

LOCAL FOOD SYSTEM ECONOMIES PROFILE DEFINITIONS

GROSS REVENUE FROM AGRITOURISM AND RECREATIONAL ACTIVITY

This income includes income from recreational services such as hunting, fishing, farm or wine tours, hay rides, etc.

DIRECT-TO-RETAIL OR DIRECT-TO-INSTITUTION SALES

Marketing products directly to retail or institutional outlets includes restaurants, grocery stores, schools, hospitals, or other businesses that in turn sell directly to consumers.

DIRECT-TO-CONSUMER SALES

This item represents the value of agricultural products produced and sold directly to individuals for human consumption from roadside stands, farmers' markets, pick-your-own sites, etc. It excludes non-edible products such as nursery crops, cut flowers, and wool but includes livestock sales. Sales of agricultural products by vertically integrated operations through their own processing and marketing operations were excluded.

COMMUNITY SUPPORTED AGRICULTURE (CSA)

Community Supported Agriculture consists of a community of individuals who pledge support to a farm operation so that the farmland becomes, either legally or spiritually, the community's farm, with the growers and consumers providing mutual support and sharing the risks and benefits of food production.

ESTIMATED FARMERS' MARKET CUSTOMERS WITHIN A 10-MILE RADIUS

Online data from Facebook was used to estimate the number of potential customers within a 10-mile radius of each farmers' market in Mississippi. Following Barnes (2016) and Onianwa et al. (2006), several consumer characteristics were used to filter Facebook data results to identify the number of potential customers within a 10-mile radius around each farmers' market location. This is referred to as estimated local market reach. For this report, the average estimated local market reach across all farmers' market locations in Mississippi equaled 34,284. As a result, the estimated average 5 percent local market reach across all farmers' market locations in Mississippi equaled 1,714 (5 percent of 34,284).

ESTIMATED FARMERS' MARKET ANNUAL REVENUE

Following Barnes (2016) and Onianwa et al. (2006), the number of potential farmers' market customers within a 10-mile radius (local market reach) was estimated. Local market reach equal to 5 percent was then multiplied by an estimated annual value per farmers' market customer equal to \$22 per visit, assuming 3 annual visits, or \$66 annually. This report assumed that only 5 percent of local market reach would shop local at their respective farmers' market. As a result, the estimated average annual revenue across all farmers' markets in Mississippi equaled \$113,124 (1,714 times \$66).

REFERENCES

Barnes, James. (2016). "Organizing to Use Facebook Advertisements: A Planning Tool for Extension Professionals, Businesses, and Communities", *Journal of Extension*, 54(4).

United States Department of Agriculture. (2007). National Agricultural Statistics Service. Census of Agriculture. Available at: <u>https://www.agcensus.usda.gov/Publications/2007/</u>.

United States Department of Agriculture. (2012). National Agricultural Statistics Service. Census of Agriculture. Available at: <u>https://www.agcensus.usda.gov/Publications/2012/</u>.

Mississippi Department of Agriculture and Commerce. Farmers Markets in Mississippi. Available at: <u>https://</u>www.mdac.ms.gov/bureaus-departments/farmers-market/.

Onianwa, O., M. Mojica, and G. Wheelock. "Consumer Characteristics and Views Regarding Farmers Markets: An Examination of On-Site Survey Data of Alabama Consumers." *Journal of Food Distribution Research* 37, no.1 (2006): 119-125. Available at: <u>http://ageconsearch.umn.edu/bitstream/8547/1/37010119.pdf</u>.

Myles, A. and K. Hood. (2010). "Economic Impact of Farmers' Markets in Mississippi", *Mississippi State University Extension*, Publication 2582. Available at: <u>https://extension.msstate.edu/sites/default/files/publications/p</u>

Copyright 2017 by Mississippi State University. All rights reserved. This publication may be copied and distributed without alteration for nonprofit educational purposes provided that credit is given to the Mississippi State University Extension Service. We are an equal opportunity employer, and all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, disability status, protected veteran status, or any other characteristic protected by law. Extension Service of Mississippi State University, cooperating with U.S. Department of Agriculture. Published in furtherance of Acts of Congress, May 8 and June 30, 1914. GARY B. JACKSON, Director

Publication P3164-36 (POD-11-17).

By Kaylee Wells, Graduate Student, and James Barnes, PhD, Associate Extension Professor and Extension Economist, Local Food System Economies Extension Program, Department of Agricultural Economics, Mississippi State University.