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**FARMERS' MARKETS: THE SMALL BUSINESS COUNTER-REVOLUTION IN
FOOD PRODUCTION AND RETAILING***Alan Cameron**Department of Management, Massey University, New Zealand**John Guthrie**Department of Marketing, Otago University***Principal Topic**

This paper explores the rationale for, and development of, farmers' markets in New Zealand. It examines the entrepreneurial demands required of farmers, growers and producers in order to succeed in a David and Goliath contest. The consumer needs met by farmers' markets are also explored. The research is viewed in the context of the dominance of globalised agribusiness in the food production and retailing process.

Significance of Topic

Food is essential to life. Consequently, food production, retailing and consumption are major areas of interest and research. A major outcome of the First Industrial Revolution has been the industrialisation of the growing, preparation, and packaging of food. This has led to the control of the food industry by a small number of global corporations. However, in recent years there has been a quiet counter-revolution in food production and retailing with the re-emergence of farmers' markets. 'Authentic' or 'pure' farmers' markets involve the direct selling to the public of farm and related products within a local area by small-scale producers. The resurgence started in the 1970s in the USA which now has over 3700 farmers' markets. The movement has since spread to other parts of the world. Britain's farmers' markets have grown to over 400 in less than a decade, and Australia's to over 80. Starting in 1998 New Zealand now has 14 farmers' markets. These are as follows: Bay of Islands (Keri Keri), Black Barn (Havelock North), Central Otago (Cromwell), Feilding, Hawkes Bay (Hastings), Lindale (Paraparumu), Lyttleton, Marlborough (Blenheim), Matakana, Nelson, New Plymouth, Otago (Dunedin), Rodney (Orewa and Albany), and Whangarei.

Farmers' markets were the traditional way of food retailing. In European countries such as France, Spain and Italy, which place a high priority on good food, farmers' markets have persisted for centuries without a break. With the advent of supermarkets farmers' markets disappeared in many countries such as New Zealand, Australia, Britain, Canada and the USA. Their reappearance has sparked interest by food producers and retailers, and governments. Max Coster, of the Victoria Department of Primary Industries, has accurately called these "new generation" farmers' markets. In New Zealand farmers' markets are rapidly becoming an integral part of the retail structure for fresh fruit and vegetables and artisanal food products. Most farmers' markets are not-for-profit, community initiatives.

Propositions

It is proposed that the reasons for the resurrection of farmers' markets are varied and complex, but all emphasise the benefits that accrue to both producer and consumer. Farmers' markets connect people to the past and provide opportunity for pleasant social interaction. In

contrast supermarkets are seen to be sterile and cheerless. Farmers markets offer diversity whereas supermarkets specialise in uniformity. In an increasingly frenetic world, people are embracing slow food and slow shopping. Inner city areas, which are increasingly losing out to suburban shopping malls, benefit from the strong, human, functional focal points that farmers' markets provide. Farmers' markets link town and country by giving consumers the chance to buy local foods and support sustainable and ethical agricultural systems and landscapes. Growers can provide the freshness and high quality that increasingly discerning consumers demand. For small-scale producers, farmers' markets provide more profitable alternatives to the wholesale and retail markets and allow small volume and new products to gain a toehold in the market. Industrialised farming methods have caused concern due to such issues as overuse of pesticides and herbicides, as well as mad cow disease, foot and mouth disease, and genetic engineering. Consumers gain reassurance through face-to-face contact with producers about the farming methods used. Through buying locally grown produce, consumers are giving their support to local producers as well as helping to revitalise rural economies. Environmentalists are tempted by organic produce. Anti-globalisation advocates like the artisan and low 'food-mile' nature of local products. Because of the colourful scene and wide range of products, farmers' markets are attractive to local and international tourists.

Methodology

Case study methodology was used. Semi-structured interviews were used to elicit the opinions, perceptions and attitudes of market managers, producers/growers, and customers. Five farmers' markets were surveyed in order to obtain a representative sample. These comprised three of New Zealand's oldest markets, namely Whangerei, Hawkes Bay (Hastings) and Black Barn (Havelock North), and two of New Zealand's newest markets, namely Lindale and Feilding.

Results and Implications

It was found that farmers' markets provide additional outlets for entrepreneurial small-scale farmers and producers, alternatives for consumers and opportunities for communities, while their rapid growth is presenting challenges for local authorities and large competitors. An implication is that farmers' markets are an important harbinger of the Second Industrial Revolution where there is renewed respect for small-scale producers while meeting the needs of more discerning and demanding consumers.

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