Although marketing is probably most important, it is the last thing a farmer considers in his farming operation. Understanding marketing involves recognizing that it is part of every aspect of farming. It is influenced by everything a farmer does in his operation: what is grown, how it is grown, when it is grown. Developing a marketing plan allows the farmer to focus efforts on what the customer wants. This allows the farmer to be more efficient and reduce farm risk.

MARKETING CONSIDERATIONS

- What to produce?
- How to prepare products for sale?
- When & where to buy and sell?
- How to reduce price risk?
- When to change the enterprise mix?
- When to cease production?

Where Do I Start?

This is not hard, but will require you to take a minute and think about the interaction between your farm business and your customers. Answering these few questions will help build the foundation of a good market development plan.
MARKET INFORMATION

1. What goals do you have for your farm business? For your family?
2. Who are your customers?
3. What products do you produce for sale? How much? At what price?
4. How do you produce?
   - planting times
   - production practices
   - irrigation needs
   - post-harvest handling needs
5. Where do your produce and sale? (facilities)
   - location
   - insurance
6. How do you promote or advertise your product?
   - Who is targeted customer
   - What type of media is available (news, radio, TV)
7. Are you making a profit from sales?
   - when do you sale
   - how much do you sale
   - how much does it cost to produce and sale
   - what is your revenue
     (price x quantity)
   - what is your profit (revenue minus cost)
8. Are there any local, state, or federal regulations?
   - taxes (sales, employee, etc)
   - health codes
   - zoning restrictions

Markets and Potential Customers
- Based on farm business goals, resources, and market options
- Determines marketing opportunities

Product Selection
- Based on customer wants and your resources
- Defines markets; match products with specific markets

Determining Prices
- Price is related to profit
- Know how much it costs to produce
- Research existing prices and adjust your prices, if necessary
- Lower prices do not always eliminate competition

Advertising
- Get your message to your customers
- Use ads to educate, not to sell
- Don't talk price; emphasize location and name

Heed Regulations
- Check local, state, and federal regulations and requirements (zoning, taxes, health codes)

Facilities
- A sales facility can be anything (truck, shed)
- But remember your facility is a reflection of your product and you

Other Considerations
- Value-Added Opportunities
- Information Resources (extension, other producers, etc)

Revised July, 2011 (10/04, 10/03)