

Direct Marketing

Basic Keys to Success in Direct Marketing

The information in this section has been condensed and adapted from Keys to Success in Value Added Marketing by Holly Born. This publication was a collaborative effort between [SARE](#) and [ATTRA](#). It is available free of charge from ATTRA

Key 1: Bring ALL the Players to the Table

Involving the community including consumers, farmers, supportive elected leaders, and other businesses to help your efforts is essential. Make use of the different skills and talents in your own network. These people are also invaluable for building a network of people to advertising your product(s) and business. Conversely, go it alone efforts are rarely successful.

Key 2: Start small and grow naturally

There is a steep learning curve for producers getting into direct marketing. This is true even of those farmers who have been involved in agriculture their whole lives. Smaller operations tend to be easier to manage, and if you find you've miscalculated or otherwise erred, those mistakes will tend to be less costly for a smaller operation than a bigger one.

If one marketing technique or product isn't successful, its easier to switch gears and try something else if you haven't invested a whole lot.

Key 3: Make decisions based on good records

Lack of consistent and useful records can thwart the most enthusiastic agricultural entrepreneur. Without good information, it can be difficult to evaluate your progress and to determine whether or not you are meeting your goals. Financial records may be required for tax purposes, but other records can be helpful as well. Farm maps detailing what grows best where or detailed tallies of what specific products sell best (to which clients, at what time of day or year etc.) can help you narrow down your product mix to the most profitable items.

Key 4: Find your market niche

This one requires you to think like a consumer. What do consumers want? Whenever you have the opportunity, talk to your customers about their purchases.

You must be in tuned to their tastes and suggestions and willing to adjust your production accordingly. Consider having tastings or sampling new products with family, friends or loyal customers.

How Can Small Scale Farmers Use Direct Marketing to their Advantage?

Competing solely on price is not feasible for small scale farmers. Farmers who accept the lowest price for their products must have the lowest costs. Larger farms can almost always produce high volume, uniform products more cheaply than smaller farms.

While small farmers cannot effectively compete with large scale operations on price, their businesses are uniquely positioned to compete on other, non-price factors. Competing on non-price factors means that farmers must offer their customers something they cannot buy at the grocery store, or anywhere else. Non-price factors can include: convenience, quality, variety and novelty.

Convenience: Ready-to-eat salad mix is an example of products that are more convenient for consumers and could be direct marketed by small-scale producers effectively. Selling produce or meat with recipes and serving suggestions is another way that farmers can make their products more convenient than what is sold at the grocery store.

Quality: Consumers often cite taste and freshness as the top reasons for buying directly from farmers. Producers who get their products to consumers the same day they are produced will always win on this issue. Also, small scale producers can pay more attention to detail, which results in a higher quality product.

Variety: Small farmers can produce 20 kinds of tomatoes or grow a multitude of vegetables, flowers and raise livestock. Small farms can diversify in a way that larger farms do not, and offer their consumers a huge variety of products.

Novelty: This ties into the variety and specialty issues. Farmers who are tuned into their customers' preferences are prepared to respond to those preferences with their products.

Specialty Products: Labeling can distinguish your unique products from the generic. "Eco-labels" are a good example of this: locally grown, certified organic, grass-fed or free-range. When consumers purchase products with these labels, they are expressing preferences: they are "voting with their dollars."

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