

Direct Market Strategies

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United States Department of Agriculture
National Institute of Food and Agriculture



Appalachian Sustainable Agriculture Project

Our mission is to help local farms thrive, link farmers to markets and supporters, and build healthy communities through connections to local food.



Our vision is of strong farms, thriving local food economies, and healthy communities where farming is valued as central to our heritage and our future.



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this publication, visit
[asapconnections.org/
report/end-of-tobacco/](http://asapconnections.org/report/end-of-tobacco/)



The End of Tobacco and the Rise of Local Food in Western North Carolina

Charlie Jackson and Allison Perrett
March 2018



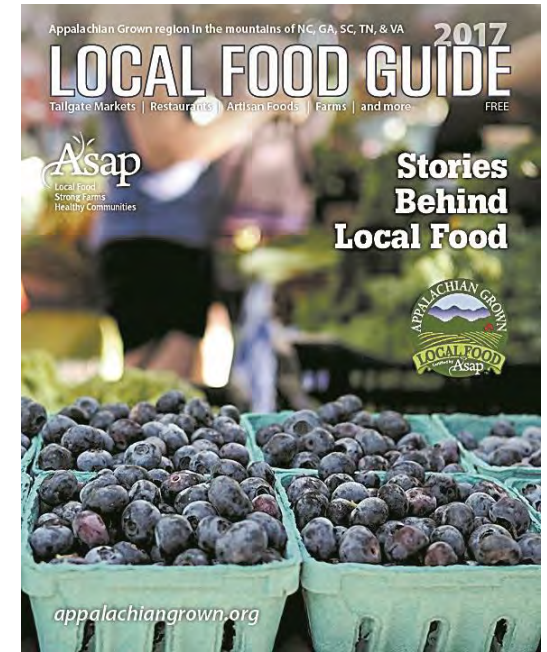
The Growth and Transition of Sustainable Production Practices in Western North Carolina



farm to school
an asap program

- School gardens
- Cooking in the classroom
- Farm field trips
- Local food in the cafeteria

Local Food Campaign



Directing Demand + Making Connections

Why Buy Local? Our Choices Matter.

Keep Value in the Local Economy

Buying local is about more than how we spend our dollars—it's about supporting what we value in our community like fair pay, sustainable agriculture, healthy food, and strong local economies.

Build Community Resilience

Buying local supports a diversity of innovative and inter-dependent businesses that make it possible for communities to both survive and thrive in good times and bad.

Strengthen Community Ties

Purchasing products made or grown by our neighbors builds relationships that strengthen the economy while creating opportunities for greater civic engagement.

Create the Food System We Want

When we buy local, we exercise our power to change the food system to one that is more transparent and better supports our farms, workers, environment, and the entire community.

Celebrate Our Character and Heritage

Buying local ensures that our farms and local businesses remain vibrant and productive and contribute to preserving our scenic landscape and unique culture.



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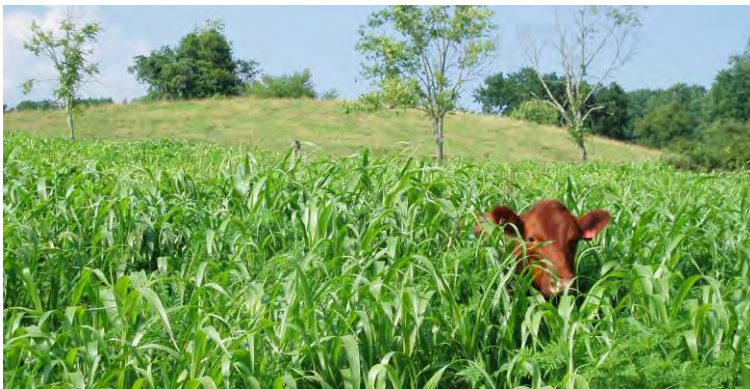


Training and Technical Assistance



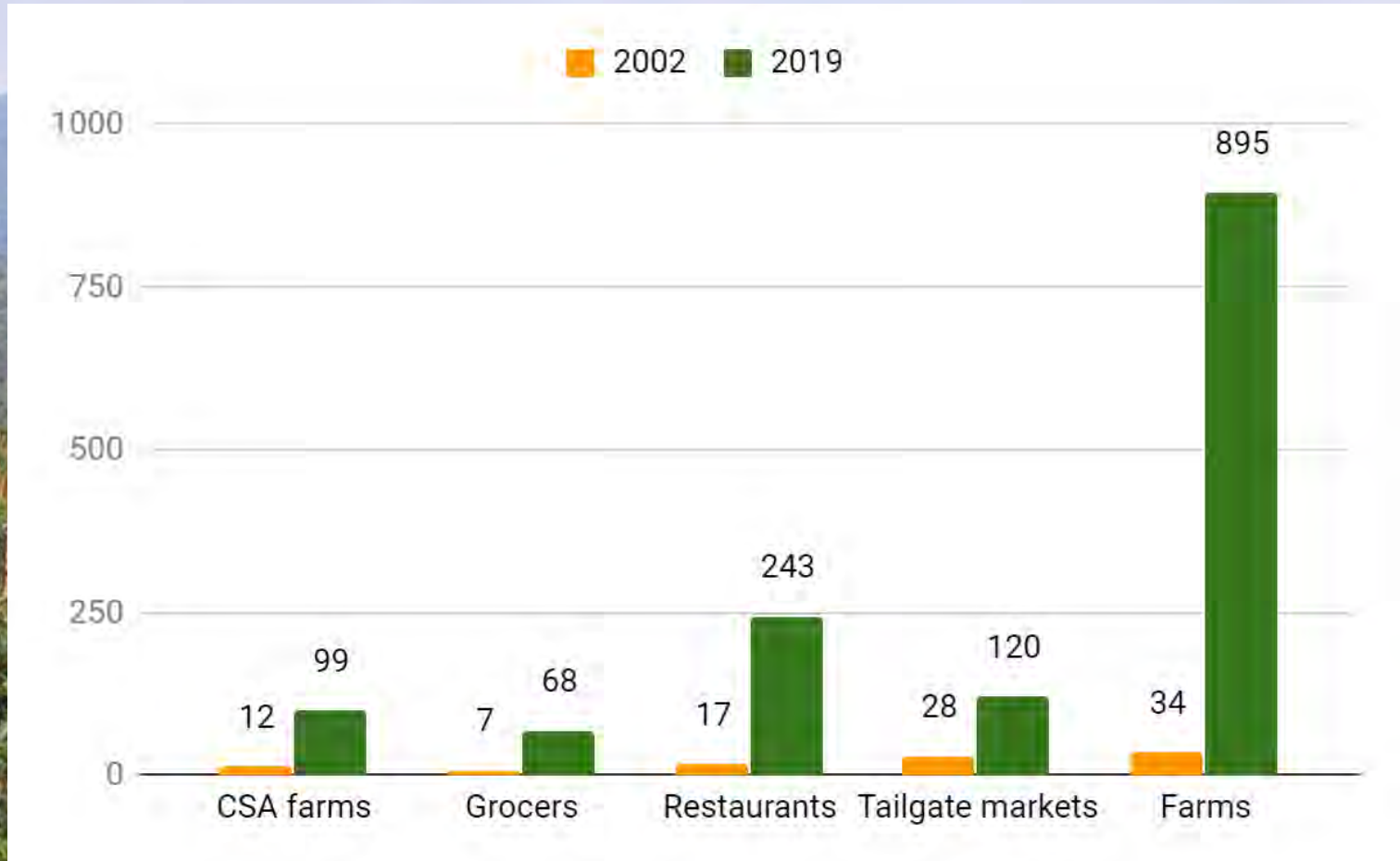
Goals of the workshop today

- Overview of direct market opportunities
- Marketing strategies for tapping into regional demand for local food.



Growth in Local Farms and Markets

Data from ASAP's Local Food Guide



2017 Census data: 1,142 farms in WNC are selling direct (11.4% of all WNC farms) amounting to \$14,911,000 in direct sales (1.7% of all sales in WNC).

A few years ago, merely offering local food was a differentiator. Today, participation is table stakes—and excelling at it is the way to stand out.

—AT Kearney, Firmly Rooted, the Local Food Market Expands



WHY DIRECT MARKETS?





National Trends

The Future of Food: Evolving Customer Preferences

- A focus on health
- Transparency and sustainability
- Social Consciousness
- Trust
- The influence of peers



Local food has increasingly come to represent transparency and trust

National consumer research shows that the public has greater confidence in the integrity of small and local farmers because they believe small and local farmers are more deeply committed to the quality of their products.



Direct experiences with local farmers, farms, and food build community ties with economic impacts

Relationships are central to local food systems. Place-based food and farm experiences are vital to building a community of local food and farm supporters.



Direct market interactions can positively impact farmer sales in other outlets

In surveys with Western North Carolina farmers market shoppers, a majority (nearly 60 percent) indicated they purchased locally grown food at a grocery store, restaurant, or other outlet that they first learned about at a farmers market. Additionally, in a recent survey of retail and wholesale buyers in the region, 63% surveyed indicated that they find sources of local product at farmers markets.



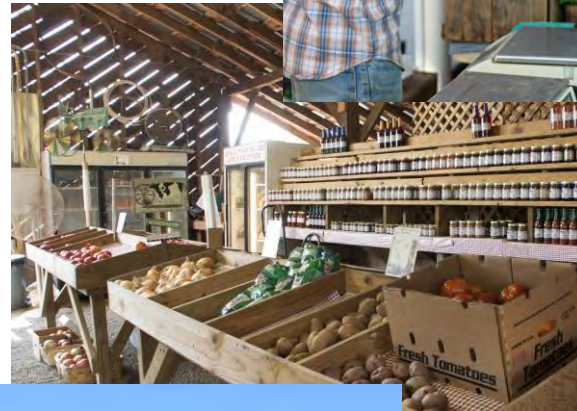
Local food shoppers want to know the growing practices farmers are using

In surveys conducted with farmers market shoppers in Western North Carolina, nearly 90% of farmers market shoppers indicated that the way food is grown or raised matters to them and influences their decisions to buy specific products.



What is the Right Fit for your Farm?

- Farmers Markets
- Farm Stands or Stores
- Community Supported Agriculture (CSA)
- Agritourism
- Direct to Restaurants



What is the Right Fit for your Farm?

- **Time**
 - How do you want to use your time & hired labor?
- **Resources**
 - What are your skill sets?
- **Price Point**
 - What the costs for your operation?
- **Products and market mix**



Farmers Markets

- ❑ Currently **62 Farmers Markets in WNC**, including holiday and winter markets.
- ❑ **Most popular direct market** - 66% of Appalachian Grown farmers sell at farmers markets.
- ❑ **Easiest entry point for small producers**
 - ❑ Flexibility in production
 - ❑ Find your strengths and niche
 - ❑ Building a brand



Opportunities

- ❑ **Relationship building**
- ❑ **Increasing customer base**
diversification
- ❑ **Consumer education**
value pricing
- ❑ **Direct consumer feedback**
products,
packaging, branding
- ❑ **Cross Marketing**

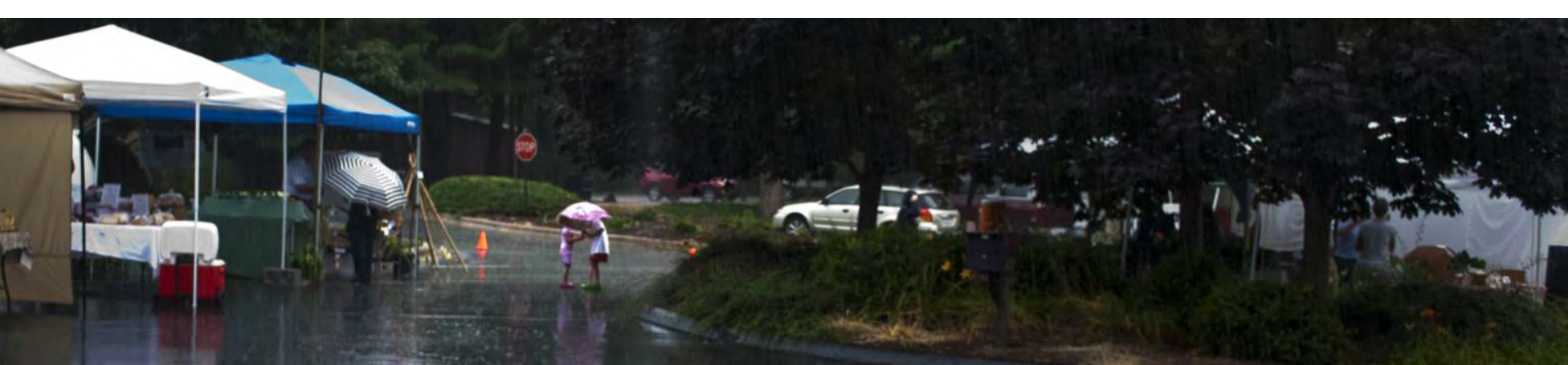
60% of farmers market shoppers surveyed have purchased locally-grown food at a grocery store, restaurant, or other outlet that they first learned about at a farmers market.



Farmers Markets

Challenges

- ❑ Large time commitment
- ❑ Variability in market performance
- ❑ Not for all personality types
- ❑ Think critically about marketing and engagement



Farms that do well

- ❑ Friendly, informative, authentic staff
- ❑ Bountiful and diverse product mix
- ❑ Presentation - abundance, color,
- ❑ Information - story, production, recipes
- ❑ Invitation - samples, demos



Farm Stands or Stores



Roadside Stands / Farm Stands

- ❑ Ability to sell product on farm
- ❑ Little or zero distribution
- ❑ High price point
- ❑ Farm name recognition
- ❑ Infrastructure
- ❑ Not all locations ideal
- ❑ Labor/operating costs
- ❑ Marketing
- ❑ Inventory management



Community Supported Agriculture (CSA)

Pros

- Cashflow early in season
- Customer commitment / stronger relationship
- Known quantity/sales for production planning
- Complements farmers market and/or farmstand sales

Cons

- Accountability - A different type of debt
- Customer expectations/communication
- TIME - planning, boxes/packing, communication, delivery coordination
- Diversity of products
- High turnover rate



Community Supported Agriculture (CSA)

- ❑ **More advanced direct market** - better fit for experienced growers
- ❑ **Involved enterprise** - marketing, outreach, member recruitment/retention, record keeping, communication, and production.
- ❑ **High level of commitment** - Customers pay in advance & expect the best throughout the season.
- ❑ **Intense planning** - production, marketing, and member communication.
- ❑ **Evolving Models** - workplace CSA, market style



Benefits of Agritourism

Reasons farms report success in welcoming visitors:

- Increase exposure for farm and business
- Educate people about farm processes and products
- Drive traffic to the farm to increase customer base
- Reach new customers and turn occasional customers into "farm fans"
- Sell and market farm products
- Market farm offerings (e.g., events, festivals, and lodging)
- Connect with people who will become repeat visitors, and who will let other people know about the farm.

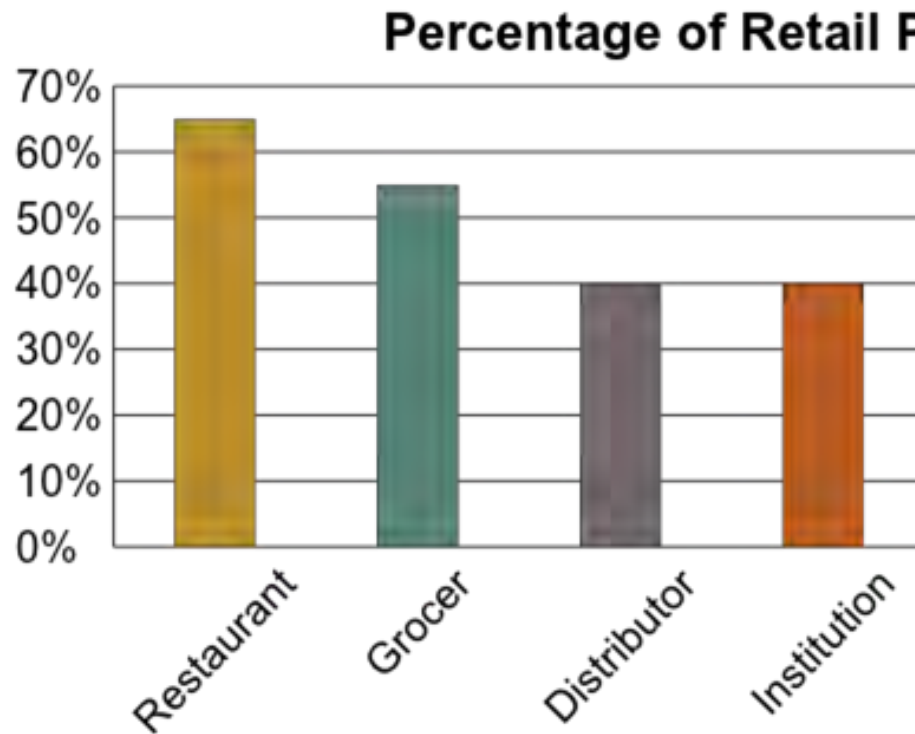
Challenges:

- ☐ Staffing
- ☐ Liability
- ☐ Infrastructure/Parking
- ☐ Visitor Experience



Direct to Restaurants

- Highly variable, usually close to retail price point



Relationships are everything!

- Know yourself, strengths & weaknesses
- Communication



Know yourself, strengths & weaknesses

- ❑ Determine what you can offer in terms of product, quantities, delivery vs pick-up, payment terms, ordering schedule.
- ❑ Research restaurant pricing (ask other farmers & bulk distributors) and menus - what might be a good fit for you?



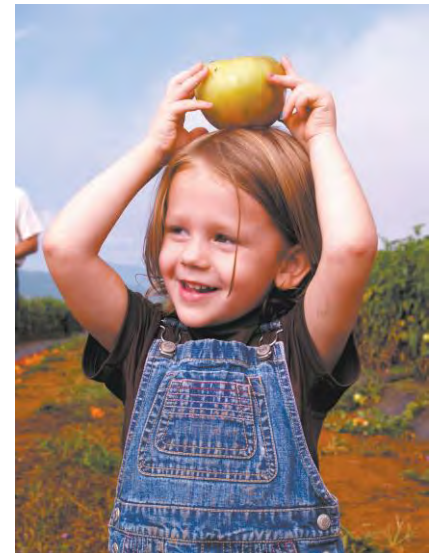
GREENS			
Asian Greens – medium	\$10.00	lb	
Miscelun	\$10.00	lb	limited
HERBS			
Basil	\$10.00	lb	
Basil – Thai	\$11.00	lb	
Cilantro	\$11.00	lb	
Cilantro Flowers	\$8.00	clam	30-50 flowers
Dill	\$12.00	lb	
Nasturtiums – Flowers	\$8.00	clam	30 flowers
Parsley – Titan	\$11.00	lb	limited
ROOTS			
Beets – Red	\$3.25	lb	no tops
Beets – Red, baby	\$4.00	lb	no tops
Beets – Chioggia	\$4.00	bunch	Limited with tops
Beets – Chioggia, baby	\$4.50	bunch	Limited with tops
Carrots	\$3.75	lb	
Carrots – baby	\$4.50	lb	
Carrots – Rainbow	\$4.25	lb	
Garlic	\$9.00	lb	
Scallions	\$6.00	lb	lots
OTHER			
Eggplant – Mix	\$3.00	lb	limited, asian and italian
Fennel –bulb, medium	\$2.50	bulb	

Communication

- ☐ Do your homework
- ☐ Importance of timing
- ☐ preferred method of communication
- ☐ understand common packaging units used in restaurants
- ☐ Be organized and professional - print out business cards & info sheets/price sheets to offer potential clients. Offer samples.
- ☐ Have your paperwork ready
- ☐ Let them know what you do have



Value of buying local



RECOMMENDED STRATEGIES FOR FARMERS:

- ❑ **Tell your farm's story**
- ❑ Label your product /Branding
- ❑ Connect Directly with the public
- ❑ **Communicate your farm's practices**
- ❑ Diversify your products & market mix





Our decisions and actions are often based more on emotional reactions than rational thought.

What emotions do your products and farm evoke?

What values does your farm or products represent?

How can you use this to connect with customers?

SHARE YOUR FARM STORY

The story behind your food - differentiating yourself

You have an authentic story to tell. Convey to your customers why your product is amazing - the quality, freshness, how supporting your business supports the local economy, uniqueness, personal connection with farmer and their family. You are able to give customers a real story and this is valuable.



STORYTELLING IS A TOOL FOR...

...Establishing yourself in people's memories.

Stories help customers remember you and your farm.



STORYTELLING IS A TOOL FOR...

...Inspiring customer commitment.



When customers feel connected to your story, they are far more likely to remain loyal, buying from you again and again.

ENGAGE PEOPLE WITH YOUR STORY

Take pictures - People love to see pictures of you and your farm and it connects them to your farm and business. Take pictures throughout the season and during different stages of production. This will give you lots of material to use in your communications.



LABEL AND BRAND YOUR PRODUCTS

Develop a farm identity and logo

It is important to brand yourself (logo, a phrase, message etc.) so that customers can easily identify your farm and products. Make your brand clear and concise. Use this brand consistently to create recognition and loyalty.



Connect Directly with the public

Engage Through Experiences

- Welcome visitors to your farm (i.e. farm tours, field trips, events, classes, etc.)
- Offer samples of your products/recipes



COMMUNICATE YOUR FARM'S PRACTICES

Educate: Share information about products & growing practices

- Use clear signage and labeling
- Welcome visitors to your farm so that they can experience firsthand how your products are grown
- Talk with customers about how your products are grown
- Display 3rd party certifications, if applicable



Diversify your products & market mix

Build upon Existing relationships & Cross Promotions



Harold's IGA

John Mitchell
J.W. Mitchell Farms
Franklin, NC

John Mitchell grows more than 30 varieties of fruits and vegetables. He and his family farm 20 acres located in the magnificent Smoky Mountains.

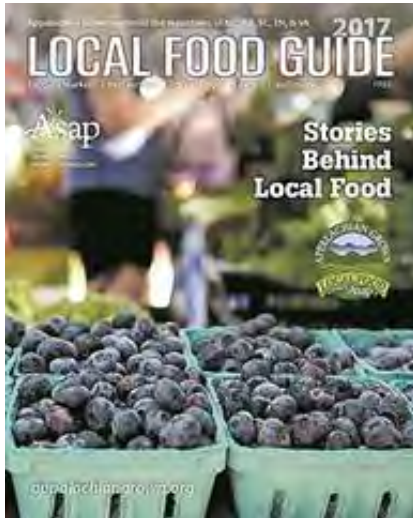
APACHEAN GROWN LOCAL FOOD fresher!

www.AppalachianGrown.org

Who Grows Your Food?



Where do I share



COST OF MARKETING

Money

- Paid advertising
- Signage
- Promotional Materials

Time

- Education
- Building community
- Relationship building
- Earned media

CONNECT DIRECTLY WITH THE PUBLIC: TARGETED MARKETING

- ◉ Most of us do not have mass markets
- ◉ Do not try to market to everyone
- ◉ **Sell your product to “one person”**



WHO ARE YOU TRYING TO REACH?

- ◎ **This narrow focus is called a “market share”.**
- ◎ You want to add to your market share by understanding the factors and values your customer uses to evaluate and make purchasing decisions:
 - Frequency of Need
 - Prioritization of Values
 - Price Willingness
 - Income
 - Position: one time vs. lifetime
 - Interests
 - Etc.



Who are your customers?

What values drive their purchasing?

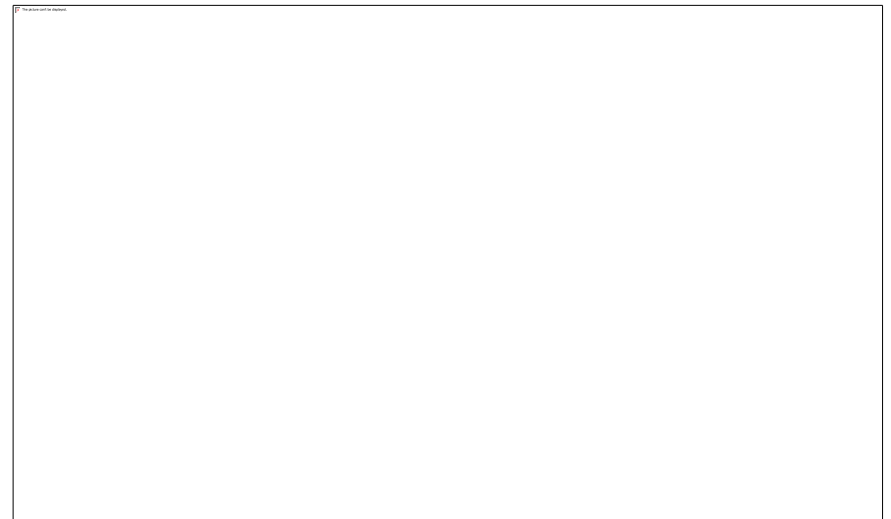


Come up with examples of real people to help you gear your marketing towards them.

EXAMPLE: AMANDA

Amanda

- ⦿ She is married + has two children ages 5 and 9.
- ⦿ They go to Haw Creek Elementary.
- ⦿ She is a nurse at the hospital.
- ⦿ Her interests outside of family & work include:
 - Cooking
 - Bargain hunting
 - Fitness/Outdoor Rec.



HOW DO WE REACH AMANDA?

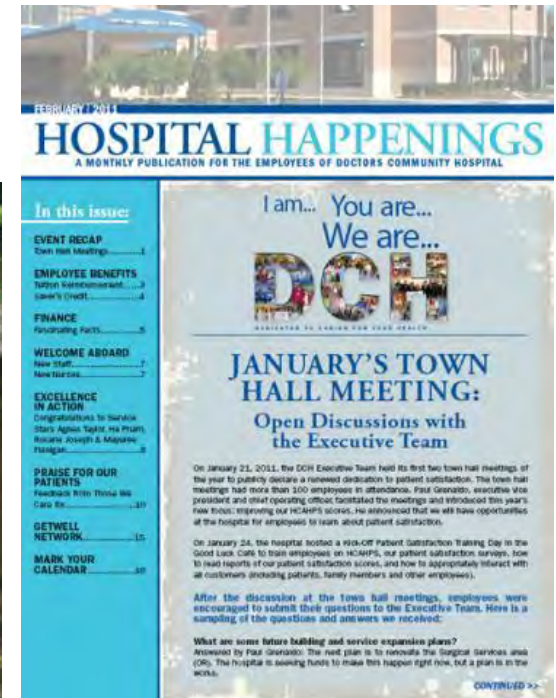
Focus on places they are *already* looking!

 **Hickory Nut Gap Farm**
February 8 at 2:52pm · 🌐

Messing around... A day in the life of an HNG pig. #pastureraised



👍 Like 💬 Comment ➦ Share



THE TRICK

- ◎ You are trying to reach the same person 3-5 times with a consistent message.
- ◎ In doing so, you are going to reach other people like them, as well.
- ◎ **Don't do anything just once unless** you can really convince yourself it was a bad idea.
- ◎ Be patient.



HOW WORD OF MOUTH REALLY WORKS

I heard it from
a friend



Then I saw
your sign



Then I saw
your rack card



Then I saw an
article in the
paper



That reminded
me to call you



FOSTER WORD OF MOUTH

Invest early in having nice looking, consistent, web and print materials, and/or regular ad placements (however small) in the media read by your target customers. EVEN IF you think of word of mouth as your primary strategy.



EARNED MEDIA

- Press releases
- Pitch stories
- Become the local expert about food and agriculture for the local news



KEEP AND BUILD A LIST

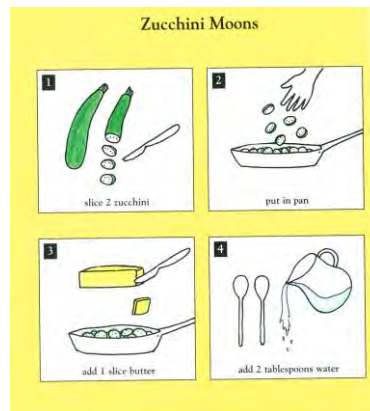
- It is especially important to get contact information for customers.
- Get email addresses and mailing addresses. It is better if people opt in to getting communication from you.
- Train everyone who represents your farm to ask for this information, and create sign-up systems to make it easy.
- Send mass e-mail or mail communication selectively
- Social media is good for a staying connected with customers throughout the year - images, seasonal updates + farm happenings.



Who else is trying to reach your customers?

Look for partners that:

- serve your customers in a complementary way
- offers a different skill set
- are genuinely excited about working together



Partnerships need to be equitable and mutually beneficial, while building trust

SPEND LOTS OF MARKETING TIME AND MONEY ON THE CUSTOMERS YOU ALREADY HAVE

- ◉ It is ten times easier to sell something else to an existing customer who loves your business than it is to find a new customer.



Make a Plan

- Spend some money: Invest early in having nice looking, consistent, web and print materials, and/or regular ad placements (however small)
- Spend some time: Craft & share your farm story, identify potential partners, build a list, take pictures, build on existing relationships
- Foster word of mouth: Try to reach the same person 3-5 times with a consistent message.
- Be patient: This type of marketing is relationship based and will take time to **grow. Don't just try something once.**



Farmers and Producers

Find resources and tools for your farm business.

[READ MORE ►►](#)



Local Food Guide
ASAP's Local Food Guide



Farmers and Producers
Find resources and tools for your farm business.



Appalachian Grown™: Certified Local
Certified local food in the Southern Appalachians.



Growing Minds Farm to School
Get Involved with Farm to School



Storytelling Toolkit



- 1 Why Storytelling Matters
- 4 Crafting your Farm Story
- 8 Write your Farm Story
- 9 Sharing your Farm Story

Photography Tips for the Farm



Equipment

Keep your equipment simple. You can get great pictures with an inexpensive digital camera.

Keep your camera handy

Photo ops often come when you least expect them. Keeping your camera in your garden shed means it is always available for the shot.

Take lots of photos

The more photographs you take, the better your digital library will be.

Composition: Chance doesn't always hand you the best shot. Arranging your subjects, changing your perspective, or placing the subject at the side of the frame creates a more dynamic composition. Off-center subjects can be balanced on the opposite side of the frame with leading lines, shadows, and objects in the foreground or background.

Lines: Natural lines can strengthen composition by leading the viewer's eyes toward your subject. Diagonal lines can add energy. Curved lines can add soft elegance. Using a road or path can add depth.



A Social Media Guide for Farmers



Introduction

What is social media?
Facebook, Twitter, Instagram, Pinterest, Snapchat — "social media" is the collective term for these websites and applications. Unlike traditional media, where a single author or organization talks to a passive audience, social media serves as a place for public conversations between many users. People use social media to share and discuss their daily lives, including their buying habits, with friends, and family. It's online word-of-mouth, available for free to anyone. And just like word-of-mouth, social media can have a huge impact on the success of your business.

Why does social media benefit my business?

You should care about social media because your customers do. Of all adults in the US, 65 percent use Facebook, and 66 percent of those users visit the site every day. A third of all US adults use sites such as Instagram and Pinterest. Among millennials, over 90 percent regularly use social media. Simply put, the people who will buy from you spend a lot of time looking at social media. You should make sure your business is in front of their eyes.

How do I use it?

The most important thing to remember about social media is that your business shares the same space as your customers' friends. Whatever you do must compete with the daily activities and interests of those personal networks. Instead of simply promoting your business, your goal on social media should be to build a community and participate in conversations. People enjoy learning about the day-to-day stories and interests of your business much more than they enjoy advertising. This "neighborly" approach will make your business more familiar to potential customers, create good feelings about your brand, and ultimately lead to greater sales.

1:1 Support for Farms in WNC



As part of a special project made possible through a grant from USDA, we have the unique opportunity to offer farmers in WNC 1:1 support managing marketing, financial and production risk.



Market Planning and Assessment / Marketing

This can include discussion of new or existing enterprises, potential market opportunities and requirements, connections with area buyers, and direct or wholesale marketing resources.



Financial and Business Consultation

Consultations often include identifying business and financial goals, setting up record keeping systems, outlining enterprise budgets, QuickBooks training, and industry specific guidance.



Production Planning & Assistance

State and regional experts within the field and give you research based knowledge and resources.



Save the Date: Business of Farming Conference February 22, 2020

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