PLAN for Marketing Your Organic Products
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What is a Marketing Plan?

- Part of your overall business plan
- Strategic
- Written, used & revised as needed
- What you need to DO to achieve your objectives
- How you communicate your value proposition
Recommended Marketing Plan Components

- Mission/Purpose/Message
- Market & customer analysis
- Marketing objectives
- Marketing activities
- Marketing budget & schedule (both $ & time)
The 4 (or 5) P’s of Marketing

- **Product** includes tangibles and services
- **Price** is the assignment of value
- **Place** refers to where it’s available and how it got there (channel of distribution)
- **Promotion** includes the persuasive efforts used to make the sale
- **People** – the fifth – and very important - P!
Mission/Purpose/Message

- Our business is . . .
- We are in the business of . . .
Marketing Objectives

- Annual sales of $150,000
- Expand winter sales by 20%
- Add 250 new customers to email list
- Increase average farmers market purchase from $21 to $25
- 80% CSA renewal rate
- How do YOU measure progress?
People: Market & Customer Analysis

- What is your market and what is its size?
- Who is your competition?
  - Strengths & weaknesses?
- What market trends may impact your business?
- Who are your customers? How can you group them?
Why People Buy Organic

- Personal health
- Product quality
- Environmental concerns
- What do YOUR customers say?
Who Buys Organic Food?

- All demographic segments
  - Slightly higher for more educated, female, more affluent, with young children
- Two-stage decision
  - WHERE to shop
  - WHAT to purchase
- ~75% shoppers purchase SOME organic food
- ~20-25% shoppers account for MOST sales
- What about YOUR customers?
People are Confused

- Organic ➔ natural ➔ fresh ➔ local ➔ fair trade ➔ carbon footprints ➔ ???
- Consumer perceptions of
  - Organic certification
  - Organic
  - Clean
- What is important to YOUR customers?
Trust and Understanding of the terms "Organic" and "Natural"

I can trust the term "organic" when I see it on labels

I can trust the term "natural" when I see it on labels

"Organic" and "natural" mean the same thing on package labels

Products labeled as "organic" must meet a government…

Products labeled as "natural" must meet a government…

<table>
<thead>
<tr>
<th>Agree</th>
<th>Don't know</th>
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<tr>
<td>45%</td>
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<td>59%</td>
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Eating Occasions

- Instrumental – 59%
- Savoring – 41%
- Inspirational - <1%
Product mix – What do I offer? How much do I try to sell?
How do I process it? Wash?
How is my product different?
What is my unique selling proposition? How do I uniquely bring value to my customers?
“Ideal” Organic Package

- Mission statement
- Foster personal connection
- High quality product imagery
- Highlight production methods
- Show raw ingredients
- Show the farm; tell its story
- Show/tell specific product attributes
- Include certifications
Place

- Where and how are my products available?
- Farmers market? CSA? Farm or roadside stand?
- On-line ordering?
- Home-delivered?
- Year-round?
- Via credit/debit card?
- Via SNAP/FMPP card/coupons?
Drive-Through Farmers Market

Today's Menu
Drive Thru
Kohrabi
Baked Goods
Emu Products

World's First Drive Thru Farmers Market
Today 4 PM - 7 PM

Sweetcorn
Pickles
Lettuce
Tomatoes
Onions
Beets
Leeks
Garlic
Cherries
Peppers
Carrots
Popcorn
Melons
Potatoes
Cabbages
Zuc's
Expanding Your Market

Fulton Street Farmers’ Market

Use Your

to Purchase Tokens Here!

We Accept Food Stamp Benefits

PROJECT FRESH COUPONS

We Accept
Food Stamp
Benefits

PROJECT FRESH COUPONS

Accepted Here

CUPONES SE ACEPTAN AQUI
The value that customers place on your products/services must be greater than your costs.

You need to manage your costs AND your customers’ perceptions of your products.

Know your costs; know how much profit you want/need to make.
“... While the organic-goods sector has boomed in the last eight years, going up to $29 billion from $9 billion in sales, the industry’s yearly growth dropped to less than 6 percent in 2010, from between 15 and 20 percent previously.”

Laura Batcha, Executive Vice President, Organic Trade Association
“’For me, it’s a matter of choosing what should be bought organic . . . and what isn’t as crucial’ . . . . Ms. Yarnall now saves money by buying organically grown produce only if it’s on . . . the so-called ‘Dirty Dozen,’ a list of the 12 fruits and vegetables most susceptible to absorbing pesticides . . .”

- Megan Yarnall, recent college graduate
Not long ago, Mr. Alter found himself in a grocery store, trying to decide between $10-a-pound organic bacon and a non-organic brand that cost $5. In the end he didn’t buy either one. ‘More and more people are doing that,’ he said. ‘It’s like ‘Buy Nothing Day’ all year

Lloyd Alter, design blogger for TreeHugger
Impacts of the Economy

- Families who can no longer afford to purchase organic produce may be growing and preserving vegetables and fruits themselves.
Some Ways to Communicate Price

**Farmer Bill's Deal #1**
- 1 dz triple sweet corn
- your choice 3 items
  - tomatoes g/l
  - potatoes g/l
  - pickles g/l
  - beans g/l
  - 4 aubergine, yellow squash

For one low price $9.00

**MSU STUDENT ORGANIC FARM**
- Cucumbers 50¢/ea
- Pickling cucumbers $2.00/lb
- Kale $2.00/lb
- Peppers $1.00/st
- Leeks $1.00/lb
- Beets $2.00/lb
- Swiss chard $2.00/lb
- Carrots $1.00/lb
- Tomatoes
- Garlic $1.00/lb
- Onions $2.00/lb
- Cut flowers
- Sunflowers $5.00

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**Sweet Corn**
- $4.75 a dozen
- $3.40 ½ dozen
- $2.40 an ear

**Cantaloupe**
- 2.50 ea
Promotion

- Outreach
  - Advertising, brochures, build your market mailing list
- On-site marketing
  - Signs, merchandising, recipes, information
- Business relations
  - Collaboration with other businesses
- Public relations
  - Nurture media relationships
- Special events
  - Come to the farm
- Calendar
• Put your website URL EVERYWHERE: posted at your farmers market stall, on your business card, on all promotional materials
• Be sure that the quality of your signs equals the quality of your products
• Signs for EVERY product including
  – Name
  – Price
  – Three benefits or tips about the product
Promotion with Great Signs
Show customers how to use your product; how it was grown
Wear a nametag
**Arugula**

- Certified Organically Grown
- High in calcium, potassium, magnesium, and iron, and vitamin A and C
- Great anti-oxidant; high in chlorophyll
- Delicious nutty flavor, use raw or cooked, in salad and pesto.
- Small farm grown in Aromas, California

• $2.50 bunch

**Locally Grown in Hartland, Michigan**

**Organic**

**Potatoe Variety:**

- 

**Seed Potatoe Supplier:**

- Jim and Megan Gerritsen Family Wood Prairie Farm

**Crockneck Squash**

- Winter squash that is a variety of summer squash with bumpy yellow skin and sweet flesh. The taste is closer to winter squash than to summer squash, although it is a shorter season vegetable.

http://en.wikipedia.org
Beautiful Product – Missed Promotion Opportunity
Signs can be Easy!

- Granny's Best Tomatoes: $1.99 each
- Fresh corn: $3.00 per bunch, picked today
- Fresh lettuce: 3.00 per bag
- Carrots: $2.50 per bunch, high in vitamin A
- Lamb chops: 9 for $8.00, farm fresh, grass-fed
Provide Information
Your Stall can Promote!
Banners & Signs are Important
Funny Farm Organic Produce
Certified Organic Veggies
Jim & Barb Loe
Sold Fresh From Our Farm Grant, MI

Creswick
Grassfed Beef
- Beef Jerky $5.00/lb
- Filet Mignon $22.00/lb
- Ground Beef $4.25/lb
- Lamb Chops $12.00/lb
- Round Roast $4.75/lb
- New York Strip $8.25/lb
- ⅜ inch Gourmet Patties $5.50/lb

Lamb

Chicken
- Boneless/Skinless Breast $3.50/lb
- Ground Chicken $3.50/lb
- Leg Quarters $4.00/lb
- Stewing Hens $2.50/lb
- Whole Broilers $3.25/lb

Specialty Sausages
- Apple Chicken Links $6.90/lb
- Bacon Cheddar Brats $6.90/lb
- Bratwurst $6.90/lb
- Breakfast Sausage $6.90/lb
- Bratwurst $6.90/lb
- Chicken Style Hotdogs $6.90/lb
- Smoked Chicken Sausage $6.90/lb
- Pork Sausage $6.90/lb
- Pepperoni Slices $4.99/lb
- Pepperoni Snack Stick $4.99/lb
- Snack Sticks $4.99/lb
- Sausage Sticks $4.99/lb
- Summer Sausage Slices $4.99/lb

Farm Fresh
- Fresh Aire Heritage Pork
- Apple Bacon $6.50/lb
- Thick Cut Pork Chops $6.25/lb
- Canadian Bacon $6.50/lb
- Ground Pork $4.50/lb
- Honey Loaf Lunchmeat $6.75/lb
- Ham "Lunchmeat" Slices $4.75/lb

New Item
- Blueberry Sausage $6.90/lb

Pasture Fed - Free Range
BEEF * PORK * CHICKEN * LAMB * CHEESE * BUTTER * EGGS
NO ANTIBIOTICS - NO HORMONES!
Engage the Senses
What Product Mix Works Best for You?
Thanks very much!
Find the slides and recording of this presentation at 
http://www.extension.org/pages/60942

Register for upcoming webinars and view recorded eOrganic webinars at 
http://www.extension.org/organic_production

Additional questions? Ask them at 
http://www.extension.org/ask

We need your feedback! Please fill out our follow-up email survey!