CULTIVATING HEALTHY COMMUNITIES

Session 3: Marketing

UVM Farmer Training Program

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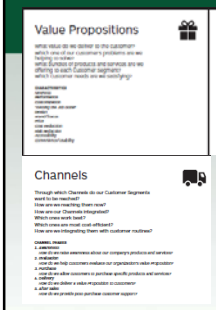

The Business Model Canvas
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5 P's of Marketing

- Product
- Price
- Place
- Promotion
- People

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The Marketing Research

PEOPLE

- Demand analysis
- Customer satisfaction

The Marketing Research

Part 2 of market workshop: Adapted from Mary Peabody, UVM Extension

- Market region – Where
- Customer profile - Who
  - –Demographics
  - –Psychographics
  - –Geographic

Market Research & Planning

- – Secondary research
  - Census information
  - Consumption trends
- – Primary research
  - Survey's
  - Product sampling
  - Observation

Finding Secondary Research

- USDA Economic Research Service
- USDA Agricultural Marketing Service
- Bureau of Labor Statistics
- Associations and trade organizations
- Popular media (for coming trends)

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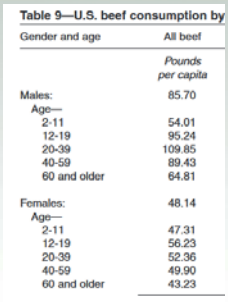

Table 9—U.S. beef consumption by

Gender and age	All beef
	Pounds per capita
Males:	85.70
Age—	
2-11	54.01
12-19	95.24
20-39	109.85
40-59	89.43
60 and older	64.81
Females:	48.14
Age—	
2-11	47.31
12-19	56.23
20-39	52.36
40-59	49.90
60 and older	43.23

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Creating Your Customer Profile

- Demographics
  - Age, income, education
- Psychographics
  - Lifestyle based, values
- Geographic
  - What is your market area
- Usage
  - How much does the customer buy? How often?
- Benefits
  - Healthy? Green? Luxury? Beauty?

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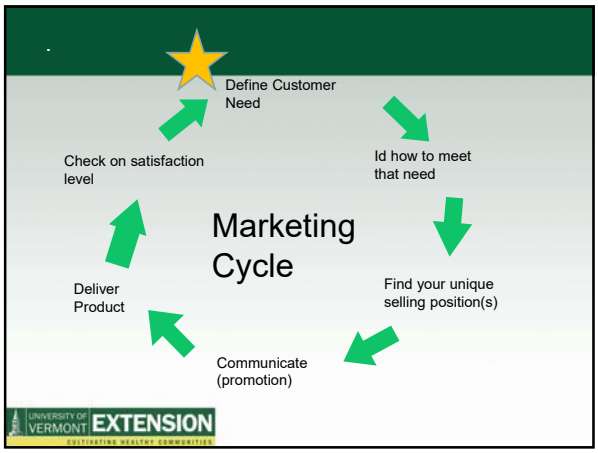

Primary Research

- Survey's of potential customers
- Focus groups
- Tastings & Sampling
- Customer satisfaction evaluations

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Product

A bundle of attributes (features, functions, benefits, uses) capable of exchange and/or use

Products exist to satisfy an individual or an organizational objective

Know your audience and be able to communicate your “product” effectively

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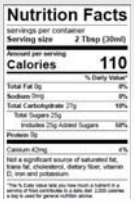
Satisfying Needs

- Usage: the physical use of a product
- Service: an intangible benefit (can be measured but not easily).
  - The Brand Experience



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Product Features

- Color
- Size
- Raw materials
- Style
- Quantity
- Flavor
- Purpose
- Value
- Nutritional Claims
- 3rd Party Verfication
- Reputation
- Social Value
- Life cycle
- Origin
- Image

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Place

- Where the product is sold
- What type of buyers do you have the capacity to serve?
- What type of buyers demand your product

Place- Distribution Strategy



Place- Distribution Strategy

Price

- A variety of strategies can be used to set prices,

  "Are you a price maker or price taker?"

- A balance of internal costs and customers willingness-to-pay

Pricing Strategies

Competitive Pricing: What are others charging?

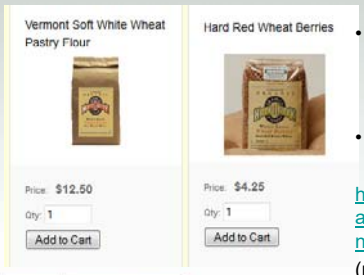
a. Relative Pricing/Signaling: Setting above or below similar products.

Cost Oriented: Know your costs

Penetration Pricing vs. Skimming

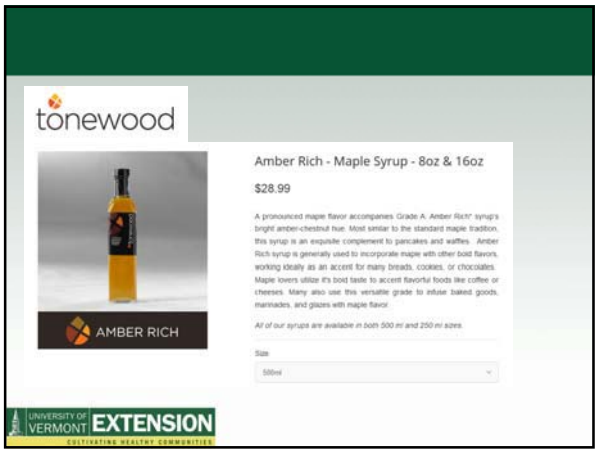
a. Low prices break into a competitive market: Penetration

b. Charge a lot when you are first in: Skimming



- Organic Red Wheat: $16.79 per bushel
- $0.28 per pound

http://www.ams.usda.gov/mnreports/lsbnof.pdf
(national org grain and feedstuffs)


tonewood
Amber Rich - Maple Syrup - 8oz & 16oz
$28.99
A pronounced maple flavor accompanies Grade A: Amber Rich* syrup's bright amber-chestnut hue. Most similar to the standard maple tradition, this syrup is an exquisite complement to pancakes and waffles. Amber Rich syrup is generally used to incorporate maple with other bold flavors, working ideally as an accent for many breads, cookies, or chocolates. Maple lovers utilize it's bold taste to accent flavorful foods like coffee or cheeses. Many also use this versatile grade to infuse baked goods, marinades, and glazes with maple flavor.
All of our syrups are available in both 500 ml and 250 ml sizes.
Size
500ml
AMBER RICH
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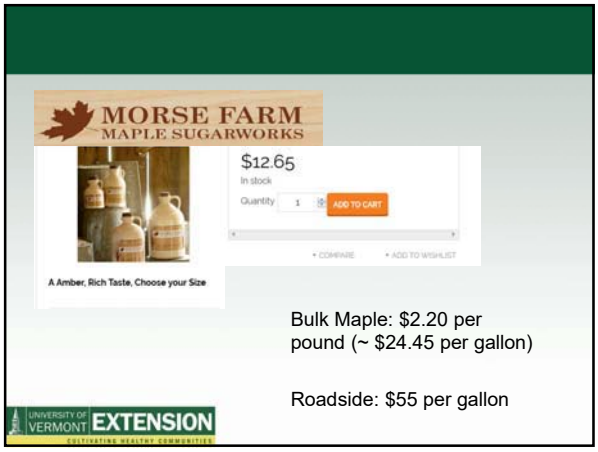
MORSE FARM
MAPLE SUGARWORKS
$12.65
In stock
Quantity
1
ADD TO CART
+ COMPARE
+ ADD TO WISHLIST
A Amber, Rich Taste, Choose your Size
Bulk Maple: $2.20 per pound (~ $24.45 per gallon)
Roadside: $55 per gallon
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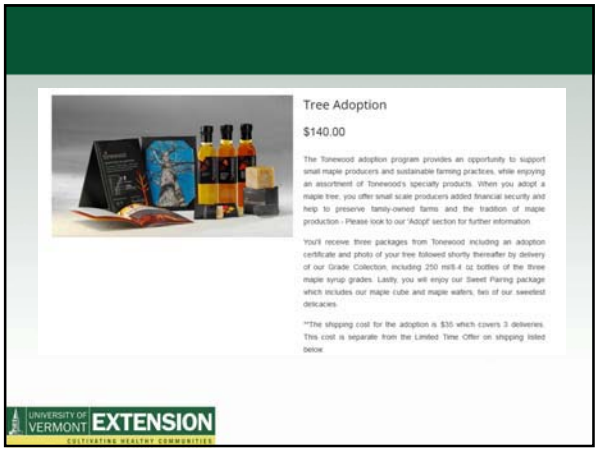
Tree Adoption
$140.00
The Tonewood adoption program provides an opportunity to support small maple producers and sustainable farming practices, while enjoying an assortment of Tonewood's specialty products. When you adopt a maple tree, you offer small scale producers added financial security and help to preserve family-owned farms and the tradition of maple production - Please look to our "Adopt" section for further information.
You'll receive three packages from Tonewood including an adoption certificate and photo of your tree followed shortly thereafter by delivery of our Grade Collection, including 250 ml/8.4 oz bottles of the three maple syrup grades. Lastly, you will enjoy our Sweet Pairing package which includes our maple cube and maple wafers, two of our sweetest delicacies.
**The shipping cost for the adoption is $35 which covers 3 deliveries. This cost is separate from the Limited Time Offer on shipping listed below.
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RED WAGON PLANTS

BREAD & BUTTER FARM

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Margins and Markup

18 % Mark-up on cost	
Farm-gate Price	Distributor Sale Price
$2.20	$2.60
$2.30	$2.71
$2.40	$2.83
$2.50	$2.95
$2.60	$3.07

35% Margin on Retail Price	
Farm-gate Price	Retail Price
$2.20	$3.38
$2.30	$3.54
$2.40	$3.69
$2.50	$3.85
$2.60	$4.00
$2.70	$4.15
$2.80	$4.31

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Promotion

- The “Message”
  Mission based communication is different than product-based communication
- Communication Channel

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Promotion

Communication Channel

- In a digital era, communications have shifted to relationships and dialogue.
- Repetition and reliability are important
- Analytics become key to measuring engagement.