

# **Incorporating value-Added Products/Alternative Strategies For C.S.A. Marketing**

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# What is Community Supported Agriculture?

# Community Supported Agriculture (CSA)



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## Definition

*"...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. Typically, **members** or 'share-holders' of the farm pledge in advance to cover the anticipated costs of the farm operation and farmer's salary. In return, they receive **shares** in the farm's **bounty** throughout the growing season, as well as satisfaction gained from reconnecting to the land and participating directly in food production" (DeMuth, 1993).*

*".....the basic premise of a CSA is mutual **risk** taking and production support by both consumers and the farmer. In return for their **investment** or subscription CSA members receive a **portion** of the **harvest** during the growing season" (Komar, 2012)*

# History

1960s : Japan; a group of women concerned about pesticides in their food. (??)

1984: Jan VanderTuin introduced the concept in U.S. based on visits to Switzerland.

1986: First two CSA farms in U.S.

- Indian Line Farm (MA)
- Temple/Wilton Community Farm (NH)

Indian Line Farm



Robin Van En (center) and other Indian Line members divide shares following a harvest\*

# Benefits

## Consumer

“local” food  
Relationship with farmer  
Diversity of products  
Social interaction  
Connecting with food  
Healthy eating habits  
Environmental stewardship

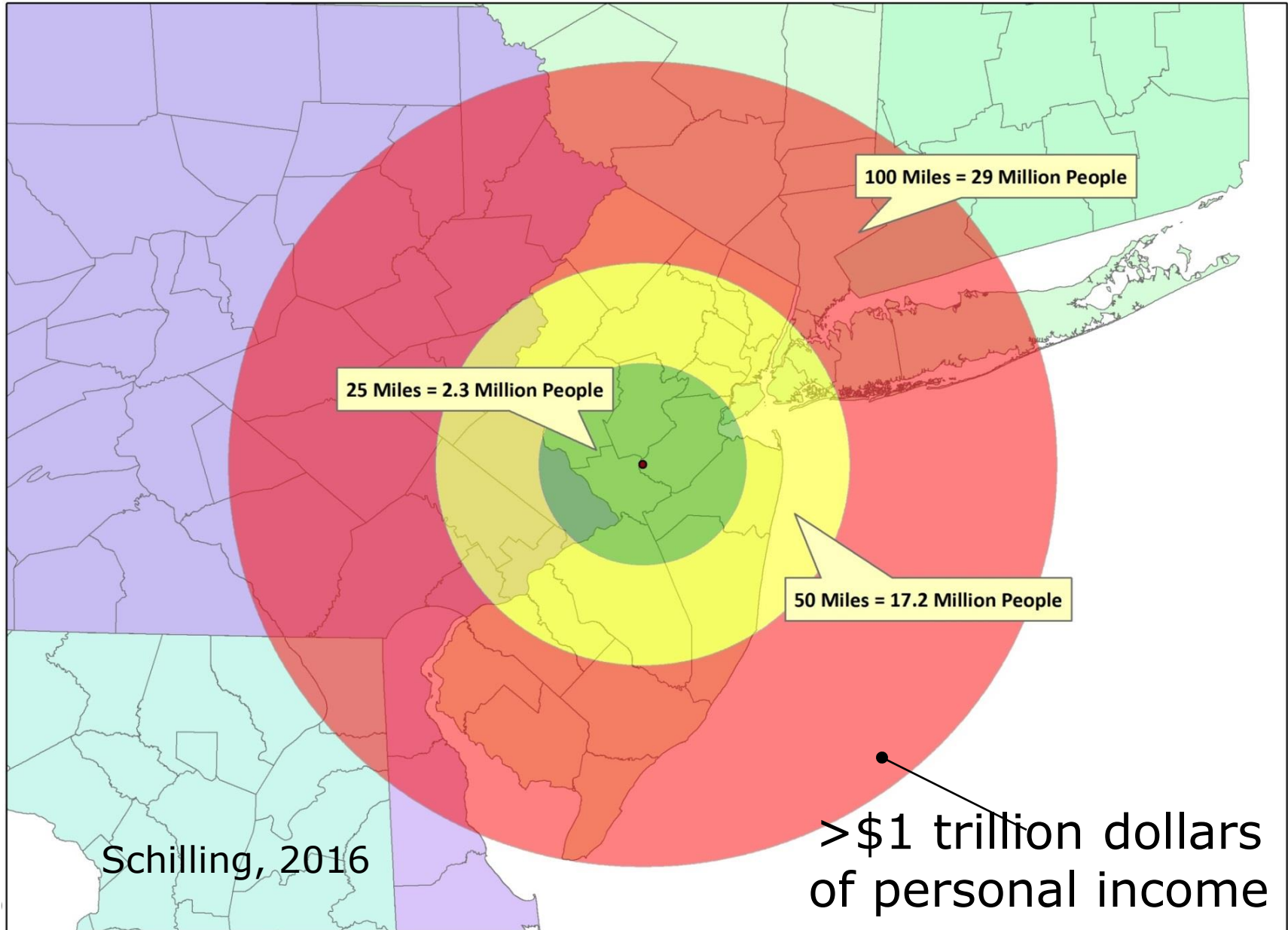
## Farmer

Assurance of customer base  
Reduced financial risk  
Consumer education  
Marketing opportunity  
Operating \$  
Potential additional income

# The New Consumer!

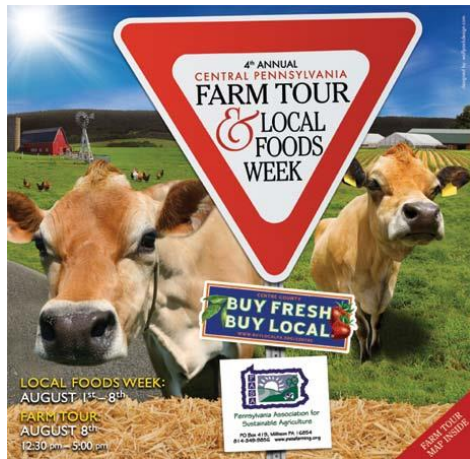


# Why do we care?



# Types of CSA Operations

- Farmer Directed CSA
- Farmer Cooperative CSA
- Shareholder Directed CSA
- Farmer-Consumer Cooperative



Cooperative Extension



# Farmer Directed/Subscription Based CSA

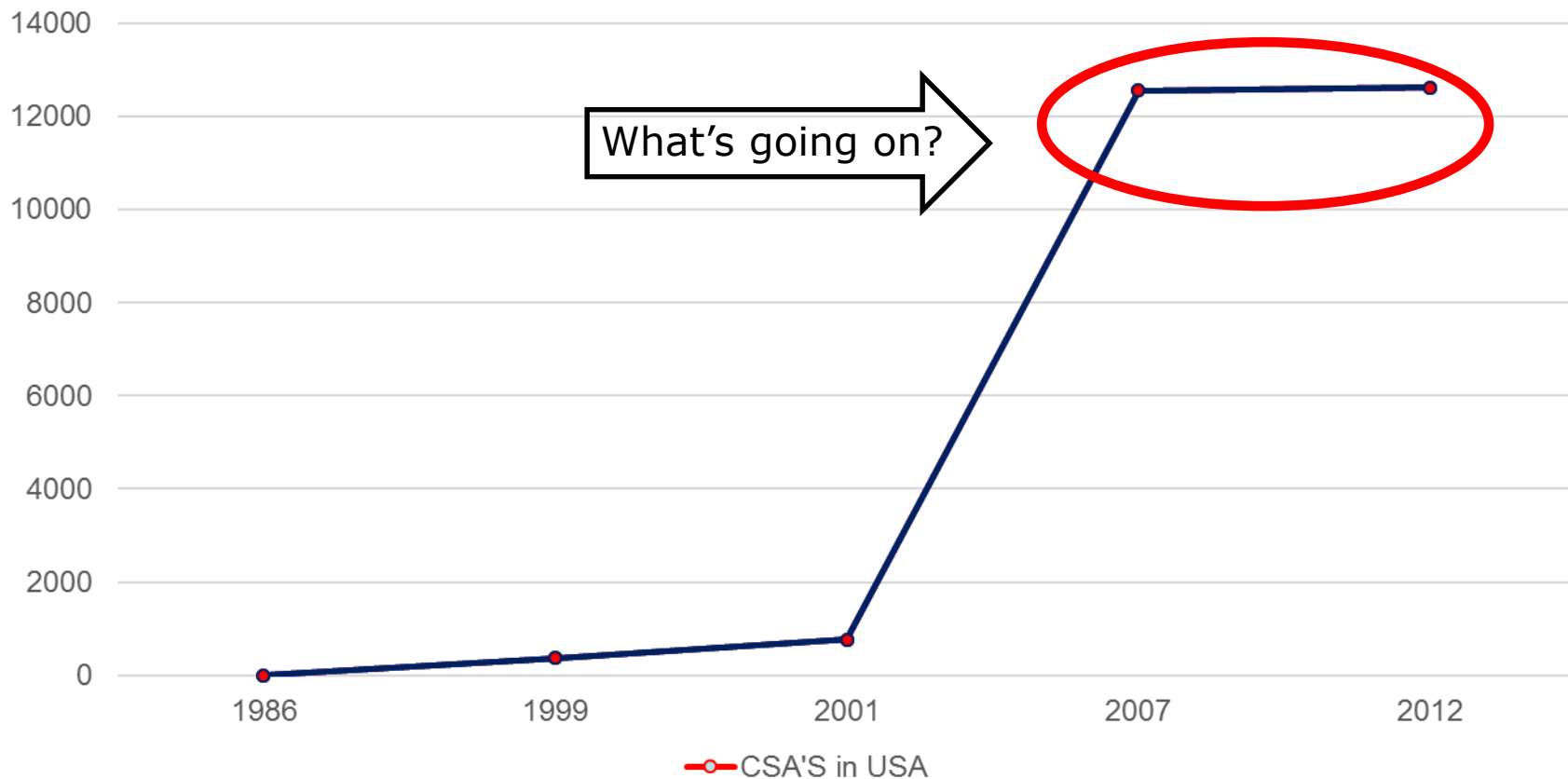
- Farmer is responsible for management and organization.
- Shareholders do not participate in on-farm management decisions.
  - Crop management
  - Marketing
  - Distribution
  - Communication with shareholders
- Management/organization can add significant effort and time to operation in addition to day-to-day farming operation.
- Shareholders generally do not provide labor in exchange for shares.
- Most common type of CSA in northeast.

# Farmer Cooperative CSA

- Farmer(s) are responsible for management and organization.
- Shareholders do not participate in on-farm management decisions.
- Two or more farms cooperate to provide shareholders product.
  - More diversity for consumer
  - Shared management responsibility for farmers
- Reduced pressure for individual farmers to expand their operations to meet consumer demand.

# Alternative Marketing of CSA's

Estimated Number of CSA Farms in US



# The evolution of the CSA.....

- As demand for CSA's/local food grew, so did the competition to meet the demand.
  - CSA expansion
  - Retail stores offering local foods
- Changing consumer demands.
- CSA managers need to adapt marketing strategies to meet these changing demands.



# NJ Cooperative Seafood CSA (a.k.a. CSF)



# Value-Added CSA



- Incorporate value-added products into CSA
- Maximize profit potential
- Increase season.
- Increased exposure through retail collaboration.
- Provides a variety of products throughout the year.
- Promote additional retail sales

## FEATURED PRODUCTS



Brats- Pigs in a Blanket Special

3.0 lb  
**\$26.00**

Qty:

1

**BUY**



Gift Card

1.0 lb  
*from* **\$10.00**

Qty:

1

**BUY**



Hickory Smoked Bratwurst with Cheese

1.0 lb  
**\$12.00**

Qty:

1

**BUY**

# Alternative CSA Models:

## *Green Mountain Girls Farm, VT*



### EAT & LIVE WELL

Taste the difference! You can eat fresh, local, delicious food year-round while being satisfied that it has been raised sustainably and with care.

We raise healthy (natural and sustainable), happy (free range and loved) animals and vegetables in Central Vermont. Our retail [Farm Stand](#) and [Farm Shares](#) provide local, organically-managed—though not certified—meat (pork, chicken, turkey and goat), eggs, vegetables, and goat milk in a free-choice, year-round format. We also sell our products at the [farmers market](#), and [select restaurants](#).



#### EAT

[FARM SHARE OPTIONS](#)

[SHOP OUR FARM STAND](#)

[WHERE TO FIND OUR FOOD](#)

#### STAY

[FARM](#)

[MEETINGS & EVENTS](#)

[ABOUT US](#)

## YEAR-ROUND

All shares are year-round, we provide food every week of the year. Winter veggies include stored, dried and frozen options as well as some fresh winter greens. Summer veggies are also turned into salsas, pickles, tomato puree and soups for the winter season. Meats include a variety of pasture-raised pork, goat and poultry offers. Even in Vermont you can eat well and local throughout the winter with any of our Farm Shares.

To get a sense of what kinds of foods are available each week throughout the year, check out ["At the Farmstand"](#) which lists the shopping options each week for the past few years.



**Note:** Everyone is welcome at our farmstand. People unable to meet the above criteria or commitments are encouraged to be part of the farm and simply shop as retail customers without a discount.

# Alternative CSA models

“I can only eat so much cabbage!”

## WHAT IS DIFFERENT ABOUT OUR FARM SHARE?

Our farm share is non-traditional in that **you choose** what **items you want** and **how much you want** of each. This enables individuals or households of any size to join and satisfies everyone, from omnivores to folks with restricted diets.

You can shop during Thursday's staffed Farm Share hours 3:30-6:30pm, self-serve daily (7 am – 7 pm) at the farmstand or at any markets where we vend.

We grow bountiful, healthy food and stock our farmstand with our products (seasonable vegetables and herbs, pasture-raised meats, eggs, and goat milk) and treats from other local farms.



Your shopping bag this week?

# Building a sense of community



The *Harvest Club* is the ultimate way to experience Screamin' Hill Brewery at Bullock Farms. By becoming a Screamin' Hill Harvester, you'll have the opportunity to take advantage of every harvest here at the farm. The included discounts on beer never end, and seasonal discounts at the farm are the perfect way to make the most of a brewery visit in the fall or winter.

- Develop return customers.
- Product differentiation.
- Exclusivity.



# Others

## Farm To Bowl

The combination of Stacy's expertise as a canine nutritionist for 20 years and Dickson's locally and naturally raised meat has produced a healthy and delicious recipe for our best friends. We make all of our dog food with the same meats sold in the Chelsea Market shop and fresh produce. All of the cooking, grinding and packaging takes place at the butcher shop.

Farm To Bowl is our basic blend for your standard (aka non-allergenic) pooch. Each package is approximately 2 lbs of food, enough for 2 meals for a 50lb dog (for portion conversions, see table below)

### Each package of Farm To Bowl consists of:

35%	Locally and naturally raised beef, pork and chicken (mostly beef)
29%	Yams, roasted (squash or pumpkin substituted seasonally)
18%	Apples (beets, celery or other veg substituted for variation when seasonally appropriate)
18%	Carrots (beets, celery or other veg substituted for variation when seasonally appropriate)

# Concerns

- Food safety concerns
  - Regulatory compliance
  - Liability management
- Consumer demand for your product(s) must be considered.
  - Impact on pricing strategy
  - Impact on marketing strategy.

# Concerns

- Additional labor is required.
  - Packaging
  - processing
  - Marketing
  - Customer relations
- Multi-farm CSA's require management



# Concerns

- A CSA requires marketing and customer relationship building.
  - Consumer demand for specific varieties/products
  - Product diversity requirements may not meet your production system or operation.
  - Educating shareholders is important.
    - “what makes us better?”



# Concerns

- Customer retention is an issue.
  - Retention 10-90% (Oberholtzer,2004)
  - Average = 53%
- Understanding consumer demand is crucial.



## Shareholder Recruitment in Northeast US

Much less difficult	8%
Somewhat less more difficult	13%
About the same	49%
Somewhat more difficult	22%
Much more difficult	8%
N	76

Adapted from: *CSA's and the Battle for the Local Food Dollar*  
(Woods and Tropp, 2015)

# Conclusions

- Value-added/alternative CSA may be a viable option for your operation.
- Weigh the *pros vs cons* for your farm.
  - CSA structure
  - Management systems
  - Size/scale of your CSA
  - Potential liability and regulatory concerns
- Understanding consumer demand is a critical component of a successful CSA!
- These demands are constantly changing !