



# Consumers' Quality Expectations of Direct Marketed Produce

Shermain Hardesty, UC Davis Ag & Resource Economics Lake County Farm Bureau Farmers Market/Gardeners Workshop March 11, 2011

#### **Topics**

- Why is Quality Important
- Quality Parameters
- Displays & Labeling
- Food Safety Regulations
- Miscellaneous Tips
- Group Discussion & Report Back

#### Why is Quality Important

- Great quality produce gets people talking about you
- Great quality brings in more customers
- Great quality earns higher prices
- Great quality attracts restaurant chefs and other types of buyers

#### Quality

Any products that appear badly marked, poor quality, over ripe, fruit fly infested, other pest infestations (presence of mealy bug, sooty mould etc), can be considered unmarketable and removed by the Market Manager.







## How do Lake County consumers define produce quality

- \_\_\_\_\_
- \_\_\_\_\_,

### How do consumers in general define produce quality

- Freshness
- Ripeness
- Eating quality
  - Flavor
  - Aroma
  - Texture
- Puncture-free

- NOT shelf life
- NOT large
- NOT bright and shiny
- NOT perfectly symmetric

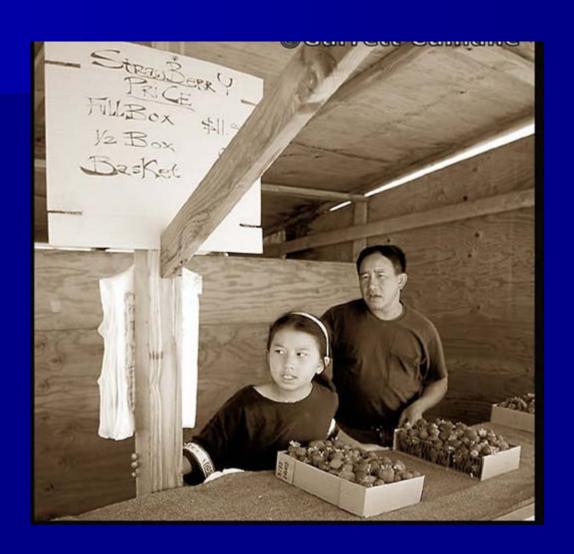




### How do consumers define value for produce?

- When asked to define value the top answer selected by 75% of the study's respondents was "quality;" price ranked second with 65%...
- Acceptable "quality" is the entry requirement for purchase consideration.
- Once that threshold has been met for individual consumers, price becomes the key driver

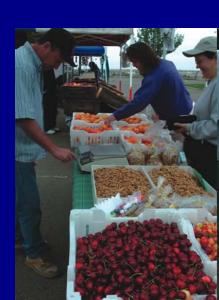
--Hartman Group Study, 2010





#### Display Area

- Well organized
- Does not obstruct Market traffic flow
- Attractive, uncluttered
- Try to keep your vehicle out of display
- Appearance is important









### **Uncluttered Display Area**



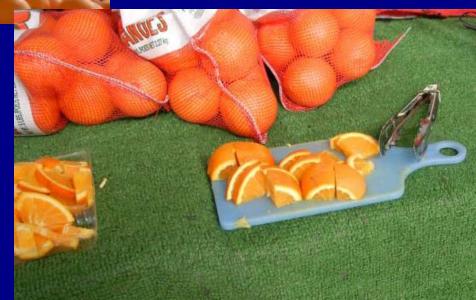




#### Appearance Is Important

- Signage—Do Your Customers Know Your Name?
- Are your salesperson's hands clean?
- Is your salesperson's clothing clean?





### Signage

- Product name and prices
  - Clear, easy to read





### Signage—Do Your Customers Know Your Name?

- Farm Sign
  - Clear, recognizable
  - Location











#### LAMB

Fifth generation family rancher Reed Anderson Raises our grass-fed and finished lamb in Oregon's Willamette Valley. The lambs are given no antibiotics or growth hormones and live on open pasture. All our lamb is Certified humanely raised and handled.

CHOPS. STEAKS & GRILLING CUTS
Sirlion CHOP (T. bone) - \$17.7/Lb
Lamb leg Steak - \$9.7/Lb
Butterflied Leg Sirlion - \$9.5/Lb
Lamb Shoulder Steak - \$6.99/Lb

#### ROASTS, STEWS ! BRAISING

Boneless Netted Shoolder Roast - \$69% LA Boneless Netted Leg Roast - # 9.9% LA Riblets (short Ribs) - # 5.7% LA Shanks - \$ 6.79/16

#### PERHAPS ..

Ground Lamb - # 6.9% Morrocan Sausage - # 10/P

\*LAMB NECKS \$5 99/L3

#### VITELLONE

With the tenderness and flavor of veal, our vitelline is pasture-raised on mother's milk and grass in the lush Willamette Valley in Dregon without the use of antibiotics or Hormones; Our vitellane never lives in a crate is never ted formula. and is certified humanely raised and hundled. Translated loosely to "young cow" or "big vezl". it is found on menus throughout Triscany. Don appetito!

#### STEAKS. \$ OTHER CUTS FOR GRILLING

Bone-in Ribeye-\$189/6 Flank Steak-\$12.99/66
T-Bone - \$16.99/66 Flat Iron -\$12.99/66 Flat Iron - \$12.99/LL Sirloin Tip Steak-\$8.9% JOP Sirloin -# 9.99 LL Khuck Steak\_#699/45 Flet Mignon-\$23.99/16

#### ROASTS AND STEWS

0550 Bucco \_ + 6.99/16 CHuck Roast\_ +6.9%

-SPECIALS-

BONES SHORT RIBS

OTRI-TIP





#### Cleanliness

"Cleanliness is the most important aspect governing the sale of produce at Huffman's.

All of the tables get cleaned every morning and every night.

All of the carpeted shelves get vacuumed.

And, all of the produce gets cleaned before it ever hits the shelves"





#### Food Safety

- County Environmental Health Dept. regulates sampling at Farmers Markets
- Serving utensils must be disposed of after one use
- Containers need to covered
- Disposable gloves?

#### Food Safety

- After 2006 E. coli outbreak in spinach, shoppers flocked to Farmers Markets to buy spinach from a farmer they trusted
- Most farmers who sell at farmers markets do not have any food safety certification

#### New Food Safety Bill

- Tester Amendment provides exemption for "small farmer" who sells majority of their product direct
  - 50% or more of farm product direct marketed
  - Direct markets in the same state or within 275 miles
  - Total farm sales less than \$500,000
  - Name, address and phone # provided to customer
- Applies <u>only</u> to fruits and vegetables, not meat, poultry or dairy products

#### Food Safety

- In California you cannot manufacture or hold food in your home for sale
  - exception: charity bake sales
- Issues of inspection
- Ability to manufacture under Good Manufacturing Practices
  - sanitation particularly difficult at home

## If you sell processed foods, regulation depends on where you sell

- Make your own, only sell your own to ultimate consumer (e.g., farmstand, farmers market)
  - Subject to County Environmental Health (each county sold)
- Others sell your product but only in California
  - Subject to State CA Dept of Public Health you or others sell your product within AND outside California
- State AND Federal (FDA and/or USDA)

#### Commercial Food Facilities

- Commercial Kitchen
  - Meets Food Code (California Retail Food Code – 10/09) requirements
  - Can register as a processing facility
- Food Processing Plant
  - Meets Good Manufacturing Practices Regulations
- Co-packer



### CA Dept. of Public Health Food & Drug Branch

- Regulates processing, repackaging and warehousing
  - Dried fruits and vegetables (<u>if cut</u>)
  - Milling and Milled flours
  - Shelled nuts
  - Flavored nuts
- A separate registration is required for each place of manufacture, packing, or holding

### CA Dept. of Public Health Food & Drug Branch

- Foods that are "low acid canned" or "acidified and canned" to prevent the formation of Botulism Toxin must be done in a California-licensed cannery regardless of whether they are direct marketed
  - Acidified food-- pickled vegetables, salsa, relishes, pesto
  - Thermally processed canned foods
  - Requires training in Better Process Control School
  - Separate registration, product and process submission and evaluation, batch and record inspection
- Exemptions: naturally acidic (e.g., peaches), microbially fermented (e.g., dill pickles), jams and jellies, some dressings/sauces

#### MISCELLANEOUS TIPS

Growing is not the hardest part of farming

The farmer who will stay in this business is the one who can market—and market at a fair price

Paul Muller, Full Belly Farm

#### Dimensions of Your Product

- Crop assortment—SPECIALIZE TO START
- Crop varieties
  - Including early & late season
- Fresh, value-added/processed
- Bulk, bundled, packaged
- "Brand name"
- Features, e.g., organic, no pesticides, Lake County Farmers' Finest
- Packaging/labeling



#### Add Other Crops/Products

- If direct marketing, can only sell your own crops
- Make jam, preserves, syrups or dry/freeze-dry your excess fruit & veggies in a commercial kitchen
  - Put labels on your jars/bags (see Labeling Guide, www.fda.gov)



- Direct Marketing requires planning for quality and success:
  - Assess the market situation
  - Understand your different target markets
  - Plant accordingly
  - Make decisions strategically
  - Strive for quality
  - Market your identity to differentiate
- Remember your time is money!