

Making Money Selling Produce: Tips for Small Food Retailers

Here are some tips* on how to make money selling produce. These strategies, organized by the four Ps of marketing, can be effective even if you are working with a small space. *Watch this video to learn more:* <https://youtu.be/38Lh2ySvhQk>



Product

Choose the right products. Pick items that have low perishability. Vegetables (including potatoes, onions, and carrots), and fresh fruit (including apples, oranges, and bananas) are some great choices. One or two seasonal items can make the display more interesting. Buy produce in full units for the best price, and buy only as much as you expect to be able to sell. Some potential good sources of produce are your existing vendors, club stores (e.g., Costco), and farmers markets.

Maintain freshness through proper storage. Store items that wilt easily in a refrigerator every night. These items, including greens and some fresh fruit, should be stored in sealable containers and covered with a moist towel to avoid dehydration and maintain freshness. Items that you do leave out should also be covered.

Keep the product flowing.

- **Don't display bad products.** Customers are less likely to buy if they see any bad produce displayed. Thus, you can make more money by removing the small number of bad items.
- **Offer bags of produce** that include some items that are closer to their end dates and offer these bags at a discount. Bags outsell individual items because they are more convenient and give customers the sense that the product wasn't touched. Providing both bags and individual items increases overall sales.
- **Provide samples** to build interest.

Pricing

Price at 3 times wholesale. This takes into account the fact that you will lose some product yet will enable you to make a small profit. When pricing produce, use a round number and try to avoid putting things on sale. Customers grow accustomed to lower prices and then are less likely to buy the full-price items.

Placement

Project abundance. Keep your displays full, as customers like to feel like they are choosing the best and newest produce. Some ways to project abundance are to use low baskets, pad the bottoms of these baskets, and use multiple display levels (e.g., lower to higher tables).

Promotion

Use clear and clean signage with prices. Marking prices clearly is important, as a large proportion of customers are afraid to ask for prices. Clean and consistent signage sends the message to customers that you have high-quality product. Be creative with your signs: highlight new or seasonal items and provide some information about the grower.

Build excitement with your customers. Put a sign outside your store that highlights a new product. Ask your customers what items they want to see. Advertise products that will be coming soon to build incentive for customers to return.



NYS Obesity Prevention
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*Tips provided by Joe Rossi of Rossi Farms.



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