

2018-2019

FINAL REPORT

UniverCity Year

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# Best Practices for Sustaining the Monroe Farmers Market



## Market Summary

The Monroe Farmers Market has been formally organized on Wednesday afternoons and Saturday mornings in downtown Monroe for more than 30 years. The market is currently coordinated by Main Street Monroe and takes place on the city square. The market runs from mid-May through mid-October.

In 2016, Monroe's Wednesday market featured 6-13 vendors, and the Saturday market featured 20-30 regular vendors over the course of the season. In general, early season markets feature fewer vendors.

## Vendors

43% of vendors are from Monroe, with the other half of vendors from southwestern Wisconsin or northwestern Illinois. According to data/report, on average, vendors travel 14 miles to the market.

What is sold at the market can be broken down to four buckets:

- (1) Farm products and fresh foods planted, grown and harvested with no or minimal processing.
- (2) Value-added products made from raw ingredients that vendors produce and process through baking, cooking, canning or other preserving or processing.
- (3) Prepared foods made from goods primarily purchased and intended for immediate consumption.
- (4) Other non-food related products, including artisan crafts, and handmade or resold goods

## Visitors

Over the 2016 season, the Saturday market attracted approximately 66,000 visitors to downtown, while the Wednesday market attracted 17,000.

Customers at the market spend dollars both at the market and at other downtown establishments as part of their trip. Both types of spending are important factors when evaluating the success of the market from a downtown development perspective.

## Money Spent Outside of Market

In addition to dollars spent at the market, many visitors also visited merchants elsewhere in downtown, whether for dining, shopping or services. Slightly less than half (47%) of visitors surveyed reported spending additional dollars downtown as part of their visit to the farmers' market. Of those spending additional money downtown, the average per person expenditure outside the market was \$45.74. Including those that did not make additional purchases, the per visitor additional spending was \$21.56. Over the course of the season, this ancillary spending by market visitors generates an estimated \$1.8 million in sales for downtown businesses. There was no significant difference between locals and visitors in either spending at the market or

likelihood to visit adjacent businesses. However, locals typically spent more at adjacent businesses than visitors by a ratio of 3:1 (\$39 for locals vs. \$13 for visitors).

## Best Practices for Self-Sustaining Markets

Some markets have become self-sustaining through two main sources of income:

1. Vendor fees
2. Sponsors

### Vendor fees

Vendor fees are those that the vendor pays for a specific spot in the farmers market. In some cases, certain spots can be a bit more expensive than others (corner space vs middle of block), but that depends on the market's culture, previous space rental prices, and the market's physical layout. At some markets, vendor fees cover 60-70% of the cost of the market. In larger market with more customer spending, that percentage can be higher. The remaining expenses are covered by sponsorships or partnerships.

### Sponsorship Examples

There are a few ways to get sponsors to help with the market.

- a) In a tier structure, the more that the Sponsor pays, the greater benefits they receive, such as advertising for the sponsor's business.
- b) Flat-fee sponsorships offer a variety of benefits for the sponsor for one rate.
- c) In kind sponsorships include things like setting up tents at the market or cleaning the area where the market takes place.

## Recommended Sponsorship Structure: 4-Tier Approach

### Tier 1: Market Friend

Cost: \$100

Duration: 1 Day

Benefits:

- a) Signage and promotional material the day of sponsorship.
- b) Website link on community outreach for the week preceding the market
- c) Promotion on Farmers Market Facebook page for the week preceding sponsor day.

### Tier 2: Cultivator

Cost: \$250

Duration: Season

Benefits:

- a) Signage and promotional material the day of sponsorship.
- b) Website link on community outreach for the week preceding the market
- c) Promotion on Farmers Market Facebook page (weekly)

### Tier 3: Harvester

Cost: \$500

Duration: Season

Benefits:

- a) Signage and promotional material the day of sponsorship.
- b) Website link on community outreach for the week preceding the market
- c) Promotion on Farmers Market Facebook page (weekly)
- d) Name / Logo on market posters/materials around Monroe
- e) Name recognized from entertainment stage during each market day/events

### Tier 4: Partner

Cost: \$1,000

Duration: Season

Benefits:

- a) Signage and promotional material the day of sponsorship.
- b) Website link on community outreach for the week preceding the market
- c) Promotion on Farmers Market Facebook page (weekly)
- d) Name / Logo on market posters/materials around Monroe
- e) Name recognized from entertainment stage during each market day/events
- f) Booth at Market every Saturday

## Marketing Recommendations

In order to acquire and nurture sponsors, we suggest the following actions to your website and Facebook page:

### Website

- a) Include a section where you can highlight the sponsors.
- b) Include a clear call to action to get more companies or business to become sponsors.  
For example, replace “Donate” with “Become a sponsor.”
- c) Look for ways to re-design the website and make it mobile friendly.

### Facebook

- a) Highlight weekly events and include sponsors names and logo
- b) Continue to gather more followers on Facebook to better sell the benefits of sponsorship
- c) Include a call to action on Facebook to “Become a sponsor.”

## Financial Analysis

### Vendor fees

Season (2 days)	\$120.00
Season (1 day)	\$85.00
Daily fee	\$20.00

### Vendor revenues (Based on 45 Vendors)

Vendor level	% of total Vendors	Revenue
Season (2 days)	50%	\$2,700.00
Season (1 day)	30%	\$1,147.50
Daily fee - Minimum 3 times	20%	\$540.00
<b>Total Vendor Revenue</b>		<b>\$4,387.50</b>

### Sponsorship fees

Tier 1	\$100.00
Tier 2	\$250.00
Tier 3	\$500.00
Tier 4	\$1,000.00

### Sponsor revenues (Based on 15 Sponsors)

Sponsorship level	# of sponsors	Revenue
Tier 1	9	\$900.00
Tier 2	4	\$1,000.00
Tier 3	2	\$1,000.00
Tier 4	0	\$0.00
<b>Total Sponsorship Revenue</b>		<b>\$2,900.00</b>

The combined revenue from vendors and sponsors totals **\$7,287.50**.

### Market expenses

The current cost of a Market Manager is approximately \$3,800. This will leave the market with \$3,487.50 to cover other expenses related to running the market.

# About UniverCity Year



UniverCity Year is a three-phase partnership between UW-Madison and one community in Wisconsin. The concept is simple. The community partner identifies projects that would benefit from UW-Madison expertise. Faculty from across the university incorporate these projects into their courses, and UniverCity Year staff provide administrative support to ensure the collaboration's success. The results are powerful. Partners receive big ideas and feasible recommendations that spark momentum towards a more sustainable, livable, and resilient future. Join us as we create **better places together**.



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