

1002: MARKET MIX POLICY

PURPOSE

To establish guidelines and procedures around the decision-making process for the acceptance of stallholders, caterers and products at the Adelaide Showgrounds Farmer's Market (ASFM) to ensure that there is a good mix of viable stallholders, produce and other products which are consistent with the values and strategic plan of the ASFM.

Policy Statements

2. This Market Mix Policy seeks to ensure the continuity and predictability of supply for customers, the reliability of the market as a viable income source for stallholders, the reputation of the market as a place for high quality produce for consumers and to maximise the transparency of the approval process for new applicants to trade.
3. It is the Committee's role to govern the ASFM, to set the strategic directions and policies and to ensure the ongoing relevance of the Market to its customers and traders. This includes matters of product range, customer satisfaction, stallholder viability, quality and authenticity of product for sale
4. The Market Mix policy and its implementation is therefore one of the most significant strategic decisions made about the market. Errors in this regard have the potential to have a major impact on the viability of market businesses and, therefore, on the market itself.
5. Common sense and organisational memory play important roles in the implementation of this Market Mix Policy.
6. Transparency and accountability must be central, fundamental principles to the Market Mix policy and its implementation.

Definitions

7. **Catering:** Catering is defined as any food that is transformed (undergoes a process whilst on site at the ASFM that alters the state in which the food/produce was brought to the Farmers' Market for sale). This includes food that is heated, cooked, juiced, mixed or made on site or at the Stallholder's retail site.
8. **Farm based:** Products deriving from ingredients that have been grown and value added on the farm/property (or fished) in South Australia by a person who is responsible for, and exercises control over the final product being sold.
9. **MOM:** the ASFM Market Operations Manager
10. **Non-Farm based:** Products deriving from one or more primary products produced in South Australia and combined to create a value-added product. The use of non-South Australian primary products or non-Australian products is only permitted where they are unobtainable. e.g. rice, coffee or chocolate

11. **Non-food products:** Primary Products or their by-products from the Stallholder's property, fishery or hives must comprise at least 70% of the net weight of the finished product (e.g. beeswax). The non-food item must be 1-step transformed. 1-step transformed means the primary product has undergone 1 transformative process. These products can only be sold by businesses who are 'Farm Based'.

12. **Plant based products:** Products that are plants, flowers, seeds and compost. These can only be sold by 'Farm Based' businesses.

13. **Pop up stalls:** Stalls that seek to attend the market on few occasions or for a short-term to supply a product that is readily available in the Market. It includes stalls from other markets. It does not include charities.

14. **Tier:** A classification of the level of consumer demand for a product at the market where 'Tier 1' is High Demand and 'Tier 5' is Limited Demand (as set out in the table below). It is based on the needs of the 'typical' ASFM shopper. The tier classification will determine the number of stallholders approved to sell each product.

Decision-making process

15. **Unless otherwise stated in this policy, the MOM has the authority to approve or reject applications made the ASFM in the following circumstances:**

- a. Where a prospective stallholder makes an application to join the market as a stall holder;
- b. Where an existing stallholder makes an application to make additions to or removal from, the list of products an existing stall holder has approved for sale in the Market; and
- c. Where an existing stallholder makes an application for an additional site or sites.

16. **The MOM does not have authority to make decisions on application in the following circumstances:**

- a. Where a stallholder has previously been excluded from the Market; in which case any future application by that stallholder to re-enter the Market must be referred to the Management Committee.
- b. Where MOM might have or be perceived to have a conflict of interest in respect of any particular application; in which case the Executive Officer will have the authority to make the decision under this policy as if he or she were the MOM.

17. **In making decisions under this policy, the MOM must complete three stages of preliminary assessment to ensure that it meets the relevant criteria:**

- a. Stage 1: the MOM must assess the application against the Assessment Tool to ensure the application is consistent with a sustainable mix of produce within the ASFM;
- b. Stage 2: the MOM must ensure that acceptance of the application is compliant with the Tier Mechanism; and
- c. Stage 3: the MOM must ensure that the acceptance of the application is in the best interests of the ASFM taking into account the Other Considerations set out in this policy.

18. The MOM should regularly seek out customer and stallholder feedback on a regular basis and used as part of the decision-making process.

19. To ensure the Market has stability and is not oversupplied, the MOM should consider;

- i. whether existing stallholders are consistently selling out one hour before market closing time before evaluating any new application for a product that is already available in the market.
- ii. Applications for pop up stalls (as defined above) should, generally, not be approved.

20. In accordance with other parts of this policy, nothing prevents the MOM from referring the application, including those for pop up stalls to the Market Mix sub-committee (the sub-committee) for advice or guidance before making a decision.

21. Once the MOM is satisfied that the application meets the three stages of preliminary assessment, then the MOM will (if appropriate) make an initial inspection of the production area.

22. If the MOM is still satisfied after the inspection that the application is appropriate, then the MOM may approve the application in writing.

Preliminary assessment procedures

23. Stage 1: The Assessment Tool

a. This Assessment Tool is to be used to determine whether an application under consideration is consistent with a sustainable mix of produce within the market.

b. The Assessment Tool requires the MOM to consider the following: i. the Rules and Responsibilities in place at the time which identify categories of allowable produce or products (although the MOM may still approve or decline any application to sell any product at the ASFM, regardless of whether the product could be defined as ‘allowable’ according to these Rules and Responsibilities);

ii. Adherence to a market mix of stallholders where 65% are sellers of farm-based products and 35% are sellers of non-farmed based products;

iii. In relation to farm-based products: • Fruit and vegetables should make up at least half of the 65% farm-based produce.

- For farm-based sellers of food, the following rule applies (the **10% rule**):
- Non-food product cannot exceed 10% of the total number of varieties of stallholder goods for sale; and
- the display of non-food product must only take up 10% of the stall space unless the Market Manager has agreed otherwise.
- Farm based sellers of plants, flowers, seeds and compost are exempt of the 10% rule.

24. **Stage 2: The Tier Mechanism** a. As the ASFM occurs on Sunday mornings, a Tier Mechanism has been established to recognise that customers may be unlikely to buy a week’s supply of highly perishable produce in one purchase.

b. All applications must comply with the requirements of the Tier Mechanism set out in the table below.

Table 1 – the Tier Mechanism			
Tier	Definition	Example products	Max no. of sellers of the same product
Tier 1	High demand – a staple product that is consumed or	These tend to be mainstream and perishable with a short ‘use by’ period e.g. tomatoes.	5

Tier 2	Significant demand – a staple product that is consumed several times a week or a non-staple product used in small volumes regularly.	These tend to be mainstream and perishable. e.g. meat and fish.	4
Tier 3	Medium demand – a staple or non-staple product that is consumed/required on a weekly basis	e.g. flavoured milk	3
Tier 4	Small demand – a non-staple product that is consumed/required only several times a month or on a seasonal basis.	It often has a long shelf life and is seen as a specialty product. It may be a perishable product that could be considered a luxury. e.g. chestnuts.	2
Tier 5	Limited demand – a non-staple product that is consumed/required on an irregular basis (several times a year).	These may include 'luxury' items, gifts, short-season specialties and unusual products. e.g. whole duck, Christmas cake	1 or 2

25. Other considerations a. In deciding whether or not an application may be approved, the MOM must be satisfied that **the acceptance of the application is in the best interests of the ASFM taking into account the Other Considerations** set out in the table below.

Table 2 – Other considerations	
Grouping	Considerations to be taken into account
Customer Experience	<ul style="list-style-type: none"> • Varying price points • Products that offer a unique point of difference (gluten-free, vegan) • The number of different flavours, varieties and/or ripening times available • Quality level of produce • Whether the product will only be available occasionally or for a short period • Customer counts • Customer feedback (which should be obtained regularly)

Stallholder experience	<ul style="list-style-type: none"> • Stallholder loyalty (length of time with the market and reliability of attendance) • Positive stallholder behaviour and contributions to the ASFM • Use of ASFM produce in value-added products • The percentage of that product compared to stallholders' total stock. • Smaller growers whose main income is the farmers' market vs. businesses who have distribution via other outlets • The ability to produce and supply more stock vs. production at 100% capacity. • Stallholder feedback (which should be obtained regularly) • The impact of the application on existing stallholders.
Market Operations	<ul style="list-style-type: none"> • Availability of space and power requirements on market day (single/double site - vehicles) • Location of proposed application • Risk management (adhering to regulations - Labelling etc)

Market Mix sub-committee

26. Given the important of this policy, it is acknowledged that a standing sub-committee (including the MOM) to which decisions are referred for advice is the best means of ensuring this principle.

27. The sub-committee must operate in accordance with any Terms of Reference in place.

28. As above, the MOM may refer an application to the sub-committee for advice. However, an application must be referred to the sub-committee where there is doubt or ambiguity about whether the application meets the criteria.

29. In seeking guidance from the sub-committee, the MOM will prepare a report for the sub-committee in respect of their conclusions from the preliminary assessment procedure and provide any further relevant information to the sub-committee.

30. The sub-committee may provide advice and guidance to the MOM to assist the MOM in making a decision. In providing its advice and guidance, the sub-committee must adhere to the assessment tools above.

31. If appropriate, the sub-committee can make a recommendation to the MOM that the decision be referred to the Management Committee for decision. If such a recommendation is made, then the Management Committee will consider the application at the next meeting and if appropriate, make a final decision.

Reporting to the Management Committee

32. The MOM should report to the Management Committee regularly in respect of decisions made under this policy.

33. Where the sub-committee has provided advice and guidance to the MOM, the sub-committee should provide a report to the Management Committee.

For Catering Mix refer to Catering Mix Policy

POLICY REVIEW

This policy will be subject to review in March 2020 and thereafter on a 12-monthly basis, unless an earlier review is considered necessary by the ASFM Management Committee and/or executive staff.

VERSION HISTORY

VERSION	AUTHOR(S) POSTION	CHANGES	APPROVAL DATE
1. 1002/1	Unknown		
2. 1002/2	BCooksley		18/9/19
3.			