

Marketing 101
**A Look at Marketing
Strategies for Independent
Producers:**

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The Shady Grove Farm

“No farm enterprise is complete without a well thought out and diverse marketing strategy for the animals and their products.”

-quoted from 2009 ALBC Conference materials .

What is Marketing?

Traditionally marketing was the simple act of loading the wagon and going to market to sell your goods; or possibly setting up shop in or near town to sell your goods and services. Nice and simple, for a very brief time...

Then as more competition arose in the marketplace vendors began to 'hawk' or 'pitch' their goods and services, in competition with each other. At this point marketing as a strategic tool emerged...

The Chartered Institute of Marketing defines marketing as *"the management process responsible for identifying, anticipating and satisfying customer requirements profitably."*

- **Identify – Anticipate – Satisfy** customer requirements
- **Profitably**

What is Marketing?

It is an integrated process through which companies create value for customers and build strong customer relationships in order to continue to capture value from customers in return.

- **Create product value** for the customer
- **Build Relationships** with the customer

Marketing since the 1970's has been essentially driven by the needs and wants of customers. Prior to that point it was about product quality and integrity, the product sold itself because of its reputation. Modern marketing is about driving profit by addressing the needs and wants of customers specifically, the product is secondary to fulfilling the desire of the consumer.

- Modern marketing creates an illusion of fulfillment of a desire via a product purchase.
- We as farmers marketing our products need to keep in mind how the consumer is being trained and targeted to purchase products by industry.
- To an extent, observing how industry operates will guide us in our decision making process (Industry spends vast amounts of labor, money, and intellectual knowledge on this topic. More than is spent on product development itself).

Marketing in a Nutshell

Marketing is the management process responsible for:

identifying the potential customer and their expectations,
anticipating the needs & wants of the customer,
creating a consumer appetite in the customer for the product,
create a sense of value in the consumer for the product,
and keeping the consumer attracted to (and loyal to) your brand...

...while making a PROFIT.

Developing your own **Marketing Strategy**

Questions that Must be Answered

Who are you? What is your product or service?

Who is your target customer? Who would be interested in your product? Why?

How many different ways can you present your product to your potential customers?

What exactly is it the customer wants and expects in a product and it's provider?

How do you convince customers that you have what they need or want?

How do you keep customers interested in you and your products or services?

What relationships can you cultivate with your customers?

Identify Yourself & Your Business.

- Who are you?
- What is your farm name? What is your farm identity or brand recognition?
- What is your farm mission and philosophy?
- What is your story, history, or heritage?
- What are your farming/husbandry practices?
- What professional groups do you belong to?
- What certifications or license and inspection do you have?
- What is your product/service or niche?

Identify Your Customers.

- What demographic is interested in your farm products?
- Why are they interested in you or your product/service?
- What unique or specific expectations do they have from you and your product?
- Are they local or distant?
- How do you connect with them and communicate with them?
- How do you motivate them to buy your products?
- What is the value of your product to the customer?
- What 'buzz' words or 'tag' words is the consumer expecting to hear from you about the product?
- What is the value you expect in return for your product –vs- the value for the same product in the mind of the consumer?

Identify all the Aspects of your Product.

- What type of stock or breeds do you raise?
What is their story?
 - HERITAGE BREEDS HAVE A BUILT IN STORY!
(Breed History – Flock or Herd Pedigree)

Identify all the Aspects of your Product.

- What is your specific product or niche? How many different ways can you present your product to the customer?
 - Livestock Related Services
 - Processing and Slaughter
 - Transportation
 - Breeding/AI
 - Shearing fiber animals
 - Farrier
 - Training/Showing
 - Guardian animals and their training
 - Eggs
 - Turkey eggs to bakers
 - Duck eggs to folks with allergy to chicken eggs
 - Chicken eggs to restaurants or individuals
 - Hatching eggs or Hatchery Operation
 - Young Stock
 - For sale as weaned feeder animals
 - Lamb/Veal
 - Selected breeding stock

Identify all the Aspects of your Product.

- Stock for butchering/processing
 - Live sales/stockyard sale
 - On the foot to individuals
 - Whole or cut up bulk sales (half a beef/box of cuts)
 - Wholesale cuts to stores or restaurants
 - Retail cuts at farmers' markets or farm stands
 - Regional or Ethnic cuts of meat (beef tongue, ox tail, heart, liver)
 - Value Added Cuts (Jerky, Cured Meats, cracklins)
 - Research lab specimens
 - Feeder animals (rabbit for snake breeders)
- Ornamental or Aesthetic animals
 - Animals sold to a zoo, nature park, preserve, or lake.
 - Agri-tourism. Eco-tourism.
- Other products derived from livestock operations
 - Fur or Fiber
 - Pet Food
 - Composted Manure or Worm castings

Identify all the Aspects of the Marketplace

- The customer may be your target, but the marketplace is your sales floor or showroom...
- Different marketplaces require different marketing strategies to hit the target customer with your message.

Aspects of Your Marketplace

- Are your customers local, regional, or further away?
- How many customers are there and what level of production can they support?
- Is this customer demand and support seasonal or year round in nature?
- Type of sales and unique expectations of each customer:
 - Wholesale to stores.
 - Retail at markets or farm stands-direct to customer.
 - Restaurants and chefs.
- 'Hybrid' sales methods and unique expectations of each customer:
 - CSA: Community Supported Agriculture or Subscription Sales.
 - Buyers clubs: End retail consumers buying in groups or in bulk quantities.
 - Contract sales: Custom grow for customers w/ deposit or contract to buy finished product.
- Competition in the marketplace?
 - Direct: Similar vendor in your immediate marketplace?
 - Indirect: Similar product at cheaper price in bigger retail market?

Lets start to compare two unique examples...

Differing Marketplaces

Example 1:

Frank Reese of Good Shepherd Turkey Ranch

- Product: Heritage Breed Turkey and Poultry
- Location of farm: Kansas
- Marketplace: Entire US.
 - No viable, local customer base for his scale of operation dictates that he must market nationally via a distribution system specifically designed for his product.

Example 2:

Steven Moize of The Shady Grove Farm

- Product: Heritage Breed Turkey and Poultry
- Location of farm: North Carolina (Piedmont/Triangle Region)
- Marketplace: central NC, Triad and Triangle metro areas.
 - Highly viable, local customer base for our scale of operation allows us the flexibility of marketing locally on a mostly retail basis.

Putting all that Info into a Marketing Strategy.

- You have defined who you are, what your farm does, and how you do what you do.
- You have identified the customer.
- You have identified the marketplace.

Now you have to communicate that information to the customer in a manner that draws them in and keeps their attention.

The Narrative or The Story

- The narrative is the story that tells your customer about you and your product in an entertaining and captivating manner.
- The narrative can be as long as a book such as *Tim Stark's Heirloom* or as short as a Tweet on Twitter. Either way, it should be directed at an intended audience and deliver an intended message.
- It is this story that will help to introduce you to your customer and create that relationship between you.
- It is that story or message we will now develop...

The Many Forms of the Narrative

- The Long Story:
 - Every story has a long version and a shorter version. Think of this as the multiple paragraphs you write to put on your website or your LocalHarvest page or the back story that is told in interviews.
 - This is the story of who you are, why you do what you do, how you do it, what is unique or interesting about your farm.
 - This should be broad and encompass your whole operation from practices and philosophy to history and heritage.
 - The long version should be somewhat succinct (do not ramble or give unnecessary info). KIS Rule.
 - Specific details of individual products and services is saved for other targeted messages, but a brief overview of your goods and services is necessary.
 - This message should use commonly recognized ‘buzz’ words or ‘tag’ words to convey the message.
 - Remember: Not all buzz words will describe you or your product, if you choose to create your own buzz words you must take the time to educate the customer on what that term means to you, otherwise the message may be lost in translation.



Hi there, I am **Steven Moize**, welcome to **The Shady Grove Farm**. I am honored to be the 7th generation to live on and operate this farm. My family has farmed this land; in the Bushy Fork community of Hurdle Mills, NC since 1779.

The Shady Grove Farm is a **225 year old family farm** that uses a wide array of **sustainable** agriculture practices to feed our soil and nurture our livestock. Through the combined use of traditional **organic** methods, **permaculture** techniques, and **herbal** animal husbandry we are able to bring you the finest meats and produce available **locally**.

We grow over a 250 different **heirloom** vegetables, fruit varieties, and culinary herbs.

In addition to fresh produce we have **pasture raised**, **grass fed** meats as well: **heritage breed** chicken and turkey, **free range** eggs, and **pastured** pork. All our meats are **humanely** handled and are raised with **no hormones and no antibiotics**.

Check out our website www.tsgf.com for more information about us and where to buy our products.

The Many Forms of the Narrative

- The Short Story:
 - Every long story has a shorter version, the one you tell more frequently. There are several of types of short story, usually fragments of the long story, that are more specific and detailed.
 - A good example of a short story is:
 - the history of the heritage breed you are promoting.
 - The explanation of Animal Welfare Approved or other specific husbandry practices utilized.
 - why local is better.
 - The text on your product label (it tells the final story).

Telling the Story

Now that you have developed the story, how do you tell it effectively?

– Print media:

- Brochures and flyers
- Business cards
- Signage and POS
- Product labeling
- News or magazine articles

– Electronic media:

- Sites such as LocalHarvest
- Links on other websites
- Your own website
- Blogging
- Facebook, Twitter and other social networking
- Web based media (articles republished from print or tv on the web)
- YouTube videos

**The Finished Marketing
Strategy**

or

**So How Does all that Add Up to
a Marketing Strategy?**

Example 1:

Frank Reese of Good Shepherd Turkey Ranch

- Product: Heritage Breed Turkey and Poultry
- Location of farm: Kansas
- Marketplace: Entire US.
 - No viable, local customer base for his scale of operation dictates that he must market nationally via a distribution system specifically designed for his product.
- Marketing Strategy:
 - His direct customer is (wholesale sales) to Heritage Foods USA.
 - His indirect customer (retail sales via internet) is affluent and educated foodies all over the US.
 - He must satisfy both customers and their expectations.
 - Product Placement in the Marketplace: High value (end retail price) product that is nationally distributed via the internet and catalog sales through Heritage Foods, USA and his own website.
 - Public promotion of heritage breeds and ALBC, via Frank Reese, the *GSTR story*, Heritage Foods USA, and ALBC are very important components of his marketing strategy. Frank tells a great story of heritage breeds, their relationship to his family history, and their importance to us all. This story is what draws customers as well as other farmers in and instills in them a desire to utilize heritage breeds.
 - Labeling focuses on promotion of Heritage Breeds and Good Shepherd Turkey Ranch and Frank himself. Labeling also states specific consumer expectations of the product: Animal Welfare Approved (humane husbandry practices), vegetarian feed, pasture raised, no antibiotics, etc.
 - Frank is using the internet, media, professional organizations, product labeling, and cooperative business relationships to promote his story and the story of the breeds he uses.
 - There is a *story* imbedded in all this. The story of Frank growing up on a farm with all these heritage breeds. The story is a bit nostalgia for a simpler time and part history of the breeds.
 - Franks own picture on the label promotes a sense of connectedness between the consumer and ‘their farmer’.

Example 2:

Steven Moize of The Shady Grove Farm

- Product: Heritage Breed Turkey and Poultry
- Location of farm: North Carolina (Piedmont/Triangle Region)
- Marketplace: central NC, Triad and Triangle metro areas.
 - Highly competitive and quite viable, local customer base for our scale of operation allows us the flexibility of marketing locally on a mostly retail basis.
- Marketing Strategy:
 - Our direct customer is an educated and financially secure local foods consumer, as well as high end chefs/restaurants.
 - Avenues of marketing locally are numerous.
 - Internet/Web
 - Farmers' Markets
 - Restaurants/Co-ops and Specialty Grocery Stores
 - CSA
 - Our customer expectations revolve around the concepts of: locally grown, grass fed, pasture raised, no hormones, no antibiotics, vegetarian diet, humane handling, etc.
 - Telling the *story* of our farm is of primary importance in our marketing strategy. Our customers want to shop locally and 'know' their farmer. Our customers want to 'know' how we raise our animals and feel connected to that process.
 - This takes a lot of 'face time' and conversation at market, but it is essential in our marketplace due to the competitive nature.
 - Labeling focuses on promotion of The Shady Grove Farm and our customers product expectations: locally grown, grass fed, pasture raised, no hormones, no antibiotics, vegetarian diet, humane handling, etc...

Aspects of Your Marketplace and Marketing Strategies

- Are your customers local, regional, or further away?
 - Customers are ever more demanding in their expectations and educated in their decision making. No matter where your customer is, the internet puts vast amounts of product choices and comparison shopping options at their finger tips. This can be a blessing if you let it or a curse if you fall short of expectations in the marketplace.
 - Local: More limited customer base and possibly more competition. Shipping/Marketing logistics are possibly simpler. As customers focus on company and product integrity shopping local and those relationships will be more in demand. Purity, convenience, and simplicity will be sought after in the down economy, eating out will give way to more home cooking, buying will give way to weaving/knitting.
 - Regional or National: The larger your market base the larger your audience. However, each increase requires more uniformity and logistical planning in product production. Larger markets often require separate operational steps and management. Attention to customer demands becomes vastly more important and evident in end product and it's package.
- How many customers are there and what level of production can they support?
 - Fewer customers either means smaller level of production and profit; or a serious marketing effort to find customers and markets to develop the level of production and profit desired.
- Is this customer demand and support seasonal or year round in nature? I there a seasonality to your product and income?
 - Budget and plan accordingly. May need to stagger production to even out supply/demand. May need to hit the season with one big production run timed accordingly.

Aspects of Your Marketplace and Marketing Strategies

- Type of sales and unique expectations of each customer:
 - Wholesale to stores.
 - Usually concerned with product volume, uniform industry standard packaging, product consistency, competitive price point or margin, inspections or quality assurances, liability insurance, and meeting customer perceptions.
 - Retail at markets or farm stands-direct to customer.
 - Usually concerned with locally grown, organic, no hormones/no antibiotics, humane husbandry/processing, or free range type issues. Often form a relationship with their farmer or farm. Will pay more for a product that makes them feel good about their farm-food experience.
 - Restaurants and chefs.
 - Increasingly open to working with farmers and new products. It is necessary to talk extensively with chefs about how to use new products, get their feedback, and offer cooking tips/recipes when necessary. Ask chefs what they want and grow it for them, often times they are looking for better sources or hard to find items.

Aspects of Your Marketplace and Marketing Strategies

- 'Hybrid' sales methods and unique expectations of each customer:
 - CSA: Community Supported Agriculture or Subscription Sales.
 - This customer is usually more familiar with the local farm or market near them and seek a more involved role with the local farm/food economy. CSA allows them to 'sponsor' their share of the season in return for a 'bulk' rate or ease of delivery expectation. Usually also looking for the big buzz words in association with their food experience.
 - Buyers clubs: End retail consumers buying in groups or in bulk quantities.
 - Mostly looking for a price break for large volume purchases that they then distribute amongst themselves. Often looking for the big buzz words as well, but not able to afford the price point that it often conveys.
 - Contract sales: Custom grow for customers w/ deposit or contract to buy finished product.
 - We grow our Holiday Turkeys on contract (deposit required) for the local customer, balance due upon pickup. A large retailer will want a contract if supplying them.

Aspects of Your Marketplace and Marketing Strategies

- Competition in the marketplace?
 - Direct: Similar vendor in your immediate marketplace?
 - The name of the game is be the best at what you do, be competitive but do not give your product away. Let good relationships, effective communication, and a great product secure local accounts and customer loyalty. Explore other niche markets that are ever competitive and ahead of the curve.
 - Indirect: Similar product at cheaper price in bigger retail market?
 - Customer education is the game. Even an organic chicken at the grocery store from a CAFO industrial operation is not the same as a free roaming, grass eating Buff Orpington. Yes the latter costs more, here's why...explain. Yes, the latter needs to be cooked a bit differently, here's how...explain.

Simply Put...

- Go and tell your target customer who you are and what you sell.
- Tell them why you are qualified to bring them the product or service you are presenting.
- Explain to them the unique attributes of your product in the language they understand (industry terms or buzz words).
- Live up to what you promised. Deliver the product professionally and with attention to detail.
 - Do not lie! Do not use a term or buzz word that you do not fully deliver on the promise it implies!