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Highly Organised Direct Farmers Market: Analysis of Forms, Characteristics, Operations and Women Involvement in Japan

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Abstract

This study was based on the primary information collected from women farmers and coordinators of selected direct farmers markets in Sera and Ohnan Chuo, Hiroshima and Shimane prefecture respectively in Japan. Stratified and purposive sampling techniques were used to select respondents and direct farmers markets Information from direct farmers market coordinators and women farmers/processors was collected through interview schedule and structured questionnaires respectively. The study revealed that most of the direct farmers market studied were established for economic and social assistance of farmers. Requirements to participate varied from market to market. Low profit, competition and lack of sale were the major problems facing the respondents. Comparison of women farmers' income from agriculture and non agriculture suggests better condition in agriculture than seeking employment outside the industry. Although, respondents were being empowered economically in some market and socially in others through participation in direct farmers market but both economics and social as well as political empowerment are essential for the market participants through involvement in the management activities of the market. Physically presence of farmers with their products on weekly, fortnightly or monthly basis should be initiated in order to build more social relationship among farmers and between farmers and consumers.

Keywords: marketing, direct marketing, direct farmers market, women farmers, Japan.

1. Introduction

In Japan, various kinds of agricultural products are being produced by small farm household units and distributed to numerous consuming households through a multi-stages marketing channel (Muto, 1987). Those markets are classified into two systems namely; the government control system (mainly rice and wheat) and the free market system (vegetables, fruits, livestock products etc.). In most cases, the latter is often partially controlled by administrative authorities.

However, the systems have been criticized for their complicated marketing channels (Kambara and Shelley (2002)). Also, JOAA (1993) pointed out that those systems tended to make much delivery efficiency and superficial appearances of products rather than safety. These criticisms gave impetus to promote diversified and decentralized systems where farmers and consumers directly control the systems by themselves.

However, the existence of direct marketing for agricultural products in Japan was dated back to 1950's while subsequent evolutions were as a result of: 1) the rise in the prices of vegetable in the 1960s, hence direct market was used as an alternative channel to the complex structure of mainstream channels coupled with the formation of consumer cooperatives (Muto (1987), Nomiyama (1997], Kambara and Shelley (2002), 2) the movement against mass production, mass consumption and mass selling in the 1970s also gave rise to direct marketing and it was used as a channel to emphasis value in use, 3) the chemical contamination and the need for safety of products in the 1980s led to direct marketing as an extension of channels by consumers' cooperatives, 4) In the 1990s, however, direct marketing was used for the diversification of values-in-use by consumer with some consumers having preference for safe food irrespective of the price while others prefer cheap food products (Nomiyama, 1997 and Sakurai, 2002).

Channels of direct marketing include direct farmers market (DFM), roadside, on-farm, u-pick, farm tour/excursion, community supported agriculture (CSA), sales to restaurant, sales to school, mail order, consumer cooperatives, municipal buying club etc. Meanwhile, among all the channels, direct farmers market is the most common (Kambara and Shelley, 2002). According to Leslie and Tamera, (2001) "farmers market is a market in which farmers, growers or producers from a defined local area are present in person to sell their own products directly to the public".

Recently in Japan, DFM is on the increase with more participation of rural women due to the old-age of farming household, increasing preference for fresh products and large number of women involvement. DFM in the study area were being operated mostly as a non- face to face market as against the face to face transaction system known worldwide. Also, rural women in the study area have not been participating in the marketing of agricultural product in the past because of the system of marketing through agricultural cooperatives. The establishment of DFM has led to greater number of rural women involvement.

The different style of operation as well as greater number of women participation led to the assumption that method of operation may be different but the worldwide mission of DFM is still met. Also, that more women participation means the greater involvement in the activities of the market. To establish this fact, investigation into the activities of the market becomes imperative. Specifically, this study assessed women farmers' demography and farming activities. It assessed different types of DFM, the reason(s) behind the establishment as well as the operation of DFM. Lastly, it investigates the reasons for the involvement and the activities of women in DFM.

The significance of the study lies on the need to introduce Japanese style of DFM to the global world as well as clarification of the different opinions regarding participants' involvement through the outcome of the research. Also important is that, majority of the study on the concept of 'direct market' in Japan are not available in English language which makes it difficult for non-Japanese researchers to get a better understanding of the concept, this study is intended to fill this gap.

2. Data and Methodology

The surveys were conducted in Sera town and Ohnan Chuo in Hiroshima and Shimane prefectures respectively in the Chugoku region of Japan. The area is mountainous in nature and it is being regarded as one of the less favoured areas for agriculture in Japan. Two case studies of DFM were chosen from both prefectures. Four coordinators and 65 women farmers were sampled using simple random sampling. Data from coordinators and women farmers/processor was collected through interview schedule and structured questionnaires respectively.

3. Result and Discussion

1. Profile of the Respondents

The respondent's age ranged between 35 and 84 years with average being 62.3years. Marital status suggests that close to 90% were married while few percentages were divorced and separated. Majority of the participant were senior high school certificate holders and equal percentage (43.1% each) of respondents have household member of 1-3 and 4-6.

Categorization of respondents based on the size of cultivated hectare of land to different enterprises revealed greater percentage of the respondents to be small-scale farmers cultivating less than 1ha of land irrespective of the enterprise. Finding also revealed that women farmers' current involvement in some enterprises e.g. rice cultivation, decreased while their involvement in vegetable production, processing and other activities e.g. fruit, flower,.tobacco leaf, egg and livestock production increases.

2. The Features of Direct Market in the Study Area

a. Types of Direct Farmers Market in the Study Area

There are different types of DFM in Japan which were categorized into five by Sakurai [10] based on the operation body. They are:

i ***Private Volunteer Market***: formed by individuals or partnerships that is completely independent of government.

ii ***Corporate Cooperative Market:*** it comprises of small and medium scale farmers. The investors share on equal basis the initial capital. Also, most of the founders are farmers.

iii ***Limited or Joint Stock Market:*** established for profit making, clear division of responsibility and profit is shared based on the money invested.

iv ***JA Cooperative Market:*** it is one of the businesses of Japan Agriculture Cooperative; they have the technical–know-how.

v ***Direct Market by Municipal:*** it has link with town office, establishment and coordination of the market is under the control of town/municipal government.

However, there are other DFMs outside Sakurai's classification such as the two case studies selected but they share characteristics similar to some of the Sakurai's classification though not typical of them. The selected case studies are: Kho-raku-ichi in Shimane "DFM A" and Kouzan Ikiki mura in Hiroshima "DFM B". The two markets were chosen as case studies based on the aim of the establishment (Social for DFM A and Economic DFM B) and types of management to represent highly organized DFM.

b. Existence and Reasons for the Establishment of DFM

The study revealed that DFM A came into existence in 1985 with subsidy assistance from prefecture government and became well organized in 1996. Beside the general reasons for the emergence and popularity of DFM in Japan, consideration for the needs to be self-reliance and demonstration of intelligence of women against subordinate view and domination by men form the reason for the establishment of the market i.e. liberation of women. They achieves this by the establishment of DFM where both male and female can market their products aside agricultural cooperative where only male is recognized.

DFM B existence was dated back to 1987 as open market with management by town office but later changed to indoor type and subsequently transferred with financial assistance to the present corporate cooperative in 2005. Reasons for the management by corporate cooperative are: old-age of farmers, inability to meet wholesale requirement, small-scale production, independent of women farmer and for the area revitalization of agricultural products

c. Operation and Characteristics

In DFM A, there are three types of membership; A, B and C with A-member being full-member while B and C are sub-member and ordinary-member respectively. Admission/registration fee is based on the membership type as shown in table 1 and it is once in life time. In DFM B however, no differentiation of membership and also equal amount of admission fee is being paid.

Table 1: Basic Operation of Highly Organized Direct Farmers' Market (DFM)

Activities	DFM A			DFM B
Membership	**A-membership**	**B-membership**	**C-membership**	**-**
Commission	10%	20%	30%	15%
Admission fee(yen)	50,000	20,000	0	2,000
Annual Due(yen)	5,000			1,000
Female/Male	50/30			220/110
Total Member	80			320
Days of Operation	Weekends and Public holidays			Everyday
Staff/Committee	2staff/4core committee			13staff + 110
Scale of Operation	Small- scale			Small-Large
Founder	Small-scale women farmers			Farmers
Commons Features				
Space Allocation	First come first served			
Price Determination	By farmers themselves			
Others	Tour trip to other market, Organizing of programs and events			
Problems	Communication and Intergenerational Succession			
Remarks	Management depicts highly organized DFM			

Source: Field survey

Participants were also expected to pay annual due which varied from market to market. In addition, commission is charged on products for maintenance of the market and payment of staff allowances. DFM A's commission rate follows the membership type (table1) whereas equal rate of commission is charged in DFM B. While A-member farmers in DFM A valued membership fee due to regular production to the market, B & C-members valued commission charge on the quantity sold because of their sporadic production to the market. Also, group manufactured products was recognized as an entity product in both markets with all fees and dues levied on the group rather than individual member of the group.

Also in table1, percentage of female in both markets was higher than male. Operating time depends much on the location of the market, but both markets operate from morning to late in the afternoon. DFM A was located outskirt of the town but at a town camp area as a strategy to capture interest of the visitors from the city or urban centers; who moved out of their homes for relaxation at the camp. However, non-routinely patronize of the area by the visitors made the market to open only on weekends while other days of the week were used to work on individual core member's personal farm. Winter period also shortens the open month in a year to late March and early December. DFM B on the other hand opens throughout the year and all days of the week due to its central location. Furthermore, in some markets, the decision on where individual producer are located often determined by the market manager and in other markets assigning producer a "permanent" space for the season is common (Charles and Karen, 1995). However, result of product display, price determination (coordinators do advice farmers with high price products) and others are presented in table1. Other results revealed by the study shows that the DFMs in the study area possessed the following characteristics:

i. Non-physical presence of the farmers/processors of the products in the market
ii. Standard place in terms of facilities and realm of human activities: standard and adequate facilities including safe entry with good visibility of the parking lot are provided in both markets;

iii. Little competition without conflict: Competition is a natural part of any marketing process. Thus competition is essential to make the market large, diverse and active. Both markets exhibit competition but their non physical presence avoids conflict.

iv. Provision of technical information and tour/trip: DFM B employed an extension officer who scheduled visit with all the farmers participating in the market for provision of technical information on their activities. Both DFMs occasionally organize programs/events/tour for producer and consumers interaction.

v. Recent incorporation of restaurant to the shop, which apart from generating income; also serves as market for left over products particularly vegetables in order to motivate farmers. Selling to other restaurants, schools, and hospital on behalf of farmers are also noticed in DFM B as against sale to local restaurant only in DFM A.

vi. Presence of designated farmers for some crops in DFM B was noticed.

vii. Absence of organizational structure to encourage all core members' full responsibility was revealed in DFM A.

3. Women Involvement:

Aside women farmer's involvement in marketing through the emergence of DFM and the stated establishment of the markets for rural women's assistance, the percentage of women in both markets is more than men, hence, the needs to investigate their activities in the market. Meanwhile, the results indicate that women farmers are not participating in the management activities of the market including the women established direct farmers market. However, the obtained results in terms of women participation in the market are presented as follows:

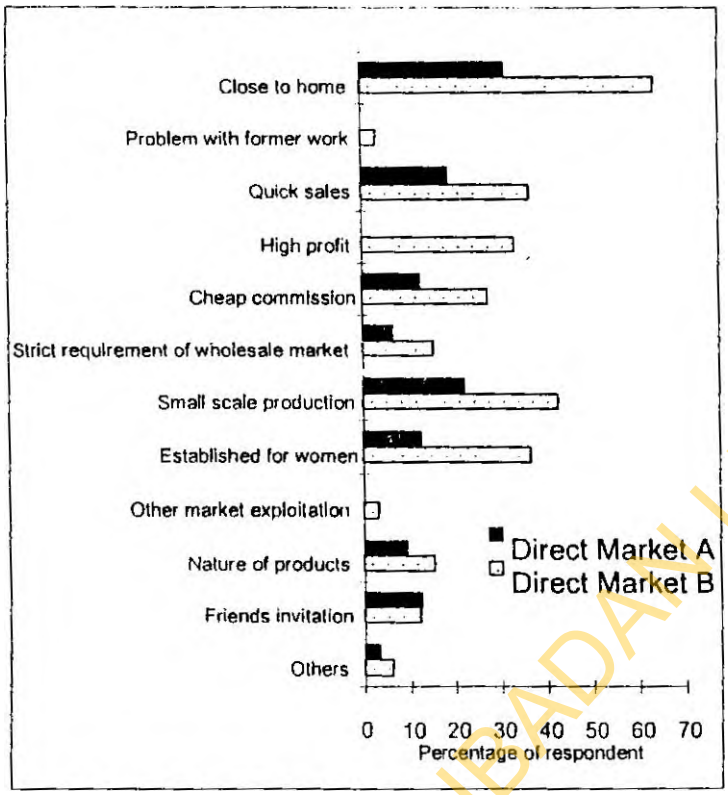
a. Years in Direct Market, Sources of Awareness and Reason for Joining

Long year of existence of direct marketing was buttressed by the study as some respondents have been participating in DFM for 15years and above (7.7 and 15.1% for DFM A and B respectively) but majority joins the market 5-10years ago in both markets (40% and 51.6% respectively). Greater percentage of respondent with 5-10years of participation conformed to Nakamichi, (2000) that majority of the DFM were established in the last ten years.

Participation of women in marketing is greatest where trade is traditional. Therefore establishment of both markets for women farmers and DFM A by women themselves coupled with emphasis on place of origin products best explain their source of awareness. Aside this, many got aware through friends, city office and others (relatives, community women group, wage workers in the market or living near to the market with addition of study meeting and media in DFM B.

There are a lot of diversified opinions on why participant involved in DFM. However the study established that farmers/processor's involvement was mostly due to the closeness of the market to their home. This result was in line with Nakamichi (2000) report that women enterprises were

Figure 1: Reasons for Joining DFM



managed close to the home. Opportunity to determine price by themselves and to produce chemical free products were other reasons stated aside those illustrated in fig1. Meanwhile, some reasons as shown in the chart were not the reasons why respondents in DFM A join and they were the least that made respondents in DFM B to join. Furthermore, negative report of mainstream market (Muto (1987), Ellis, (1996], Kambara and Shelley (2002) was not totally supported by the respondents.

b. Classification by the percentage of Productivity for Consumption and Sale through different Channels

Rural women have participated at rates equaling or surpassing those of men, yet main crops are often regarded as men's crop leaving vegetable garden meant for household consumption in charge of women (Otomo, 2000). Rural women in Japan also recalled that almost 100% of their vegetables in the past were being consumed due to less commercial valued of the product as main crop (rice). Establishment of local market such as DFM where they can easily sell their products however encouraged them to produce beyond subsistence level presently.

About 80% of all the respondents sell vegetables in DFM and almost half (37%) of them sell 50% or more of their total product because of the perishable nature of vegetables and also because

Table 2: The Channels of the respondents' product

Direct Market A						Direct Market B					
To DFM		Self Consume		to JA		to DFM		Self Consume		to JA	
A	1 (10%)	A	-	A	-	A	6 (26%)	A	-	A	-
		B	-	B	-			B	-	B	-
		C	1	C	-			C	1	C	1
		D	-	D	-			D	5	D	5
B	1 (10%)	A	-	A	-	B	4 (17%)	A	-	A	-
		B	1	B	-			B	2	B	1
		C	-	C	-			C	2	C	1
		D	-	D	-			D	-	D	2
C	5 (50%)	A	3	A	1	C	9 (39%)	A	8	A	-
		B	-	B	1			B	-	B	-
		C	2	C	2			C	1	C	-
		D	-	D	1			D	-	D	-
D	3 (30%)	A	3	A	-	D	4 (17%)	A	4	A	-
		B	-	B	-			B	-	B	-
		C	-	C	-			C	-	C	-
		D	-	D	-			D	-	D	-

Source: Field Survey

Note: A for the most frequent user who se ll 70-100% of their products to the channel
B for the user who se ll 10-69% their products to the channel
C for the user who se ll 1-39% of their products to the channel
D for non-user of the channel

DFM is known for fresh vegetables. Out of those selling through DFM A, only 28.6% sells large quantity (40-100%) while 71.4% sells small quantity (<40%). Meanwhile, due to the roles of agricultural cooperatives in agriculture product marketing in Japan, few respondents (28.6% each) are selling large as well as small quantity through the channel. Furthermore, the result also revealed greater percentage of the respondents (57.1%) to consumed large quantity (40-100%) of their products while those consuming small quantity were many (42.1%). In DFM B on the other hand, about 44.0% of those selling through the channel sells 40-100% while 39.5% sell less than 40%. Sale through agricultural cooperative was very small in DFM B with 4.4% and 8.7% of respondents selling large and small quantity (40-69 and <40%) respectively. Also consumption quantity in DFM B was small compared to DFM A. (40-100% consumption constitutes 43.5% and < 40% consumption constitutes 17.4%. Other channels used are sale to restaurants, schools and gift to relatives. The results thus suggest that respondents produced vegetables for sale in DFM and consumption only.

c. Respondents Income from Direct market, Agriculture and Non-agricultural activities

Essence of marketing is to generate income, even in a situation where other gains are targeted. Income in the life of rural women who was not opportune to earn in the past can not be over-emphasized. Although, majority in both markets earned less than one million yen in a year from DFM yet, greater satisfaction than total dependence on their spouse was being derived. All participants in DFM A were earning less than one million yen whereas in DFM B aside 36.4% that earned less than one million yen, fairly large percentage (24.3%) earned more than 1million yen.

Figure 2: Agricultural Income

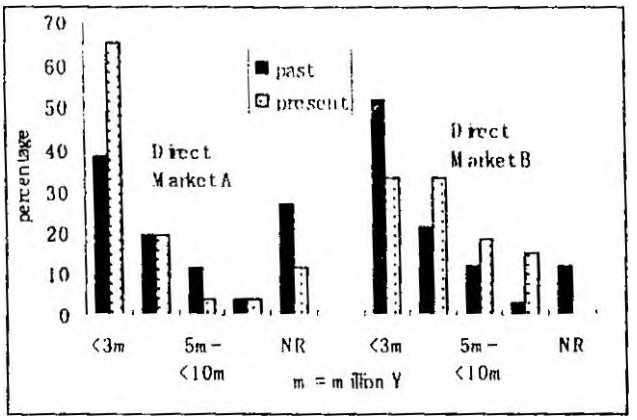
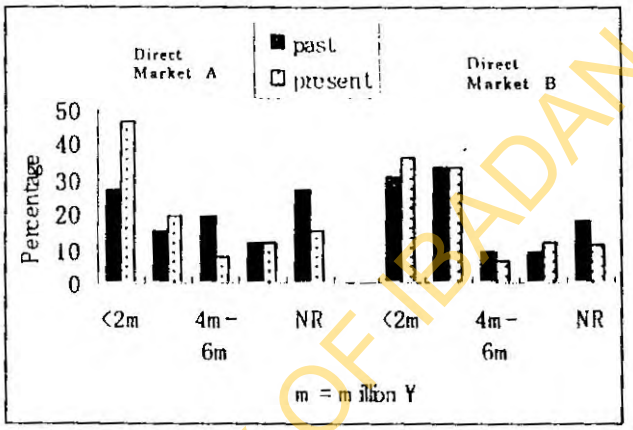


Figure 3: Non Agricultural Income



Among them were also respondents with more than 4million yen income from DFM though this group was few. Majority with less than one million yen income from both markets might imply small nature of women farmers business due to old-age or lack of production resources on one hand or selling of substantial part of their products through another channel on the other hand.

The finding also confirmed low gross sale from women farmers' enterprise (Nakamichi, 2000). Furthermore, greater percentage often consumed large quantity of their products as revealed earlier thereby selling leftover after their subsistence has been met and others did extend kindness towards kinship through some of their output. Above all, it was reported that women did engaged in DFM for social relationship which they could gain rather than income. Higher income of some respondents in DFM B could be ascribed to large-scale, production of special product/ solely producer of some products as observed and informed during the course of the survey.

Respondents might engage in other agricultural activities which are not sold through DFM, thus knowledge of their income from agriculture could supply more details. Finding revealed 65% of respondents earning less than 3million yen in DFM A. This percentage has almost doubled what it used to be in the past judging from figure 2.

Thus, there was increase in the percentage of low income earner in DFM A with consequent decrease in higher income earners purely due to old-age (Farmers in DFM A were older than DFM B). In DFM B on the other hand, respondents with low income decreased while higher income earner increased which could be linked with newly introduction of many economic activities in the area and more involvement of women in those activities.

Income from non- farm activities: women farmers did engage in other work outside agriculture to supplement household income especially in a household headed by women. In Japan however, lack of sale, low profit and equal employment opportunity in the secondary sector might be the factors that increase women's participation in non-farm job. Involvement in other job could be one of the reasons while hobby women farmers increased.

Women farmers' non-farm income as shown in figure 3 ranged between less than two million yen to more than six million yen with higher percentage earning less than two million yen and 23.6% earning more than six million yen. Low income earners from other job as well as some higher income earners increase in both markets while others either remains the same or decreased. Higher income outside agricultural work might categorize respondents to be non full-time farmers and this could explain the reason for their low income from DFM as well.

Comparing women farmers' income from agriculture and non-agriculture suggests that access to production resources with adequate market outlet for their products could increase their contribution to agricultural development.

Women farmers activities were not without setbacks; with the major problem being lack of profit, competition, sale, money, "ie" system, toughness of the work, inability to produce in large quantity, old-age etc in both markets. Meanwhile, problem of profit in DFM A might not be regarded as so important since majority did not join the market for profit. Although, social relationship gain with more profit have better chance to improve their capability. They were also faced with input and problem of where to sell in the past which the re-emergence of DFM has solved.

4. Conclusion

The study focused on direct farmers market (DFM) with the aim of introducing highly organized DFM types and operations to the global community. Extraction of common features and area of differences of the two case studies were carried out. The differences could be attributed to the objective of the establishment of each market while the main common feature is that both are highly organized DFM. It means an indoor operating style of DFM which has additional advantages over the generally known DFMs (e.g of worldwide DFM; support for small-scale farmers, old farmers in Japan and food safety despite their style of operation). Additional benefits include trust and good relationship between the producers and managers/coordinators of the market. (This occurs as a result of non-physical presence of farmers in the market, hence, managers/coordinators managed the market well through sale of the products on behalf of farmers.) It gives the producers more opportunity to engage in other activities as well as elimination of conflicts among the participants. Empowerment of women participants and community development form the main aim of both markets. Apart from income generation, other activities such as tour, event, programs and meetings organized by DFM as well as group discussions promised to be instrument for the improvement in their economic, mobility, socialization, legal and political status.

DFM B is more business oriented DFM compared to DFM A due to the other characteristics it possesses such as: presence of designated farmers for some products, everyday and all year round operation, employment of extension agent to provide technical information to the participants and incorporation of restaurant (which apart from generating income, also serves as market for left over products particularly vegetables thus motivating farmers to produce more) to the market. On the other hand, DFM A operates on weekends and public holidays only, participation by small-scale farmers and low income of the participants as well as lack of organizational structure depict the market to be for the life maintenance of the farmers and social relationship. Age can be said to affect the objective of both market. DFM A are very old with their average age being...hence, they value social relationship more than economic, whereas, young women prefer to be economically empowered rather than social though both are essential but in terms of priority both groups will choose as explained. In conclusion, the objectives of both case studies might be different but the contribution is similar in terms of

empowering or assisting women (Socially or economically, though achieving both is essential). Also, non involvement of the producers in the management of the market depicts 'highly organized' market system. Though involving the producers in management will ensure more cooperation, more trust and a better transparent system of management.

Meanwhile, lack of communication is one of the problems of highly organized DFM. As a solution, coordinators of both DFM used to advise as well as organize tours for the producers to other market to learn by themselves on the salient matters such as price and quality of the products based on consumers' comments. In addition, fortnightly or monthly operation of the market as open market is essential for the producers themselves to listen to the consumers' comments, thereby fostering interaction among the participants.

Inter-generational succession threat is more visible in DFM A than DFM B because greater percentage of farmers and the coordinators of the market are becoming very old (Average age= 65years). However, some of the participants have started introducing their young relatives to the market which would serve as a potential future replacement. Also, non-agricultural products are welcomed in the market as an opportunity for the young non-agricultural workers to participate thus building the future for the market. Although, the feasibility of this method to the future existence of the market is a subject of concern to DFM A coordinators. In corporate cooperative however, such threat is less visible, though 80% of their participants are also old but the remaining 20% are still energetic with as young as 35years of age. Besides, a lot of activities are also put in place to attract young people to participate. In addition, young farmers as well as pairing old and young farmers or cooperative farming need to be encouraged.

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