OAK Mastering Your Marketing Workshop

Oldham County Extension Office, LaGrange KY | March 26, 2019

"How do you differentiate? What is your story?"

These were some of the leading questions posed by Brett Wolff for all producers to consider as they develop their brand, their marketing plan. An engaged group of producers joined Brett for the discussion during the OAK "Mastering Your Marketing" workshop, in Oldham County Extension Office in March.

Brett, of the University of Kentucky's <u>Center for Crop Diversification</u> (CCD), stressed the importance of grabbing consumers' attention by focusing in the unique qualities of the producer's specific products, farm, values, and community.

"What is your brand? What is it about your products, your farm, about <u>you</u> that you value, or that your customers value?"

For those who are selling in local markets, what is it that drives that producer to want to sell locally? Or the consumer to want to visit a local market (instead of a grocery store) to make their purchases? Is it close to home and family? Perhaps the familiar, community atmosphere is appealing? Or the socializing and gathering that occurs between neighbors?

For those who are marketing certified organic products, thinking through the story of how the farm came to be organic: Did the producer's own values of health or environment lead to that decision? Or thinking of how/why the customer seek out and purchase organic products based on their values of health consciousness or environmental concern. By identifying these stories, the producer can build upon that narrative and use it to frame their messaging.

How do you differentiate? What is your story? Building upon those answers will help in creating a brand, a consistent message, and an identity that consumers can connect with and recognize.

For the organic growers, Brett offered context on trends in Organic. While most sales of organic products take place through supermarkets and chains (93%), more than 4x as many direct-to-consumer sales are organic (than conventional). Consumer interest continues to grow, as organic sales triples in Kentucky between 2011 and 2016. These statistics support the use of farmers markets, Community Supported Agriculture (CSA) systems, and other direct-to-consumer marketing channels as worthwhile endeavors for organic producers.

While it may seem an easy answer to boost sales via organic certification, the <u>marketing and branding</u> <u>work is even more important than ever for small producers</u>, as large-scale, corporate, and supermarket-chain operations are also watching these statistics and increasing the competition and availability of organic products.

<u>The importance of a quality product and a connection to consumers cannot be overstated!</u> Brett illustrated this through the "4 Ps of marketing:" Product, Place, Price, and Promotion.

According to a UK study, Kentucky consumers preferred, first and foremost, that their **Products** were local. "Buy Local" campaigns have encouraged customers to appreciate and value products originating close to home. Supporting this preference is the assumption of a quality product: one which has a fresh, "just picked" taste and nutritionally-rich superiority to a product shipped from afar.

According to the Food Marketing Institute, "freshness" is the most frequently-cited reason for buying local food.

Second to the local preference was the customers' choice of organic products, as the standards and criteria of the "Organic Label" are transparent and well-established. As these consumers are often driven by an interest in healthy, safe, and fresh foods, the likelihood they will buy locally is increased.

Knowing customer preferences can certainly help a producer's marketing, but Brett warned against adapting marketing solely to fit the needs of customers. "Avoid trying to sell something to someone who isn't already interested in buying it."

(A proven way to entice new customers, however, is product sampling – a highly recommended tool!)

Identifying your product / farm's story and brand will help in evaluating whether the customers and markets you're experiencing are the right **Place**. Within farmers markets, for example, Brett categorized them as Credence Markets (where customers' values and product diversity/quality drive the sales, and prices are often higher) and Price Markets (where a lower price is driving the customers' consideration). If a producer is in the "wrong" market, they may need to explore other avenues of sales or find a new (more appropriate) market.

These factors of Place and Product have a big impact on **Price**, yet Brett maintains that producers are "almost never" charging too much for their product. Setting the right prices should be established primarily on how much the producer spent to produce the product: "How much does it cost you?" UK-CCD does have resources for considering the "going price," including ongoing farmers market, wholesale, and auction <u>price reports</u>, as well as <u>enterprise budgets</u> for planning and evaluating specialty crop production.

And it all comes back to **Promotion** – to People. Relationships can often make the sales happen – don't underestimate the power of word-of-mouth marketing. The time given to cultivating and developing relationships with customers is time well-spent! For attracting potential and new customers:

- Signage and packaging: clear, consistent, attractive, and simple;
- "traditional media;" radio, news, billboard?
- social media:
 - Facebook first, Instagram second;
 - Use aggregating services (Hootsuite) for scheduling ahead.
- Website:
 - o if it serves a true purpose and you're keeping it current!
 - Consider Weebly, Wix, or Squarespace

When developing the content, tone, and delivery of promotional messaging, Brett provided organic producers guidelines that will best serve their business and customers: sticking to the facts and avoiding assumptions and embellishments; thinking twice before criticizing or downgrading alternative

production practices; stressing the unique qualities of their product above and beyond the "obvious;" and speaking directly to what people value in an organic product: quality, health, and environmental considerations.

In addition to the UK-CCD's <u>resources</u> for marketing, the Kentucky Center for Agriculture and Rural Development (KCARD) provides assistance for developing business and marketing plans, as well as a <u>Social Media Tactical Plan</u>.