



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor

FROM: Elizabeth H. Tyler, FAICP, Director, Community Development Services

DATE: February 5, 2009

SUBJECT: **Market at the Square Annual Report**

Introduction and Background

Farmers' markets are enjoying increased popularity throughout the United States. According to the USDA's Agricultural Marketing Service figures for 2008, there has been a 61% increase nationwide in the number of farmers' markets across the US since 2000. Illinois boasts 257 of those markets, and while there is no official ranking of farmers' markets in Illinois, Urbana's **Market at the Square** is widely considered to be one of the best and largest producer-only markets in the state.

Market at the Square is one of Urbana's strongest attractions. It is a large, popular special event running every Saturday for seven months, drawing people from both Urbana and the surrounding area. It serves as an incubator for local business activity, and is home to nationally-recognized, award-winning food producers. While its economic impact is difficult to quantify, it is undeniably significant. Farmers' markets, including the Market at the Square, are an integral part of a viable, sustainable community, and Market at the Square contributes enormously to Urbana's identity and sense of "place".

The 2008 season for Market at the Square began on Saturday, May 10, 2008 and ended on Saturday, November 8, 2008, running for a total of 27 weeks. There were many new components of the Market in the 2008 season – a new Director, some new staff, new programming initiatives, and new participants. The following summary analyzes the year's data regarding Market participants, operations, programming, marketing and financial expenditures, and identifies aspects of the Market requiring evaluation for 2009.

Discussion

Market at the Square Participants

The Market's participants include vendors, community groups, and performers. Each season, every participant receives separate guidelines and applications to complete prior to participating at the Market. Guidelines and applications are modified each year to improve clarity and to respond to any outstanding issues from the previous season. [see Attachment 1]

The Market's participants also include patrons, who are the economic and social force behind the Market.

Vendors

There were 159 **registered** vendors for the 2008 season. Six of those vendors opted not to participate after registering, placing the total **participating** vendors at 153. While the number of registered vendors decreased slightly, the retention rate for vendors increased 6% over that of 2006 (2007 figures not available), implying that vendors are returning to the Market for multiple seasons and, once re-registered, are increasing their space and/or "Market days". Weekly vendor attendance at the Market averaged 65 vendors in 2008, using an average of nearly 160 spaces. A total of 66% of vendors were returnees from previous seasons. Overall, vendor participation has remained fairly steady for the last four years.

As in previous years, just under half of participating vendors were from the Urbana-Champaign area, with remaining participants originating from other areas throughout Illinois. Some traveled significant distances to participate at the Market, with several coming from Southern Illinois.

Vendors were separated into two main categories, **growers** and **non-growers**. Growers were subcategorized as **produce vendors** (34 participants) and included fresh fruit and vegetable producers, meat/dairy/honey producers, fresh flower producers, and live plant producers. New vendors were inspected by the Director before they participated; existing vendors were inspected when a complaint or question (by either a patron or another vendor) was lodged regarding questions related to the origin of a vendor's items. Non-growers were subcategorized as **prepared food vendors** (21 participants) and included bakers, candy-makers, ice cream vendors, and other prepared foods designed to be consumed on- and off-site. **Art & craft vendors** (98 participants), the other component of the non-grower category, included artisans and crafters who produce items such as photography, clothing, woodwork, pottery, furniture, soaps, and more. Art & craft vendors remain the vendor category with the highest number of participants, with 64% of the Market's vendors fitting into this category.

Vendors were charged \$15 per space per week. Vendor revenues in 2008 totaled \$43,018, a 3% increase over the 2007 total of \$41,944. According to records, the vendor fee has not changed in at least sixteen seasons. While fees were originally set at an affordable level to encourage participation, the costs incurred related to running the Market have increased. It is likely an increase in vendor fees will be recommended for the 2010 season. [see Attachment 2, charts A, B and C]

Vendor Survey

Market vendors were given their first-ever vendor survey to complete after the season ended. The survey, designed to be completed either online or via US Mail, provided the vendors with a much-desired outlet to give anonymous feedback to the Market Director, and provided the Director with demographic information, responses to programming initiatives, and ideas/input regarding Market operations and direction.

2008 was a good year for most of the vendors, with over 47% of respondents noting their 2008 sales were better than their 2007 sales and 29% noting that sales were about the same. The survey showed they are engaged – vendors are interested in participating in marketing and promotional efforts, and want to continue to communicate with Market staff regarding Market improvements and enhancements. The Market is extremely important to local vendors – over 80% of respondents do not sell at any other farmers’ market in the area. [see Attachment 3]

Community Groups

The row of community groups at the north end of the Market is a valuable resource for the Urbana-Champaign community, both for the groups publicizing their efforts and for patrons who are looking for ways to contribute, volunteer, or otherwise engage in their community. A record-high 72 groups registered for space at the Market in 2008, a 6% increase over 2007. [see Attachment 2, Chart D] The booths retained by political parties were very active in 2008, with occasional complaints related to minor tension and crowding. Generally, all groups worked well together and were responsive to requests by staff and the Director.

Weekly participation by community groups in 2008 averaged out to 16 groups per week using an average of 24 spaces per week. Occasionally, more space was allotted at both the east and west ends of the row in order to better accommodate groups or special events by groups, such as giveaways, reading to children, etc. Walnut Street, which is blocked off during the Market, was also occasionally used. A total of \$4,436 in fees was collected from community groups in 2008, up from the \$4,166 collected during the 2007 season.

Performers

Performers remained a popular but slightly controversial component of the Market experience. 2008’s performers ranged in scope from folk and bluegrass and indie rock acts to spoken word,

balloon sculpture, and traditional busking performances. A total of 40 performers registered in 2008, up from 38 in 2007, a 3% increase. [see Attachment 2, Chart E]

Though performers are not required to pay fees to participate at the Market, they are required to follow the guidelines related to performers and to fill out an application prior to performing. Performers are required, for example, to perform without amplification. With one exception, this regulation was observed by the performers. Other guidelines, however, were not followed as closely. There were minor conflicts between vendors and performers, usually involving vendor complaints that transactions were difficult with multiple performers in the vicinity. Clarification of existing guidelines and better enforcement is expected to mitigate vendor/performer issues in 2009.

Patrons

Patron attendance increased sharply at the Market in 2008. Averaged across the 27-week season, the Market drew **5,903** patrons per weekend, a **19%** increase over 2007's average weekend attendance of 4,975. Peak season (July and August) drew the most people, with staff estimates nearing 10,000 patrons per week for three weekends in August. These three weekends broke previously existing Market attendance records not just for those weekends in August, but for any recorded weekend during Market season.

Patron feedback was collected on Market days by City staff both at the City tent and as the Director made rounds. The Director also fielded phone calls during the week. The feedback was overwhelmingly positive, particularly regarding new programming initiatives for children, vendor product mix, the quality of performers, and the accessible, social nature of the event. Complaints by patrons included the presence of dogs at the Market (for sanitary and safety reasons), lack of amenities available for dogs at the Market by dog owners, and smoking by vendors and other patrons at the Market. The Director is working with the City's Legal Division to create fair policies covering pets and smoking at the Market for the 2009 season. Policies related to sexual harassment are also being developed as a result of concerns expressed by Market employees.

There is significant interest in Market at the Square from outside the area, particularly by individuals and groups wanting to start a farmers' market or augment an existing market in their area. The Director attended two market management workshops during and after the season and led several conversations pertaining to Market at the Square's use of new, mostly free tools to market and publicize farmers' markets.

Operations

Operations are the behind-the-scenes engine of Market at the Square. In 2008, operations included the Director's **day-to-day** tasks during the season, such as processing applications, assigning vendor and community group space, accepting vendor payments, accounting,

scheduling staff, purchasing necessary supplies, producing educational materials for Market patrons, planning any Market programming, and implementing a marketing plan. Operations also include **on-site** tasks at the Market for both the Director and Market staff, such as setting up and managing the City's booth, vendor/community group/performer placement, general Market supervision, guideline enforcement, and assisting all participants with any issues or problems that arise.

Programming

New nutrition/farm-linkage programming for young children, **Sprouts at the Market**, was created in 2008. This programming was co-developed by the Director and a volunteer, University of Illinois dietetics student Jennifer Hewitt. The goal of the programming was to provide opportunities for children to taste fresh produce or other whole foods in season and receive nutrition information about these foods while simultaneously meeting the farmer/producer responsible for the food. 2008's two Sprouts events, held in August and October, were hugely successful, averaging 40 participants per event. Feedback was overwhelmingly positive from all participants, including farmers.

In May, the Market Director organized a listening session, attended by about 75 people, for the State of Illinois' Local and Organic Food and Farm Task Force. The statewide listening sessions, including Urbana's, provided the Task Force with information for their recommendations, which will be presented to the Illinois State Legislature in early 2009.

Other programming included collaboration with the Urbana Free Library and the Urbana Public Arts Commission, as well as special events around holidays. [see Attachment 4]

Marketing/Financial

In 2008 Market at the Square used both traditional and less-traditional marketing tools to attract patrons to the Market.

Traditional marketing tools included print advertising, radio advertising and underwriting, a page on the City website, posters and handbills, banners, merchandise, press releases, and media coverage. Some traditional marketing tools, such as television and radio advertising, were used creatively. For example, the Market received a \$4,000 grant from the Illinois Department of Agriculture in 2008 to purchase air time for television advertising. The resulting collaboration with Urbana Public Television provided Market advertisements that ran on a local network (WICD) and on the Food Network and Lifetime via Comcast. The Market also invested in a month-long radio promotion called "The Farmer & Michelle", where a disc jockey from a local radio station (WLRW/94.5) sourced her personal food supply primarily from vendors at the Market in September. This "locavore" project received significant airtime (both in scheduled advertisements and in live conversation), as well as promotion on both the station's weblog and a separate weblog set up specifically for the project.

Less-traditional marketing included internet-based social networking tools, such as Facebook, Twitter (a “microblogging” site), a Market weblog, and Flickr (a photo hosting site). These tools are no- or low-cost, but are very popular and effective. [see Attachment 5]

Primary expenditures for the Market in 2008 included marketing, supplies, and staff, and did not differ significantly from expenditures from past seasons. In addition, each season there are many Market tasks and services that have been covered by the City of Urbana as in-kind assistance and have not been billed directly to the Market fund. These include, but are not limited to, vehicle use and maintenance, legal and clerical services, utility expenses, partial Director’s salary, phone/fax expenses, web/email expenses, sandbags, and trash barrels.

Overall income for the 2008 Market, including vendor participation fees, community group participation fees, and grant income, totaled **\$51,454**. Overall expenses for the Market, including part-time staff, marketing expenditures, and supplies, were \$37,117. Solid financial management over the years has resulted in a carryover for the Market, which is invested, when appropriate, on marketing initiatives such as new banners, increased radio and television advertising, or Market infrastructure improvements as the need arises. [see Attachment 2, Charts F and G]

2009 Market Season Concerns

Several minor improvements and upgrades are being considered for the 2009 season. These are summarized as follows.

Access

Fiscal accessibility to the Market for all citizens of Urbana and surrounding communities will bring more people to the Market and to Urbana. Enhanced accessibility can be accomplished through the following:

- Exploring funding opportunities for eventual implementation of Electronic Benefits Transfer (EBT) technology at the Market for low-income residents
- Working more closely with Champaign-Urbana Public Health District and the Farmers’ Market Nutrition Program/WIC to encourage low-income residents to shop at the Market

Operations

Several small improvements in the Market’s day-to-day and on-site procedures will make a significant difference in the Market season’s flow and will allow more time to be spent on programming, marketing and promotion, and other Market-enhancing activities. These improvements include:

- Review and redevelop Market guidelines and procedures
- Work with Legal Division to add policies regarding smoking, dogs, and sexual harassment
- Work with Legal Division to enhance and clarify existing policies regarding health permits, insurance, and tax information
- Enhance and clarify existing policies regarding payment deadlines, missed days due to inclement weather, and space assignments
- Recruitment of more produce vendors
- Redevelop the grower inspection policy. All growers should be inspected in 2009
- Explore, with the Legal Division, the possibility of including local wine and beer producers as vendors

Programming and Marketing

Augmentation of programming initiatives and development of a more targeted marketing campaign for the Market will result in increased numbers of participants, increased participant buy-in, and further support of the Market. The following ideas are under consideration for 2009:

- Expand the “Sprouts at the Market” programming to four scheduled events
- Increase City- and partner-centered special events (e.g., Urbana Free Library, U-Cycle, Public Arts Commission, MTD/ZipCar, University of Illinois Extension, and others)
- Increase use of social networking tools to reach out to current and potential patrons
- Redirect Market advertising dollars to maximize return on investment
- Using Illinois Department of Agriculture grant, expand on 2008 season’s television advertising campaign (awaiting funding decision)

Conclusion

The 2008 season for Market at the Square was a success. The Market Director and staff are always open to feedback, questions, and ideas for continuing this success into the 2009 season and beyond.

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Attachments:

1. Market at the Square Charts for 2008
2. 2008 Market Map and Regulations
3. 2008 Vendor Survey Instrument and Summary
4. Examples of Market at the Square Promotional and Marketing Activity
5. Examples of Market at the Square Programming