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Socio-Economic Aspects of the Farmers' Market: A Case Study of the Baltimore and Camden Avenue Farmers' Markets in Maryland

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Abstract: The study examined the socioeconomic aspects of farmers' markets, focusing on vendors from The Baltimore Farmers' Market and the Camden Avenue Farmers' Market in Maryland. The study's objectives were to analyze the socio-economic aspects of farmers' markets and identify the challenges faced by the vendors. A total of 19 responses were collected from these two locations through in-person interviews using a semi-structured questionnaire. The results indicated that the farmers' market provided farmers with a direct channel for selling their produce to consumers, contributing to profitability and food production at the local level. Despite the realized socioeconomic benefits, the vendors encountered challenges, including high competition, lower profit margins, market risks, and market regulations. The study highlighted the vital role of farmers' markets in promoting sustainable local food production systems and supporting the local economy.

KEYWORDS: socio-economic aspects, farmers' market, Baltimore, Camden, farmers' markets, Maryland

INTRODUCTION

Increasing concerns about food safety and the negative impacts of conventional food systems on the environment have increased local food consumption in recent years (Gilg & Battershill, 1998; Hinrichs, 2000). This awareness has led people to explore alternative food networks, such as farmers' markets, for access to fresh, locally produced foods. Farmers' markets are public spaces where the producers sell their produce, primarily fruits and vegetables, directly to the consumers

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(Figueroa-Rodríguez et al., 2019). Farmers' markets benefit producers by helping them earn profits from direct sales, while consumers can access high-quality, healthy, nutritious food (Malagon-Zaldua et al., 2018). Fresh, high-quality products, social interaction, a local economy boost, and an environmentally friendly food system are some primary motivations that attract consumers to the farmers' market (Feldmann & Hamm, 2015; Toler et al., 2009; Zepeda & Deal, 2009). This direct marketing is particularly important for small farmers who face low farm-gate prices (Eastwood et al., 2004).

The number of farmers' markets in the United States grew dramatically from 1,755 in 1994 to 8,761 in 2019 (USDA-AMS, 2019) due to growing consumer demand for fresh, locally grown, and organic food (Gao et al., 2012). Several studies have shown that farmers' markets increase local food access and affordability (Warsaw et al., 2021). The farmers' markets offer fresh fruits and vegetables at prices equivalent to, or sometimes lower than, those in conventional retail markets (Claro, 2011; Flaccavento, 2011; Otto & Varner, 2005).

Farmers' markets are more than places for exchanging food and services; they play an essential role in community building (Zepeda & Li, 2006). According to Gillespie et al. (2007), the farmers' markets are cornerstones of a strong local economy, contributing to the community's socioeconomic development. Studies have displayed several social and economic motivations that lead producers/farmers to participate in the farmers' markets. Social motivations include interacting with community members and educating consumers (Bellante, 2017). Studies reveal that people value and actively seek the face-to-face interactions provided by farmers' markets (Gillespie et al., 2007; Lyson, 2004). These markets bring together individuals from diverse ethnic, political, and economic backgrounds, facilitate social interaction, and strengthen community relationships (Gillespie et al., 2007; Warsaw et al., 2021a). Farmers' markets also contribute to developing social capital within the neighborhoods they serve (Brown & Miller, 2008).

The primary objective of this study was to analyze the socio-economic aspects of farmers' markets with a particular focus on local producers and vendors operating within the Baltimore Farmers' Market and the Camden Avenue Farmers' Market. Farmers' markets serve as essential platforms where small-scale farmers and food producers sell directly to consumers, cutting out intermediaries and promoting local agricultural production. This study seeks to explore how these markets contribute to the economic well-being of vendors, including their earnings, market exposure, and business sustainability. By examining vendor experiences and customer interactions, the study aims to assess how farmers' markets create economic opportunities for small-scale producers and influence local food systems. In addition, this study identified some key challenges faced by vendors operating in the farmers' markets.

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LITERATURE REVIEW

Economic benefits of the farmers' market

The economic motivations for producers to participate in farmers' markets include employment opportunities, diverse income sources, premium pricing, the absence of intermediaries, and contribution to the local economy (Bellante, 2017; Cox et al., 2008). Direct-to-consumer marketing of the produce allows producers to earn a higher share of a consumer dollar (Detre et al., 2011). Low barriers to entering the farmers' market make it accessible and appealing for both new and existing farmers (Tropp & Barham, 2008). Furthermore, farmers' markets encourage crop diversification. They offer unique products not typically found in conventional markets, allowing small farms to experiment with diverse crops and varieties in small quantities since they can adapt to the changing market demands, unlike large farms (Warsaw et al., 2021a). Farmers' markets can also be important tourist attractions (Hede & Stokes, 2009). A study by Gerbasi (2006) found that 50% of Ohio farmers' market revenue came from out-of-town customers. Moreover, these markets have a high potential to increase the flow of customers, which could benefit surrounding businesses (Brown & Miller, 2008).

According to the USDA, farmers earned 22.8% of the retail price of food sold for home consumption in 2013, which is lower than the 25-year average of 23.4%, reflecting a steady decline in the portion of food sales that goes to producers (USDA-ERS, 2013). One way to address this declining farm share is by reducing the intermediaries between farmers and consumers, as seen in the rise of direct-to-consumer channels like farmers' markets. By shortening the supply chain, farmers can capture a larger portion of the consumer dollar, potentially earning much more per crop than selling through wholesalers (Detre et al., 2010). However, direct-to-consumer sales require more labor and materials for marketing and distribution, adding costs that farmers need to manage in addition to their production expenses to maintain profitability (Hardesty & Leff, 2010). Therefore, producers must weigh the trade-offs between lower volumes but higher prices in direct markets versus higher volumes but lower prices in wholesale markets (Martinez, 2010).

Farmers' markets also promote diversity in both farming methods and crop selection. By directly connecting farmers with consumers, these markets offer producers direct feedback on their growing practices, encouraging the use of organic or environmentally friendly techniques to remain competitive (Hinrichs et al., 2004). This dynamic gives consumers some control over their local food system and incentivizes smaller farms to manage risk by cultivating various crops with different environmental tolerances. These crops are often delicate, highly perishable, and require quick harvesting and marketing, which local markets facilitate. Farmers' markets allow farmers to experiment with market dynamics by introducing new or heirloom varieties in small amounts (Govindasamy et al., 1999). Additionally, farmers can market their sustainable farming techniques, adding to the appeal of their products. Markets with greater product diversity among vendors tend

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to be more financially successful, creating a positive feedback loop that supports crop diversity (Archambault et al., 2020).

While commercial retailers can increase food accessibility, farmers' markets better benefit local communities by allowing money to circulate through the community rather than leaving and going to a corporation. By cutting out middlemen, farmers can receive a much larger share per sale (Karpyn et al., 2019; Martinez, 2010). Consumers also benefit more from farmers' markets due to the increased sense of community and social events that markets can provide. Farmers' markets also offer nutritional benefits and improved food security through access to fresh local foods (Karpyn et al., 2019; Martinez, 2010; Warsaw et al., 2021b).

Moreover, farmers' markets often attract smaller farms, as larger farms are unable to meet the specific demands of locally grown food (Feenstra et al., 2003). Nationally, the number of farms in the U.S. continues to decline while the average farm size increases, reflecting greater consolidation in the agricultural sector. Large farms typically focus on a few crops and use highly mechanized methods, while smaller farms often rely on low-input or organic practices. Operating on a smaller scale allows farmers to closely monitor their land without depending on hired labor, giving them a clearer understanding of how farming practices affect their farm's ecosystem. This can help them improve production and manage pests without chemicals. Policies at farmers' markets may vary, with some requiring vendors to be the farmers themselves or for products to come from a specific local area (Andreatta & Wickliffe, 2002). According to the USDA Market Manager Survey, 65% of markets require vendors to sell only what they produce (Ragland & Tropp, 2009). Small-scale local farmers who strictly sell their own crops often find it challenging to compete with vendors selling goods sourced from wholesale markets or other farmers (Andreatta & Wickliffe, 2002; Kirwan, 2004; Ragland & Tropp, 2009).

Social benefits of the farmers' market

Farmers' markets serve as social hubs that strengthen and unite urban and rural communities by creating public spaces and revitalizing neighborhoods. Research shows that farmers' markets increase social capital by allowing people to strengthen their ties with others in the community (Hunt, 2007; Loomis et al., 2004). These markets foster connections between citizens, consumers, producers, and community organizations, and integrate them into the local food system. They offer opportunities for social interaction, commerce, entertainment, and the exchange of information (Kirwan, 2004). By bringing people together, farmers' markets contribute to public health by offering access to healthy foods and cultivating a social environment that encourages interaction, education, and potentially positive behavioral changes (McCarthy, 2007; Spaces, 2003).

Farmers' markets uniquely provide a much closer farm-to-table relationship for consumers. They provide an environment to develop community relationships between farms and consumers and provide consumer education and social interaction. Furthermore, the positive health impacts of

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adding fresh, healthy food to the diet provide a social benefit. According to Karpyn et al. (2019), food deserts exist in every state of the United States. In 2012, USDA estimated that 23 million people lived within that nexus. The food accessibility gap can be addressed by both farmers' markets and commercial retailers (Karpyn et al., 2019). Farmers' markets can provide access to healthy food for low-income communities by working with federal and local programs. They are thus able to accept payment from welfare funds, Supplemental Nutrition Program for Women, Infants, and Children (WIC), Farmers' Market Nutrition Program (FMNP), low-income Senior Farmers' Market Nutrition Program (SFMNP), and non-profit organizations (Warsaw et al., 2021).

The USDA studies the beneficial impact of farmers' markets, so funding for these programs is increased frequently, and grants are often created to support these goals. A recent example of this was the American Rescue Plan Act of 2021, which provided \$390 million in grants to the USDA through fiscal year 2024 to benefit WIC and WIC FMNP. These grants specifically aimed to modernize benefit delivery and increase utilization (USDA, 2023). The modernized benefit delivery and increase utilizations more efficiently. The USDA, under the American Rescue Plan Act of 2021, allocated funds to transition from the conventional paper-based system to a digital, web-based solution, making it easier for WIC participants to access benefits for fresh produce through a mobile system at farmers' markets. The pieces of evidence show that strong government support will increase the resilience and viability of these farmers' markets.

Due to their role in promoting both economic revitalization and food access within local communities, an increasing number of studies have applied social, environmental, and food justice perspectives to examine the effects of farmers' markets on these communities. Farmers' markets provide significant individual and community benefits. They help address environmental issues by promoting locally produced sustainable food options. These markets also improve access to healthy, fresh food, often making it more available and affordable within community-centered spaces. Additionally, farmers' markets strengthen community connections by bringing people together around shared interests in food, health, employment, and economic growth.

By drawing visitors into a specific physical area, markets boost local businesses and promote a sense of goodwill. Local artisans often participate in the market, enhancing the diversity of offerings, increasing foot traffic, and strengthening cross-cultural connections within the community. In recent years, researchers have suggested that emphasizing the social, economic, and environmental dynamics underlying agricultural production can inspire consumer-driven movements to build a more sustainable and equitable food system (Alkon & McCullen, 2011). Farmers' markets rely on strong relationships among community members, organizations, and local stakeholders. These networks and partnerships enable new ideas and improvements in the market's operations, enhancing operational efficiency and promoting shared social and

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environmental values. These relationships between community members, organizations, and local stakeholders involved in farmers' markets can create new marketing opportunities and increase the availability of affordable, nutritious food for residents (Morales, 2000; Pitts et al., 2014). Farmers' markets often serve as platforms for civic engagement, where local leaders, volunteers, and partnerships between public agencies and nonprofit organizations collaborate to make a variety of positive impacts, such as creating lively public spaces, encouraging healthy eating, and strengthening the connection between consumers and food producers (Spaces, 2003).

STUDY METHODOLOGY

Study locations

The case study was conducted at two prominent farmers' markets in Maryland: The Baltimore Farmers' Market in Baltimore City and the Camden Avenue Farmers' Market in Salisbury. These two markets were chosen for their significance in supporting local agriculture, their role in providing fresh produce to urban communities, and the diverse range of vendors they host. The Baltimore Farmers' Market is one of Maryland's largest and most established markets, attracting various vendors and consumers. In contrast, the Camden Avenue Farmers' Market serves a smaller, more localized customer base in Salisbury.

Data collection

The data for this case study were collected using purposive sampling, which allowed the selection of participants most relevant to the study's objectives. A total of 19 vendors from both markets were selected for interviews. These vendors were chosen based on the products sold, including fresh produce, value-added products, and other locally made products. Data were gathered through in-person interviews conducted with each vendor. The interviews followed a semi-structured questionnaire, which enabled us to collect quantitative and qualitative data while allowing flexibility to explore relevant topics that emerged during the discussions. The questionnaire was designed to capture key aspects of the vendors' experiences in the market, their business operations, and the challenges they faced.

Data analysis

The collected data were subjected to descriptive analysis, primarily focusing on univariate analysis to assess individual variables.

The variables analyzed in the study included:

a. Vendor demographics: Age, gender, years of experience, and business type were recorded to gain insights into the background of the market participants.

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- b. Seasonality and types of produce: The study explored the seasonal nature of the vendors' products, identifying the types of produce and goods sold during different times of the year.
- c. Marketing management: This variable assessed the management strategies used by vendors to attract and retain customers, including promotions and customer service practices.
- d. Marketing channels practiced: The vendors used various marketing channels, including direct sales at the farmers' market, online marketing, and other distribution methods.
- e. Pricing: The study examined how vendors set their prices, considering factors such as market demand, production costs, and competition.
- f. Marketing risk management: To understand vendors' resilience in the market environment, vendors' strategies for managing risks, such as price fluctuations, competition, and crop failures, were analyzed.
- g. Profit: Satisfaction with the profit margins from market participation was evaluated to assess the economic viability of farmers' market participation for local vendors.

RESULTS AND DISCUSSION

Vendor demographics

Of the total (n=19) vendors surveyed, 63% were male. The vendors were from various counties across Maryland and neighboring states like Delaware, Virginia, and Pennsylvania. This indicated that the Baltimore and Camden Avenue farmers' markets attracted a wide range of producers, likely due to their strong reputation and consistent customer base. The presence of vendors from distant counties or states reflected limited local marketing options in rural areas, making these markets a vital outlet for their produce.

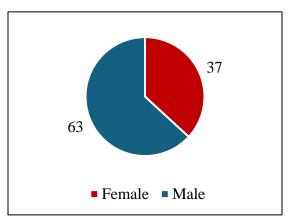


Fig 1: Gender distribution of respondents (%).

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State	County	Respondents (%)
Maryland	Baltimore County	21
	Worchester	16
	Wicomico	16
	Caroline	11
	Queen Anne's	5
	Dorchester	5
	Caroll	5
	Kent	5
Virginia	Hanover	5
Delaware	Sussex	5
Pennsylvania		5

Table 1: Residence counties of respondents (%).

Seasonality and types of products

The study explored the link between the types of products sold and the markets' seasonality as listed below:

• Seasonality and Crop Diversity: Since only 32% of vendors were seasonal, the remaining 68% were engaged in year-round sales, which indicated that they either produced crops that were available throughout the year or relied on storage techniques, such as cold storage for root vegetables, or value-added products, like honey and soaps, to extend their sales season. Exploring how vendors adapt to seasonality could be insightful, for example, selling preserved foods (like jams) or diversifying into non-food items such as flowers and body care products to maintain profitability year-round.

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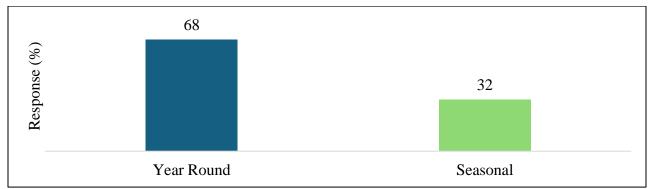


Fig 2: Frequency of selling produce at the farmers' market (%).

 Market Opportunities for Seasonal Vendors: Understanding the prime selling seasons helped verify that summer was the most profitable season for vendors to sell produce. Products like berries, tomatoes, and herbs thrive during the warmer months, offering high consumer demand and a premium price, which explains their popularity in summer sales. The challenge of extending their presence beyond summer could be discussed –many seasonal vendors must rely on a strong summer sales window to compensate for lower income in offseasons.

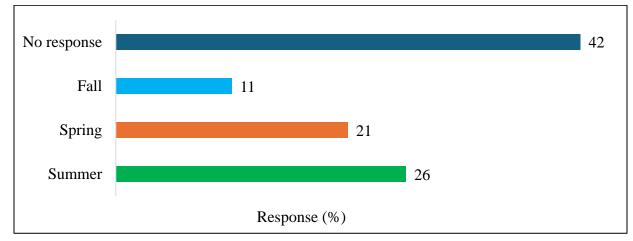


Fig 3: Seasonality of selling produce at the farmers' market (%).

Marketing management

To expand this section, we could look deeper into the strategies vendors use to manage their products and promote themselves:

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• Post-Harvest Management: Vendors often had to make crucial decisions about grading, branding, and packaging their products to meet consumer expectations. For example, 58% of vendors in the case study were engaged in branding efforts, which showed an understanding of how important product differentiation was in crowded market settings. This also suggested that branding could be an essential tool for vendors to build a loyal customer base.

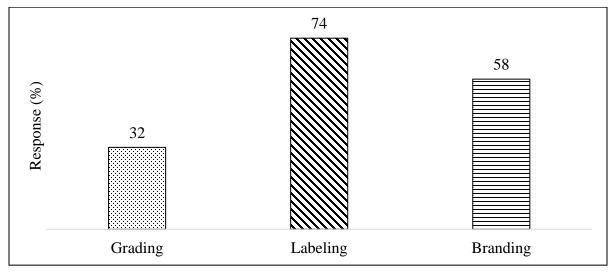


Fig 4: Post-harvest management practices adopted by vendors (%).

• Product Presentation: Besides branding, the case study data showed that most vendors (58%) sold 'ready-to-eat' produce, which may be appealing to customers seeking fresh and local food items. However, this may also limit how vendors can increase the perceived value of their products without engaging in added steps like washing, packaging, or even preparing ready-to-eat produce.

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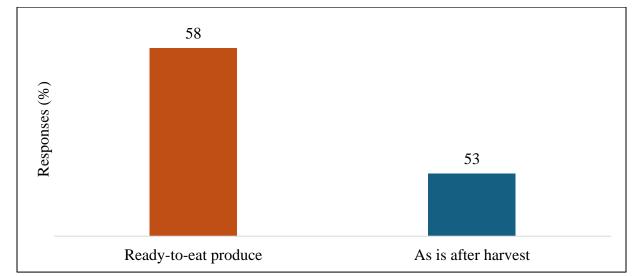


Fig 5: Types of produce sold at the farmers' market (%).

Marketing channels practiced

This section analyzed the effectiveness of various marketing channels based on the vendors' preferences. The fact that 84% of vendors used websites and a significant portion relied on Facebook (74%) and Instagram (53%) highlighted how digital tools have become integral for even small-scale vendors. This pointed to a shift towards tech-savvy marketing practices, where vendors can reach a broader audience without relying solely on foot traffic at farmers' markets. Social media lets vendors showcase their products visually, interact with customers, and build a loyal following.

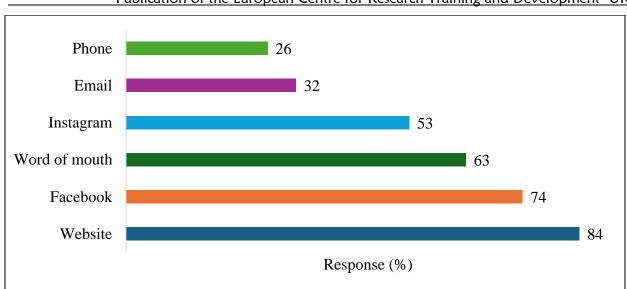
Despite the prevalence of social media, traditional methods like word of mouth (63%) remained important, especially for local markets where personal relationships and community connections still play a crucial role. Vendors likely depend on loyal customers to spread the word about their products. This grassroots form of marketing reinforced farmers' markets' social and community-building aspects, where trust and relationships drive repeated sales.

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Fig 6: Modes of advertisement adopted by vendors (%).

The dominance of direct selling (84%) underscored the importance of face-to-face interactions between vendors and consumers. Farmers' markets create an environment where these interactions are a key selling point, allowing customers to learn more about the origins of their food and ask questions about sustainability practices. The importance of personal engagement may also explain why some vendors, despite digital marketing tools, continue to prioritize direct sales at these markets as their primary marketing channel.

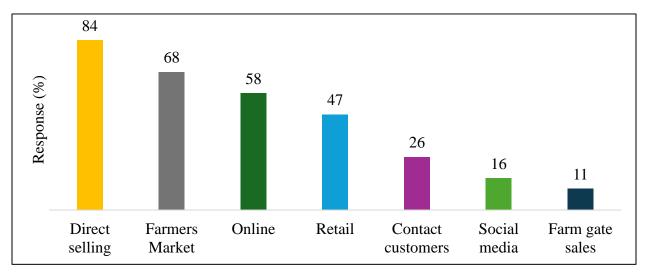


Fig 7: Marketing channels practiced by vendors (%).



Pricing and payment

Out of the 19 farmers surveyed, 79% decided the market prices of their commodities on their own. Following that, production cost (42%), market demand (37%), and quantity produced (32%) were the most common price decision-making factors. Family members were the least common factor, with only 5% of vendors stating that it influenced their decision to fix the prices of the vegetables.

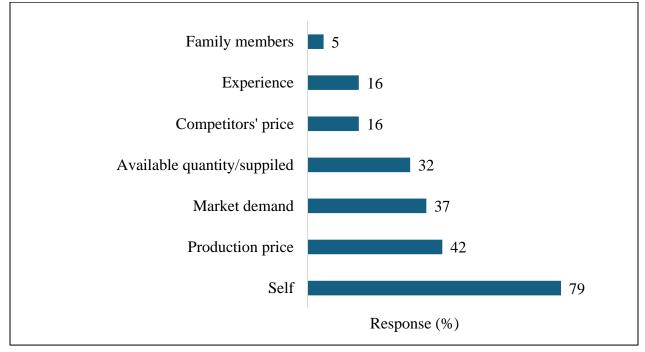


Fig 8: Decision about commodity price fixing (%)

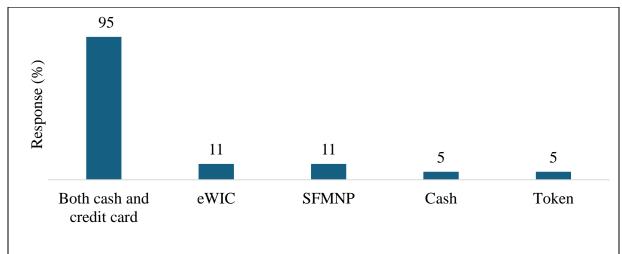
Of the total surveyed participants, 95% said they accept cash and cards as payment methods. Likewise, 11% of the vendors accepted Electronic Women, Infants, and Children cards (eWIC) and Senior Farmers' Market Nutrition Program (SFMNP) coupons, both of which are government-assisted supplemental nutrition assistance program (SNAP) cards. Moreover, 5% of the vendors accepted sole cash payment, and 5% accepted tokens that the market used to substitute for Electronic Benefit Transfer (EBT).

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Fig 9: Payment methods adopted by the vendors (%).

The Baltimore Farmers' Market and Camden Avenue Farmers' Market offered a variety of products (Figure 10a). Most vendors determined the price of these commodities on their own based on the production cost, market demand, competition, and their experience. Figure 10a shows the average prices of the vegetables, and Figure 10b shows the prices of the fruits sold at these two farmers' markets. These prices were slightly higher than those of grocery stores.

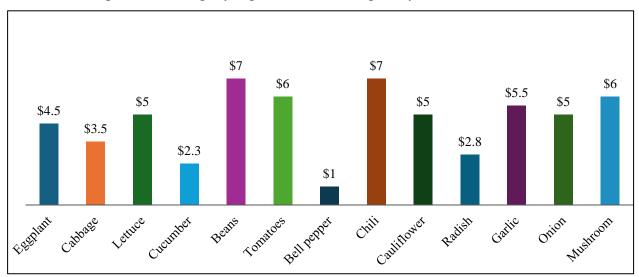


Figure 10a. The average price of vegetables in farmers' markets (\$).

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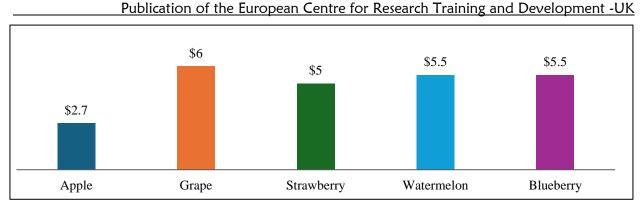


Figure 10b: The average price of fruits in the farmers' markets (\$)

1.2. Marketing risk management

Farmers adopted various risk management techniques to sustain production and regularly participate in the farmers' market. Of those surveyed, 47% reported to have farm insurance. Moreover, 5% reported having commodity-specific crop insurance, 5% were contract producers, and 5% were engaged in community-supported agriculture. Unfortunately, 37% of the respondents did not respond to the question.

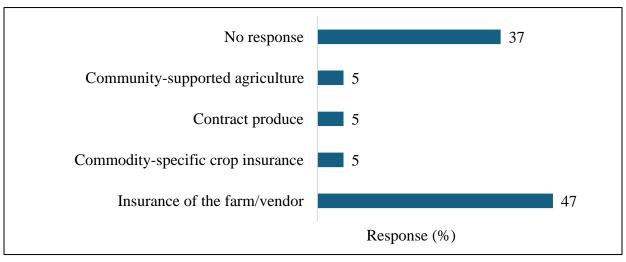


Fig 11: Marketing risk management practices adopted by vendors (%).

Profitability and satisfaction

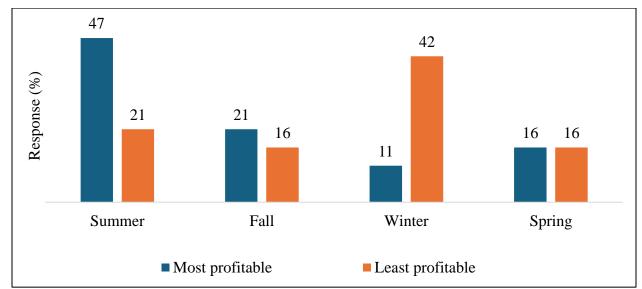
The survey found that summer was the most profitable season and winter the least profitable. Interestingly, spring had an equal number of vendors who found it profitable or unprofitable. Figure 12 shows the complete breakdown of profitability based on the survey responses.

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Fig 12: Most profitable and least profitable months as reported by vendors (%).

Though profitability was much lower during the winter months, many farmers stated they would sell until they ran out of produce, and a few grew winter crops to tide them over. Summer and fall were considered the most profitable months because their crops were in those seasons. In contrast, some farmers found summer the least profitable due to the expenses accrued during the growing season.

Satisfaction with the markets' profit margin was much more mixed. Thirty-seven percent of our samples expressed satisfaction, while 26% expressed dissatisfaction. However, due to gaps in the data, it is hard to get a comprehensive insight from our sample.

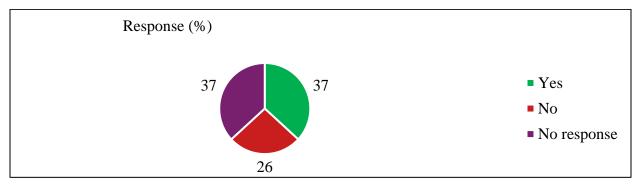


Fig 13: Satisfaction with the profit margin (%).

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Problems and regulations

As shown in Table 1, the farmers surveyed faced various financial, production, and marketingrelated challenges. Most of them are related to high competition in the market (11%) and lower profit margins from produce sold at the farmers' market (11%). Besides them, lack of proper market regulations (5%), pest and disease infestation during production (5%), a lack of assets to operate business in the farmers' market (5%), short duration of market operation (5%), weather events (5%), and vendor saturation (5%) were among other challenges outlined by the surveyed respondents.

Table 2: Problems/challenges faced by the vendors.

Problems/Challenges	Response (%)
High Competition	11
Low profit margin	11
Lack of market regulations	5
Crop pests and diseases	5
Lack of assets	5
Short duration of market operation	5
Weather	5
Vendor saturation	5

CONCLUSION

As demonstrated by the case study, farmers' markets play a significant role in the local economy by providing farmers with access to sell their produce to consumers directly. This direct-toconsumer approach of the farmers' market eliminates the intermediaries, allowing vendors/farmers to earn a larger share of the consumer dollar, resulting in higher profits. The participation of vendors from distant counties shows how crucial these farmers' markets are for promoting and selling their products. The study reveals that the vendors had a great deal of knowledge about marketing mix (4Ps: Product, Price, Place, and Promotion) since a high majority of the vendors acknowledged using different media for promotion, stated that they often branded and packaged their products, and reported that they determined the price for the commodities on their own.

However, the study also underscored several challenges faced by the vendors at the farmers' markets. *These farmers encountered high competition, lower profit margins, lack of market regulations, financial, production, and market risks*, indicating a need for attention and support from local government and authorities. Similarly, the study revealed that some vendors/farmers were unaware of or did not have farm insurance, and many did not know about available tax benefits, indicating the need for education on these topics.

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Farmers' markets support local market viability and create job opportunities. They promote fresh, locally produced food, thereby contributing to healthier eating habits within the community. The numerous benefits make farmers' markets vital for a sustainable food production system. Hence, promoting these markets could significantly benefit the community both socially and economically.

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