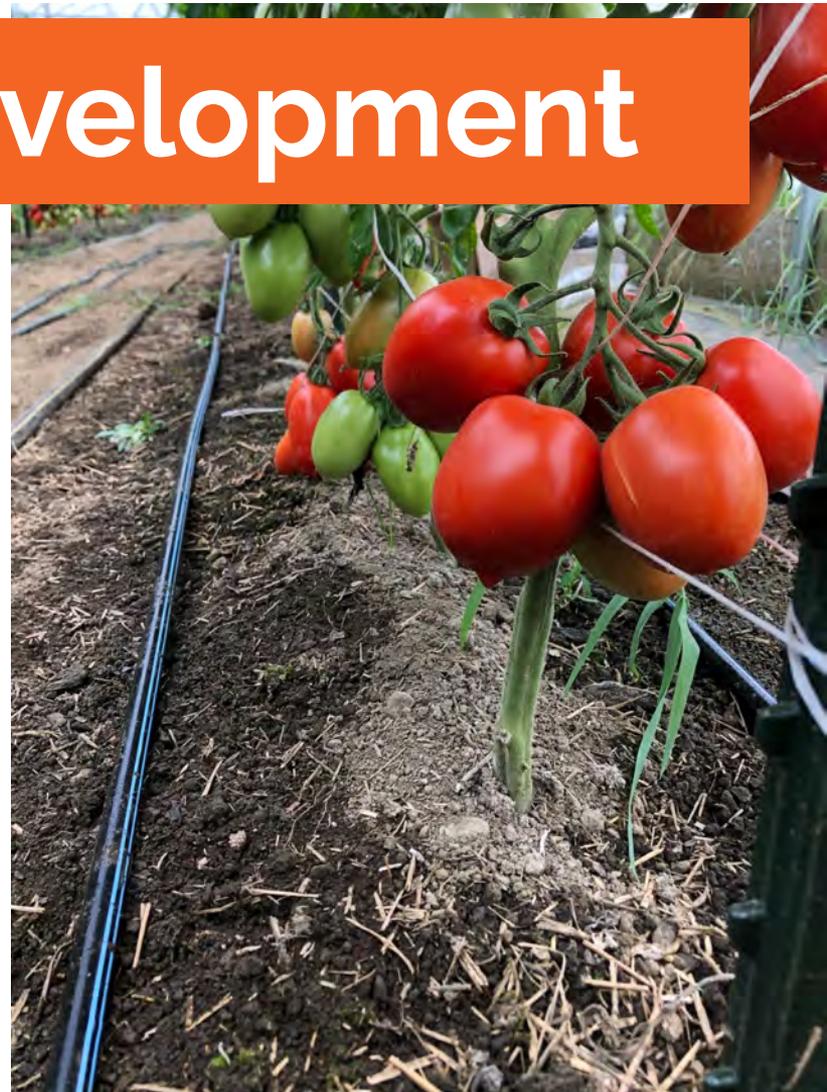



New Product Development & Marketing

A perspective by Kyle Doda, 1000 Stone Farm

New Product Development

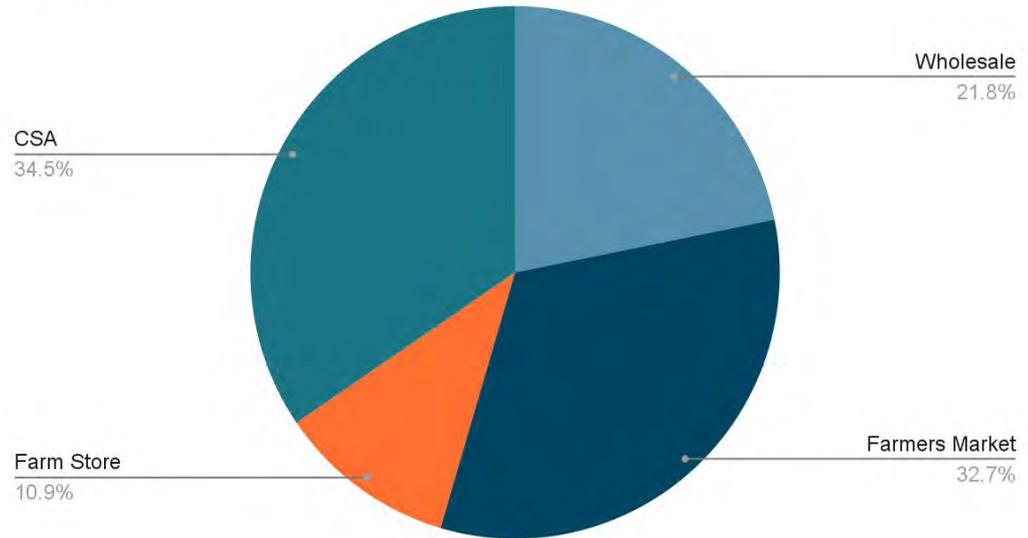
- Determining available markets
- Assessing gaps and/or downfalls
- Product possibilities
- Profitability



What are your Markets?

- **Wholesale** - Direct or distributed Wholesale
- **Farmers Market** - Retail Customers
- **Farm Store** - Retail Customers
- **CSA** - Retail Customers

Markets



Using Quickbooks or other revenue tracking systems is extremely helpful to understanding your Markets

—
Looking across
all markets for
connecting
gaps or
downfalls in
products



What Product? Make it your own.

What do you excel at growing that also meets a gap in the market?



Understand your input costs and what it takes to get to Market.

Profitability ?

What volume does it make it worth doing?



Co-packing at Butterfly Bakery



Value Added - Cost Example

Costs - Jars, Labels, Processing, Tomatoes, Basil, Salt, & Garlic

Jar & label - \$1.15

Processing - \$1.85/jar

Tomatoes per jar - \$2.50

Garlic, Basil, Salt per jar- \$0.50

Understanding Pricing

Store Pricing: Produce or grocery product mark ups

- Produce mark ups range from 70-80 percent depending on the store and the product
- Grocery or value added products are lower since they have less shrinkage compared to produce, approximately 40 - 50 percent

Simple Math

Store Pricing: Produce Example

Kale Bunch - \$3.49

- $\$3.49 / 1.75 = \1.99
- \$1.99 per bunch is your price to work from

Marketing your product

Make it yours, define your farm.

What makes your product stand out from others?

What should customers (wholesale and retail) expect?

Cross Marketing possibilities?





Connecting with your customers

- Social media
- Face to face
- Labeling
- Advertising
- News letter

Labeling and Packaging

Labels and packaging is not for every product or every farm. If you simply sell bulk to all of your markets that great.

If you looking for gaps in markets, packaged products might very well be a great way to get into new markets and fill gaps in existing markets

Labels give you the opportunity to directly connect with your customer and explain your product and farm





Continuity

Whether its labels, social media, advertising, banners etc. it's important to have a connecting logo that customers remember and connect with.