



# Fresh Produce Direct Sales & Pricing Workshop



United States Department of Agriculture  
National Institute of Food and Agriculture



## Agenda

Time	Session Name	Speaker	Affiliation
1:00 to 1:15	Introductions and Workshop Overview	All	
1:15 to 2:30	Market and Pricing Strategies	Kynda Curtis	Food/Ag Marketing Specialist, Utah State Extension
2:30 to 3:15	Direct Market Fresh Produce Pricing Overview	Karli Salisbury	Research Analyst, Utah State University
3:15 to 3:30	Break		
3:30 to 4:15	Direct Market Sales Considerations	Kynda Curtis	
4:15 to 4:30	Wrap-Up and Evaluations	All	





## Workshop Materials

- Workbook
  - Agenda
  - PowerPoints
  - Worksheets
  - Other resources
- Thumb Drive
- Producing Pricing Flyers
- Workshop Evaluation



## Introductions

- Name and location
- Operation type and current products, or desired
- Agency/employer and type of work
- What do you hope to take away from the workshop?





## Workshop Evaluations

- Please complete before leaving today...
  - Assist in planning future workshops
  - Assist in applying for grant funding
  - Assist in documenting program impacts



## Thank You

This material is based upon work supported by USDA/NIFA under Award Number 2015-49200-24225.



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# Market and Pricing Strategies



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## Market Assessment Process

- Define target market(s) for the product or service
  - Consumers who have a need for the product or service and are willing to pay a profitable price for it
- Market assessment steps
  - Estimate market size
    - Available customer base and purchase amounts
  - Estimate a feasible range of prices
    - To cover production costs
  - Assess consumer sensitivity to pricing





## Define your target market

- Detailed picture of your target market allows you to:
  - Implement effective and targeted promotion
  - Cater to most valuable customers
  - Design of new products which serve customer needs
  - Select appropriate outlets for your products(s)
  - Provide services and support your market needs/demands



## How is a target market defined?

- Demographics
  - Age, location (state, county, etc.), gender, education level, income, children, marital status, etc.
- Psychographics
  - Interests, hobbies, or concerns regarding health, food safety, environmental, etc.
- Product/Service needs or preferences
  - Product or product characteristics (options, variety, location, package size, etc.) they require





## Consumer Data Collection Methods

- Survey existing or potential customers
- General market assessment surveys
- Conduct product/pricing trials
- Ask fellow providers (competitors)
- Use secondary data resources
  - USDA, marketing firms, Extension, other online resources



## Existing Customers

- Past transactions, orders, and communications
- Online orders
  - Name and contact info is provided, spending habits, user preferences, etc.
- Surveys
  - At purchase, online, at events...
- Customer appreciation events, “disguised focus groups”
  - Conduct surveys, provide samples for feedback, make observations
- Competitions
  - “To win” must provide contact info and a few other details may be demographic or interests...





## What customer data to collect?

- Name and contact information
- Transaction history
- Record of communication and responses
- Demographic profile (age, gender, profession, etc.)
  - Birthdays and anniversaries
- Psychographic profile (hobbies, interests, etc.)
- Spending habits



## Name & contact information

- Market directly to the customer
- Customize/personalize communications
- Communicate about upcoming sales, new products, new flavors/varieties, etc.
- Communicate about late or out of stock items





## Transaction history

- Basic preferences, which products they purchase and when/how
  - What products are most important to them
  - Where do they shop or purchase the product
  - Amount of the product (size, frequency, etc.)
- Amount they spend with your company on an annual, monthly, weekly, basis
  - How valuable are they
  - What specials or customer appreciation items/events you should offer to them



## Record of communication & responses

- Effectiveness of different types of communication
  - One method may encourage sales more than others
- Customer preferred communication style/type
  - Email, phone, etc.
- Track communications so that spaced appropriately
  - Not overwhelming, or too many





## Demographic profile

- Age, location (state, county, etc.), gender, education level, income, children, martial status, etc.
  - Birthdays and anniversaries
    - Email/send birthday/anniversary card with promotion (% discount, coupon, etc.)
    - Personal touch and customer feels valued, reminds them of your company/products
- Harder to obtain
- Provides an improved description of your target market
  - Type of customer you should cater to, expand market



## Psychographic profile

- Interests, hobbies, etc.
- Concerns regarding health, food safety, environment, etc.
- Difficult to obtain
- Use to select effective promotional channels
  - Magazines or publications of interest, social media, etc.
- Use to inform special labeling, packaging, certification
  - Organic, recyclable, low whatever...
- Use to inform corporate responsibility initiatives
  - Concerns of interests of customers
    - Sustainability, fair trade, worker health, etc.





## Spending Habits

- How do your customers shop?
  - Thoughtful purchasing, impulse buys, or comparison (price) shopping
- Display products and structure pricing around habits
  - Grocery stores place candy and magazines near checkout for impulse buys
- Difficult to assess
  - Structured surveys, try different strategies to see which work, professional assistance from marketing agency



## Outside Data

- Existing research and statistics
  - Government stats and reports
  - Expenditures, investments, consumption
- Published reports
  - Trade associations, banks, government
- Market research organizations
  - Consumer panels, retail audits

**Ratings Sleep aids**

Medication	% Sold	% Market
PROPRIOPIRAN MEDICATION		
Alprazolam (Xanax) 0.5 mg and 1 mg tablets	2%	1%
Clonazepam (Klonopin) 0.5 mg and 1 mg tablets	2%	1%
Escitalopram (Lexapro) 10 mg and 20 mg tablets	1%	1%
Flurazepam (Doriden) 30 mg tablets	1%	1%
Other Sleep or Anesthetics	1%	1%
<b>APPENDICES</b>		
Alprazolam	0%	1%
Clonazepam	1%	1%
<b>OVER THE COUNTER MEDICATION</b>		
Valium	1%	1%
Other	1%	1%

**Internet & Marketing Report**

5 real Web site improvements most marketers missed

- 1. Use the home page as a landing page
- 2. Use the home page as a landing page
- 3. Use the home page as a landing page
- 4. Use the home page as a landing page
- 5. Use the home page as a landing page



## Data examples - Government

- Demographics from the most recent U.S. Census can be searched online by state and by zip code  
<http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>
  - Ages, household and family size, income, ethnicity, etc.
  - All of which can provide information as to the characteristics of potential customers in the surrounding area
- Average annual consumption levels for hundreds of foods in the US can be found on USDA's Economic Research Service (USDA-ERS) website [http://www.ers.usda.gov/data-products/food-availability-\(per-capita\)-data-system/.aspx](http://www.ers.usda.gov/data-products/food-availability-(per-capita)-data-system/.aspx)
  - ERS data is for standard, conventional products only



## Customer or Market Assessment Surveys

- Surveys are the most popular method for collecting data
- Variety of methods including
  - Telephone survey
  - Face-to-face (in-person) survey
  - Internet survey
  - Dot survey
  - Observation
  - Informal interview





## Telephone surveys

- Telephone surveys are conducted by calling individuals and having them answer questions over the phone
- Advantages of telephone surveys
  - Interviewer can encourage respondent to answer all the questions
  - Responses can be analyzed immediately
- Disadvantages of telephone surveys
  - Expensive to pay telephone interviewers
  - As with mail surveys, random sampling is best, but call list can be put together from phone book if necessary
  - Many residents now only have cell numbers, unlisted numbers



## In-Person Interviews

- An in-person interview is a survey administered face-to-face
- Advantages of in-person interviews
  - Interviewer can encourage respondents to fully complete survey
  - Results can be analyzed immediately
  - Specific populations can be targeted
    - Farmers' markets, grocery stores, etc.
- Disadvantages of in-person interviews
  - Costly to pay interviewers
  - Some respondents may not be unwilling to reveal information about themselves to a stranger
  - Must have permission to conduct these interviews in a public place





## Internet Survey

- An web-based survey is conducted via software online
  - A letter, post card, or email is sent out inviting respondents to take the survey
- Advantages of internet surveys
  - May be completed faster than other survey types
  - May be less expensive to conduct than other survey types
  - Some software ensures that respondents have to answer all the questions
  - Results can be analyzed immediately
  - Some online survey providers can supply email listings of target audience



## Internet Survey, cont.

- Disadvantages of Internet surveys
  - Population of interest must have Internet access
    - Contacting the population of interest may be more difficult than with other methods
  - Some individuals may be uncomfortable providing sensitive information (such as household income) over the Internet



the world's best online survey software.



## Dot Survey

- Dot surveys or posters are used to focus on just a few important questions
- Technique involves usually no more than four questions displayed on an easel
- Response categories are listed as well
- Respondents place stickers or “dots” in the proper category to indicate their response



## Dot Survey, cont.

- Advantages of dot surveys
  - Offer an alternative to written and oral surveys
  - Simple to complete-has been found to increase response rates over other survey types
- Disadvantages of dot surveys
  - Can only ask a few questions
  - Respondents can see responses from other respondents-may be swayed by what they see
    - Argument that this effect is similar to real-world activity, such as fad items and impulse buying





## Interviews & Observation

- Used to understand behavior, evaluate reactions
  - Focuses on image, product usage, and associations with name
- May be focus groups in which a group of target customers is asked a lengthy set of questions
- Informal interviews consist of asking the same simple, but specific questions of many people
- Observation consists of observing consumers and taking note of their behavior, perhaps reaction to trying a new product or flavor
- Providing samples, comment cards, recording impressions/behaviors at sales venues, customer appreciation events, etc.



## Estimating Market Size



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## Estimating Market Size – Farm Tourism Examples

- Local Tourists
  - Local customers traveling for a day or weekend outing, such as in-state or less than 100 miles away
  - U-pick strawberry operation example
- Destination Tourists
  - Visitors on a long vacation to specific destinations
    - National and state parks, heritage sites, etc.
  - Farm tourism venture example



## Local Tourists

- If selling items directly from farm/ranch
  - Consider how far you can expect customers to travel
- The USDA Forest Service's National Survey on Recreation found the average distance traveled to visit a farm in 2000 was 80 miles
- Western operators find their consumers travel over 75 miles to participate in U-picks, farm festivals, and related farm activities
  - No alternatives exist in their metro area





## Local Tourists

- Potential number of customers
  - Demographics and population size in the area are important for estimating demand
    - Demographics from the most recent U.S. Census can be searched online by state and ZIP code - <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>
      - Ages, household and family size, income, ethnicity, etc.
      - All of which can provide information as to the characteristics of potential customers in the surrounding area
- Potential purchase size
  - Examining current and historical consumption patterns can be helpful
    - Average annual consumption levels for hundreds of foods can be found on the USDA's Economic Research Service (USDA-ERS) website - [http://www.ers.usda.gov/data-products/food-availability-\(per-capita\)-data-system/.aspx](http://www.ers.usda.gov/data-products/food-availability-(per-capita)-data-system/.aspx)
    - ERS data is for standard, conventional products only



## U-Pick Example

- A strawberry producer is considering turning one acre of the operation into a U-pick
- Estimates that each acre will yield 10,000 pounds
- The average annual consumption of strawberries per person is 8 pounds (ERS, 2014)
- Use the following equation to determine the appropriate market size when selling one week's consumption of strawberries

$$\frac{(\text{Acres in operation}) * (\text{Output per acre})}{(\text{Average consumption per person/year}) / (52 \text{ weeks/year})} = \text{Market size required}$$

$$= \frac{10,000}{8 / 52} = \frac{10,000}{.154} = 64,935$$

- The producer will need a market size of 64,935 consumers/visits annually to sell all output





## U-Pick Example

- For the U-pick strawberry operation, the producer may be interested in targeting families.
  - Helpful to know if nearby communities have enough families to make up a portion of the 65,000 consumers needed to make the U-pick operation feasible.
- Bend/Redmond, OR (less than 75 miles from Warm Springs Indian Reservation)
  - 26,073 families, average of 3.5 persons (2010 Census)
  - 91,255 potential customers



## U-Pick Example

- What percentage might visit the u-pick?
  - If 40%, then 36,502 customers
    - Almost 30% of the U.S. population visited farms one or more times (2000)
      - But, agritourism has been growing at a rate of 6% annually
- If customers purchase 16 pounds annually for freezing/canning
  - Only need 32,467 customers/visits annually





## Destination Tourists

- Many rural areas in the West are located between a major urban center and national/state parks, ski resorts, etc.
  - Vacation destinations for many foreign and out-of-state visitors
- Estimating the potential size of these markets requires information on
  - Where visitors are coming from
  - Where visitors are returning to



## Grand Canyon National Park Example

- Consider Grand Canyon National Park (GCNP)
  - Attracts around 4.4 million visitors annually
    - GCNP Statistics at <http://www.nps.gov/grca/learn/management/statistics.htm>
- Seasonal visitation is another important item to consider
  - Annual visits to the GCNP by season
    - Winter: 11% of total visits
    - Spring: 27% of total visits
    - Summer: 39% of total visits
    - Fall: 23% of total visits
  - Visitation by month at <https://irma.nps.gov/Stats/Reports/Park/GRCA>





## Grand Canyon National Park Example

- Where visitors to Grand Canyon National Park stayed before and after visiting the park

Destination	Before	After	Destination	Before	After
Flagstaff, AZ	17.5%	10.6%	St. George, UT	1.5%	1.4%
Williams, AZ	12.6%	7.3%	Scottsdale, AZ	1.4%	1.5%
Las Vegas, NV	9.4%	12.7%	Zion National Park, UT	1.4%	1.7%
Sedona, AZ	6.0%	6.7%	Jacob Lake, AZ	1.4%	<1%
Phoenix, AZ	5.3%	8.0%	Kingman, AZ	1.3%	2.1%
Tusayan, AZ	4.3%	2.4%	Tucson, AZ	1.2%	<1%
Page, AZ	3.4%	4.0%	Holbrook, AZ	1.1%	1.1%
Kanab, UT	1.9%	1.4%	Albuquerque, NM	1.0%	1.2%
Bryce Canyon National Park, UT	1.7%	2.1%	Cameron, AZ	1.0%	<1%



## Grand Canyon National Park Example

- Consider a business located between Page, AZ, and GCNP
  - 3.4% of visitors stayed in Page prior to visiting GCNP
  - 4.0% of visitors stayed in Page after visiting GCNP
- The average number of visitors who would pass by this business location can be found with the following equation:

$$\frac{(\text{Total annual visitors}) * (\text{Average percentage of visitors})}{12} = \text{Average monthly visits}$$

$$\frac{(4.4 \text{ million visitors}) * ((.034 + .040) / 2)}{12} = 13,567 \text{ visitors}$$

- The number of GCNP visitors that would pass by the business location each month averages 13,567
  - With a low of around 5,970 visitors during the winter months (11% of total)
  - And a high of 21,164 visitors during the summer months (39% of total)





## Grand Canyon National Park Example

- The Page, AZ, business is a farm tourism venture (hay rides, farm stays, etc.)
  - Assume venture needs to earn an average of \$10,000 in sales monthly to be viable
  - Expects average purchase of \$25/person
- Calculate the percentage of total visitors to GCNP the venture needs to attract

$$\frac{\text{Monthly sales needed/Expected sales per visitor}}{\text{Estimated monthly visitors}} = \text{Percentage of total visitors needed}$$

$$\frac{\$10,000/\$25}{13,567} = 2.9\%$$



## Grand Canyon National Park Example

- The venture would need to attract 2.9%, on average, of the monthly GCNP visitors
  - 6.7% of winter visits
  - 1.9% of summer visits
- This is a fairly high percentage of total visitors
- For the business plan to work, the venture may try
  - Starting the venture on a smaller scale
  - Attracting more of the heavy summer traffic





# Product Pricing



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## Estimating Product Price

- Major pricing approaches
  - Cost-based
  - Demand-oriented
  - Competition-oriented
    - Not normally used independently





## Cost-Based Pricing

- Cost-plus pricing
  - Price equals total costs divided by number of units
  - Shortcomings
    - Not tied to consumer demand
    - No incentive to reduce costs
    - Adjustments for rising costs poor
- Mark-up pricing
  - Add a percentage to the cost of product (mark-up)
  - Very popular for retailers and wholesales
    - Easy, too many products to estimate demand
  - Shortcomings
    - Not tied to demand
    - Profit biased by pricing



## Retail Distribution Example

- Plan to sell product retail (local tourist shop)
- Set pricing at retail level and then evaluate demand
  - Ask wholesales and retailers what margin they require
- Example
  - \$5.00 cost of production
    - Multiply by 1.25 for wholesale price (Average 20-30%)
  - \$6.25 wholesale
    - Multiply by 1.40 for retail price (Average 30-50%)
  - \$8.75 retail
- Will consumers pay \$8.75?
- Need to use this price at all outlets





## Demand-Oriented Pricing

- Price at customer value (willingness to pay)
- Price skimming
  - Charge high price at first to pick up consumers willing to pay more
  - Gradually reduce price to pick up consumers who are more price sensitive
- Penetration pricing
  - Initial low price to capture market share
  - Discourages competition
  - Price is increased later when consumers are hooked
  - Common in new food products



## Competition-Oriented Pricing

- Simple form of pricing
- Ideal when similar products exist
- Penetration pricing
  - Lower than competition price
  - Creates demand
- Parity pricing
  - Equal to competition price
- Premium pricing
  - Higher than competition price
  - Signals higher quality





## Competitive Analysis

- How many competitors operate in the market?
- Are competitors large or small? Near or far?
- What types and numbers of products do they sell?
- What pricing methods do they use?



## Consider External Factors In Pricing

- Distribution
  - Wholesale and retail margins
  - Transportation and packaging costs
- Environmental factors
  - Taxes, weather events, fad diets, energy policy
- Legal/regulatory factors
  - Labeling, certification, permits, safety





## Pomegranate Juice Pricing Example

- Produce and sell juice at specialty/health stores
- Cost of production is \$0.80 per 8 oz. juice
  - \$0.80 cost of production (multiply by 1.20)
  - \$0.96 cost with profit (multiply by 1.25)
  - \$1.20 wholesale price (multiply by 1.40)
  - \$1.68 minimum retail price required
- \$1.47 per 8 oz. retail price (ERS, 2013)
  - Pricing data is U.S. average, specialty retail price may be much higher
  - Target market may be willing to pay more (health benefits, families with children, seniors, etc.)
  - What packaging, labeling, etc. may differentiate the product?



## U-Pick Pricing Example

- Strawberry U-pick operation
  - 10,000 pounds per acre
  - \$23,600 in revenue per acre
    - \$2.36 per pound retail price (ERS, U.S. average 2013)
  - \$18.88 in revenue per person
    - Average consumption is 8 pounds/year (ERS, 2014)
- Need to know the cost of production (including visitor services, permits, etc.)





## U-Pick Pricing Example

- Considerations
- Visitors may purchase much more than 8 pounds annually (processing, events, etc.)
- Visitors may be willing to pay more or less than retail depending on...
  - Experience
    - Family outings, may pay much more per pound for the farm experience
  - Amount purchased
    - Bulk purchases for canning, freezing, etc., may pay less per pound
  - Specialty item
    - For organic, and other specialty labels or designations may pay more per pound
    - \$3.48 organic wholesale price per pound (ERS, San Fran 2013)



## Food Product Pricing Resources

- Fresh and processed fruits and vegetables
  - <http://www.ers.usda.gov/data-products/fruit-and-vegetable-prices.aspx>
- Meats and poultry
  - <http://www.ers.usda.gov/data-products/meat-price-spreads.aspx>
- Organic foods
  - <http://www.ers.usda.gov/data-products/organic-prices.aspx>
- Drinks and meals away from home
  - <http://www.ers.usda.gov/data-products/quarterly-food-away-from-home-prices.aspx>





## Assessing Consumer Sensitivity to Pricing

- Nine primary effects influence consumer price sensitivity
  - Perceived substitute effect
    - How many substitutes exist? If many, consumers will be more price sensitive
  - Unique value effect
    - Consumers less price sensitive if the product is “unique”
    - Increase market share through differentiation
  - Switching cost effect
    - Cost of changing from one product to another
    - People are reluctant to change and seek out new information
    - Consumers less price sensitive given large switching costs



## Assessing Consumer Sensitivity to Pricing

- Difficult comparison effect
  - If products/services are hard to compare, consumers are less price sensitive
- Price-quality effect
  - Often associate a higher price with higher quality
- Expenditure effect
  - More sensitive to price changes on large, expensive items than small, inexpensive ones
    - Price changes on meat compared to salt





## Assessing Consumer Sensitivity to Pricing

- Fairness effect
  - Impacted by what they consider fair (sense of value-added)
- Inventory effect
  - Seasonality affects price sensitivity
    - Higher demand for steak in summer due to outdoor grilling
- End-benefit effect
  - Some consumers willing to pay more for products that protect the environment, preserve open space, support family farms, etc.



## Market Assessment Process

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  - Estimate market size
    - Available customer base and purchase amounts
  - Estimate a feasible range of prices
    - To cover production costs
  - Assess consumer sensitivity to pricing





## Additional Resources

- U.S. Census demographic data - <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>
- USDA's Economic Research Service (USDA-ERS) consumption data - [http://www.ers.usda.gov/data-products/food-availability-\(per-capita\)-data-system/.aspx](http://www.ers.usda.gov/data-products/food-availability-(per-capita)-data-system/.aspx)
- Target marketing tools and guides from the Western Extension Marketing Committee - <http://valueaddededag.org/>
- Agritourism and food tourism product development and marketing - <http://diverseag.org/htm/farm-and-food-tourism>
- Cooperative Extension Service, available in each state – Utah State University (<https://extension.usu.edu/>), University of Nevada, Reno (<https://www.unce.unr.edu/>), University of Arizona (<https://extension.arizona.edu/>), and Oregon State University (<http://extension.oregonstate.edu/>)
- Small Business Development Centers (SBDC), available in each state - <https://www.sba.gov/tools/local-assistance/sbdc>
- National Sustainable Agriculture Assistance Program (ATTRA) - <https://attra.ncat.org/index.php>
- AgPlan - <https://agplan.umn.edu/>



## Worksheets

- The following worksheets may be used to develop your marketing plan
  - Product/service description
  - Target market(s) description
  - Sales volume estimation
  - Competition overview
  - Pricing strategies
  - Promotion plan





# Thank You

This material is based upon work supported by USDA/NIFA under Award Number 2015-49200-24225.



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## Business Management Module 2: Product Description

Describe your enterprise or product. Begin by noting industry trends, general market conditions, and/or perceived marketing opportunities that may exist locally, regionally, nationally, or internationally. Then describe the unique features that distinguish your product or service within the marketplace. How easily could competitors imitate these features?

**Enterprise or Product:** \_\_\_\_\_

**Industry Trends/Changing Market Conditions:**

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**Characteristic 1:** \_\_\_\_\_

Easy to imitate? Y/N \_\_\_\_\_

**Characteristic 2:** \_\_\_\_\_

Easy to imitate? Y/N \_\_\_\_\_

**Characteristic 3:** \_\_\_\_\_

Easy to imitate? Y/N \_\_\_\_\_

**Summarize the unique features that distinguish the product/enterprise in the marketplace:**

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**What partners or other support do you have?**

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## Business Management Module 2: Customer Segmentation

Develop a profile of the customer(s) you intend to target by market segment. Note the geographic, demographic, and value characteristics of each segment. Be sure to describe customer needs and preferences relevant to your product/service.

**Enterprise/Product:** \_\_\_\_\_

Customer Segment:	1.	2.	3.
<b>Geographic (location, state, county, etc.):</b>	_____ _____ _____ _____ _____	_____ _____ _____ _____ _____	_____ _____ _____ _____ _____
<b>Demographics (age, education, income, families, etc.):</b>	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____
<b>Values (local sourcing, open space, sustainability, etc.):</b>	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____
<b>Needs/Preferences:</b>	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____

## Business Management Module 2: Potential Volume

Use information about average product consumption, geographic location, and customer preferences to develop simple sales projections for each segment of your market. Be sure to specify the timeframe (month, season, year) for each projection. You may want to calculate your potential sales volume for best and worst case scenarios, adjusting the estimated sales volume per customer and the potential number of customers as market conditions may change. Finally, describe any assumptions upon which your sales estimates are based. Be sure to list data sources (such as surveys, market reports, online resources, etc.).

**Enterprise/Product:** \_\_\_\_\_

**Time Frame:** \_\_\_\_\_

<b>Customer Segment:</b>	<b>1.</b>	<b>2.</b>	<b>3.</b>
<b>Potential number of customers: (a)</b>	_____	_____	_____
<b>Estimated volume per customer: (b)</b>	_____	_____	_____
<b>Potential sales volume: (a x b) =</b>	_____	_____	_____

### **Market Assumptions/Research Results:**

Describe your marketing assumptions and research. Include information about general industry conditions, competition, and future market potential for your product.

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## Business Management Module 2: Competition

List the competitors for each of your markets. Describe their marketing strategies and the prices they charge. Note any advantages and disadvantages you may have with respect to your competition. Then develop and describe your strategy for competing or positioning your business in the marketplace.

Enterprise/Product \_\_\_\_\_

Market Segment:	1.	2.	3.
Competitor names:	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Products/services:	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Major characteristics:	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Price range:	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Our advantages:	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
Our disadvantages:	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

## Business Management Module 2: Competition



**Competition Strategy:**

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## Business Management Module 2: Pricing



List the price range for similar products/services offered by competitors. Next, think about how you might price your product/service. Consider how much power you have to set the price and how sensitive demand is to price changes. Then describe your pricing strategies and list your low, expected, and high price under each pricing strategy alternative. Finally summarize your pricing strategy in the space provided.

**Enterprise/Product:** \_\_\_\_\_

**Competitor/Industry Price Range:** \_\_\_\_\_

**Our power to set prices:** (Low) 1 2 3 4 5 (High)

**Demand sensitivity to price changes:** (Low) 1 2 3 4 5 (High)

Price Range:	Low	Expected	High
<b>Price Strategy 1:</b>	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

<b>Price Strategy 2:</b>	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Pricing Strategy:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



## Business Management Module 2: Promotion Plan



Choose a promotional approach (product image, benefits, brand, etc.) for each customer segment. Then use your information about customer needs and preferences to develop a promotional message for this product. Next, think about what advertising tools and delivery methods you can use to communicate your message. Describe how often you intend to promote your product/service and communicate with customers (timing and frequency). It may be helpful to map out an advertising plan that corresponds with slow demand periods or peak product availability. Finally, summarize your promotion strategy for this product/service.

**Enterprise/Product:** \_\_\_\_\_

Customer segment:	1.	2.	3.
<b>Approach:</b> - Product image, benefits, brand, etc.	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
<b>Message:</b> - "Slogan"	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
<b>Tools:</b> - Flyers, websites, etc.	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
<b>Timing/Frequency:</b>	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
<b>Message:</b> - "Slogan"	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
<b>Promotion Strategy:</b>	_____		
	_____		



## Business Management Module 2: Promotion Plan



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# Direct Market Fresh Produce Pricing Overview



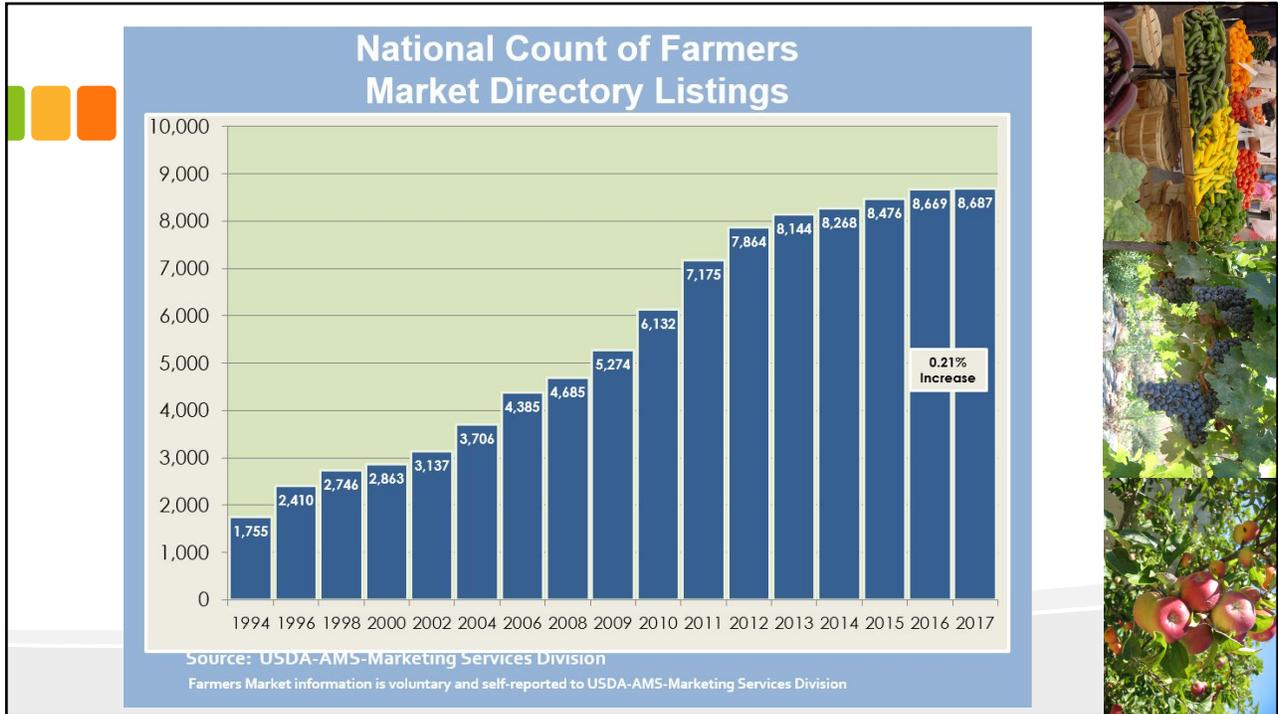
United States Department of Agriculture  
National Institute of Food and Agriculture



## Introduction

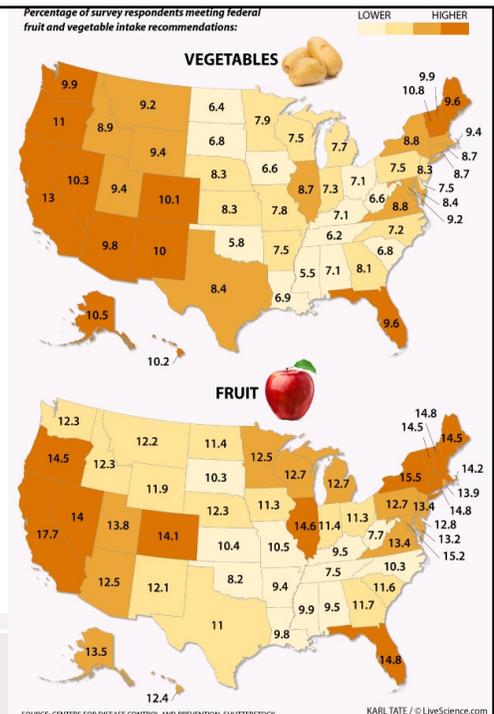
- The growth rate of farmers' markets has slowed in recent years
- Farmers are seeking a new customer base
- Price setting at direct markets difficult for farmers
- Consumers want fresh, quality produce at an affordable price
- Low income households perceive direct markets to be more expensive than grocery stores





## Introduction

- Health benefits of consuming recommended levels of fruits and vegetables
  - Lowers risk of chronic diseases
  - Decreases risk for obesity
- Yet, only 5-20% of the U.S. population meet the recommended intake
- Especially true for low-income households





## Introduction

- USDA programs for SNAP participants to shop at farmers' markets

	2008 Participation	2015 Participation	% Increase	2008 Redemptions	2015 Redemptions	% Increase
Utah	4	31	675%	\$5,667	\$75,428	1,231%
National	753	6,996	829%	\$2.7 million	\$20.2 million	639%

- In 2015, state agencies collectively issued ~\$70.6 billion in SNAP benefits, of that, Utah issued \$313.8 million in benefits



## Goals

- Illustrate pricing differences for fresh produce at direct market and traditional grocery stores
- Illustrate pricing differences between organically and conventionally grown produce at direct markets and grocery stores
- Illustrate pricing differences for fresh produce at local and national chain grocery stores
- Provide direct market fresh produce pricing information for produce growers
- Alleviate consumer misconceptions concerning the cost of fresh produce at direct markets and local grocery stores





## Fresh Produce Pricing Data

- Collected June to October 2016 & June to September 2017
  - 8 Farmers’ markets across Utah
  - 14 Local/national grocery stores
  - 32 Fresh produce items
- Total observations
  - 2,546 Farmers’ market observations
  - 10,038 Grocery store observations
- Comparisons made on an individual produce items, as well as a “basket of produce”
- Compare local vs. national grocery store chains, organic vs. conventional, and farmers’ market vs. grocery store



## Grocery Store vs. Farmers’ Market

### Conventional Basket of Produce

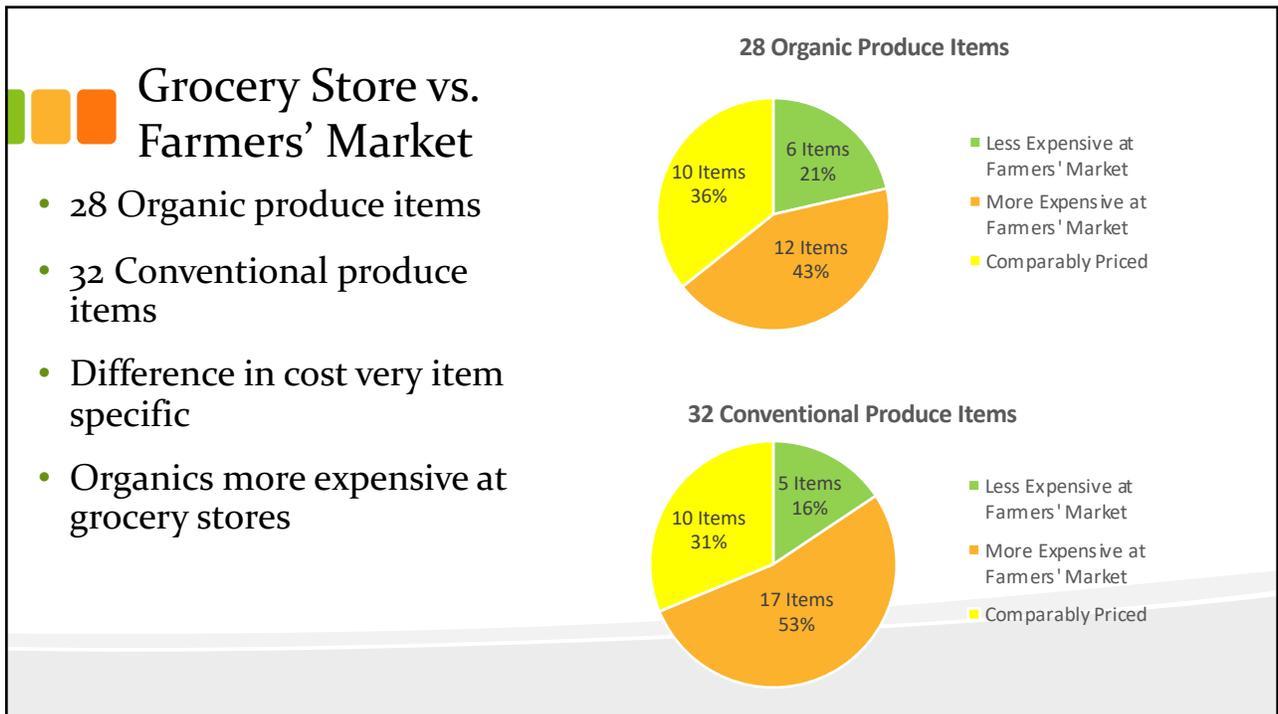
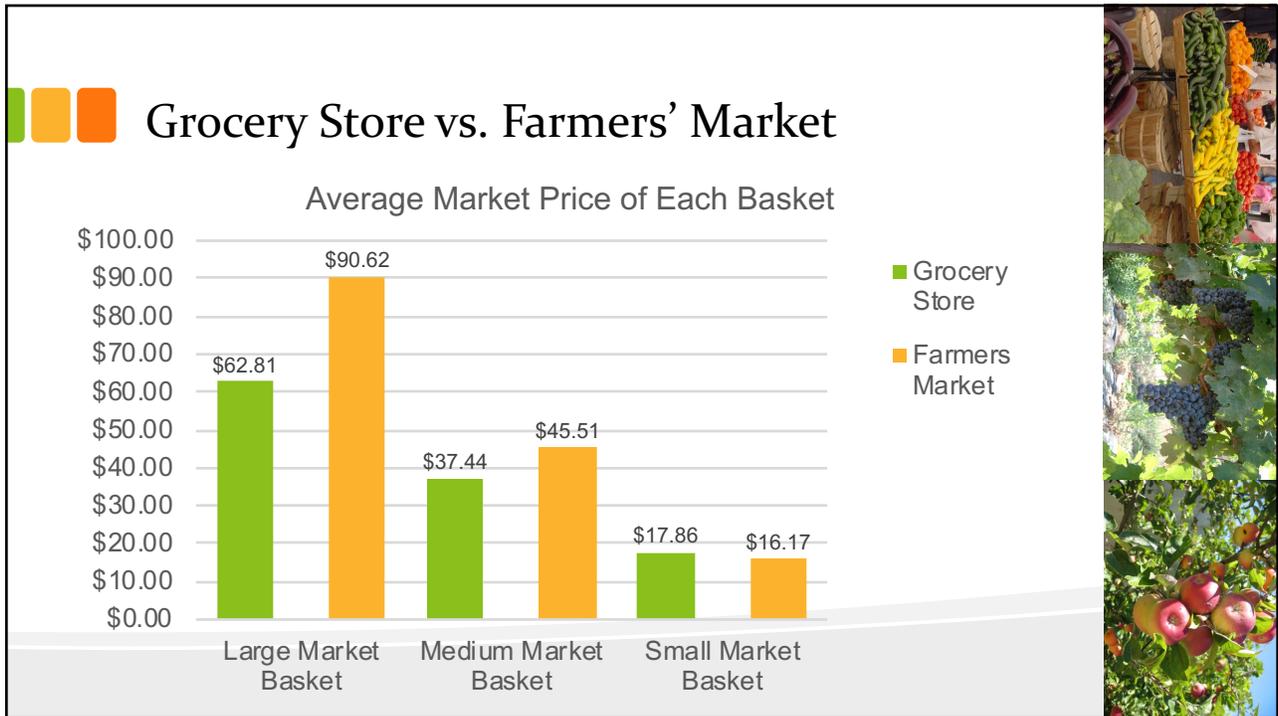
Quantity	Item	Average Weight	Grocery Store Price	Farmers’ Market Price	Diff.
1 ea	Cantaloupe	3.5 lbs	\$1.87	\$2.95	-37%
1 bunch	Carrots	2 lbs	\$1.61	\$4.27	-62%
1 ea	Cucumber	12 oz	\$0.81	\$0.84	-4%
2 ea	Green Bell Pepper	1.3 lbs	\$2.21	\$2.16	2%
1 bag	Mixed Greens	12 oz	\$5.45	\$4.99	9%
3 ea	Onions Yellow	2.5 lbs	\$1.83	\$3.02	-40%
1 bag	Red Potatoes	5 lbs	\$4.58	\$7.72	-41%
1 head	Romaine	1.2 lbs	\$1.51	\$4.47	-66%
1 carton	Strawberries	1 lbs	\$2.59	\$5.37	-52%
4 ears	Sweet Corn	3.8 lbs	\$1.96	\$1.69	16%
1 pint	Tomatoes Cherry	10.5 oz	\$3.26	\$2.50	31%
2 lbs	Tomatoes Slicing	2 lbs	\$3.30	\$3.20	3%
1 ea	Watermelon	10 lbs	\$4.49	\$4.36	3%
1 ea	Zucchini	14 oz	\$1.19	\$0.85	41%
<b>Total Price</b>			<b>\$36.66</b>	<b>\$48.38</b>	<b>-24%</b>

95% CI: p-value = 0.0917

### Organic Basket of Produce

Quantity	Item	Average Weight	Grocery Store Price	Farmers’ Market Price	Diff.
1 ea	Cantaloupe	3.5 lbs	\$3.40	\$2.45	39%
1 bunch	Carrots	2 lbs	\$2.54	\$4.67	-46%
1 ea	Cucumber	12 oz	\$1.68	\$1.54	9%
2 ea	Green Bell Pepper	1.3 lbs	\$4.04	\$2.97	36%
1 bag	Mixed Greens	12 oz	\$6.64	\$4.25	56%
3 ea	Onions Yellow	2.5 lbs	\$3.07	\$4.91	-37%
1 bag	Red Potatoes	5 lbs	\$6.99	\$10.42	-33%
1 head	Romaine	1.2 lbs	\$2.79	\$3.55	-21%
1 carton	Strawberries	1 lbs	\$3.87	\$9.38	-59%
4 ears	Sweet Corn	3.8 lbs	\$4.95	\$3.34	48%
1 pint	Tomatoes Cherry	10.5 oz	\$3.05	\$3.12	-2%
2 lbs	Tomatoes Slicing	2 lbs	\$5.08	\$5.08	0%
1 ea	Watermelon	10 lbs	\$9.35	\$5.00	87%
1 ea	Zucchini	14 oz	\$2.37	\$2.02	17%
<b>Total Price</b>			<b>\$59.83</b>	<b>\$62.70</b>	<b>-5%</b>

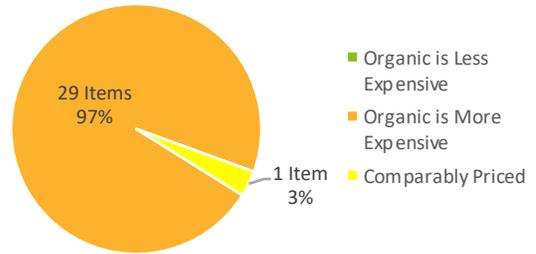
95% CI : p-value = 0.1386



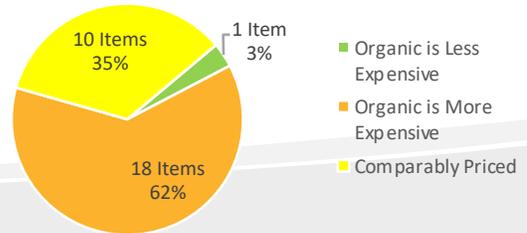
## Organic vs. Conventional

- Comparison of 29 and 30 fresh produce items
- Organic produce is more expensive than conventional produce at grocery stores
- Some organic products are less expensive than conventional at farmers' markets

30 Grocery Store Produce Items



29 Farmers' Market Produce Items



## National vs. Local Grocery Stores

### Conventional Basket of Produce

Quantity	Item	Average Weight	National Grocery Store	Local Grocery Store	Diff.
1 ea	Cantaloupe	3.5 lbs	\$1.80	\$1.94	-7%
1 bunch	Carrots	2 lbs	\$1.66	\$1.55	7%
1 ea	Cucumber	12 oz	\$0.78	\$0.84	-8%
2 ea	Green Bell Pepper	1.3 lbs	\$2.13	\$2.31	-8%
1 bag	Mixed Greens	12 oz	\$5.39	\$5.52	-2%
3 ea	Onions Yellow	2.5 lbs	\$1.87	\$1.78	5%
1 bag	Red Potatoes	5 lbs	\$4.73	\$4.40	7%
1 head	Romaine	1.2 lbs	\$1.76	\$1.28	38%
1 carton	Strawberries	1 lbs	\$2.49	\$2.72	-8%
4 ears	Sweet Corn	3.8 lbs	\$1.83	\$2.10	-13%
1 pint	Tomatoes Cherry	10.5 oz	\$3.24	\$3.28	-1%
2 lbs	Tomatoes Slicing	2 lbs	\$3.54	\$3.02	17%
1 ea	Watermelon	10 lbs	\$4.82	\$4.15	16%
1 ea	Zucchini	14 oz	\$1.26	\$1.13	12%
<b>Total Price</b>			<b>\$37.31</b>	<b>\$36.02</b>	<b>4%</b>

### Organic Basket of Produce

Quantity	Item	Average Weight	National Grocery Store	Local Grocery Store	Diff.
1 ea	Cantaloupe	3.5 lbs	\$3.25	\$3.73	-13%
1 bunch	Carrots	2 lbs	\$2.55	\$2.50	2%
1 ea	Cucumber	12 oz	\$1.70	\$1.65	3%
2 ea	Green Bell Pepper	1.3 lbs	\$3.52	\$4.94	-29%
1 bag	Mixed Greens	12 oz	\$6.24	\$7.18	-13%
3 ea	Onions Yellow	2.5 lbs	\$2.56	\$3.93	-35%
1 bag	Red Potatoes	5 lbs	\$6.87	\$7.30	-6%
1 head	Romaine	1.2 lbs	\$3.08	\$1.83	68%
1 carton	Strawberries	1 lbs	\$3.65	\$4.39	-17%
4 ears	Sweet Corn	3.8 lbs	\$7.83	\$2.08	277%
1 pint	Tomatoes Cherry	10.5 oz	\$3.15	\$2.81	12%
2 lbs	Tomatoes Slicing	2 lbs	\$4.81	\$5.63	-15%
1 ea	Watermelon	10 lbs	\$8.66	\$11.42	-24%
1 ea	Zucchini	14 oz	\$2.59	\$1.65	57%
<b>Total Price</b>			<b>\$60.46</b>	<b>\$61.05</b>	<b>-1%</b>

Local grocery less expensive than national chains for conventional produce



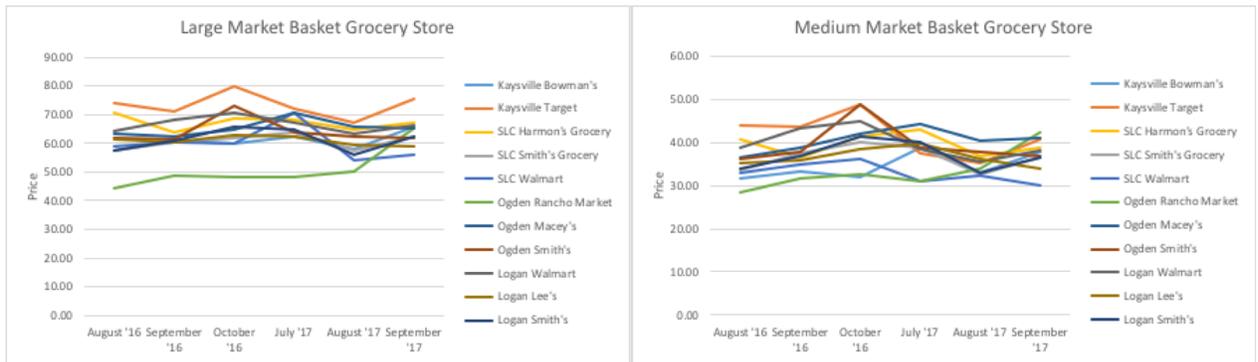
## Grocery Store Comparison

### Conventional Basket of Produce

Quantity	Item	Average Weight	Lee's Marketplace*	Smith's Grocery	Walmart	Macey's*	Rancho Market*	Bowman's Market*	Target	Harmon's Grocery*	City Market	Village Market*	Davis*	Lin's*	
1 ea	Cantaloupe	3.5lbs	\$2.12	\$1.93	\$1.54	\$1.81	\$1.93	\$1.66	\$1.95	\$2.36	\$1.77	\$1.59	\$0.97	\$2.49	
1 bunch	Carrots	2lbs	\$1.63	\$1.65	\$1.36	\$1.72	\$1.30	\$1.42	\$1.66	\$1.65	\$5.88	\$1.57	\$0.00	\$1.23	
1 ea	Cucumber	12oz	\$0.86	\$0.73	\$0.72	\$0.85	\$0.66	\$0.88	\$0.95	\$0.88	\$1.33	\$1.23	\$0.00	\$0.67	
2 ea	Green Bell Pepper	1.3lbs	\$2.18	\$2.21	\$1.87	\$2.52	\$1.95	\$2.34	\$2.44	\$2.37	\$1.69	\$2.93	\$3.57	\$1.51	
1 bag	Mixed Greens	12oz	\$5.50	\$5.78	\$4.12	\$5.39	N/A	\$5.04	\$6.14	\$6.09	\$7.48	\$7.11	\$6.18	N/A	
3 ea	Onions Yellow	2.5lbs	\$1.72	\$1.88	\$1.67	\$2.06	\$1.13	\$1.83	\$2.17	\$1.93	\$2.13	\$2.23	\$1.67	\$2.03	
1 bag	Red Potatoes	5lbs	\$4.22	\$5.19	\$3.82	\$5.00	\$4.52	\$3.96	\$4.83	\$4.55	\$6.64	\$2.79	\$4.07	\$4.42	
1 head	Romaine	1.2lbs	\$1.17	\$1.15	\$1.90	\$1.34	\$1.22	\$1.23	\$3.87	\$1.41	\$3.49	\$1.61	\$1.30	\$1.48	
1 carton	Strawberries	1lbs	\$2.64	\$2.60	\$2.21	\$2.57	\$1.45	\$2.33	\$2.69	\$3.65	\$2.58	\$3.68	\$0.00	\$2.58	
4 ears	Sweet Corn	3.8lbs	\$2.01	\$2.04	\$1.38	\$2.01	\$1.55	\$2.06	\$2.02	\$2.03	\$2.61	\$4.06	\$4.37	\$3.51	
1 pint	Tomatoes Cherry	10.5oz	\$3.52	\$3.63	\$2.75	\$3.25	\$2.05	\$3.08	\$3.07	\$3.45	\$3.67	N/A	\$2.13	\$4.11	
2 lbs	Tomatoes Slicing	2lbs	\$2.94	\$3.18	\$3.38	\$3.74	\$2.20	\$2.72	\$4.34	\$3.30	\$6.57	\$2.86	\$2.55	\$2.55	
1 ea	Watermelon	10lbs	\$4.07	\$4.95	\$5.24	\$4.46	\$2.88	\$4.88	\$3.58	\$3.91	\$6.28	\$8.14	\$2.58	\$5.05	
1 ea	Zucchini	14oz	\$1.28	\$1.07	\$1.52	\$1.22	\$0.79	\$1.03	\$1.30	\$1.14	\$1.59	\$1.79	\$1.19	\$1.16	
*Locally Owned			<b>Total Price</b>	<b>\$35.85</b>	<b>\$37.99</b>	<b>\$33.49</b>	<b>\$37.94</b>	<b>\$23.62</b>	<b>\$34.47</b>	<b>\$41.00</b>	<b>\$38.72</b>	<b>\$53.71</b>	<b>\$41.59</b>	<b>\$30.58</b>	<b>\$32.79</b>



## Grocery Store Comparison





## Farmers' Market Comparison

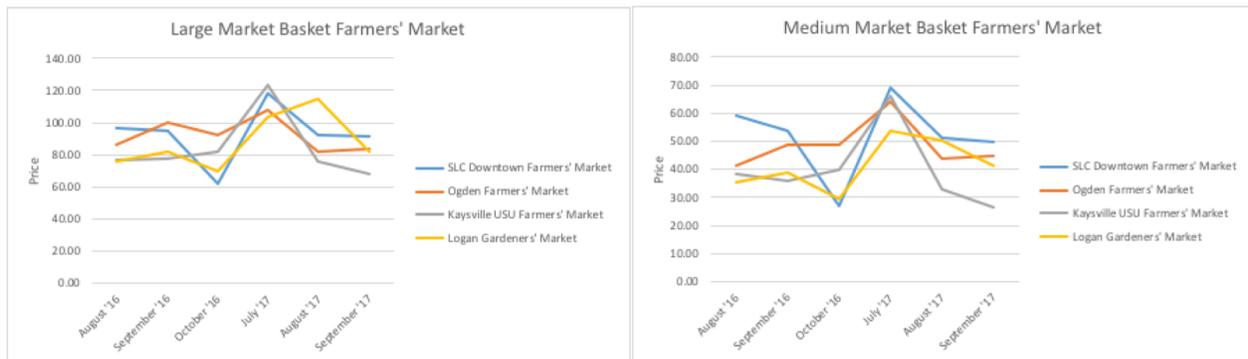
### Conventional Basket of Produce

Quantity	Item	Average Weight	Cache Valley Gardners' Market	Ogden Farmers' Market	USU Botanical Center Farmers' Market	SLC Downtown Farmers' Market
1ea	Cantaloupe	3.5lbs	\$2.99	\$2.15	\$3.51	\$2.42
1bunch	Carrots	2lbs	\$4.12	\$4.82	\$4.88	\$4.03
1ea	Cucumber	12oz	\$0.69	\$0.90	\$0.76	\$1.03
2ea	Green Bell Pepper	1.3lbs	\$1.80	\$2.23	\$2.03	\$1.88
1bag	Mixed Greens	12oz	\$3.43	\$7.20	\$6.00	\$5.21
3ea	Onions Yellow	2.5lbs	\$3.47	\$3.03	\$2.54	\$2.85
1bag	Red Potatoes	5lbs	\$6.50	\$7.77	\$5.85	\$11.00
1head	Romaine	1.2lbs	\$4.32	N/A	\$9.80	\$3.11
1carton	Strawberries	1lbs	\$5.47	\$4.17	N/A	\$7.56
4ears	Sweet Corn	3.8lbs	\$1.26	\$1.75	\$1.81	\$1.88
1pint	Tomatoes Cherry	10.5oz	\$3.13	\$2.15	\$1.98	\$2.84
2lbs	Tomatoes Slicing	2lbs	\$2.97	\$3.39	\$2.92	\$3.69
1ea	Watermelon	10lbs	\$4.23	\$4.08	\$3.86	\$4.41
1ea	Zucchini	14oz	\$0.62	\$0.66	\$0.79	\$1.00
<b>Total Price</b>			<b>\$44.98</b>	<b>\$44.30</b>	<b>\$46.75</b>	<b>\$52.91</b>

Some products not available at all markets.



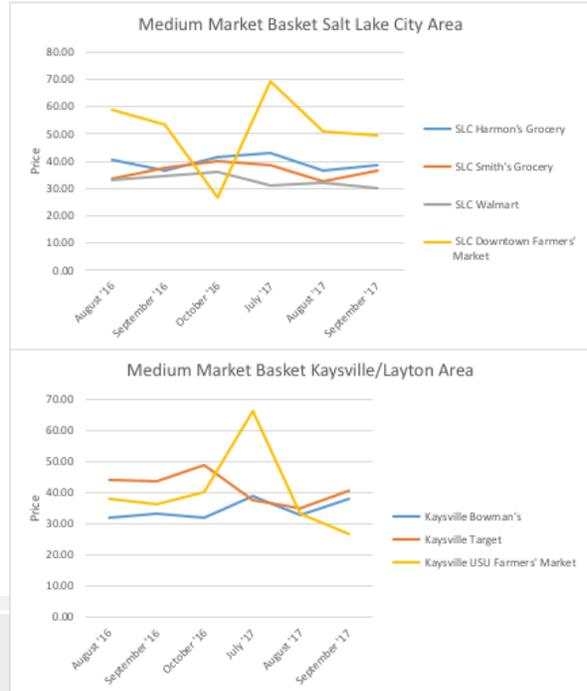
## Farmers' Market Comparison





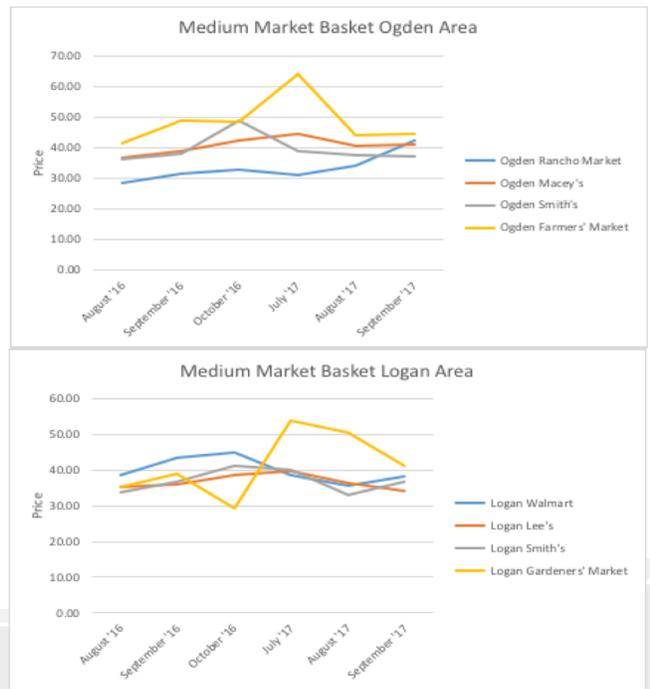
## Comparison by Area

- Farmers' market pricing more variable
- Spikes in the high season
- Lower pricing in October
- Farmers' markets more expensive only on certain months



## Comparison by Area

- Ogden market more expensive on average than grocery stores in the area
- Logan pricing lower in 2016 than in 2017





## Conclusions

- Pricing at local grocery stores competitive with national chains and in many cases lower
- Organic produce can be found at conventional prices more often at farmers' markets
- Farmers' market pricing volatile and differs between major farmers' markets
- Price comparison very item specific
- What do these mean for growers?



## Thank You

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National Institute of Food and Agriculture



EXTENSION  
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# Direct Market Sales Considerations



United States Department of Agriculture  
National Institute of Food and Agriculture



## Direct Market Alternatives

- **Farmers' Markets**
- Roadside Farm Stands
- Pick-Your-Own
- Farm Stores/Shops
- **Community Supported Agriculture Programs (CSAs)**
- **Restaurants**





## Why direct market?

- Opportunity for increased returns.....
  - Reduce marketing costs (trans, retail, packaging) – capture profits of middleman
  - Consumer willingness to purchase and pay a premium for fresh, high quality produce – improved pricing
    - Large consumer demand now for local foods due to food safety, environmental, energy usage, ag land preservation concerns
- Provide quantities (smaller) and/or quality differing from commercial markets



## Farmers' Markets

- Advantages/challenges
  - Travel time and transportation to market
  - Labor for market
  - Interaction with customers/use of existing customer base
  - Advertising/promotion by market
  - Set day/time
  - Sales/pricing uncertain
  - Need variety of products





## Farmers' Markets – Consumer Advantages

- Freshness, variety, and quality
- Local products
- Minimize “food miles,” energy usage
- Support local agriculture
- Socialization/community event
  
- Primary customer types
  - Organic and Health Enthusiasts
  - Homegrown Enthusiasts



## Customer Types – Organic/Health

- Willing to pay premium / less concerned with pricing
- Eat 70% of meals at home
- Healthy lifestyle – diet & exercise
- Concerned with food safety
- Higher education levels





## Target Organic & Health Enthusiasts

- Clear labeling for certified & non-certified organics
- Information
  - Recipes
  - Storage
  - Nutritional / safety benefits
- Wine pairings / meal planning



## Customer Types – Homegrown

- Less willing to pay premium / somewhat concerned with pricing
- Eat 90% of meals at home
- Supporters of local agriculture & ag open space
- More children in household
- Home gardeners
- Canning & storage





## Target Homegrown Enthusiasts

- Clearly label product origins – state & region
- Tell “farm story” with poster pictures & in brochures
- Family appeal of booth
- Information
  - Gardening / arid region suggestions
  - Canning / preserving
  - Recipes / preparation / pairing



## Farmers' Market Suggestions

- Present an attractive booth
- Use effective signage
- Employ well-trained staff
- Create Brand Identity
- Sell quality products





## Present an Attractive Booth

- Clean, tidy, organized
- Colorful, abundant, appealing
- Appropriate for your product
- Signs, pricing, identity
- Be creative





## Signage

- Easy to read, simply stated
- Show pricing
- Be creative
- Tell your story
- Banners – Utah's Own



*Buy*  
**local**  
**FIRST**  
U T A H



## Staff – Represent Your Business

- Staff should know the rules of each market and how to direct customers
- Staff should be able to describe your farm, growing practices, upcoming crops, retail outlets
- Train staff to always acknowledge waiting customers
- Talk about setting up sales for next week
- Hire friendly faces
- Consider name tags or uniforms





## Create Brand Identity/Tell Your Story

- Who are you? Why are you special? Where are you from?
- Consistency from market to market and week to week
- Learn to say direct from “your name”
- Use your name on signs, name tags, handouts, etc...



## Build Return Customers

- Successful vendors build relationships with their customers
- Repeat customers are key to success
- Sell quality products at fair market prices
- Deliver consistent, friendly service
- Get to know your regular customers by name





## Techniques for Repeat Sales

- Recipes, bags, tips
- Solicit feedback
- Collect email addresses to advertise upcoming crops and specials
- Distribute handouts (recipes, tips)
- Say “see you next week”
- Sell reusable containers, offer a discount if they are returned



## Community Supported Agriculture (CSA) Programs

- Farmer/group of farmers offer shares to the public
- A share is a box of vegetables/fruit and other farm products (bread, jam, etc.)
- Consumer purchase a share - subscription
- Consumer receives the share - box of vegetables/fruit each week during the growing season
- Shared risk between farmers and consumers
  - Share in the good (great yields) and the bad (weather, pest or other crop damage)





## CSAs –Advantages

- Marketing occurs before growing season - predefined market
- Share payments are made in advance - provides cash flow
- Develop relationship with customer – needs, feedback
- Usually also do farmers' markets and on farm stand in addition to CSA membership



## CSAs –Challenges

- Production complexity – 30 or more crops
- Shareholder administration and communication – CSA manager
- Turnover in share holders from year to year
- Need to provide high quality diverse products
- Consumer desire for variety – may need to have several farms working together
- Cleaning and packaging requirements
- Consumer education – seasonality, weather issues, cooking/recipes - newsletters
- Provide several drop-off locations – volunteer management





## CSAs – Consumer Advantages

- Availability of super fresh, healthy food
- Exposure to new veggies and varieties, new cooking ideas
- Exposure to farms and growing process
- Develop relationship with farmer - freshness, safety, support local business



## CSA Consumer Overview

- Highly educated
- More fully employed (vs. FM shoppers)
- Female and primary shopper
- Complete more home food prep (vs. FM shoppers)
- Food quality important
- Supporting local farmers important
- High incidence of vegetarians
- Variety and appearance less important (vs. FM shoppers)
- Organic less important





## CSA Suggestions

- Provide recipes with share baskets
- Hold cooking demonstrations
- Provide educational information on food preserving and gardening
- Allow own share packaging, or half shares
- Include weekly newsletter addressing seasonality and current weather issues
- Provide home delivery service



## Restaurants

- Target high-end or fine dining category
- Use of locally-produced , in-season, and specialty produce popular
- Why?
  - Perceived higher quality and freshness
  - Establish relationship with local grower, orders, quality, etc...
  - Restaurant customer requests for local products
  - Availability of unique or specialty varieties - heirlooms





## Restaurants - Advantages

- Higher return, product pricing
- Reliable customer base
- Build relationship with customer/local business
- Opportunity to grow special varieties



## Restaurants - Challenges

- Distribution – delivery, availability, variety
- Limited seasonal availability
- Low volume frequent sales
- High turnover – chefs move, restaurant closing
- Product packaging, labeling, processing to meet food safety regs may be costly





## Approaching Restaurants/Chefs

- Contact the chef or person in charge of food buying – never contact during meal service
- Research the menu, clientele, food philosophy
- Understand the key personnel – chefs, owners, managers
- Find out how they wish to be contacted and when (day/time)
- Invite the chef or buyer to your farm
- Bring samples of produce to share with the chef/buyer
- Schedule a winter visit for crop planning



## Approaching Restaurants/Chefs

- Prepare a “story” for your farm
- Provide overview of your products, volume, packaging, availability (season)
- Update chefs on availability regularly
- Grow unique items, select the best product for chefs
- Make weekly contact at agreed time, provide deliveries on time
- Immediately notify chef of potential shortages and/or change in delivery





## Resources

- Direct Marketing Guide for Fruit and Vegetable Producers at <http://www.utextension.utk.edu/publications/pbfiles/PB1711.pdf>
- CSA information for farmers at <http://www.nal.usda.gov/afsic/pubs/csa/csafarmer.shtml>
- Local Harvest at <http://www.localharvest.org/csa/>
- Utah's Own at <http://utahsown.utah.gov/>
- University Cooperative Extension Publications - <http://www.unce.unr.edu/> and <http://extension.usu.edu/>
- Chefs Collaborative at <http://chefscollaborative.org/>
- ATTRA at <http://attra.ncat.org/>



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