

Plastic a valuable option for farmers' markets

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Farmers' markets wanting to increase purchases by customers should consider accepting more than just cash or checks as payment, according to Washington State University researchers.

"Customers are willing to buy more if they have other payment options," said Karina Gallardo, a WSU associate professor and extension specialist in the School of Economic Sciences. "They may not necessarily pay more, but they'll buy more."

That's one of the results of a study recently published in the *International Food and Agribusiness Management Review*. Gallardo and her colleagues worked with 12 farmers' markets around Washington, providing them with electronic payment machines that could accept credit or debit cards and electronic benefit transfer (EBT) cards.

They then surveyed 12 [managers](#), 48 vendors and 96 customers from the markets. The surveys showed that customers at farmers' markets care primarily about having local vendors and high-quality produce. The surveys didn't show that [electronic payment](#) options would draw in more people, but that running out of cash would limit purchases.

In the study, farmers' market managers received a machine paid for by a Washington State Department of Agriculture specialty crop block grant. Instead of customers using their [credit cards](#) at each vendor booth, they purchased tokens from the manager by credit, debit or EBT card. The vendors accepted the tokens and cashed them in with the manager at the end of the day.

"Cash is fast, which is why vendors like it," Gallardo said. "And if the technology goes down, it really slows down their business. But if the manager has the machine, then it doesn't affect the farmer as much if it's not working."

For managers, the survey showed they liked offering another service for customers that also benefited vendors. The managers want lower fees and reliable, high quality technology in the machines. The survey showed they were willing to pay a little more for that reliability.

"Most of the time, it was the managers themselves running the machines," Gallardo said. "They didn't want to deal with faulty equipment."

The study, published in February, is based on data collected in 2011. Gallardo hopes to start new surveys to see if technological advances in electronic payments, using devices like the Square [credit card reader](#) or smartphone apps, have changed how vendors and customers interact.

"Making purchases easier for customers is helpful, but it still comes down to high-quality, local produce," Gallardo said. "At the end of the day, that's the biggest draw for farmers' markets."

Provided by Washington State University

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