

YOU WANT TO MAKE A CHANGE- HOW DO YOU PROCEED?

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OVERVIEW—6Ps

- o POSITIONING
- o PRODUCT
- o PRICE
- o PLACE
- o PROMOTION
- o PLANNING

WHAT IS MARKETING?

- o Process of creating and exchanging products (and services) of VALUE to others.
- o It isn't just sales, and it isn't just advertising.

MARKETING IS....

- o Market research & planning
- o Product development
- o Target market identification
- o Label & packaging design
- o Pricing
- o Advertising, demos, public relations, promotional events
- o Distribution
- o Evaluation

MARKET ORIENTED

- o As a producer, you are very susceptible to Marketing Myopia
 - = have product, find market
- o Be market-oriented--focus on your MARKET, NOT YOUR PRODUCT.



MARKET RESEARCH

- o Market trends
- o Customers' characteristics, needs & attitudes
- o Competitors' products, strengths & weaknesses
- o You are competing for space in the consumer's stomachs & on store shelves

DIFFERENTIATION

- o To differentiate is "the act of making something different from that which surrounds it"
 - to get consumers to notice it
 - to convince consumers to buy it
- o "Effective differentiation...can be a matter of business life and death in the specialty food world."--founder of Zingerman's



POSITIONING

- o Conveying meaningful differences that distinguish your product from others using the 4Ps
- o Your positioning should be a decisionmaking tool
 - where to distribute, what product features, how to price & promote

POSITIONING STRATEGIES

- o Product features
 - organic
 - family farm
- o Benefits
 - prewashed
 - cooks in 10 minutes
 - no odor

POSITIONING

- o specific usage occasion
 - gift
 - portable breakfast
- o user category
 - kids
 - men--coyote nuts
 - environmentalists



TARGET MARKET

- o Mass marketing vs. niche marketing
- o Specific market segment
 - Food quality conscious consumers
 - price-conscious consumers
 - upscale restaurants
 - schools
- o Different products for different target markets

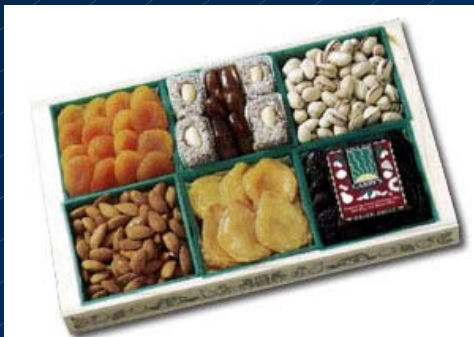
4Ps OF THE MARKETING MIX

- o PRODUCT
- o PRICE
- o PLACE
- o PROMOTION

PRODUCT

- o Features
 - washed & ready to cook
 - cooks in 5 minutes
 - fiery hot
- o Product name
- o Brand name
 - Peter Rabbit Farms, ShortCuts
 - Trademarking--Patent office <http://PeterRabbitFarms.OV>
- o Labeling & packaging--your ultimate tool
- o Product mix





PRICE

- o Wholesaler & retailer margins
- o List price
- o Know your competitors' prices
- o Promotional pricing
 - intro allowances (15-25%)
 - on deal
- o Payment period
- o Sell sheets

UP COUNTRY Naturals
ORGANIC PANCAKE & WAFFLE MIXES

Our pancakes and waffles mixers are 100% ground by weight, meaning that you'll taste the organic goodness of each ingredient. That old-fashioned price results in a superior product you can't only taste, but see right in the palm of your hand.

BUTTERFLAKE & HONEY: The wholesome taste of buttermilk and whole grain blended with the sweetness of honey. A traditional favorite for all pancake lovers.

WILD MAINE BLUEBERRY: One taste of these mix makes Heavenly pancakes and you'll know why these special buttermilk don't always make it to grandma's kitchen. Our buttermilk pancake recipe comes complete with a dash of maple wildflower and blueberry.

BUTTERFLAKE & HONEY: A country favorite, our buttermilk pancakes combine the wholesome, rich taste of buttermilk with the delicious flavor of honey. The two will come back to you.

MULTIGRAIN: Our multigrain recipe combines 5+ delicious whole grain taste of wheat, oat, and cornmeal with the nutty taste of buckwheat. Only this recipe is the result of a "recipe in love".

PRODUCT DESCRIPTION	NET WT.	NET WT. (OZ)	UNIT PRICE	UNIT PRICE (\$/LB)	DATE MANUFACTURED	DATE PACKED	DATE
Butterflake & Honey	1.50 LB	15.00	1.50	10.00	01/15/14	01/15/14	01/15/14
Wild Maine Blueberry	1.50 LB	15.00	1.50	10.00	01/15/14	01/15/14	01/15/14
Butterflake & Honey	1.50 LB	15.00	1.50	10.00	01/15/14	01/15/14	01/15/14
Multigrain	1.50 LB	15.00	1.50	10.00	01/15/14	01/15/14	01/15/14

PLACE

- o Distribution channels
- o Locations
- o Inventory
- o Transportation

SPECIFIC PLACES

- o Lakeport, Kelseyville, Ukiah, Napa Chefs' St. Helena Farmers Market
- o CSAs
- o Whole Foods
- o Oakville Market
- o Veritable Vegetable
- o B&Bs
- o Bakeries
- o _____

PROMOTION

- o Advertising
- o Sales promotion
- o Personal selling
 - demos, special events
- o Point-of-sale materials
 - shelf talkers, brochures, recipes
- o Website
- o Public relations
- o **YOUR LABEL & PACKAGING!!!**





PROMOTION

- o Trade
 - Trade shows--PMA, Fancy Food Show, Natural Products Expo
 - Trade Publications--The Packer, Gourmet News, Natural Products Merchandiser

THE 5 Ps--YOUR BASIC MARKETING TOOLKIT

- o POSITIONING
- o PRODUCT
- o PRICE
- o PLACE
- o PROMOTION

POSITIONING FOR DIFFERENTIATION

- o meaningful differences that distinguish your product from others around it
- o your positioning should be a decisionmaking tool
 - make sure that your positioning is demonstrated consistently in your execution of the 4 Ps

WHAT IS BUSINESS PLANNING?

- o Process of establishing your objectives
- o Determining your basic business strategy
- o Organizing your business
- o Determining your operating priorities and procedures
- o Developing your marketing plan
- o Projecting your financial requirements and performance

YOUR BUSINESS OBJECTIVES

- o Hobby?
- o Sole Proprietorship?
- o Small Business w/Employees?
- o Build Big for Buyout?

IMPORTANCE OF PLANNING

- o Your business plan is your road map
- o Planning is required to obtaining financing
- o Planning is continuous
- o Planning is a process

4 PARTS OF YOUR BUSINESS PLAN

- o Description of your business
- o Your marketing plan
- o Your financial management plan
- o Your management plan

SEE www.sbaonline.sba.gov

MARKETING PLAN

- o Situation analysis
- o Opportunity & issue analysis
- o Objectives
- o Marketing strategy
- o Action program
- o Projected profit & loss statement
- o Controls

SEEK OUT COMMUNITY RESOURCES

- o Small Business Development Center, Lakeport
- o Community Development Services (CDS)
- o Business Outreach & Response Team (BORT)
- o Community Colleges

FANCY FOOD SHOW

- o Moscone Center, San Francisco
- o January 18-20
- o 1,100 exhibitors
50,000 specialty food products from around the world
25 international and state pavilions
- o Preregistration deadline—January 16, \$35
- o www.specialtyfood.com

TO MAXIMIZE YOUR SUCCESS

- o ANALYZE
- o PLAN
- o EXECUTE
- o EVALUATE