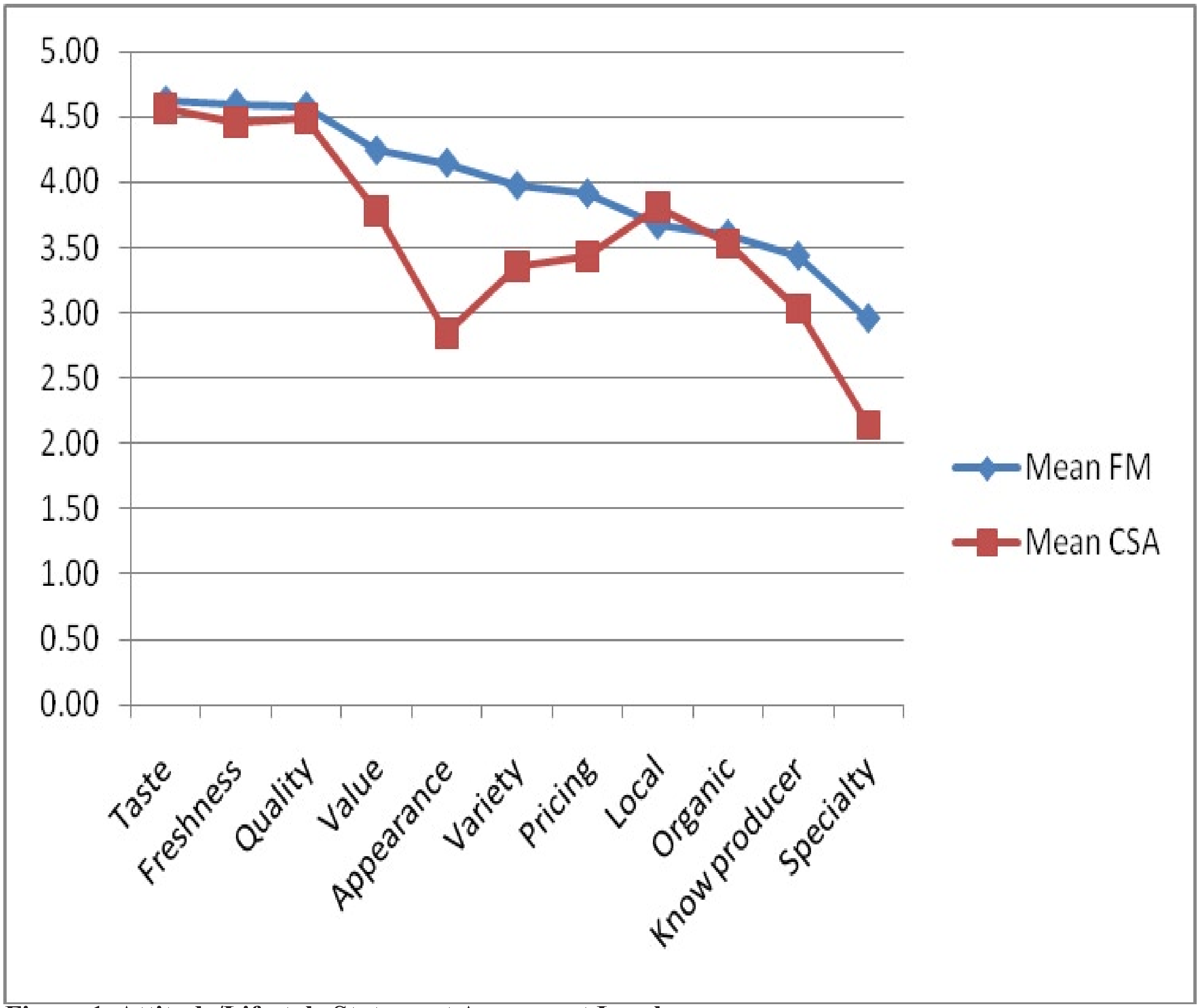

Figure 1. Attitude/Lifestyle Statement Agreement Levels.

vide them opportunities to choose product variety and appearance according to their preferences. These choices would not normally be possible with CSA membership.

The CSA members were asked why they joined the CSA and were given four options to choose from. Respondents rated purchasing local produce and supporting local farmers equally, 85 percent. Product freshness/taste/flavor was second, 77 percent, and purchasing organic produce was 65 percent. These results, especially the high importance of supporting local farmers is consistent with the literature on CSA members (Bougherara, Grolleau, and Mzoughi 2009; Lea et al. 2006; Cone and Myhre 2000).

Russell and Zepeda (2008) found that CSA consumers were more likely to modify their cooking habits, and thus were less concerned about product variety, had an increased consideration of food seasonality, and an appreciation for farming. The CSA respondents in our study were very similar, but producers may find that offering recipes and cooking demonstrations, especially for vegetarian dishes, as well as own-share packaging, half shares, and

Table 3. Importance Rankings of Produce Product Attributes.

	Ranking	
Attribute	Farmers market	CSA
Taste	1	1
Freshness	2	3
Quality	3	2
Value	4	5
Appearance	5	10
Variety	6	8
Pricing	7	7
Local	8	4
Organic	9	6
Know producer	10	9
Specialty	11	11

consumer education on seasonality will help their members more easily adjust to variety concerns and unfamiliar products. Cone and Myhre (2000) and Farnsworth et al. (1996) find that lack of choice and variety are the primary reasons people leave CSAs. Providing to-the-door delivery service may also be helpful due to the prevalence of full-time employment among the CSA sample.

Interestingly, 85 percent of the CSA respondents indicated that they also attend local farmers markets, perhaps seeking occasional social interaction or attending events. The respondents indicated that the primary way in which they found out about the CSA was through word-of-mouth, with Internet/websites a close second. Offering incentives to current members who bring in new members may be a good way to enhance participation, as Kolodinsky and Pelch (1997) find that those who heard of the CSA through word-of-mouth were 35 percent more likely to join the CSA.

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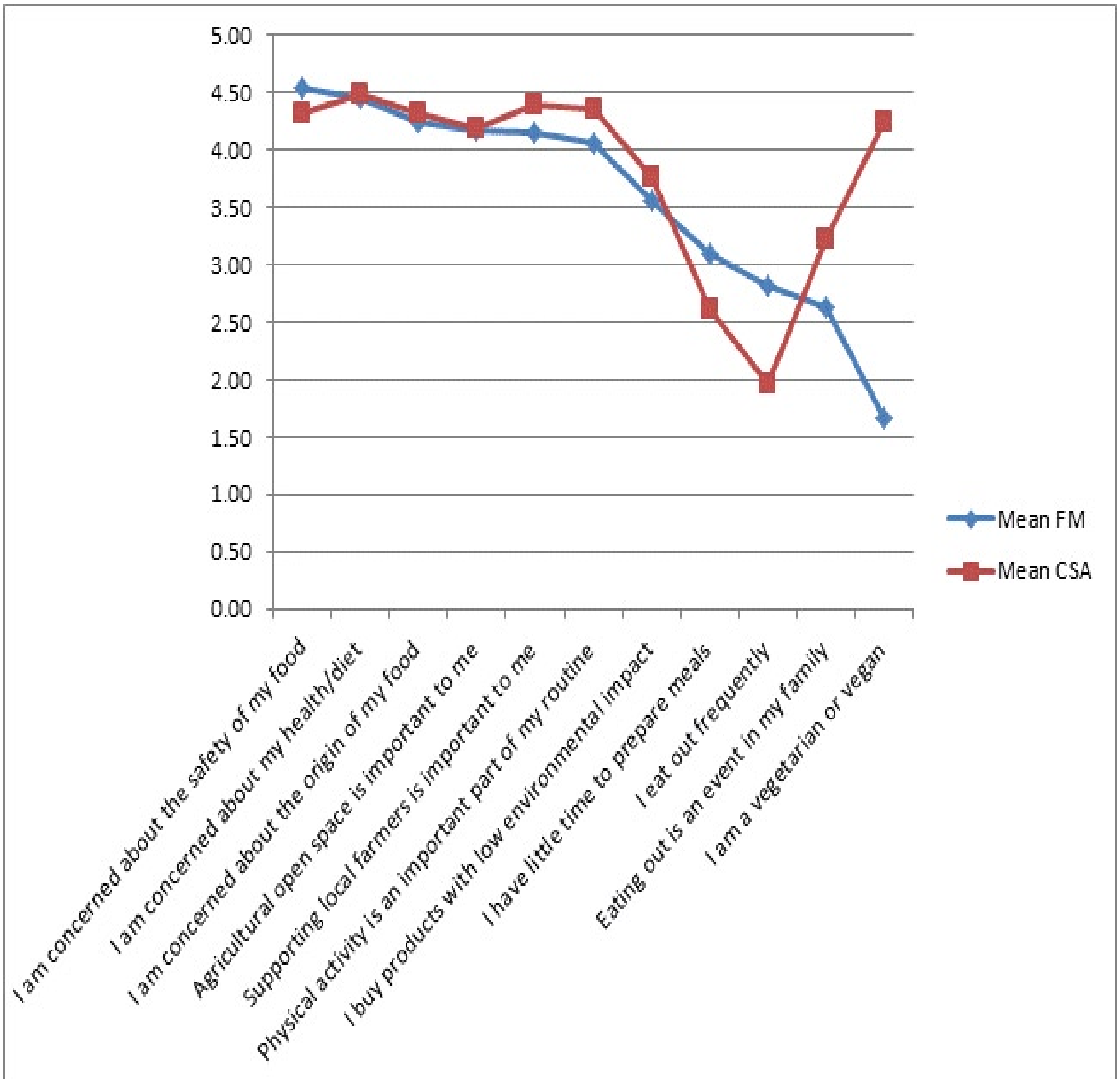

Figure 2. Importance Levels of Produce Product Attributes.

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Table 4. Attitude and Lifestyle Statement Agreement Rankings.

	Ranking	
Attitude	Farmers markets	CSA
I am concerned about the safety of my food	1	3
I am concerned about my health/diet	2	1
I am concerned about the origin of my food	3	4
Agricultural open space is important to me	4	7
Supporting local farmers is important to me	5	2
Physical activity is an important part of my routine	6	6
I buy products with low environmental impact	7	8
I have little time to prepare meals	8	10
I eat out frequently	9	11
Eating out is an event in my family	10	9
I am a vegetarian or vegan	11	5

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