



Cost Effective Marketing Plans and Resources

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And Cooperative Extension
Colorado State University



Overview

- Strategic Positioning and Marketing
- Targeted Marketing to Customers
 - Connecting your message to the appropriate type of marketing materials and media
- Emerging Tools for Effective Niche Marketing and Promotion
 - Market Maker



Vision/Mission Statements

- Statements that explain who we are
 - *Type of organization*
 - *Products/services*
 - *Needs we fill*
- Statements that explain our direction, our purpose, our reason for being
 - *What difference do we make?*
- Statements that explain what makes us unique
 - *Values*
 - *People*
 - *Combination of products and services*



Mission Statement Examples

We are committed to producing quality, all-natural, raw dairy products. By sharing livestock ownership, customers have an authentic opportunity to experience agriculture production from farm to table. This partnership creates a niche market providing unique, wholesome milk, beef, and compost. And because customers are part owners in our business, they are guaranteed high value food and resources before they're even produced! We're located on Colorado's central front range, and your milk comes straight "*from our cows to your family!*"

A Sample Mission Statement

- The Chico Basin Ranch is dedicated to the enhancement and preservation of the natural world and our western heritage. Our mission is to create a working ranching model that views the ranch as an ecological resource base. This base supports a complementary mix of enterprises that emphasize sustainability, innovative management, and diversification as the keys to economic and ecological viability.
- We believe that ranchers provide an increasingly important role in the stewardship of our nation's native rangelands because ranchers already live on the land and because our families' futures depend on our success at building and maintaining the health of





Marketing Overview: *New Acronyms*

- Analyze strengths, weaknesses, opportunities and threats (SWOT)
- Research customers, costs and competition (3 C's)
- Develop the marketing mix using product, price, place and promotion (4 P's)



Types of Marketing

■ ***Strategic Marketing***

- Encompasses the entire firm strategy
- Deals with the broader issue of determining firm's strategic position in the market and how to create value from that position

■ ***Product Marketing/Pricing***

- Deals with the tactical side of selling a product
- Similar to a set of standard operating procedures for marketing a particular product.



What is strategic management?

- ✓ Strategic management is all about anticipating, driving, and capitalizing on change:
 - ◆ Anticipating: seeing the future (SWOT)
 - ◆ Driving: shaping the future (Goals)
 - ◆ Capitalizing: making the most of the future

SWOT Analysis

- Purpose to identify:

- Strengths

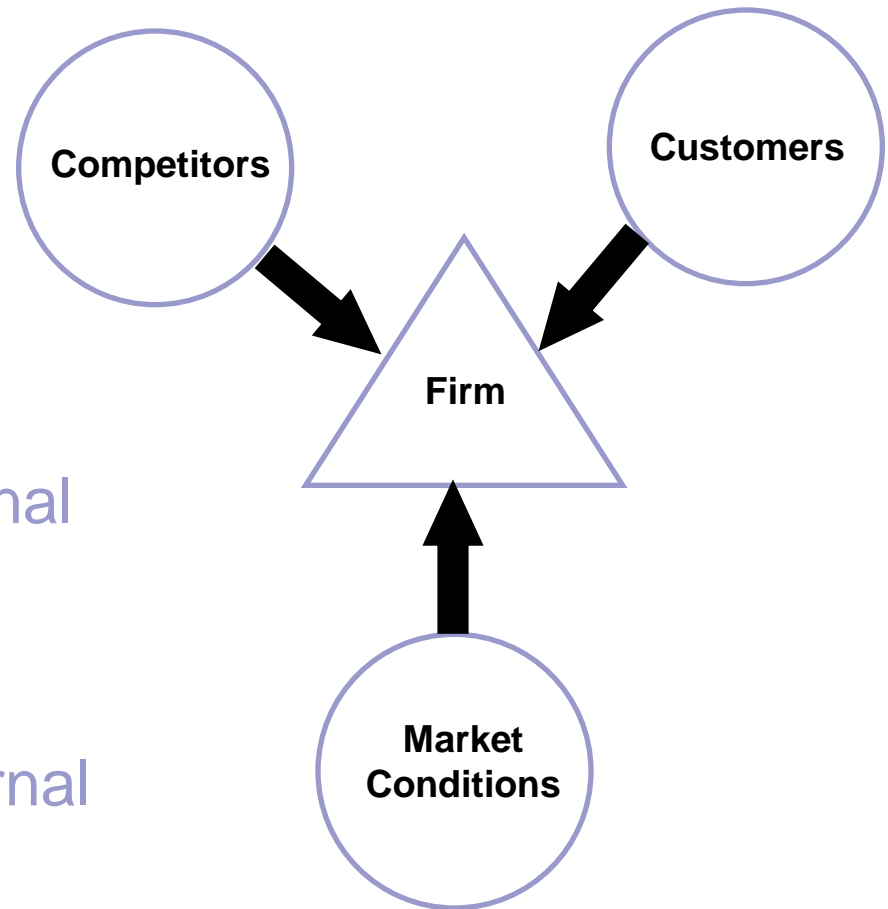
- Weaknesses

- Opportunities

- Threats

Internal

External





Know your marketplace

- **Strengths, Weaknesses, Opportunities, and Threats (SWOT)**
- **Trends and changes:**
 - **Market analysis**
 - **Segmentation**
 - **Prioritizing target markets**

The Three Cs Of Marketing

- 1. Customer
- 2. Costs
- 3. Competition

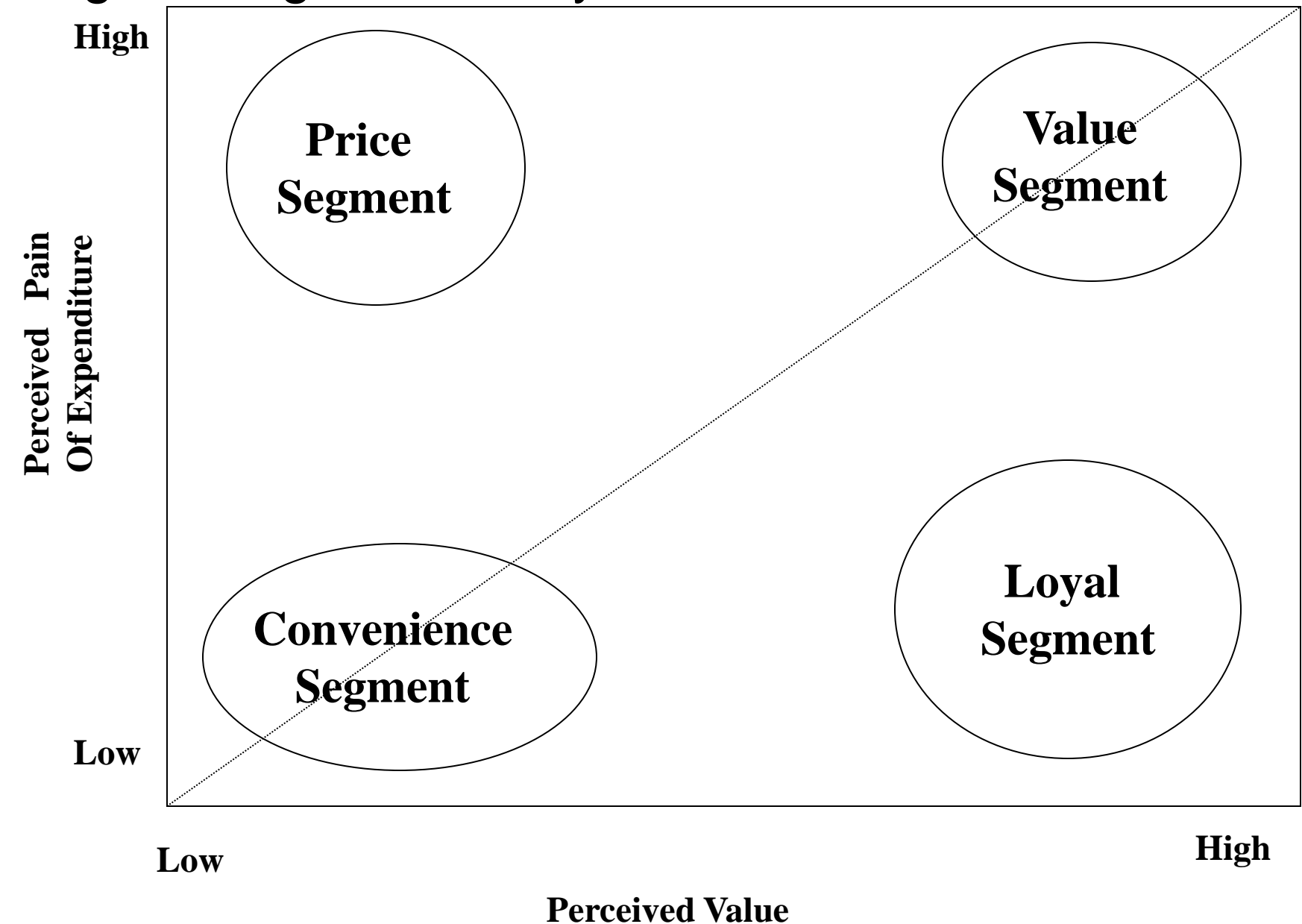


The Customers.....





Segmenting Markets by Influencers

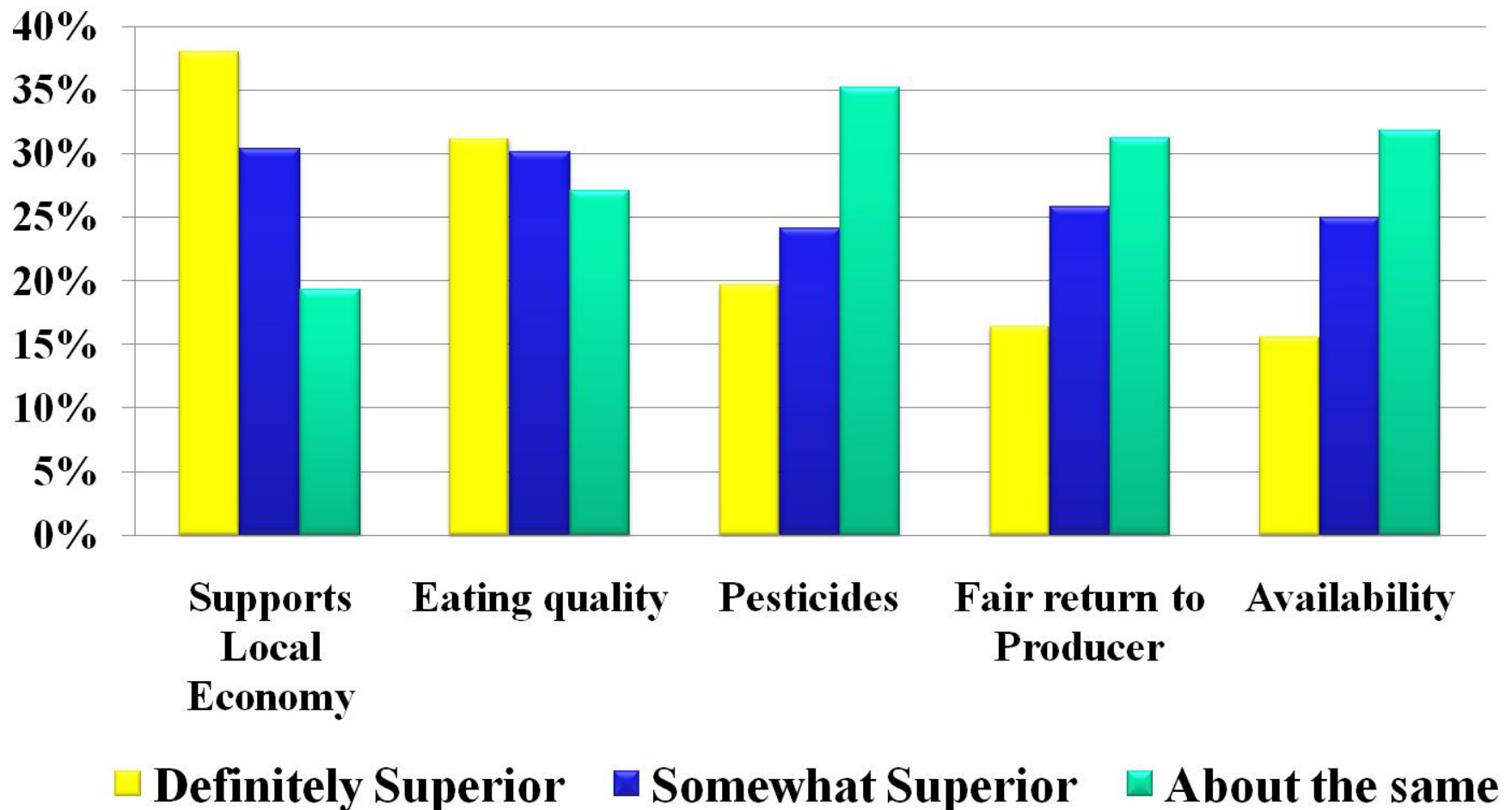




Target Segments

- Loyal are return customers ...less worried about costs, want a relationship
- Value segment are hardest to keep happy, but do recognize and value quality
- Convenience segment are those you can get to make impulse buys...less price sensitive
- Price segment is not too attractive unless you compete entirely on price

Consumer Perceptions about Local Produce (relative to US grown)



2. Your Costs (and their Spending)



- Know variable costs of producing your product
- Realize there are fixed costs that must be paid, whether you produce your product or not
- Use variable and fixed costs to calculate the break-even point where costs are covered
 - See Worksheet
- Compare break-even with industry standards

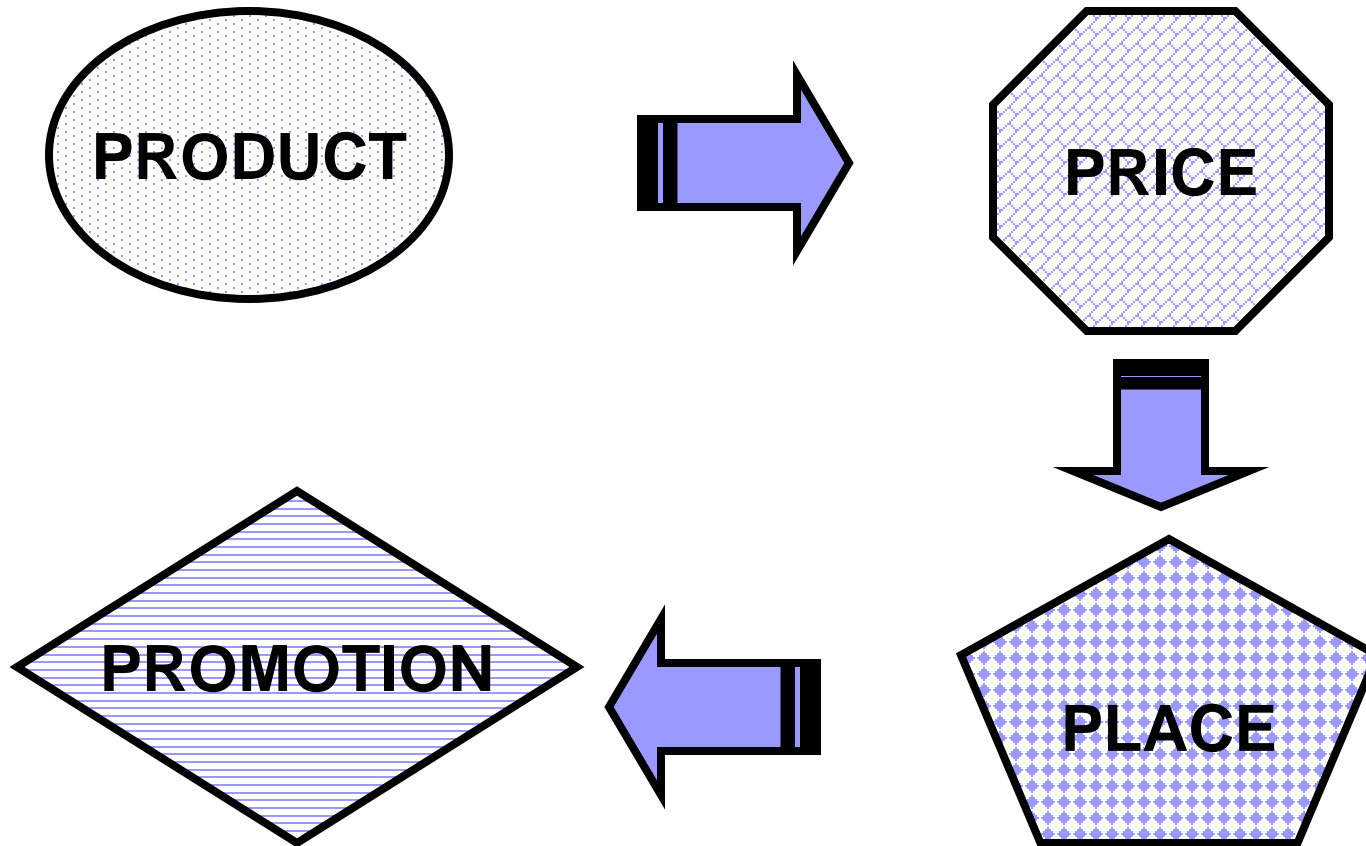



3. The Competition

...and Other Challenges

- From SWOT analysis, assess your business' strengths and weaknesses compared to your competitor's
- Competition can be other operations, regions, types of recreation or leisure
- Emulate your competition's strengths and overcome their weaknesses
- Differentiate your product from the competition's

The Marketing Mix: Implementation





1. Product (or Service)

- Goods that satisfy the needs of a target market should have the following characteristics:
 - Physical features (design and packaging)
 - Branding and image/personality
 - Degree of customer service: products and services
 - Consistent quality, supply or experience
 - Pricing to cover costs & generate required margins or returns

What are you marketing?



Grass ?
or
Livestock ?



Meat ?
or an
Experience?





Horizon Dairy's Product Package

Organic-anti-"all the bad things"

- Happy Cows
- Fun for the kids
- Variety
- Convenience
- Advocating farms through education and policy



Know your Customer's Goals

BERRY ADVENTURES

[HOME](#)

Again this year we are proud to announce choices in the subject matter of our adventures. This will give you, the educator, greater freedom to select the curriculum that may fit with what you are teaching in class. Shown are the descriptions of the Adventures.

Select the one you wish the class to study, then scroll to the



TRACK A: "THE GOOD, THE BAD & THE UGLY" This ninety minute adventure studies which insects farmers love and which they dislike as well as how beneficial insects are used in organic farming practices. Through a video, talk and hands on demonstration a greater understanding and appreciation will be had by the student regarding the challenges in organic farming. Included in the ninety minute field trip is berry picking (strawberry or raspberry whichever is in season) whereby the class will take a hayride out to the berry fields to enjoy picking a pint of berries. Colorado Teaching Standards: Life Science 3.1 & 3.3 Costs: \$5.00/student (minimum charge: \$75.00)



**"A UNIQUE FARM EXPERIENCE
WITHOUT THE ATTITUDE"**

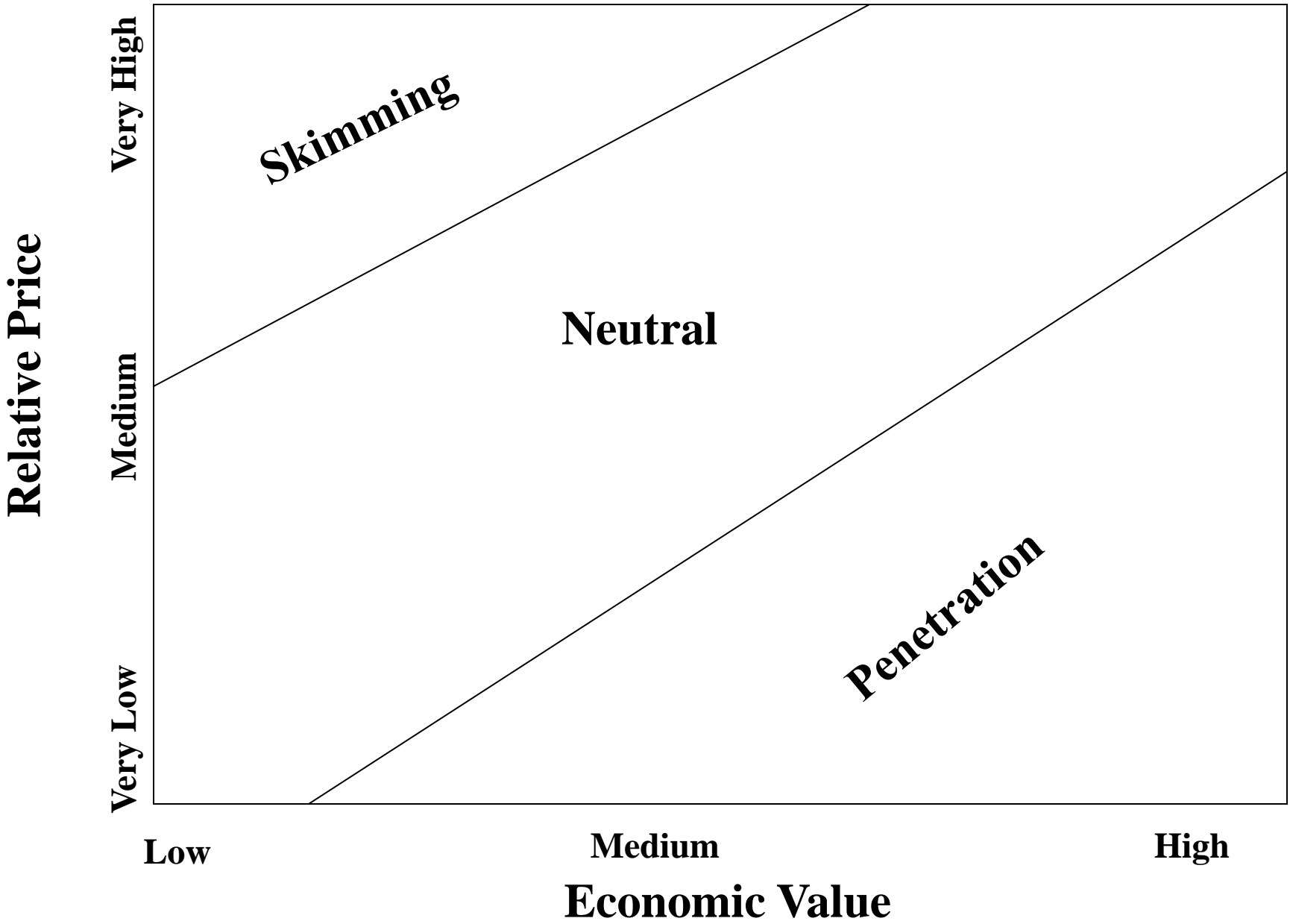
**Clearly targeting the need to
Connect with educational
standards**



2. Price

- Set prices based on:
 - Value-based pricing (match price to perceived value by customer, brand loyalty, customer oriented price)
 - Competition-based pricing (match prices to similar products of your competition)
 - Cost-based pricing (set price dependent upon production costs)
- Use discounts or incentives to boost sales but with a specific goal in mind
- Price strategies include challenge to get most of consumer budget on your product/service

Generic Pricing Strategies





Pricing Strategies: Segments

- Loyal and Convenience consumers can be highest revenue potential...skimming
 - Artisinal, foodies or ready to eat products
- First time buyers may be attracted through penetration
 - Low or at cost pricing to Cover Fixed Costs
 - Sampling in new market with coupons
- Good pricing strategies can help increase revenues from those less price sensitive



Details

From Direct Link

Anderson Farms

6728 Weld County Road 3-1/4
Erie, Colorado, 80516

Email: [Contact Us](#)

Website: www.andersonfarms.com
(opens in a new window)

Phone : (303) 828-5210

Last Updated: Nov 22, 2010

Agritourism

Offerings & Activities

Attractions



[Home](#)

[Field Trips](#)

[Fall Festival](#)

[Terror In the Corn](#)

[Facility Rental](#)

[Contact Us](#)

Anderson Farms Fall Festival

- [Hours & Pricing](#)
- [Group Rates](#)
- [Online Tickets](#)
- [Book a Group](#)
- [Book a Field Trip](#)
- [Coupons](#)
- [Activities & Vendors](#)
- [Gemstone Mining](#)
- [Concessions Menu](#)
- [FAQ's](#)
- [The Corn Maze](#)
- [Past Corn Mazes](#)
- [Find Us!!](#)

described in the pumpkin patchy at the ticket booth and in the general store.

RESERVATIONS MUST BE MADE 48 HOURS IN ADVANCE

Fall Festival

Prices below reflect a \$1.00 discount off regular admission

Children 4 - 12 years:	\$ 9.00
Adults 13 - 59 years:	\$11.00
Seniors 60 + years:	\$ 9.00

Book your group to come on any Monday through Thursday or any day through October 7th and RECEIVE A SECOND DOLLAR OFF PER PERSON.

Add a Meal Deal!

(Must be purchased with Fall Festival ticket)

Hot Dog Meal Deal:	\$5.00
--------------------	--------

Purchase a hot dog, chips and a drink and receive a free small pumpkin! Save \$4.50 off regular price!

BBQ Meal Deal:	\$7.00
----------------	--------

Purchase a BBQ chicken or pork sandwich, chips and a drink and receive a free small pumpkin! Save \$4.50 off regular price!

For Example:

If you buy two adult Fall Festival tickets (2 x \$11) and add one Hot Dog Meal (\$5) & one BBQ Meal Deal (\$7) the price will be \$34.





3. Place – Distribution Channel

- Strategic elements of location
- Where customers purchase product or service, how purchase is made
- Product must be at the right place, at the right time, in order to sell & provide profit to producer
- Channels include:
 - For food, direct sales, internet sales, broker or distributor are all important
 - Market Maker may be a new channel!!

Key Point

- Marshall Fisher, Harvard Business Review
 - “***Functional Products*** require an efficient process; ***innovative products*** a responsive process.”
- For services, can you create revenue streams from understanding consumer needs/interests...sometimes on the spot
 - *Example: Pumpkins at corn mazes, local foods at wineries, food stands and farm tours along transportation corridors*



Promotional Objectives

- Stimulate sales
- Differentiate product offerings in varying markets
- Share information
- Accentuate value of product
- Stabilize seasonal demand

Promotional Methods

- Advertising: newspaper, television, magazine, radio, Internet, billboard
 - Does your business have a unique story?
- Public relations: community service or events
- Sales promotions: point-of-purchase displays, trade shows, exhibitions and demonstrations (free samples)
- Word of mouth

Social Networking: Facebook



11TH ANNUAL
**SHEEP
WAGON
DAYS**
Craig • CO
SEPTEMBER 17-20TH 2009

- Edit Page
- Promote with an Ad
- Activate Mobile Status Updates
- Promote with a Fan Box
- Send an Update to Fans
- Add to My Page's Favorites
- Suggest to Friends
- Subscribe via SMS
- Remove from My Page's Favorites

Free Family Fun Festival with something for everyone.

Craig Sheep Wagon Days

Wall Info Photos Discussions Reviews +

What's on your mind?

Attach:     [Share](#)

 **Dan Bingham** You did a great job. Hope everyone appreciates all your hard work.
September 24 at 10:08am · [Comment](#) · [Like](#) · [Report](#)

 **Craig Sheep Wagon Days** Thanks! I'll be posting more photos soon! You took some really great shots throughout the weekend! I'll be updating the website with them as well. Thanks again!
September 24 at 10:10am · [Delete](#)

 **Craig Sheep Wagon Days** Here are some of the great pics from the amazing helicopter rides available at SWD thanks to Donovan, Cinnamon & Kevin with Vertical Horizons.



Vertical Horizons LLC
18 new photos
 September 24 at 10:01am · [Comment](#) · [Like](#) · [Share](#)



RIMROCK DUDE RANCH

Member of The Dude Ranchers Association



Ranch
Vacation

Wilderness
Pack Trips

Snowmobile
Trips

Hunting

Fishing

Photo
Albums

Area Maps

General
Area Info

Send
Postcard



Promotional Resource

- MarketMaker is a free tool that:
 - **Helps** consumers find producers
 - **Aides** producers in promoting their operations and products
 - **Assesses** the food and agriculture of an area by providing an inventory and a networking resource

The logo for Colorado MarketMaker features the word "COLORADO" in green, "MARKET" in purple, and "MAKER" in green. A stylized circular icon, split vertically with a green left half and a purple right half, is positioned between "MARKET" and "MAKER". Below the main text, the tagline "Linking Agricultural Markets" is written in a smaller, grey font. The entire logo is set against a background with a blue and white geometric pattern on the left and a light blue gradient on the right.

COLORADO

MARKETMAKER™

Linking Agricultural Markets

From Farm to Plate

- Colorado MarketMaker
 - Builds an information network to help farmers access domestic and international markets
 - Helps consumers find Colorado products

What Can MarketMaker Do?

- **Provide** searchable online business profiles and food system mapping for agricultural products in Colorado
- **Locate** producers, processors, wholesalers, food retailers, restaurants, and farmer's markets within Colorado
- **Identify** potential consumer segments by demographic characteristics and regions

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Linking Agricultural Markets

How to find locally produced food...

Colorado MarketMaker - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://co.marketmaker.uiuc.edu/

Most Visited agriculture-coloradoM... Colorado MarketMaker FAS - Global Agricultur... MarketMaker Administ... USExport_login WUSATA

Colorado MarketMaker

COLORADO MARKETMAKER™

HOME | SEARCH | HELP | ABOUT US | CONTACT US | LOG IN

MarketMaker is an interactive mapping system that locates businesses and markets of agricultural products in Colorado, providing an important link between producers and consumers.

for BUSINESSES for CONSUMERS

I'm looking for a near

Learn MarketMaker Case Studies Related Websites Factsheets Glossary

National MarketMaker

National MarketMaker >> MarketMaker is in many states across the U.S.; select a state below to travel to the site.

Update Your Info

Make sure that your businesses' info is up to date.

Business Spotlight

Epicurean Butter

After 20 years in fine dining restaurant kitchens, Chef John Hubschman developed a line of all natural compound butters for home use. Anyone can now create a restaurant quality meal: use savory butters to finish grilled steaks and seafood, toss with pasta or vegetables, or enjoy spread on warm crusty bread. [Learn More](#)

Caribbean Food Shack

Diamond D Dairy Drinkable Yogurt

Freshies Food Corporation

Oogie's Snacks LLC

MarketMaker Blog

A behind the scenes look at MarketMaker

Farmers Markets build community vitality with help from IN Farm Bureau Bootcamps

Posted on: 06/08/10

White House Report: Strengthening the Rural Economy

Posted on: 06/01/10

BUY & SELL FORUM

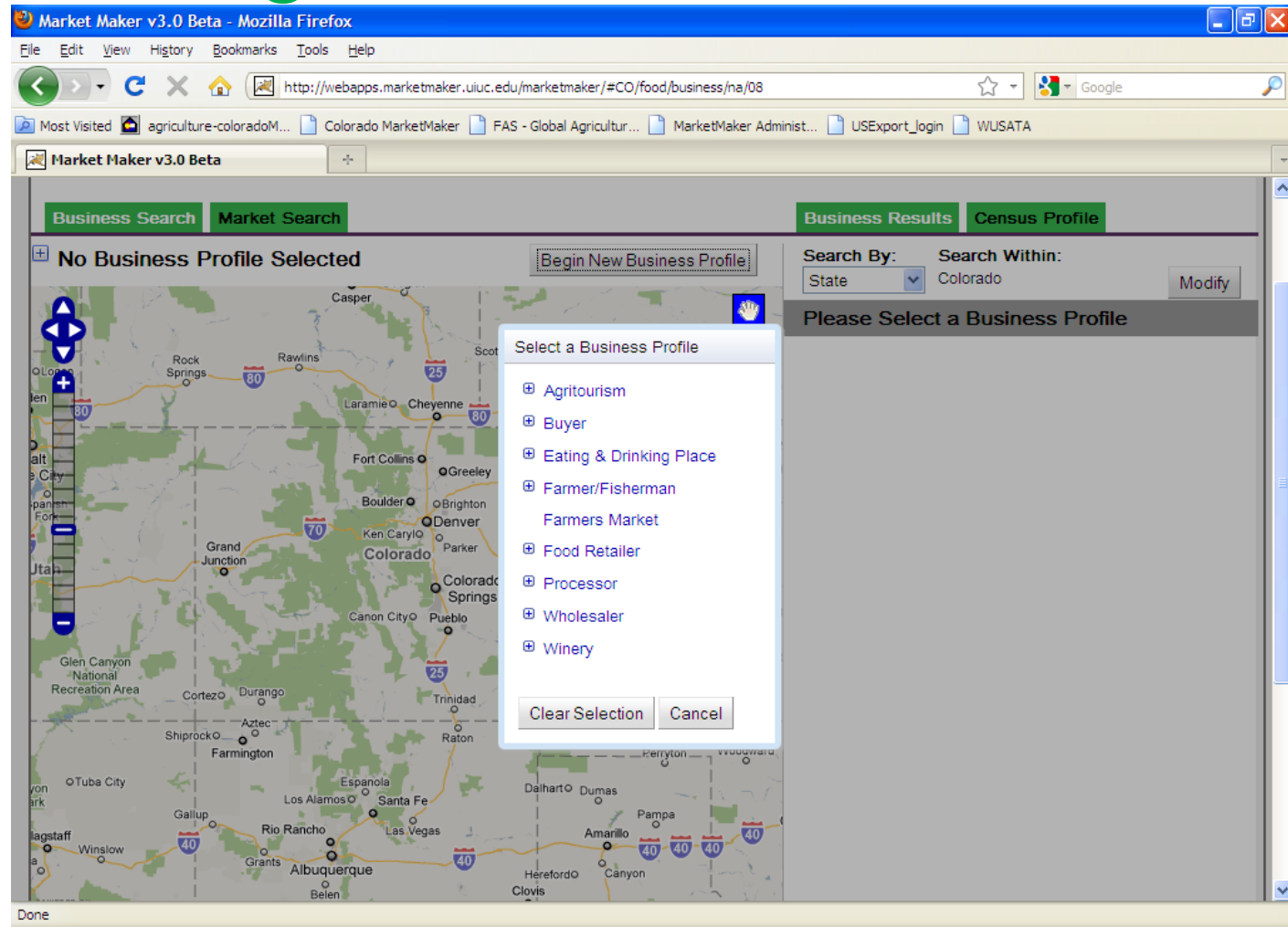
Looking to Buy Looking to Sell Value-added services Transportation

MARKETPLACE

Taste of the States

www.comarketmaker.com

Click “Begin New Business Profile”



Narrow Your Search

Market Maker v3.0 Beta - Mozilla Firefox

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http://webapps.marketmaker.uiuc.edu/marketmaker/#CO/food/business/na/08

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Market Maker v3.0 Beta

Business Search Market Search Business Results Census Profile

Begin New Business Profile

Search By: County Search Within: Colorado Modify

Showing page 1 of 3

50 Sort by: Registered Member

County

Apply Cancel

- ☐ Adams
- ☐ Alamosa
- ☐ Arapahoe
- ☐ Archuleta
- ☐ Baca
- ☐ Bent
- ☐ Boulder
- ☐ Broomfield
- ☐ Chaffee
- ☐ Cheyenne
- ☐ Clear Creek
- ☐ Conejos
- ☐ Costilla
- ☐ Crowley
- ☐ Custer
- ☐ Delta
- ☐ Denver
- ☐ Dolores
- ☐ Douglas
- ☐ Eagle
- ☐ El Paso
- ☐ Elbert
- ☐ Fremont
- ☐ Garfield

Done

Use the map to find Colorado companies!

Market Maker v3.0 Beta - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://webapps.marketmaker.uiuc.edu/marketmaker/#CO/food/business/na/08

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Market Maker v3.0 Beta

Business Search Market Search Business Results Census Profile

Begin New Business Profile

Search By: County Search Within: Denver

16 results Showing page 1 of 1

Results/Page: 50 Sort by: Registered Member

Cherry Creek Valley International Farmers Market
Denver, Colorado

Denver Urban Homesteading
Denver, Colorado

Highland Farmers Market
Denver, Colorado

Old South Pearl Street Association - Farmers Market
Denver, Colorado

Cherry Creek Fresh Market
Denver, Colorado

City Park Esplanade Farmers' Market
Denver, Colorado

Civic Center Outdoor Market & Cafe
Denver, Colorado

Use the Market Place to Buy and Sell Products or Advertise Value-Added Services

Colorado MarketMaker - Mozilla Firefox

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http://co.marketmaker.uiuc.edu/main/index

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Colorado MarketMaker

Select a State...

crusty bread. [Learn More](#)

Update Your Info

Make sure that your businesses' info is up to date.

User ID

Log In

Register Your Business

Don't have an account? Sign up to add your businesses' info to MarketMaker. It's free.

Register

MarketMaker News

Kentucky Continues to Expand Opportunities for Farmers

The University of Kentucky recently hosted a focus group for chefs and foodservice administrators. [Learn More](#)

South Carolina Joins MarketMaker

The Palmetto State's freshest seafood and agricultural produce is just a mouse click away. [Learn More](#)

BUY & SELL FORUM

Looking to Buy Looking to Sell Value-added services Transportation

12 current listings 58 current listings 13 current listings 0 current listings

MARKET PLACE

Upcoming Events

National Value Added Agriculture Conference

Event dates: 2010-06-26 - 2010-06-29

Mississippi State University Extension hosts this year's conference in Biloxi, MS. The conference features two days of programs and breakout sessions in support of value added agriculture. [Learn More](#)

View All MarketMaker Events

August 2010						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

White House Report: Strengthening the Rural Economy

Posted on: 06/01/10

Taste of the States

Lane's Fresh Peach Bread

Flavor of Georgia Food Product Contest 2010-Confections Winner. [Learn More](#)

Follow MarketMaker

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The Market Place

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http://co.marketmaker.uiuc.edu/main/marketplace

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Colorado MarketMaker


Home>Buy & Sell Forum

Buy & Sell Forum Overview

If you would like to post a listing on the **Buy & Sell Forum** but aren't yet registered with **MarketMaker**, please contact [Gina Backes](#).

Looking To Buy

End users in the value-added food chain seek products for restaurants, grocery stores and farmers markets.




12 Current Buy & Sell Forum Listings

[View Current Listings](#)

Looking To Sell

Agricultural entrepreneurs with products to sell can list their inventory here.




58 Current Buy & Sell Forum Listings

[View Current Listings](#)

Services and Equipment

If you need or offer processing services for value-added agriculture, look here.




13 Current Buy & Sell Forum Listings

[View Current Listings](#)

Transportation

If you need to have product transported or if you are in the business of transporting products, look in this category.



0 Current Buy & Sell Forum Listings

[View Current Listings](#)

Latest Buy & Sell Forum Postings

Title	Category	Region	State	Start Date	End Date	Views
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Done

Clicking on the link will reveal the advertisement!

Colorado MarketMaker - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://co.marketmaker.uiuc.edu/main/mp_category/2

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Colorado MarketMaker

Category Listing

Looking To Sell

Title	Region	State	S
Colorado Proud Tasting BBQ	Mountain Plains	Colorado	Al
Jalapeno Peppers Grown in Central KY	Southeast	Kentucky	Al
Local products in the Ohio Valley	Mid-West	Ohio	Al
Okra	Southeast	Florida	Al
Fresh peaches	Mid-West	Michigan	Al
Pasture-Raised Eggs In Bulk	Mountain Plains	Colorado	Al
winter squash	Southeast	Kentucky	Al
Blue Sky Natural Angus Beef	Mountain Plains	Colorado	Al
BBQ Sauce For Retailers	Mountain Plains	Colorado	Al
All Natural BBQ Sauces	Mountain Plains	Iowa	Al
Gourmet Dip Mixes	Mid-West	Michigan	Al
USDA Certified Organic Skincare	Mid-West	Michigan	Al
Local Raw Honey	Mountain Plains	Colorado	Al
2011 Harvest Expected early June	Mountain Plains	Colorado	Al
alfalfa-hay	Mid-West	Michigan	Al

Done

Colorado MarketMaker - Mozilla Firefox

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http://co.marketmaker.uiuc.edu/main/mp_detail/434


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Colorado MarketMaker

Looking To Sell

Pasture-Raised Eggs In Bulk

Description:



<< >>

H & J Farms is getting a large amount of eggs, ~8 dozen a day. In about January we will be getting ~30 dozen a day, ~210 dozen a week. If you would like to provide great tasting healthy Farm Fresh eggs to your patrons and family, don't miss out. Place your order today.

We look forward to serving you soon!

H & J Farms
<http://www.handifarms.com>
sales@handifarms.com

Done

How can you participate?

- Simply use CMM to find and purchase locally produced products
- Be an active buyer
- Tell your friends . . . Spread the word!

Our CMM Team Goals

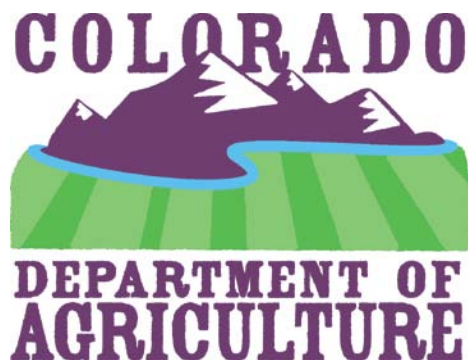
- Facilitate market coordination and networking
- Find opportunities to use this resource in developing markets locally, domestically and internationally
- Help businesses . . . MAKE COLORADO SALES!!!

COLORADO

MARKETMAKER™

Linking Agricultural Markets

Questions?



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www.comarketmaker.com



Research with Market Maker

Exploring New Ideas

■ **GFF Farmers' Market Prepay Card Plan**

- The idea is a cross between our CSA program and table sales. If you have opinions or suggestions, tell us.
- Participants in this program could 'prepay' any amount over some minimum (\$50).
 - Prepaid amounts would provide an effective discount. For example, a \$50 prepay would have a value equal to \$55 (10 % more) of Genuine Faux Farm market table purchases.



When Promoting Your Product...

- Determine desired message you want your customers to have about your product
- Set goals promotion will accomplish - either public relations for your business, increasing product sales, or nurturing loyal customers
- Design a budget for promotional expenses; determine which promotional strategies will fit your budget and goals



Your Marketing Plan

- Double Check:

- ☐ Possible with Current Resources?
- ☐ Addresses a Market Opportunity
- ☐ Balanced between Loose and Tight
 - Visionary, but Pragmatic
- ☐ Clear Objectives and Vision Behind Each Market Strategy Choice

- Which P will guide your Initial Energy?

Innovative Marketing Ideas

- If you are looking to diversify your operation by including agritourism activities on your farm/ranch, or food based business
- **Your County Extension Office!!**
- **Colorado Department of Agriculture**
 - <http://www.coloradoagriculture.com/>
- **Agricultural Marketing Resource Center**
- **Agriculture Innovation Center**
- **Colorado State University-Extension**
 - Marketing Fact Sheets at:
 - <http://dare.colostate.edu/pubs/extension.aspx>