

Farmers Markets Stimulate Local Economies and promote a sense of community.

Americans have long known that farmers markets offer shoppers food that's unrivaled taste and freshness, however, a growing body of research points to the economic and social benefits of direct to consumer marketing.

Farmers markets are a direct manifestation of the local food system, made up of local farmers, ranchers, food artisans and the community, all of whom have a shared enthusiasm for food with integrity. They serve as incubators for food startups and micro businesses.

Most often, they are a community's largest access point to the local food system. They create distribution efficiencies for local producers and connect tens of thousands of customers with local businesses. Local farmers markets decrease our dependence on the industrial food system that offer fewer choices and less access to high-quality nutritious products and their distribution has a negative impact on the environment.

Drive across America today, and there's one thing you're guaranteed to see more of: farmers' markets. The [USDA reports](#) the number of registered farmers' markets increased by 2.3% from 2015 to 2016—and that's just the ones listed in the National Farmers Market Directory.

This increase wasn't necessarily expected. In 2015, Treehugger author Margaret Badore speculated as to whether US farmers' markets had [hit their peak](#). From 2013 to 2014, the growth rate was only 1.5 percent. But after that, the number of markets continued to grow, instead of stagnating

Farmers' markets are a place for entrepreneurs to test products and for community members to gather. An important direct-marketing venue for producers, they have become the subject of research, articles, studies and initiatives. As one of the most sought-after activities in every American downtown, they bring vitality and dollars to local communities. Small and mid-sized producers may use farmers' markets as the first point of entry into a market for their products. They can incubate their businesses, develop and test products with instant feedback, and earn reliable income. Selling directly to consumers allows the producer to capture the entire selling price without investing in infrastructure (store or farm stand), distribution or a middleman. Consumers benefit by receiving access to fresh, locally produced foods and goods. They can develop face-to-face relationships with the producers, and can contribute directly to local farm viability.

It's also a place where neighbor meets neighbor, and the many **benefits** of having a **farmers market** nearby are felt throughout the community. When food is produced, processed, distributed and sold all within the same region, more money stays in the local **economy**. This leads to **economic** development and job creation.

Consumers also benefit from engaging with the vendors and their neighbors. For example, Projects for Public Spaces found that people who buy food at the farmers' market have 10 times more conversations than they would have at a supermarket. Economists use the term "multiplier

effect” to calculate the recycling effect of dollars spent at the market back into local community. Neighboring businesses also benefit from a thriving farmers’ market as shoppers are drawn to the area. Harder to measure but equally important are the benefits of a community that consumes healthier food and has an improved quality of life and an enhanced image of that place.

National Impacts

- Producers selling locally, direct to consumers, create 13 full time jobs per \$1 million in revenue earned. Those that do not sell locally create 3. [\[i\]](#)
- A 2010 study by USDA’s Economic Research Service compared producers selling salad mix, blueberries, milk, beef, and apples locally with producers of the same products selling to mainstream supply “In all five cases, nearly all of the wage and proprietor income earned in the local market chains is retained in the local economy.” [\[ii\]](#)
- Producers selling local food through direct-to-consumer marketing channels were more likely to remain in business over 2007-12 than all producers not using direct-to-consumer marketing channels, according to US Census of Agriculture data.

State Impacts

- Florida households spent an estimated \$1.8 billion at farmers’ markets, roadside stands, and U-pick farms in 2011. [\[iii\]](#)
- In Iowa and Oklahoma, every dollar spent at farmers markets led to an additional \$0.58 – \$1.36 in sales at other nearby businesses. [\[iv\]](#), [\[v\]](#)

Individual Market Impacts

- 41% of shoppers at Portland (Oregon) Farmers Markets said that their main reason for shopping at these markets was to support the local economy. [\[ix\]](#)
- Farmers markets spur spending at neighboring businesses. A 2010 study of the [Easton Farmers Market](#) in Pennsylvania found that 70% of farmers market customers are also shopping at downtown businesses, spending up to an extra \$26,000 each week.
- At the Crescent City Farmers Market in New Orleans, 32% of Market shoppers spend money at nearby businesses, resulting in \$3.2 million in projected gross receipts and an annual contribution of \$151,621 to local sales tax revenue.
- Boise, Idaho’s Capital City Public Market generated an estimated \$4.5 million in economic activity for the local economy in 2011.

So the next time you shop at your neighborhood farmers market, remember: not only are you appeasing your taste buds, but you’re giving your community a little economic boost. One dollar at a time.

Last year taught us the importance of a healthy local food system.