

Choosing an Online Platform & Selling Online: Four Missouri Farmers Share their Success Stories

Handout from the Virtual Panel offered on June 15, 2020

The opinions expressed are those of the presenters and do not represent endorsements by the Webb City Farmers Market, University of Missouri Extension or SARE.

Video of this recorded presentation can be viewed on: <https://youtu.be/1hzweVW2j4E>

Presenter 1 - Curtis Millsap - Curtis and Sarah Millsap, along with their ten children, farm manager, apprentice, and occasional volunteers, have been operating Millsap Farms, a 20-acre farm in Springfield MO, for the past 12 years. They grow 2 acres of vegetables and flowers, with 20,000 s.f. (almost ½ acre) under greenhouses, high tunnels, and caterpillar tunnels. They use organic practices, and sell through a year-round 170 member CSA, farmers' market, and restaurants. They sow, transplant, harvest, and sell, 50 weeks out of the year. The Millsaps also host a weekly pizza night from May to October, where they have 250 people out to the farm for wood-fired pizza and live music. They are always looking for ways to do more with less, including energy and water conservation measures such as no-till, solar greenhouses, stored heat, etc. They love to teach people who are looking to enter the field of farming, having hosted, as of the end of the 2018 season, over 25 interns, most of whom are still involved in farming full time, 4 of whom now have their own farms. Additionally, they host hundreds of people on tours each year, from large extension organized field days, to farm families from near and far who drop in for an impromptu tour of their farm. Curtis speaks to various groups about how to design farms for a balanced life, including using the right tools, infrastructure, labor and marketing mix to fit each farm. The Millsaps and their farm crew consider themselves stewards of creation, and take that responsibility seriously. They also love to travel and camp, and spend an average of 5 weeks a year away from the farm, often taking their farm crew with them to enjoy the hills and creeks of the Ozarks.

Farm's website: <https://www.harvie.farm/farm-stand/millsap-farms>

Highlights from Millsap Farms' online platform/s presented: Harvie and Barn2Door

Curtis's farm uses Harvie.farm; he also touched on Barn2Door. He shared a table comparing the two platforms (attached).

Curtis uses Harvie for Community Supported Agriculture (CSA) which is what Harvie is designed to support. Millsap Farms has 175 CSA members. Harvie is the Millsaps' favorite platform. Harvie charges 7% of sales plus 3% from credit card fees. It is expensive, but Curtis thinks it is worth it. Barn2Door is credit card fee + service fee. When asked how much he is saving with Harvie in order to justify the cost, Curtis mentioned that there is no straightforward answer to this question. They have found ways to compensate for the 10% loss (i.e. 7%+3% charged by Harvie). He keeps really close tabs on what he includes in his members' shares. That's how he was trained at the CSA training he took prior to setting up their CSA program. He also mentioned he used to spend about 4 hours/week responding to customers' requests (mainly emails), and now he is down to 1 hour/week at the most; Harvie essentially has eliminated 90% of customer emails. Harvie is good at being responsive to farmer needs with good training sessions, weekly meetings. All companies offering online platforms are experiencing high demand and this includes Harvie. Harvie has usually been quick and responsive. Harvie recently added 5-6 new customer service employees in last few weeks, but still behind on attending the current high demand.

Harvie is good in terms of functionality, but not intuitive. Harvie is more user friendly from the farmer's end and has improved dramatically in last 3 years. Barn2Door is more user friendly from the customers' end though, but not farmer friendly. Harvie is great with details and reports, while Barn2Door has major gaps in reporting and organization. Harvie nails it in terms of fulfillment. When you want to sell, where it's going, make a label, know how much you're making, Harvie does a great job with all these, but keep in mind it is CSA platform. Barn2Door is very limited on fulfillment, you can't print labels and so on, but he doesn't have enough experience yet to fully judge Barn2Door.

CSA members select what items they would like each week on Harvie. Harvie allows Curtis to see each week how much value his CSA members select compared to how much value he has offered them. For example, for current week, Curtis has \$3,192 in selections by his CSA members. For that week, he had offered \$4,498 of value in products. This allows Curtis to see that he will easily be able to fill his CSA orders. This is one of Harvie's features that Curtis finds most valuable.

His biggest complaint on Harvie is that it still does not allow for *a la carte*. Barn2Door allows customers to buy a la carte. Harvie allows "farm-stand" purchases, which on a weekly basis non-CSA members can buy a quarter, half, or full CSA share. Not a free-choice really, but can swap out things. Curtis would like a straight a la carte system. This is important when considering that one of the top complaints from CSA members is that they end up with too much produce and are uncomfortable with discarding uneaten food.

Harvie does not categorize taxes in any way, but is looking into doing so. So there is no differentiation on the platform between food and non-food sales taxes. The farm manager has to do that. Produce/food is a one-tax category in the Harvie platform; and non-food is another tax category.

Millsap Farms is a vendor at the Farmers Market of the Ozarks, which does help promote their vendors direct online sales. The market created a listing of each farms' e-commerce site and promote it via social media and the market's home page. He pays them percentage of daily sales, so it works out in both their interests. Farmers Market of the Ozarks does not have its own online store.

Presenter 2 - Karen Scott - Beginning with a life-long love of gardening, cooking, and interest in local food systems, Karen along with her husband Doug Scott started OakWoods Farm in 2007. The farm near Granby, MO is a "human-scale" farm. They use sustainable, organic methods, practice no-till and focus on soil building. They raise a mix of vegetables and herbs year-round. The farm also produces some value-added products. The farm includes four market gardens and 6000 sq. ft. under cover in three unheated high tunnels. They also raise beef cows and meat goats and lots of chickens on a rotational grazing system. They have been farming full time since 2013 and have been vendors at the Webb City Farmers Market since 2014.

After attending a high tunnel season extension workshop in 2012 Karen and Doug became hooked on winter farming. Since then, it has been Karen's delight to grow and provide local, fresh harvested, nutrient dense produce for our local community year-round. She enjoys sharing recipes, cooking techniques, and sustainable farming practices with customers and other farmers. "That's why we are at market!"

Oak Woods Farm sells direct to consumers at Webb City Farmers Market, Joplin Empire Market, CSA, on-line, on-farm, and wholesale to local natural food stores and restaurants. Karen started selling on-line in late 2017, as an alternative to CSA. Karen uses Square to operate her store and also sells through Local Line on-line hubs at Webb City Farmers Market and Joplin Empire Market. Currently on-line sales account for 30% of farm sales.

Farm's website: <https://oakwoodsfarm.com/>

Highlights from OakWoods Farm's online platform presented: Square

Karen uses Square for their farm's online platform: <https://squareup.com/store/oakwoods-farm>

They have a small farm of 62 acres; with less than an acre in veggies; two part-time employees and some volunteers. Started selling online in 2017 as an alternative to CSA. Orders can be picked up at select locations. With the online platform there is less stress in taking money pre-season. With COVID-19, it was a real advantage to already have the online platform ready to go. One of the farmers markets in the area where OakWoods sells was closed and open to curbside pick-up only. So ordering online was important during this period because it added more options for selling while the physical market was closed. The two farmers markets they participate in are using LocalLine and acting as an

aggregate for their farmers market sales. Online sales represent about 30% of their total sales at all locations including the farm.

Karen looked at many platforms as well as adding to their existing website (for the website she uses WordPress). She settled on Square Online Store. The fact that it is free was important due to being a small farm. There is an initial time investment to learn how to use the platform, which she thinks she has already attained. She estimates she spent about 10 hours total to learn the basics on Square, but once she had the learning curve it became easier. Attaining that learning curve may be the biggest challenge due to time constraints farmers always have. Basic functionality is free and very basic. They are adding free functionality constantly. It easy to set up the store and to add products. It has the capability of adding pick up locations. It calculates taxes and fees. Square does differentiate between food and non-food sales taxes; can assign different taxes to different items. It allows for inventory control with the capability of not overselling products. It connects to Instagram. Square card reader is free, which she also uses it at the farmers markets, but it does have a transaction fee. Transaction fees are: 2.6% of sale, plus 10 cents. No direct support so it is hard to get help from the company if needed. However, there is an online community support group, through which users can get help and it does work. It does have reporting capability and will email to say inventory is low so you can update or remove. It does not provide label printing.

She plans to stay with this platform because it is free, simple, and easy to use and manage. Karen uses Mailchimp (another online platform used for marketing) for email marketing and updates.

Presenter 3 - Greg and Nancy Rasmussen – Sunny Lane Farm was born in August of 2004 when the Rasmussens bought a 65-acre farm near Lockwood, MO. Both had farming experience but had not farmed full time which was their post-retirement goal. Starting with 125 pasture-raised broiler chickens, and adding stock as capital and time permitted, the farm not raises 2,500 chickens annually, as well as processing about 24 head of 100% grass-fed beef cattle. With the purchase of 9 Katahdin ewes and a Katahdin ram, the farm now has a flock of 50 ewes, 72 lambs, and two herd rams.

As the cattle and sheep herds grew, the Rasmussen's required more land even with their management intensive grazing practices so they now also rent 80 acres for their weaned calves. In 2017, they added pasture-raised pork to the operation, usually raising 15 to 20 per year.

Their Ranch's website: <https://sunnylanefarm.grazecart.com/>

Highlights from Sunny Lane Farm's online platform presented: Grazecart

The Rasmussen's direct market through on-farm sales and farmers markets. They also wholesale to small local health food stores. They use Facebook, word of mouth, phone, texts and e-mails to receive orders, as well as beginning to implement the online sales through Grazecart. These and the local markets complement each other, but they all consume time. They also sell through the Webb City Farmers Market online store, Localline.ca/webb-city-farmers-market.

About a year ago, Greg began researching ways to sell online. After looking at several options, he chose the business site created by Seven Sons Farms called Grazecart. This site is recommended by the Stockman Grass Farmer research; it is an e-commerce site created by small farmers to introduce small farmers to internet sales. It does target ranchers more than vegetable producers though. It is extremely user- friendly and teaches you how to maximize your time and sales with a step- by –step guide. It helps the farm business to efficiently market their products, with the option for expansion to a level comfortable for each individual farm. There is availability through this site to co-op sales, take training sessions, and talk with customer service. They are currently not using all the options this platform offers. They like Grazecart for many reasons, including the ability to set up the program and let the computer coordinate all aspects of the online sales. Though other family members help out when they are in the area, they rely heavily on one son for tech support.

They are new to the direct farm sales online experience, and their initial plan for implementation of online sales was altered by all the time consumed in dealing with COVID-19 guidelines. They are confident they have chosen a very

effective platform in choosing the Grazecart website. It is important to make your business plan fit your lifestyle, and that is unique to your farm. What works for one farm may not work for others. It is important to choose a marketing style that keeps you passionate about the product you offer and allows you the ability to have the time to manage and enjoy your farm while earning an income from it.

Farmers markets are an important marketing tool. The Rasmussens have learned a lot from interacting with customers. The markets, however, do require a big investment in time and expense but what you need to sell there will most likely also be needed for on-farm sales. Your product must meet Missouri Department of Agriculture guidelines as well as complying with local health department regulations. If you sell meats, you must set up in advance your process dates, which are not always easy to obtain—you cannot expect to call and get a process date when it is convenient for you. Planning birthing dates for your livestock or purchase dates for your livestock is important. The birthing dates or order dates must line up with the time your livestock is ready to harvest and the process date. You need to have a market ready for sale of your product when you have it processed. A little planning and research is essential to successfully bringing a product to the customer. You will need to consider a freezer system for storage of your meats product on the farm. You will need a trailer and freezers to carry your meat products, and the freezers must meet local health department safety guidelines. A generator that meets noise volume restrictions is essential, and usually a long extension cord for use at delivery locations where electric outlets are available. Also, consider the insurance needed for sale of your product to the consumer. Expect to process only at state or federal plants as a label stating that your meat is for resale is required. You will be required to pay sales taxes, so a sales tax number needs to be applied for. The tax rate will vary with location, but be sure to use the food tax for the particular area rather than the higher non-food sales tax. Grazecart allows you to enter different sales taxes by location. You should check with your state as to what location, origin or destination, the sales tax should be remitted to.

For on-farm sales try to discourage people from coming without an appointment because unless you have several employees, this can be quite time consuming. Though you appreciate the sale and visiting with the customer, it is difficult to stop farm work, get cleaned up, fill the order, and visit with the customer when you are in the middle of a job on the farm. The Rasmussens have hosted farm tours at various times and have really enjoyed them, in addition to liking the opportunity to visit with people coming to the farm to purchase from us. These all serve to connect to consumers and promote your farm, which will in turn help you get customers for online purchases. Regardless of the type of sales you choose, they will require coordination of effort as to the need to assure product availability before confirming an order. The Grazecart site is extremely helpful with this, and eliminates much time.

Presenter 4 - Liz Graznak - Liz Graznak is a Columbia, MO native whose love of gardening and the outdoors is the result of time spent outside with her grandparents growing up. It was in graduate school in at Cornell University that Liz discovered Community Supported Agriculture farming and realized her passion for growing food & building community. After working on a number of different farms out east Liz decided to move back to the Columbia area. While farming with her friend & mentor Dan Kuebler, who owns The Salad Garden in Ashland, MO., Liz realized that if she was ever going to be able to afford to purchase her own farm than she was going to have to have a “real” job for a while. Liz worked for six years at Superior Garden Center honing her business & employee management skills. In November 2007 Liz & her wife Katie purchased Happy Hollow Farm. CSA farming has provided the opportunity to fulfill Liz’s long anticipated goal of growing beautiful, healthy food and sharing it with a community of people that share her enthusiasm and commitment to a local food system. With a six year old daughter and a new baby on the way, Liz is entering her ninth year of USDA certified organic production and has expanded to nearly 7 acres of veggies, fruit, eggs & flowers. Happy Hollow Farm sells thru a 65 member CSA, 50 Saturdays a year at the Columbia Farmers Market and to a number of local Columbia restaurants and grocery stores.

Liz’s farm website: <https://www.happyhollowfarm-mo.com/weeklyorders/>

Highlights from Happy Hollow Farm's online platform presented: MayeCreate Design (local company)

Liz used a local company, MayeCreate Design, to build her website nearly 10 years ago. Since then they have hired the company a number of times for updates & improvements and most recently for creating a WooCommerce site (online store) on the website. The company offers great customer support, but they charge a very high price by the hour for their services. The website is robust, and ready to adapt, change and improve when needed. Some regular updates (not major ones) are done by Liz herself, she had to learn some programming language initially to do this.

Happy Hollow is a USDA certified organic farm, started with just CSA (32 weeks/yr.) then slowly added farmers market (50 weeks/yr), and wholesale to restaurants and grocery stores. This year exploded with CSA sales. The farm was not prepared for this massive increase in CSA and had to put a cap on the number of people they let join in April. They created a waiting list for the summer CSA and membership is still open for the 8 week winter CSA season. They have more employees than any other year before. The increase in sales started in March with COVID-19.

When COVID-19 hit, the farm already had a robust website. They simply created a form for CSA members to sign-up and join. Because they designed their own platform inventory is highly manageable, calculates sales taxes, calculates credit card processing fee, allows for multiple pick-up and/or delivery options, and it's easy to add/subtract items. The main issue with a custom-based website is the initial one-time cost, but they ended up with a very professional looking website which is easy for customers to use.

Main advantages include: very robust (can do a lot, probably even more than currently using); professional appearance that is Happy Hollow Farm specific; no monthly fees or sales percentage like many of the online selling platforms charge; downloadable csv file with all of the order information that is transferable to Excel; creates labels for each individual order.

Main challenges include: expensive initial one-time investment (10 years ago \$4,000-\$5000; today probably more than \$8,000); requires someone that really knows website design to set up; requires weekly maintenance by Liz or someone who knows website design language. She spent a lot of time initially learning about how to update the website.

Liz is also using a new web based App, that is specifically for CSA members who create an account and then are able to choose (from a predetermined list) their weekly veggies. Each share size is limited as to the number of individual items that they can select. The App is also able to create a "pick list" and prints labels with each customer's weekly order, as well as their pick up location and other pertinent information. The App was designed by a programmer that is a CSA member of a farmer friend of Liz's up in Minnesota.

As part of this program, farmers can contact any of the 4 presenters for one-on-one consultations:

Each presenter has committed to a total of 20 hours for these consultations (*please note that this is total, not for each person that contacts them*). Persons seeking mentoring should call or email the farmer or rancher of their choice. If they do not get an answer, they should leave a message for a call back. Mentoring will end August 30 or sooner if the farmer/rancher has completed their 20 hours of mentoring.

Here is how to contact them:

- Curtis Millsap - 417 839-0847
millsapfarms@gmail.com
- Karen Scott - 970 980-9395
karencott9433@hotmail.com
- Nancy and Greg Rasmussen - 417-637-2991
sunnylanefarm@yahoo.com
- Liz Graznak - 573 268-6394
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