

Know the Channel to Sell Your Produce: Examining the direct, intermediate & institutional marketing channels used by specialty crop growers in Tennessee

Marketing channels are vital to connect farm produce to the right consumers. Adequate choice of the marketing channel could enhance profitability as it facilitates farmers to receive fair pricing, main quality, and reduce losses. A well-structured marketing system ensures smooth access and flow of agricultural produce. This study aims to understand the marketing challenges faced and marketing channels used by specialty crop growers in Tennessee. Primary data was collected from the specialty crop growers in Tennessee using stratified random sampling, representing the east, middle, and west regions of the state. Our sample consisted of 281 growers, mainly with small and medium sized operations. We used MS Excel and STATA to analyze the survey responses. We found that the Tennessee growers used channels that can be broadly considered under direct, intermediate, and institutional marketing channels. Direct to consumer sales through farmer's market, roadside stands, or similar outlet was used by 44.20% of the growers (the highest) while selling produce as institutional supply was adopted by only 2.42%. Institutional suppliers mainly supplied their produce to schools, restaurants, and hospitals. The intermediate marketing channel, including sales to retailers through wholesalers, through cooperatives, or to the processors accounted for 34.74% of the marketing channels used. The data shows that farmers face multiple overlapping issues when it comes to marketing their produce, 18.02% of our sampled growers indicated marketing as one of the top two constraints faced by them during their farm operation. However, lack of labor remains the most significant challenge for growers as 35.59% expressed this on their top two challenges. This information can be used by policymakers, extension service providers, and economists to improve supply chain efficiencies and to reduce barriers for small to medium sized specialty crop growers. Moreover, educational efforts on improved niche market accessibility and contractual arrangements could help minimize the growers on their loss of perishable products.