

The **Three Rivers Resource Conservation and Development Council** of Mankato, MN received \$34,814 to expand existing EBT and credit card capability at the Mankato Farmers Market, and to increase market awareness in the community by purchasing EBT equipment, advertising and supplies for the market.

[Final Report FY10](#)

Date: 9/28/2012

Title of Project: Mankato Farmers' Market New EBT and Market Promotion

Grant #:12-25-G-1166

Location: Mankato, MN

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Final Progress Report

Project Summary

This project expanded community awareness and consumer purchases at the Mankato, MN Farmer's Market. Emphasis was placed on increasing purchases from the farmer's market among low income communities in the area. This was accomplished through the use of Farmer's Market Promotion Program funds to purchase a wireless credit card/Electronic Benefits Transfer terminal. The goals of this project included the purchase of a wireless EBT/credit card terminal, developing and implementing a low income community Farmer's Market outreach program, and conducting a Farmer's Market customer buying habit and demographic survey. This project was conducted between October 2010 and October 2012.

Project Approach

The Mankato Farmers' Market is the premier source Southern Minnesota for locally-grown produce, homemade goodies, preserves, eggs, cheese, flowers, plants, arts, crafts and more. In 2012 the Mankato Farmer's Market will be celebrated 36 years of operation. Every week, the Mankato Farmers' Market offers visitors a chance to meet growers and artisans in a colorful and lively environment. The open-air market is a great place for families with children to experience the best of summer and to learn how good locally-grown food tastes. We have emphasized the affordability of produce at the Mankato Farmers' Market. Contrary to popular myth, prices for fresh produce at this market are generally 25-50% cheaper than the equivalent produce at local grocery stores and much fresher. While this depends on the season and the vegetable, in most cases the market is the lower cost option for fresh produce in the Mankato area. We have emphasized this in our outreach to low income residents and young families.

All of the products sold at the Mankato Farmers' Market are grown or created within a 40-mile radius of Mankato. The Mankato Farmers' Market is located at 1400 Madison Avenue in the Madison East Center Parking Lot. Parking is free and adjacent to the Market. The Market also can be reached by Mankato bus routes 3, 6 and 7.

The Mankato Area Growers Association is the governing organization of the Mankato Farmers Market, and funded by vendor stall fees from the Mankato Farmers market. As a result they have no funding for staff time dedicated to developing marketing campaigns and market research for their producer members. Their market manager is part time and has very little paid time to conduct activities such as customer surveys, and customer education activities. There have been very few market development

and consumer research activities conducted in the past. Previous customer research that has been done was very limited due to lack of funding and staff time.

Goals and Outcomes Achieved

This project brought EBT and credit card processing capabilities to the Farmers Market in Mankato, Minnesota. This project also conducted community outreach and market research to aid the Mankato Farmer's Market in understanding the needs and purchasing habits of traditional and low income market patrons.

New EBT program activities:

- 1.) Assist Mankato Farmers Market with licensing to accept SNAP benefits through FNS. October 2010-December 2010
- 2.) Design and purchase tokens. Sequential serial numbers were printed on all scrip. Since the market accepts commercial debit/credit cards, the scrip given to SNAP customers is distinct from non-SNAP debit/credit scrip, so that no cash is given for this scrip and so that only eligible food products are purchased with SNAP benefits. This was completed in November and December 2010. Initial training of farmers in scrip redemption rules and procedures occurred in April 2011 at the MAGA spring meeting. Additional training was provided at the April 2012 spring meeting and whenever new vendors join the market.
- 3.) Working with the MAGA treasurer, we developed an accounting system and method for reimbursing vendors in December 2010-January 2011
- 4.) We determined the market manager stand at the market was not a sufficiently secure place where the POS equipment, tokens and supplies could be stored when not in use so we opted to store the supplies and the terminal off-site at the Three Rivers RC&D office during market off hours.
- 5.) During the 2011 and 2012 market seasons, we tracked daily receipts from credit card and EBT transactions for use in program evaluation. We track credit, EBT, total sales and transaction fees. This information is useful in indentifying monthly and annual sales trends.

2.) New Farmers Market EBT/credit card awareness activities:

These activities were conducted by the project manager in cooperation and with input from the Mankato Area Growers Association.

a.) Market Signage:



A two by eight foot sign was placed at the market manager's booth to direct EBT card holders where the terminal is located. We found this big yellow sign with black lettering makes it easy for customers to know where to use their credit/debit/ebt cards. Signs were printed for each eligible vendor to display that shows they accept SNAP/EBT. Advertising was purchased on the Mankato bus system during the 2011 Market season. Signs advertising the market were placed along Madison Avenue which is a primary arterial street through the major retail area of Mankato.

b.) Flyers and Posters:

1. We designed and printed posters and flyers. February 2011
2. Those flyers and posters were distributed to: Public aid offices, WIC clinics, food banks, places of worship, schools, child care centers, libraries, transportation stations. April-May 2011

c.) Presenting at Other Forums:

1. With the help of Feeding Our Communities Partnership we were able to enlist the assistance of Second Harvest Hartland SNAP outreach specialist Sydell McCabe. Sydell agreed to provide information about the Mankato Farmers' Market to all new SNAP applicants. We believe this cooperation between multiple organizations was essential to the success of our EBT program. Melinda Wedzina, Executive Director for Feeding Our Communities Partnership also agreed to distribute pamphlets with program information in the food packs they distribute to school children in need in the Mankato school district. Melinda's assistance was also very valuable to our program. The outreach she provided to community members and businesses helped create a buzz about town before the market opened in the beginning of May. FMPP funds also allowed us to advertise the market and their new Credit/EBT capabilities in a series of television ads on KEYC TV in Mankato, MN. Additional advertising was purchased on three Mankato city municipal bus routes. The bus ads were placed on the curb side of the busses and were approximately 2 by 8 feet. In 2012, with the advertising budget from this grant exhausted, we focused our outreach to take advantage of social media marketing and to continue coordinating with the local SNAP outreach specialist. In 2012 word of mouth seems to have been a great outreach tool.

2. We enlisted local media sources such as newspapers and televisions to promote the new EBT/credit card program in 2011 and 2012.

3.) Mankato Farmers' Market Customer Demographic Survey

Methods

The MFM Customer survey was distributed to customer during market hours on 3 occasions. Results from the July and August survey were included in this report. The survey conducted in September took place with much lower customer levels and the return rate was substantially lower. However the responses we did receive were not significantly different than the June and July results. The surveys were printed on post card size paper and stapled to the promotional bags purchased with FMPP funds. The response rate was generally in the 60-70 % rate. We handed out the bags and surveys at different times during market hours in an attempt to eliminate any bias for when different groups shop at the market. These surveys confirmed many anecdotal observations from vendors. Among these observations, many have noticed older market patrons tend to be the first customers at the market in the morning. Younger marker patrons and families with small children tend to show up a bit later.

Survey Results

These results are only a snap shot of the customers at the market at the time of the survey, but they give a good general picture of the average customers at the Mankato Farmers' Market. According to these surveys, the largest demographic group is by far the female customers over the age of 50. This observation is generally backed up by day to day observations during market hours. These results highlight not only the strongest customer base of the market, but it also identifies where future outreach and advertisement could be focused.

These results show a good opportunity to increase marketing efforts to younger generations of customers. Customers in the 50+ age range generally have stable or declining food consumption needs, while young families generally see increasing needs for groceries. By developing marketing strategies for this demographic group now, you will help develop long term buying habits that include purchases at the farmers' market.

Table 1

2011 Mankato Farmers' Market Customer Survey Results

	Age				Gender	
	18 to 30	30 to 50	50 +	No Answer	Male	Female
June	4.70%	18.70%	50.00%	28.00%	28.72%	71.28%
July	8.06%	25.08%	41.90%	19.30%	37.23%	62.77%
Change	3.36%	6.38%	-8.10%	-8.70%	8.51%	-8.51%
Average	6.38%	21.89%	45.95%	23.65%	32.98%	67.02%

Table 2 illustrates what is common knowledge, that the majority of customers visit the market only on Saturday.

Table 2

	Days Shopped			
	Saturday only	Tuesday	Thursday	No Answer
June	41.00%	14.80%	21.90%	7.00%
July	72.50%	16.30%	14.70%	3.27%
Change	31.50%	1.50%	-7.20%	-3.73%
Average	56.75%	15.55%	18.30%	5.14%

Table 3 shows responses to the question “Where have you heard about the Mankato Farmers’ Market this year?” We felt this was an important question to ask in order to determine the most effective advertising venues for the market. With a modest advertising budget, it is very important to focus available funds in the most effective advertising markets. Over all the most cited responses were: word

of mouth, long time customer and saw market driving by. This response led the market to continue and increase street side signage on market days. This was even more important during much of the 2012 season due to constant road construction adjacent to the market location. Among the most recognized purchased advertisements were the Free Press, and Home Magazine and KTOE radio. The low recognition rates of many advertising venues show how important it is to carefully choose where to spend advertising dollars. When choosing advertising venues, a balance should be considered between effectiveness and cost. The wide margin between the Free Press and Home Magazine and all the others show these to be the most effective ads purchased.

Table 3

Advertising Effectiveness															
How have you heard about the market this year?	Facebook	Free Press	Home Magazine	KEYC	KTOE	Friends/Word of Mouth	Free E-newsletter	Long Time Customer	Saw Market Driving By	Mankato Magazine Ad	Mankato Farmers' Market Website	Mn country 93.1	Bus Ad	NO ANSWER	Didn't see any ads
June	6.3 5%	38.1 0%	9.5 2%	3.1 7%	7.9 4%	22.2 2%	4.7 6%	19. 05%	17. 46%	11. 11%	4.7 6%	1.5 9%	1.5 9%	3. 17%	11.1 1%
July	3.2 8%	24.5 9%	16. 39%	3.2 8%	8.2 0%	39.3 4%	3.2 8%	16. 39%	29. 51%	3.2 8%	8.2 0%	1.6 4%	1.6 4%	0. 00%	0.00 %
Change	- 3.0 7%	- 13.5 1%	6.8 7%	0.1 0%	0.2 6%	17.1 2%	- 1.4 8%	- 2.6 5%	12. 05%	- 7.8 3%	3.4 3%	0.0 5%	0.0 5%	- 3. 17%	- 11.11 %
Average	4.8 1%	31.3 4%	12. 96%	3.2 3%	8.0 7%	30.7 8%	4.0 2%	17. 72%	23. 48%	7.1 9%	6.4 8%	1.6 1%	1.6 1%	1. 59%	5.56 %

Table 4 illustrates the change in awareness of payment options between June and July. Despite the There was a change of 15% in the awareness of the credit/debit option for payment. By the July survey 21% of people indicated an awareness of the food support programs such as WIC and EBT. Continuing the credit card/EBT purchase option will likely increase the awareness of this payment option in future years.

Table 4

Awareness of Payment Options

	Which Payment options are you are aware we accept?	*cash only	credit/debit	Food support programs	No answer
June	% indicating awareness	62.50%	17.19%	18.75%	6.25%
July		51.61%	32.26%	20.97%	9.68%
Change		-10.89%	15.07%	2.22%	3.43%
Average		57.06%	24.72%	19.86%	7.96%

*respondents who indicated only cash as payment options

Table 5

\$ Spent per visit

	How much do you spend at the market on average?	\$0-10	\$10-20	\$20-30	\$30+	No answer
June		17.19%	39.06%	20.31%	9.38%	12.50%
July		17.74%	33.87%	20.97%	4.84%	22.58%
Change		0.55%	-5.19%	0.66%	-4.54%	10.08%
Average		17.46%	36.47%	20.64%	7.11%	17.54%

MFM Facebook page statistics

During the 2011 and 2012 market season there was an effort to increase the traffic on the Mankato Farmers' Market Facebook page. As a result there are approximately 1,600 fans of the Mankato Farmers' Market on Facebook. Facebook allows users to track the demographics of fans so we were able

to gather valuable information on who is interested in the market on Facebook. Interestingly, the age distribution is opposite to the information gathered in our surveys conducted during market hours. The majority of Facebook fans are fall in the age categories between 25 and 44 years of age. However, as in the surveys the majority of market fans are female. These statistics are from the 2011 season, but the demographics of the Mankato Farmers’ Market Facebook page remain very similar to the 2011 numbers. In 2012 we saw a 60% increase in our Facebook fans, indicating significant interest in customers using this venue to keep in touch with the market.

Table 6

Female Age	25-34	35-44	18-24	45-54	55+
Average	307	188	87	94	65
Percentage	32.91%	20.17%	9.31%	10.09%	6.95%
Male Age	25-34	35-44	18-24	45-54	55+
Average	73	55	24	23	17
Percentage	7.78%	5.93%	2.61%	2.42%	1.83%

On average there are between 600-900 people who view the posts to the market Facebook page. This makes the market facebook page an excellent way to promote the market. There is no cost to the market and posts can be put up at any time. This ease of use and being targeted only to people who opt-in makes it an effective advertisement tool. By posting frequently through the season, we are able to keep the market fresh in peoples’ mind. This is an ideal tool to showcase seasonal vegetables as they become available as well as advertising special sales and market events.

On-line statistics vs. market surveys

Both online statistics and market surveys have their strengths and weaknesses. Online statistics are easy to collect, but don’t necessarily reflect actual traffic at the market. On the other hand customer surveys at the market are time consuming and customers are often reluctant to take the time to fill out the survey. By using both data sources to gauge customer interest and to target advertisement dollars, the market can get the best of both methods. Surveys of customers at the market are a good indicator of who is actually making the trip to the market rather than showing their support by simply clicking their mouse. The importance of online communication will only increase in the future, but at the same time the market doesn’t want to alienate long time customers by neglecting rational print media. Adjusting this balance between online and traditional print advertising will need to be addressed annually when setting the marketing budget. Thankfully, most of the online advertising is generally free or inexpensive.

Table 7

<p>Daily Active Users</p> <p>Daily The number of people who have interacted with or viewed your Page or its posts. This includes interactions from Fans and non-Fans. (Unique Users)</p>	<p>Weekly Active Users</p> <p>Weekly The number of people who have interacted with or viewed your Page or its posts. This includes interactions from Fans and non-Fans. (Unique Users)</p>	<p>Monthly Active Users</p> <p>Monthly The number of people who have interacted with or viewed your Page or its posts. This includes interactions from Fans and non-Fans. (Unique Users)</p>
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Previous year average

	81	250	455
10/17/11	500	744	900

<p>Lifetime Total Likes</p> <p>Lifetime The total number of people who have liked your Page. (Total Count)</p>	<p>Lifetime Total Unsubscribers</p> <p>Lifetime The total number of users who have hidden your App or Page in News Feed (Total Count)</p>	<p>Daily Logged-in Page Views</p> <p>Daily Page Views from users logged into Facebook (Total Count)</p>	<p>Daily News Feed Impressions</p> <p>Daily The number of times people (Fans and non-Fans) have viewed a News Feed story posted by your Page. (Total Count)</p>
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Previous year average

	863	47	12	509
10/17/11	1146	59	7	1699

4.) Evaluation and information dissemination

a.) Customer survey information and EBT/credit card transaction used in season end reports to the MAGA board. This information aided the market board with identifying the most effective advertising venues and target demographics. These surveys showed that the majority of market patrons were in the 50+ age category. While this demonstrates a long time and loyal customer base, this demographic generally is not increasing their food consumption. Using this knowledge, we identified the 30-40 year old as a priority to focus our marketing efforts on. These young families are very computer savvy and embrace the efforts of the market to reach out via the market's Facebook page.

The knowledge gained from this project allowed Three Rivers RC&D to conduct a market assessment for the Watonwan County Farmers' Market in the summer of 2011. While not directly supported by this grant; this market assessment has identified many low cost ways to improve customer traffic at this smaller market in an isolated rural town. During this assessment we interviewed their market vendors, considered current marketing activities and made recommendations on how they can improve their marketing efforts without spending large amounts of money. Several of these recommendations are being implemented and they are currently seeking funding to improve their market and further implement recommendations made in their market assessment.

Beneficiaries

The primary beneficiaries of this grant were the vendors of the Mankato Farmer's Market. During the 2010 market season there were 48 vendors at the Mankato Farmer's Market. By 2012, the actual individual vendors have dropped to 43. While the number of vendors is slightly down, the number of days vendors attend is strong and customer traffic has maintained at more consistent levels. These vendors have benefitted from this project through increased public awareness of the market and an increased knowledge of the needs, purchasing habits and ideas from the customer surveys. The increased convenience of purchasing Farmer's Market products with EBT and credit cards has increased impulse and last minute sales to customers. Customers often mention they forgot to stop at the bank and were out of cash. With the closest banks being several blocks away, most of these people would not have made the round trip to the bank and back to the market. By using one terminal for the whole market, all of the vendors gain the benefit of increased sales without the expense of the wireless terminal and the associated fees.

The other beneficiaries of this grant are the customers. This grant made choosing to support local food consumption more convenient and an enjoyable experience. Low income residents have especially benefitted. Not only are low income residents able to purchase fresh and nutritious produce, but the Mankato Farmers' Market is most often cheaper than the equivalent fresh produce at area grocery stores.

2011 Mankato Farmer's Market EBT/Credit Card Transaction Summary

	May	June	July	August	September	October	Total
Total Credit/Debit Sales	\$147.80	\$445.85	\$924.30	\$3,046.25	\$2,026.50	\$1,040.35	\$7,631.05
EBT Sales	\$156.60	\$121.00	\$179.00	\$510.00	\$449.00	\$365.00	\$1,780.60
Total Fees	\$13.40	\$20.75	\$42.30	\$137.35	\$96.90	\$55.30	\$366.00
Total Transactions	\$304.40	\$566.85	\$1,103.30	\$3,556.25	\$2,475.90	\$1,505.35	\$9,512.05

2012 Mankato Farmer's Market EBT/Credit Card Transaction Summary

	May	June	July	August	September	October	Total
Total Credit/Debit Sales	\$538.85	\$1,152.57	2018.65	2159.47	\$1,715.92		\$7,585.46
EBT Sales	\$109.00	\$300.00	743	659	\$414.00		\$2,225.00
Total Fees	\$27.73	\$71.96	124.89	134.79	\$110.20		\$469.57
Total Transactions	\$647.85	\$1,452.57	2761.65	2818.47	\$2,129.92		\$9,810.46

\$ change	\$343.45	\$885.72	\$1,658.35	-\$737.78	-\$345.98		
% increase	46.99%	39.02%	39.95%				

Lessons Learned

Expected Outcomes and Project Evaluation.

It is expected this project has increased purchases at the Mankato Farmer's Market by making purchases more convenient for consumers. While it is difficult to determine exactly how many of these sales would have occurred without the credit/EBT option, the responses from customers seem to indicate most of the purchases on the wireless terminal would have not occurred without the assistance of this grant. Initially we had set our first season sales goal by researching other Farmer's Market EBT programs. We thought it was reasonable to place our sales goal at around \$500 for EBT transactions and \$1200 for credit card transactions for the first year. In our first year alone, we greatly exceeded this goal. In examples from other Farmer's Market EBT/credit card programs, sales are generally modest the first year and continue to grow in subsequent years. Other outcomes will include increased community awareness of the market through the community outreach and customer surveys. Success of the EBT and credit card part of this program will be measured by the volume of EBT and credit card transactions during the market season. The success of the market awareness campaign is demonstrated in the sales figures for the first two years of credit and EBT capabilities.

Direct Benefit to Farmers/Vendors

In the 2012 market season we were able to expand our social media marketing significantly. The Mankato Farmers' Market Facebook page has seen an increase in fans from 1000 at the beginning of the

season to 1,573 by the beginning of September 2012. In September 2011, the former manager of the Mankato Farmers' Market quit with 2 months of the season left. The market board of directors asked Three Rivers Program Manager, Joe Domeier to take over management duties and he was asked back for the 2012 season. This partnership between Three Rivers RC&D and the Mankato Farmers' Market is a mutually beneficial arrangement. The market gets the management assistance of an established non-profit and Three Rivers RC&D is able to assist farmers in their region.

The Need for the Project

The Mankato Farmer's Market has been a valuable asset to the Mankato area community for 34 years, supplying fresh produce and a community connection to food for 34 years. However this market being run mostly on volunteer time is in need of assistance to increase patronage of the market among low income members of our community, and increasing the awareness of the market among the community in general. The goals and objectives of this proposal will provide a good foundation for future market development and improvement. The EBT/credit card processing made possible through this grant will make purchasing from the market much more convenient. The promotional activities will raise awareness of the Farmer's Market among the community as a whole.

Quantitative Evaluation and Measurement of Project's Impact

Quantitative evaluation of the success of this project was possible through tracking of EBT/credit card purchases, customer surveys, and attendance at promotional events. The work funded by this grant established a baseline of sales, and customer counts that will be valuable for future reference and planning. Past informal headcounts at the market have put peak market attendance at around 2,000 people on the busiest days.

4. Sustainability and Long Term Impact

In order to maximize the impact of this project, the process, results and work from this project will be detailed in this report and will be distributed to the market vendors and other interested organizations in the area. The EBT/credit card purchasing part of this project was be structured in a way that annual banking fees and transaction costs are covered by a small fee paid by customers purchasing the farmer's market scrip. The accounting process, sales records and records of vendor token returns are kept in duplicate with the market manager and the market treasurer in order to insure an easy transition to any future market managers.

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