

MASTERING MARKETING



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Ginger S. Myers

MARKETING SPECIALIST,
UNIVERSITY OF MARYLAND
EXTENSION

DIRECTOR, MARYLAND
RURAL ENTERPRISE
DEVELOPMENT CENTER

PRINCIPAL AGENT
ASSOCIATE

gsmyers@umd.edu
301-432-2767 x338



Target Marketing to Customers - The View from the Other Side

In his book *The Practice of Management*, Peter Drucker declares the only one valid definition of a business' purpose is **to create a customer...** Because it is its purpose to create a customer, any business enterprise has two—and only these two—basic functions: **marketing and innovation...** No where does Drucker say our business is about our product or our production, it's about creating a customer. Our product must satisfy a want or need. So, who doesn't need food? And with all the "buzz" about buying local products, why are we still struggling to grow our customer bases.

Producers must wear many hats. Often, they must do it all: produce, merchandize, and market products to an ever-diversifying mix of marketing channels. In the process it's easy to fall into the "birdshot" marketing approach and try to reach every possible buyer rather than drilling down to a group of "targeted" customers that may provide a greater return on the time invested in marketing. The challenge may not be the number of marketing channels but rather making sure the product and marketing message is focused on the "target" customer in any marketing outlet.

Expanding your customer base and consequentially improving your profits requires:

- 1) understanding who your customer are... and who they are not,
- 2) collecting data for developing marketing strategies and,
- 3) implementing best marketing practices for your business.

Who is your customer? Here are some factors to consider when analyzing the demographic variable among potential customers:

- ▶ **Income**- What are socio-economic perimeters of potential customers for your farmers market booth, on-farm market, or roadside stand. Level of disposable income?
- ▶ **Ethnicity**- Does your product appeal to certain types of cooking or culture food preferences?
- ▶ **Purchasing Patterns**- What days of the week do your target customers shop? What size package do they look for? Do they respond to special offers or bundled products?

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- ▶ **Age-** What age groups use your product or have special food interests? What are you doing to attract millennial, foodies, health conscious, social justice, or buy local supporter? These are not all one lump of customers. While some messages will resonate with several of these groups, no one message will address them all.
- ▶ **Population density-** We know folks will drive 40-60 miles to visit a pick-your-own or on-farm store. Most farmers market customers come from a 10 mile radius of the market.

Many of the attributes of these different target groups can be researched on-line. However, as the vendor, you collect your own set of data for determining customer interaction. Here are the four fundamentals stages of customer interactions as documented by New York City Green Market and the New York Farm Viability Institute:

EXPOSURES: The total number of people that pass in front of your booth.

IMPRESSIONS: The number of people walking in front of the booth who notice your booth.

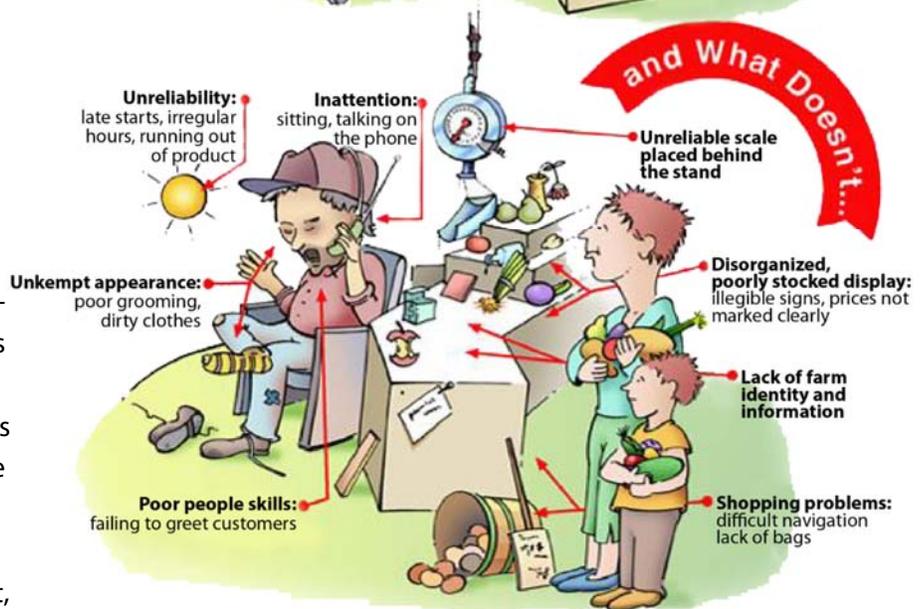
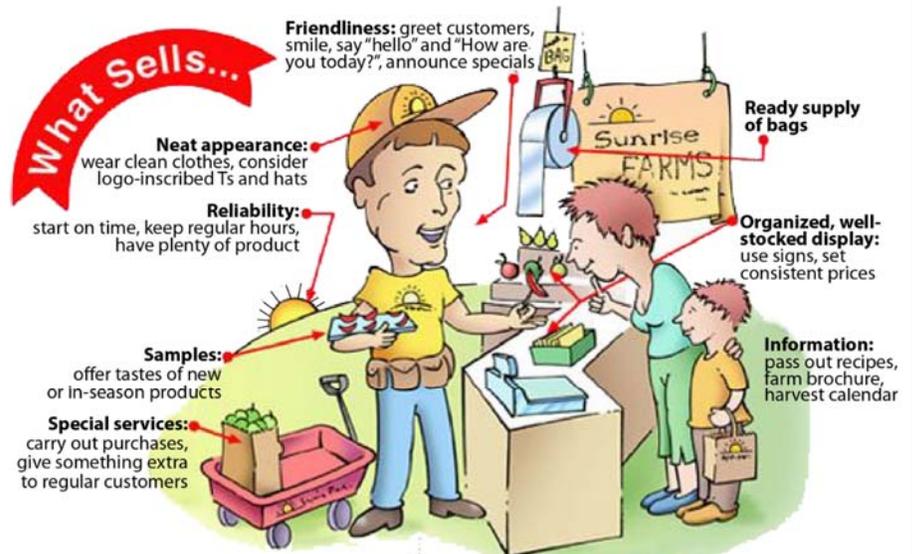
CONSIDERATIONS: The number of people who complete a purchase at your booth.

PURCHASES: The number of people who notice your booth and consider making a purchase.

Now that you have some data and customer reactions, take a moment to walk in front of your farmers market or farm store displays and look at them from the customers perspective. Your product display is your biggest marketing "talker." For great ideas on setting up product displays and attracting your market customer, the University of Vermont has a very detailed fact sheet titled, "The Art and Science of Farmers' Market Display."

http://www.uvm.edu/newfarmer/marketing/marketing_resources/FarmersMarketDisplay.pdf

Once you've connected with your target market groups, high quality products, transparency in production, and friendly, consistent customer service is required to keep them as repeat customers. The graphic* on the right lists the top five annoyances for Farmers Market Customers. These also apply to on-farm markets and while making change might not be as challenging for an on-farm market, sporadic internet for credit card purchases, can have the same affect.



* Courtesy University of Missouri Extension