



COOPERATIVE EXTENSION SERVICE
UNIVERSITY OF KENTUCKY COLLEGE OF AGRICULTURE, FOOD AND ENVIRONMENT

Roadside stands

INTRODUCTION

Roadside stand is generic term for a type of marketing site in which a farm producer sells directly to consumers. A roadside stand is a seasonal, temporary or semi-temporary structure that may be located on or off the farm. A roadside stand may be distinguished from a **roadside market** in that the latter is usually a permanent structure that is often open year-round.

This fact sheet offers an overview of key marketing considerations for producers considering a roadside stand. Links to more detailed information about roadside stands and roadside marketing are found at the end of this publication.

LOCATION, LOCATION, LOCATION

A roadside stand is more than just a way to “unload” produce from your farm; it is essentially a temporary retail store. A well-known cliché states that “the three most important principles in retail are location, location, location.” While Internet marketing has changed this rule for many businesses, location remains the most critical concern for farm roadside stands.

If your farm is near a high-traffic road or byway, you may have a natural advantage for a roadside stand. However, if your farm is somewhat off the beaten path, you may need to locate your stand elsewhere. It will be important to select a location convenient for your potential customers to stop, browse, and buy your produce.



Location considerations for roadside stands include:

- Proximity to a high traffic area
- Ease of parking and customer safety
- Local zoning regulations and right-of-way rules

Those wishing to sell produce in a parking lot not designated as a farmers market or tailgate market will need to at least obtain the permission of the property owner. Property owners may have liability concerns from such activities, especially in busy traffic areas. Roadside stand vendors should always obtain permission and be sure that their marketing activities are legal wherever they are selling.

Obtain permission for stands not on your own property by personally meeting with the manager or owner of the store or parking area. Acquiring written permission for your roadside stand is always preferred to merely obtaining verbal consent. For complete liability consideration, consult with a qualified professional such as your attorney or insurance agent.

ROADSIDE STAND “NUTS AND BOLTS”

Stand Structure and Appearance

Many roadside stands are easily moved, temporary structures like pickup trucks and tents. Some roadside stands, especially when located on the seller’s property, may be more permanent structures, even including access to electricity and refrigeration equipment. Regardless of whether a stand is temporary or more permanent, be sure that there are not elements of the construction that present a danger to you or your customers.

Whether dropping a tailgate in a parking lot or erecting a roadside stand on your own property, the operator should be sure to obtain all permits and permissions needed. Many locales may require roadside stand operators to obtain a business or retail sales license. Roadside stand operators may also need to comply with local regulations originally designed to discourage door-to-door peddlers.

Many customers assume that produce sold at a roadside stand is locally grown; in actuality, there is much produce peddled by the roadside purchased through traditional wholesale channels. Growers operating their own roadside stand may need to differentiate their local produce from other produce bought and resold. Proper signage and other honest communication about your product’s origin will help you keep customers stopping by.



Hours of Operation

A roadside stand should have well-defined hours of operation. If your customers know that you

have tomatoes every Thursday afternoon, you risk losing or alienating customers if you do not have tomatoes one Thursday afternoon. You might consider employing a part-time worker to manage your stand if you are unable. Your stand may also function better during times of high-traffic — or, in some cases, during lower-traffic hours when customers may not be in such a hurry.

Be sure to communicate your hours clearly to your customers. You will keep customers coming back by maintaining consistent hours.

Products

One Kentucky roadway featured a roadside stand selling beef jerky to those southbound; those headed north could purchase fresh strawberries from another stand. How will you decide what products to offer at your location?

One answer is to listen to your customers. In many communities, people are more likely to purchase sweet corn, pumpkins, or tomatoes from a roadside stand than they are likely to purchase fresh herbs or preserves. Generally, roadside stands that are set up off your own property function to move a specific product and operate during a certain season. Roadside stands that are more permanent or exist on your own property may move multiple kinds of products.

Payment and Security

Payment systems for roadside stands range from the “honor system” of cash payment for produce left at the end of a farm lane to the capability of processing electronic payments. Be sure to have a payment system in place, as well as a plan for obtaining additional change if needed. Finally, be aware that there may be some threat of theft of money and/or product when operating a roadside stand.

CUSTOMER PREFERENCES

In the past, many roadside stands developed either out of a necessity to move excess product or because selling “off the tailgate” involved minimal marketing effort. Locally grown produce

is now more available at farmers markets, local groceries, and even large chain groceries. Successful new roadside stands in this changing consumer environment will be developed by keeping the potential customer first in mind.

Location is usually the most important factor for potential customers of roadside stands, but location plays into a larger consumer desire for convenience. Even for consumers dedicated to purchasing and eating locally grown foods, a convenient location and shopping environment will be a key to maintaining customer loyalty. Part of convenience includes maintaining a safe and accessible area for sales; for example, if your sweet corn or strawberries are the freshest and sweetest around, locating your stand where it is difficult or dangerous to park and shop may concern potential customers.



The customer's desire for **convenience** is also reflected by his or her preference for shopping at a roadside stand that is neat and clean. The **cleanliness** of your roadside stand may be more than just a means of attracting customers; in some cases, a stand may be subject to legal considerations, such as health permits and licenses. Prior to establishing your stand be sure to consult local and state authorities regarding any legal requirements that might apply.

Product quality is also vital to attracting and keeping customers. Unfortunately, roadside farm stands will be competing with peddlers that have purchased produce wholesale and are reselling it as "local." The successful roadside stand operator will clearly communicate to customers that his/her produce is locally grown. But the best advertisement is the product. Product that is not field-fresh or is not there when the customer stops is unlikely to gain customer loyalty for the roadside stand.

Even if your roadside stand location is picture-perfect, you will need some form of **advertising** to attract customers. Advertising may be as simple as placing well-designed signs by the side of the road. Sign colors and design tips may be found in the University of Kentucky publication *Promotion and Advertising for Kentucky's Direct Markets* (ID-106).

Advertising may also involve letting potential customers know about your roadside stand through publicity at your farmers market stand, in print media (local newspapers), in mass media (radio, television), or through electronic media (Internet). Many roadside stand operators find it possible to publicize their stand using well-designed advertising, like signs and Web sites, that are available at a relatively modest cost.

Because your roadside stand is a retail operation, you will need to be sure to address issues that would apply to any retail business. Commonly overlooked aspects of operating a roadside stand include making sure to use proper weights and measures equipment, sales tax, and keeping an adequate supply of change on hand for transactions. Many roadside stand operators and direct farm marketers have found that the capability to accept credit card and other electronic payments has boosted their sales.

CERTIFIED ROADSIDE MARKETS

The Kentucky Farm Bureau operates the Certified Roadside Market Program. While many of these markets are year-round operations, the program may be applicable to some temporary roadside stands and on-farm markets. You may access more information about this program on the Kentucky Farm Bureau website.

AND FINALLY...

This is merely a starting point for designing and operating a successful roadside stand. A useful checklist for evaluating your roadside stand is

available from Pennsylvania State University. Additional helpful resources are listed below.

SELECTED RESOURCES

- Certified Roadside Farm Market Program (Kentucky Farm Bureau) <https://www.kyfb.com/federation/program-links/roadside-farm-markets/>
- Promotion and Advertising for Kentucky's Direct Markets, ID-106 (University of Kentucky, 1991) <http://www.ca.uky.edu/agc/pubs/id/id106/id106.htm>
- Critique Checklist for a Roadside Market (Pennsylvania State University) <http://extension.psu.edu/business/farm/marketing/promoting-and-marketing-your-business/critique-checklist-for-a-roadside-market>
- Direct Marketing (ATTRA, 1999) <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=263>
- Choosing Direct Market Channels for Agricultural Products (University of Tennessee, 2010) <https://utextension.tennessee.edu/publications/Documents/PB1796.pdf>
- A General Guide to Pricing for Direct Farm Marketers and Value-Added Agricultural Entrepreneurs (University of Tennessee, 2011) <https://utextension.tennessee.edu/publications/Documents/PB1803.pdf>
- Pick-Your-Own Operations and Farm Stands — Options for Your Business (University of Wisconsin, 2006) <http://learningstore.uwex.edu/Assets/pdfs/A3811-14.pdf>
- Roadside Stand Marketing of Fruits and Vegetables (University of Georgia, 2002) <http://athenaeum.libs.uga.edu/bitstream/handle/10724/18693/CR-02-09.pdf?sequence=1>
- Roadside Stands (Oklahoma State University, 1995) <http://cals.arizona.edu/arec/pubs/dmkt/Should-RoadsideStands.pdf>
- Tips for Selling at Roadside Stands (ATTRA, 2012) <https://attra.ncat.org/attra-pub/summaries/summary.php?pub=386>

Prepared by Matt Ernst & Tim Woods (tawoods@uky.edu) UK Department of Agricultural Economics
400 Charles E. Barnhart Building, Lexington, KY, 40546-0276 Phone 859-257-5762
<http://www.ca.uky.edu/agecon/index.php> (Issued 2010, Revised 2014)

Photos courtesy of KDA (p. 1) and Matt Barton, University of Kentucky Agricultural
Communications Services (p. 2-3)

September 2014

For additional information, contact your local **County Extension** agent

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The Center for Crop Diversification is supported by a grant from the Kentucky Agricultural Development Fund