Moving from a Push Through to a Pull Through Marketing Model

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- Director of the Maryland Rural Enterprise Development Center
- Extension Marketing Specialist, College of Agriculture & Natural Resources, University of Maryland Extension.
- Over 30 years of experience in production agriculture, agri-business and consulting to this position.
- Currently works with agricultural entrepreneurs, develops new markets and networking opportunities, works with new and beginning farmers, and assists with business development and business planning.
- Operates a grass-based livestock farm with husband.
TOP 10 Business Concerns Of Farm Marketers

In our recent State of the Industry surveys for American Fruit Grower and American Vegetable Grower, we asked which three topics concern you most. We combined the two surveys and filtered the responses so we could see how farm marketers responded.

Here's how you ranked your biggest concerns:

#1 Government Regulation 22%
#2 Insect & Disease Control 20%
#3 Weather 16%
#4 Production costs 14%
#5 The Economy 12%
#6 Labor 8%
#7 Water 4%
#8 Access to pollinators 2%
#9 Succession Planning 3%
#10 Transportation 1%
Farm Markets And Wholesale-Only Farms Do Not Share Territories
Marketing Mechanics

• Past- Growers and Producers created a product and then tried to sell it-
  • A Supply Push Strategy

• Today- To be successful, you must provide a product that satisfies a want or need-
  • A Demand Pull Strategy
Need

- I *physically need* water to survive

Want

- I *want* clean, safe to drink, good tasting water

Demand

- I *create a demand* for Smartwater since it is vapor distilled with added electrolytes for taste
Push Versus Pull

**Push Policy**
- Producer
- Wholesaler
- Retailer
- Consumer

**Pull Policy**
- Producer
- Wholesaler
- Retailer
- Consumer

Information Flow
You are Marketing Specialty Crops- a “Specialty Crop” is:

- The USDA definition basically categorize crops into two categories; major crops (such as corn, wheat, soybeans, rice, cotton, peanuts, sugar cane and beets, and other large-scale row crops) and "specialty crops" which is basically everything else: fruits, vegetables, herbs, ornamentals, and others.
Examples-Specialty Ag Products

– Tree fruits and pecans
– Small fruits, vegetables
– Greenhouse and nursery stock, turf
– Christmas trees
– Recreational farm enterprises, hunting and fishing leases
– Aquaculture, goats, other small animals
– Sunflowers, popcorn
– Native or improved grasses grown for seed production
Features & Attributes

• **Positioning Specialty Products Profits**

• Differentiating your product from your competition is the only way to enhance your sales and prices

1. Physical Characteristics
2. Availability
3. Image
4. Price- Very high, very low
5. Quality and Customer Service

**Differentiation**

Even a pumpkin can easily stand out in a crowded field. What’s stopping you from doing the same with your product?
Value propositions are the characteristics of the product and business that are offered to potential customers

- Locally-produced
  - Freshness of products
  - Vine-ripened
  - Food safety
  - Support for community
  - Support for sustainable agriculture
  - Support for family farms

- Experience
  - On-farm retail
  - Pick-your-own
  - Operation tours

- Private label

- Production methods
  - Hand-made/One-of-a-kind
  - Natural
  - Organic
  - Grass Fed
  - Free Range
  - Family recipe
  - Attractive packaging

- Customer service
  - Relationship
  - Custom processed
  - Delivery
Finding Your Target Audience

1. Who would pay for my product or service?

2. Who has already bought from me?

3. Am I making assumptions based on my personal knowledge and experience?

4. How did my competitors get started?

5. Can competition easily enter the market and get a piece of the action?

6. How will I find my customers?
The Best Marketing Tool you Can Have is a Marketing Plan

The 20 Minute Marketing Plan

1. What’s My Goal?
2. What’s My Product?
3. Who’s My Target Customer?
4. How Will I Reach Them?
5. Where Will They find My Product?
6. How Will I Know If It’s Working?
Developing Specific Strategies around the Marketing Elements

- Product
- Price
- Promotion
- Placement

“Stay with me now, people, because in step C, things get a bit delicate.”
Moving from 4Ps to the 4Cs- Push to Pull

- **Product** provides **Customer Solution**
- **Price** represents **Customer Costs**
- **Place** provides **Convenience**
- **Promotion** enables **Communications**
Power of Food Packaging

Packaging is the routing by which product delights the retailer and attracts consumer.
Power of Food Packaging Size

FRUITS & VEGETABLES
Try for 4-5 servings of each per day.
What counts as a serving?

FRUITS

ONE MEDIUM FRUIT =
approximate size

FRESH, FROZEN OR CANNELED FRUIT

DRIED FRUIT

FRUIT JUICE**

VEGETABLES

RAW LEAFY VEGETABLE

FRESH, FROZEN OR CANNED VEGETABLE

VEGETABLE JUICE**

*Recommended daily goal based on 2,000 calorie/day eating pattern.
**Fruit and vegetable juices can be part of a healthy diet. One serving of 100 percent juice can fulfill one of your recommended daily servings of fruits and vegetables, but watch for calories and added sugars or sodium. Choose 100 percent juice (or 100 percent fruit and water) instead of sweetened juice or juice drinks.

heart.org/gettinghealthy
The Keys to Marketing Success

• Find the Right Message.
  —Pull Through Strategies
• Use the Right Media.
• Deliver to the Right Market.
• Find the Right Message
• Use the Right Media.
64% of marketers agree word-of-mouth is the most effective form of marketing

6% of marketers claim to use it effectively

Source: WOMMA
• Deliver to the Right Market
If Only...

NOW LET’S CLOSE OUR EYES AND THINK WONDERFUL THOUGHTS WHILE MARKETING SPRINKLES FAIRY DUST ON OUR NEW PRODUCT

Success still requires you offer a top quality product.
Alternative Enterprises

In Maryland, if an enterprise is not producing a commodity crop, then it probably would be classified as an alternative agricultural enterprise. Traditionally, commodities include row crops that produce a low profit margin and a dependency on government subsidies. Alternative agricultural enterprises can improve the profitability of farmers, increase the diversity of agricultural enterprises in the region, and foster the development of new jobs in the state's agribusiness sector.

Increasingly, growers are looking at alternative crops, farm enterprises such as bed and breakfasts and tourism, and other business diversification strategies to improve their farm profits and the quality of their lives.

Alternate crops have received a lot of attention lately. Gildersleeve, Echinacea (coneflower), garlic, shiitake mushrooms, cut flowers, grapes, and anything organically grown are a few alternatives that have been in the spotlight because of the decline in commodity prices.

This attention has provided valuable information for farmers, and also a great...