

CSA Toolkit

Models, Strategies, and Resources



CSA farming is no longer a brand-new business model—it’s a pathway to diversifying and sustaining your farm business. Farmers are trying new ideas and pushing the limits of what a CSA can be, particularly with online ordering and customization options. Long-established CSA farms are facing competition, and this competition is pushing CSA farms to be more efficient, more effective, and more innovative.

For an online version of this publication, with live links, visit the resources section at asapconnections.org.

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Written and compiled by ASAP staff. For more resources visit the resources section at asapconnections.org.

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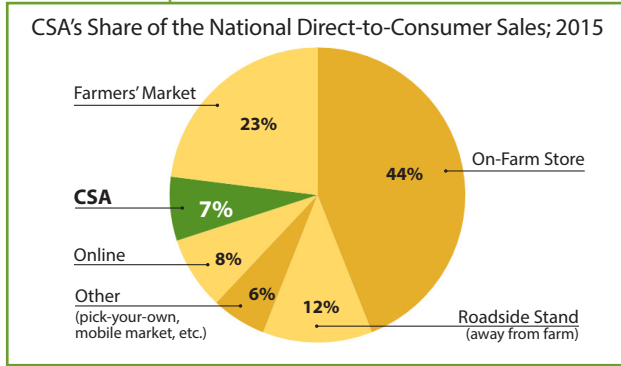


New to the concept?

CSA stands for Community Supported Agriculture. It’s a direct relationship between one or more farms and a set of customers who commit to buy the farm’s products through prepayment or subscription. Check out NC State Extension’s CSA Resource Guide (ces.ncsu.edu), Member Assembler’s CSA Solutions (memberassembler.com/hub), and USDA’s National Agricultural Library (nal.usda.gov) to learn more.

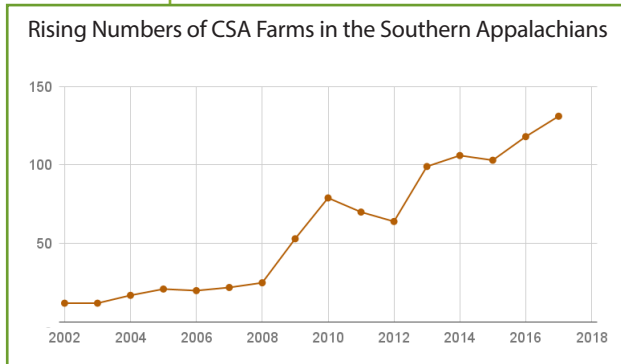
The State of CSAs

figure 1



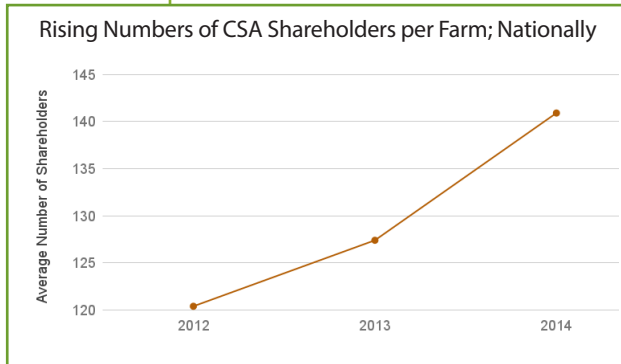
In 2015, the USDA reported that 7,398 farms sold products directly to consumers through a CSA accounting for 7 percent of the \$3 billion in direct-to-consumer sales by farms in the U.S. (figure 1).¹ The total sales for CSA operations (including those with value-added products) was nearly \$226 million for an average of \$30,585 per operation.

figure 2



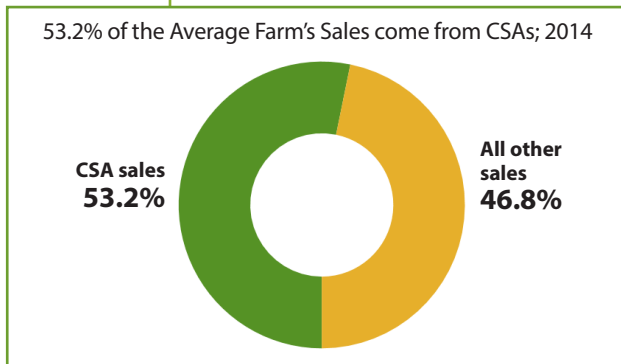
In Western North Carolina and the Southern Appalachians, the number of farms offering CSAs has expanded dramatically. In 2002, the first year ASAP began keeping records of farms within 100 miles of Asheville, NC, only 12 farms had CSA programs. In 2017, 131 farms offered CSAs in the region—more than a tenfold increase in 15 years (figure 2).

figure 3



One clear trend is that CSA farms are consistently offering more shares. A USDA survey found that the average number of shareholders for a CSA increased by 6 percent in 2013 and 11 percent in 2014 (figure 3).² In 2014, the average shareholder size was 141 and the median size 60 shareholders (not shown).

figure 4



The majority of farms must still supplement their CSA programs with other sources of income. The same USDA survey found that the average percentage of a farm's sales coming from a CSA was 53 percent (figure 4),³ and over 40 percent of all farms received less than half of their income from their CSA.

¹ U.S. Department of Agriculture NASS. Direct Farm Sales of Food. December 2016. nass.usda.gov/Publications/Highlights/2016/LocalFoodsMarketingPractices_Highlights.pdf

^{2,3} Timothy Woods, Matthew Ernst, and Debra Tropp. Community Supported Agriculture—New Models for Changing Markets. U.S. Department of Agriculture, Agricultural Marketing Service, April 2017. <https://www.ams.usda.gov/sites/default/files/media/CSANewModelsforChangingMarketsb.pdf>



Five things to consider before starting a CSA

1. You are in charge of everything. A CSA includes marketing, outreach, getting members, signing them up, managing payments, communicating with customers, and farming—it's a complicated enterprise.
2. There is a high level of commitment. You have taken people's money in advance, and they expect the best throughout the entire season.
3. Intense planning is needed for production, marketing, and member communication.
4. Expect a high level of communication with members through newsletters, recipes, farm days, and other approaches.
5. CSA is not a great model for a beginner farmer. It is best to have at least one season under your belt to practice with no pressure.

Models and Strategies

As with any successful business, marketing and promoting your products or services are just as important as efficient distribution and appealing options. Here are some examples of ways farms have approached marketing and offering customized options.

Find Your Market

From a farmer's perspective, it's a great advantage to have a critical mass of CSA customers in one location sharing and talking about your food. This excitement has the potential to increase your customer retention from year to year because people aren't making decisions alone. Instead, they have banded together and share a common goal. A critical mass of customers also simplifies your CSA distribution and organization.

In the early years of CSA, these customer groups came from existing social circles and generally overlapped as a demographic with natural foods shoppers. Many customers came from the same part of the baby boomer generation that sought social change as youth in the 1960s–70s and had become grown-up consumers ready for the CSA trend to begin in the 1980s–90s. This group has now reached retirement age—although baby boomers remain a top set of CSA customers, their demand no longer matches the CSA share supply.

For your CSA farm to be successful, you must think like a marketer. Who are your customers? Do your customers attend church? Do they use social media? Are they young “foodies” who like to experiment with new recipes or people who are intimidated by the wide variety of greens? Do they have children who play sports? Do they work at a particular place or in a certain industry that has local roots? Are they urban or rural? Are they recent, or historically, immigrants from a particular part of the world?

For 15 years, most CSAs used similar language and similar communication systems, shifting together over time from paper to web. As a result, they found similar customers. To distinguish your CSA, you must find the specific communication streams, ways of talking, and distribution systems that work for your farm's market. The contents of your box may even have to shift depending on your customers.

As the popularity of CSAs has grown, other businesses have adopted similar models. These offerings range from subscription programs for artisan foodmakers to multi-farm CSAs compiled by distributors. Therefore, in addition to differentiating yourself from other farm CSAs, you should also highlight the values customers are supporting in buying directly from a farm.

47 Tips and Tricks for CSA Farm Marketing

memberassembler.com/hub/marketing-tips-for-farmers

Databases of CSA farms

[Localharvest.org](https://localharvest.org) has a national listing of CSA farms. Their tracking shows that CSAs have steadily spread beyond urban centers. Church- and workplace-based programs are part of this trend.

ASAP's *Local Food Guide* (appalachiangrown.org) lists CSA farms in the Appalachian Grown region.

Workplace CSA links

[asapconnections.org/
broadcasts/farm-fresh-at-
work-workplace-wellness](https://asapconnections.org/broadcasts/farm-fresh-at-work-workplace-wellness)

Inside view of how workplaces can enhance CSA at a larger company with benefits like payroll deduction.

[asapconnections.org/
downloads/workplace-csa-
models.pdf](https://asapconnections.org/downloads/workplace-csa-models.pdf)

A summary of CSA workplace models with multiple real world examples.

[asapconnections.org/
downloads/workplace-csas.
pdf](https://asapconnections.org/downloads/workplace-csas.pdf)

Educational material that can be used to market a workplace CSA.

Faith-Based CSA links

[hazon.org/adamah/
the-farm/csa](https://hazon.org/adamah/the-farm/csa)

Programs at 56 locations around the world linked to reform Jewish congregations.

[interfaithfood.org/
resources/csa-tool-kit](https://interfaithfood.org/resources/csa-tool-kit)

Tips on building a faith-based CSA from a community group's perspective.

Seasonal CSA

This seasonal CSA is the model we are most familiar with in this region today. Members commit in the late winter or early spring for a summer CSA that runs for 20-30 weeks during the peak of the harvest season. Many farms may also offer a fall or winter share or only a winter share. With season extension becoming prevalent, a winter-only CSA is a new approach with less competition.

Farms may offer only one size of share while others may also have half shares. Customization, either through online selection, weekly email communications, or a substitution box at the pickup site, is another way farms can differentiate their CSA. Add-ons or extras are a way to offer additional farm products. There are any number of variations with this model for size of shares and payment structure. Within this seasonal model there are some good strategies for attracting subscribers or shareholders.

Work-Share CSA: Some farms will offer working shares in their CSA. Under this model, shareholders assist with your on-farm tasks in exchange for a reduced-price or free share. This model can benefit both farm and customer: the farm benefits from reduced labor costs and the customer has access to local food at a reduced or no cost. Work-trade CSAs can allow your customers to take their relationship with food and farming to a deeper level. CSA customers with past farming or gardening experience might be good fit for this model. This should be a formal agreement, including volunteer duties and time commitment, liability considerations, and breach of contract.

Workplace or Affinity Group CSA: A rising trend is to relieve yourself of finding customers individually by getting customers to do the outreach for you. Organized by neighborhood, town, congregation, or workplace, each group of your CSA program can have a coordinator or champion, equipped with marketing materials and good understanding of your business, whose job is to recruit others and organize share distribution. You may provide a discount or other incentive to the those who take on this coordinator role.

This strategy has great potential to lighten your sales and marketing burden. Its other advantage is in logistical support. For example, during the peak of summer with subscribers vacationing out of town and passing on their shares, the CSA coordinator can find families or food banks to take the extra shares.

These champion customers can often develop through workplace or faith-based communities, in which multiple CSA shares are purchased for individuals at their place of business or place of worship. The coordinator can pick up from the farm, meet at a pickup location, or farms preferably deliver CSA boxes directly to the participating location if the group can reach a minimum number of shares.

Most workplaces interested in having a CSA will appoint an individual to lead the charge on bringing local food to their workplace, simplifying your marketing and distribution efforts. Hospitals have come to the forefront of workplace CSAs, but other large and/or health-minded businesses make strong candidates as well.

Around the country and across faiths, food is rising up as a focus of congregational discussion and action. It makes sense—the links between spiritual sustenance and nutritional sustenance are as old as our most hallowed sacred texts. Congregations and other faith-based communities are interested in connecting with local farms as forms of fellowship, social action, and adherence to scriptural guidance.

Affinity groups can extend beyond business and faith, such as schools, neighborhoods, or wherever groups congregate on a regular basis. CSA can coincide with scheduled routine like a regular gym schedule or school pickup. Reach out to groups that you feel might have interest in a CSA.

You may need to make separate applications for different groups and the application may be returned to a program coordinator or to you at the farm. Tracking multiple application forms, while maintaining different parts of your CSA website and promotions, will take coordination and organization skills. An advantage to this model is that you have people on the ground in different communities talking about your CSA and helping to sell your shares, saving you time dealing with distribution and logistics.

Market Share CSAs

Market share or market-style CSAs are a newer model. Just as in a traditional CSA, customers pay an upfront fee at the beginning of the season. However, rather than picking up a standardized, pre-packed box at a predetermined location, customers meet their CSA farm at a specified farmers market. Customers select any produce they want from their farm's market setup. Customers are limited in their selection only by the size and weekly cost of their CSA share. This model mitigates some of the most cited issues with traditional CSAs, such as customers receiving produce they don't like or getting produce items in excessive or insufficient volumes.

While the market share model does not offer farmers the same structure for production planning, it does offer payment before the season starts and reduces the labor involved in packing boxes each week. Shareholders often receive a discount on their selection through a market style CSA, for example \$25 worth of produce for a share price of \$20. The savings to the customer reflects the benefits of this CSA model to the farmer.

Some farms offering market share CSAs use a card-based system, in which shareholders are given a card preloaded with funds for their share size. Shareholders swipe their card each week when they've made their selections. While this method may be appealing to some, simple paper-based systems are also sufficient.

Buy-Down CSA

This model is similar to the market-style CSA, with a lump sum paid in at the beginning of the season and regular purchases made throughout the season, reducing the balance to \$0 at the end of the season. This model is not based on a weekly amount but a seasonal or for the term of the CSA. This can either be with a debit type card or tracked manually.

Add-on Products

Farms have sought help to supplement their shares since the origin of North American CSAs in the 1980s. Specialized items such as fruit, land- and water-intensive foods such as sweet corn, and entirely different product lines such as meats and eggs have been add-ons to basic CSA shares.

For diversified farms, these add-ons can come from their own production and include more expensive/intensive items that supplement their traditional CSA offerings. Though add-on items may not be desired by every CSA member, for some members they can be a deciding factor when choosing their CSA farm for the season. These add-ons could include eggs, meats, flowers, and more, and feature an added price for each desired item.

For farms that are not as diversified, add-ons may come from other farms. It's possible that some customers will be wary of additions from other farms. Some customers value variety and reliability and have no concerns about you providing items from other farms; other customer bases may be passionate adherents to the idea that "this is my farmer" and believe that add-on products dilute the value of their share. If you do collaborate with other farms to provide add-on items, use your brochure, website, or other promotional outlets to provide detailed information about collaborating farms and their products.

Working Together with Other Farms

By working with other farms to supply your shares, you can lower your production risk and better guarantee a positive food experience for your customer. However, an almost philosophical debate is underway about multi-farm CSAs. Is the direct relationship between a single farm, its farmers, and its customers absolutely essential to the concept of a CSA? How much product can come from other local farms before some perceived value is lost?



Some CSA programs offer restaurant or foodservice shares. Mixed boxes are of less use to a chef. Providing a different single item each week may be preferred.



Fully Collaborative Multi-farm CSAs

Multi-farm CSAs typically involve the coordination of multiple growers to provide both overlapping and specialized supply. An example of overlapping supply is three farms planting crops of peas in weekly succession. This approach saves any one farm from the intense level of succession planting sometimes needed to reduce the risk of crop failure and disappointed customers. An example of specialized supply is one or two farms in the CSA growing tomatoes and investing in all of the latest disease-combating structures and protocols. This approach frees other farms to grow sweet corn, berries, green beans, or other resource-intensive crops. Multi-farm CSAs typically aim to grow to a point where a skilled person at one of the farms (or a contracted outsider) is paid to provide supply coordination, customer service, and bookkeeping. For an example of a multi-farm CSA that grew out of a single farm CSA, read *Local Harvest: A Multifarm CSA Handbook* (available at sare.org/publications/csa/csa.pdf).

From *Local Harvest: A Multifarm CSA Handbook*

"In the years since 2006, the CSA has fine-tuned its methods. Sticking with the same distribution site, and solidifying a group of five evenly balanced (in terms of percentage of the co-op) larger farms and three smaller ones, Local Harvest has been able to seamlessly expand to 300 members, while retaining between 60 and 70 percent of members year-to-year." After the 2009 season, Trumble noted that, "Size does matter. When we were 200 members, we were just barely able to pay our bills. At 250 members, we ran smoothly and ended up with a small profit (patronage dividend). At 300 members, we are able to run the business and not have to worry about whether we can afford a site assistant, or to pay an employee who has worked a few hours over time."

Retaining Customers

Retention rates of CSA customers are generally poor. According to a 2016 report published by the University of California, the average annual retention rate for CSAs is 63 percent; many farms do worse. This turnover means that you need to recruit the equivalent of your entire CSA customer base every two to three years. It takes less time and money to retain current customers than to find new ones, so be sure to put as much energy into retention strategies as you do to new customer marketing outreach. The approaches outlined in this document are all designed to increase retention.

In addition, a vital retention strategy is customer engagement. Use newsletters, social media, farm workdays, seasonal celebrations, and one-on-one interaction to develop relationships with your customers, give them an intimate sense of what's happening on the farm day-to-day, and build customer loyalty. Most customers buy a CSA not only for what is in the box, but as a way to connect with the family farm growing their food.

Maintaining and building these relationships is key to retaining customers and creating community advocates for your farm.

Also important is training your interns in great customer service. Farm owners tend to be friendly and enthusiastic with their customers in part because they take pride in their product and because their customers are directly supporting the farm and their livelihood. Farm interns, because they don't have a direct stake in the farm business, can be less engaged. Build customer service into your farm internship program so that interns are gaining skills in customer interaction and engagement. Educate interns about your farming philosophy and goals. Give them scripts and stories to share, practice customer interactions with them, and work alongside them to set the tone of your farm.

Pushing the Definition of a CSA

Distributors, grocers, and other non-farm businesses are pushing the boundaries of a CSA. Regardless of whether or not you consider these models true CSAs, it is good to know the options that are out there, either for you to adopt, or simply to understand your competition.

Strategies for Engaging your CSA Customer Base

Newsletters are perhaps the most widely used form of engagement for CSA farms. An emailed newsletter can share recipes, tell the story of the harvest, and increase customer excitement for the upcoming box. If nothing else, newsletters also help remind customers to pick up their share!

Member potluck dinners and gatherings, hosted once or more a year at your farm, are a great way to deepen your connection to your CSA customers, foster relationships between shareholders, and build an invested CSA community for your farm.

Other strategies for engaging your customer base include maintaining a social media presence for your farm, including recipes and occasional surprises in CSA boxes, and putting extra effort into the aesthetics of your box (e.g., tying a flower to the outside). Be creative, listen to your customers, and share your farm experiences with them.

Understanding Customers and Managing Expectations

A 2015 CSA customer survey from the University of California showed that the number one reason people leave CSAs is product mix—CSA customers felt there wasn't enough variety or they preferred to choose products themselves. The number two reason cited was product quantity—customers said they threw out a lot of product. Most people leave the CSA due to lack of choice, yet the idea of receiving what is available when it is available is an integral part of the CSA concept. Increase customer retention by managing customer expectations upfront and making customer engagement a priority.

Reasons for Discontinuing CSA Membership	Agree	Neutral	Disagree
The product mix did not meet my needs	47%	18%	35%
Lack of choice about products included	41%	18%	41%
Too little diversity in products in the share	33%	23%	44%
Lack of choice about quantity and/or frequency	23%	19%	58%
Lack of time for cooking or processing the food	27%	17%	56%
Price per box is too high	21%	25%	54%
Too low of a value	19%	26%	56%
Inconvenient to pick up or receive the share	25%	12%	63%
Too much food in the share	19%	16%	65%
Lack of knowledge for food preparation	17%	14%	69%
Too little food in the share	11%	18%	71%
Payment period is too long	3%	21%	77%

"Who supports Community Supported Agriculture (CSA) in California? Comparisons of current and former CSA members." Libby Christensen, Ryan E. Galt, Katharine Bradley, Natasha Simpson, & Kate Munden-Dixon University of California, Davis, Department of Human Ecology, Geography Graduate Group, Community Development Graduate Group UC Davis-CAFF CSA Workshop, Sebastopol Grange, Sebastopol 9/28/15

Are customers really that irrational? Do they sign up for a CSA with eager eyes, then leave the program six months later over the very point that first excited them? Maybe not. Part of the issue is that new farms overpromise on their product mix. At the same time that farms warn you get what you get, they showcase a spectacular product calendar that they may not yet have the growing expertise to fulfill. One way to manage customer expectations is to hold off on launching a CSA program until you have several years of experience on your land trying to grow a CSA-like bounty and variety.

Even with experienced farms, subscribers likely drop off due to unrealistic expectations. They imagine they'll cook every week, and maybe they won't. They imagine they'll get just the right amount of food for their family, and maybe they won't. They imagine produce will look like it does it the store, and maybe it won't. They imagine they'll now make time to cook a whole lot more than they ever did, and maybe they won't. They imagine that getting berries, cucumbers, corn, or another crop is guaranteed—nothing is ever guaranteed.

CSA Retention Rates

Member Assembler's 2015 Annual Report found a 46.1-percent average retention rate among the 305 CSA farms they surveyed.

As one small step toward preventing these expectations, consider reposting or handing out this wonderful information sheet from *Local Harvest*.



Tips for Potential CSA Members

Don't expect all your produce to come from the CSA

Most CSAs do not provide families with enough fruit to meet their usual intake. Many don't provide any fruit at all, so it is good to ask what to expect in that regard. Depending on the size of your family and how much you cook, you will probably find that you need to supplement the vegetables as well, especially staples like onions, garlic, and carrots.

If you are not used to eating seasonally, do some research.

If you are not accustomed to eating seasonally, you may find that it takes awhile to make a transition from eating whatever is at the grocery store (pretty much everything) to whatever is in your CSA basket (what's in season). It may surprise you to find that tomatoes do not ripen until August in your area. You should expect the season to start off lighter than it finishes. In most areas, the first crops will be salad greens, peas, green onions, and the like. By the end of the season, the boxes should be much heavier, with things like winter squash, potatoes, tomatoes, and broccoli. Many farms provide a list of what produce to expect when. It's worth reading. If they don't offer you such a list, ask.

Quantity varies—good to ask up front.

When filling the weekly CSA baskets, farmers try and provide a variety of items, in a reasonable quantity. They don't want to be skimpy, and they don't want to overwhelm their members. Too much of even a good thing and it ends up going to waste, which makes everyone feel bad. Over time, farmers develop a feel for how much is the right amount for their particular community—what's fair, what's reasonable, what will get eaten. Of course, the weather and other mitigating circumstances can get in the way of their ability to provide the ideal amount, as discussed above. One of the most important questions to ask before you sign up is, "About how much produce do you expect to deliver each week, and how does that vary from the beginning of the season to the end?"

If you want to preserve food for winter, ask.

Some farms allow members to get extra quantities of certain vegetables for canning or freezing. If this is something that interests you, talk to the farmer early in the season.

Make sure you understand the policies.

Farms differ in their policies regarding what happens with your box if you don't pick it up (e.g., vacation, something-came-up, I forgot, etc.) Make sure you know how these situations are dealt with, before the season starts.

CSA Systems of Operation

CSAs are businesses. Farmers with CSAs are signing contracts with customers, hiring management employees, using sophisticated planning tools, and putting custom software to work.

Formal Agreements and Contracts

Every CSA farm should have customers sign a formal contract or agreement. The contract or agreement can serve several purposes. Required to sign a formal contract, customers will pause to read exactly what they are signing up for. With the right language, it can temper customer expectations, protect you from refund requests, and enable you to distribute unclaimed shares to other families or organizations. If you use a payment plan, it can also function as a payment agreement.

Here is a very simple but effective block of contract language from Devon Point Farm. Additional resources and example contracts are available from the Pennsylvania Association for Sustainable Agriculture.

Please initial each of the following:

____ I understand I am committing to become a member of Devon Point Farm's 2017 Farm Share Program, that my deposit is non-refundable, and I shall share in the risks and rewards of the Share program. I am comfortable with the fact that I will receive a variety of crops, but I may not get every crop that is on the farm's production list due to crop failures or low yields.

____ I agree that it is my responsibility to pick up my share each week at Devon Point Farm in Woodstock on Tuesdays between 4–6 pm, and that any share not picked up during that time will automatically become the property of Devon Point Farm, and that there are no refunds or repeats for missed shares.

Please sign this contract here:

Signature: _____ Date: _____

Planning and Management Tools

Many custom management software solutions are available for CSA farmers. These include Farmigo (farmigo.com), Harvie (harvie.farm), CSA Toolbox (csatoolbox.com), CSAware (csaware.com), and others. Pricing for these programs is calculated either per share sold or as a percentage of sales. Features include online sign-up for your customers, ongoing customer communication, delivery and pickup site tracking, financial tracking and billing, reporting, production planning, and more.

One downside of using a custom system for tasks such as billing and recordkeeping is that more common systems have broader support and wider application. You can accomplish many tasks with homemade planning sheets on paper or widely available software you may be using anyway, such as Microsoft Excel or Intuit QuickBooks.

More Resources

The Organic Farmer's Business Handbook (Richard Wiswall, 2009), includes many ideas and tools for farmers (organic or not) operating and planning CSAs. Wiswall describes a range of planning systems—from complex computer-based systems to paper-based crop journals.

