Profitable Meat Marketing

Part I
Matt LeRoux

- Marketing Specialist at CCE-Tompkins County.
- Master’s in Ag/Food Marketing.
- Worked for 5 years for the New England Livestock Alliance & Heritage Breeds Conservancy.
- Started 2 brands of Natural & Grass-fed beef.
- Certified Ultrasound Technician
To increase the Freezer Trade.

Fill Your Freezer: How to Buy Local Meat

Consumer Education

Profitable Meat Marketing
Producer Education

FINGER LAKES MEAT PROJECT

MEATSUITE.com
Directory of farms selling in bulk.

Consumer storage for bulk purchases.

Cornell Meat Price & Yield Calculator
Farmer Pricing Tool
Marketing Plan:

- Marketing Strategy
- Market Research
- Objectives
- Communication

Audience ID
- Direction
  - Feasibility
    - Sales projections
    - Demand
    - Trends
    - Competition
  - Objective
    - Audience
    - Budget
  - Action!
Strategy Development

At each choice, ask “why?”

- Grocery Store
- Farmers’ Market
- Other booths
- Your booth
What do your customers want?

Decode their questions

Customer: “Is your farm organic?” “grass-fed?” “free-range?”

What are they really asking?
What do they care about?

Each customer has different:

- **Needs**
  “I need carrots.”

- **Motivations**
  “I want to support local farms & avoid pesticides.”

- **Desires**
  “I want red-cored chantenays for my dinner party.”

- **Buying habits**
  “I don’t have time to stop at the farmers’ market for just one thing.”
What do your customers want?

Local food buyers: Who are they?

Try to understand your target customers to best serve them.

Four Main Groups of Local Meat Buyers

- Foodie/ Locavore Enthusiasts- experience driven.
- Social Cause /Personal Health- cause driven.
- Traditional buyers- price driven.
- Ethnic/Religious- culturally driven.
Strategy Development

- Let’s develop your farm’s message and your basic marketing strategy.

- **WHY?**
  - Focuses your message & identity.
  - Make your marketing labor most effective.
  - Differentiates and positions your farm.
  - Attracts your target customers.
  - Allows you to serve customers better.
  - What will the future bring?
Our farm raises *claims/product(s)* for *target customers* who *activity/demographic/behavior*.

Impacts production and marketing decisions.
<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Varieties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Families, with young children, worried about pesticides.</td>
<td>Topped, bagged, small carrots.</td>
<td>Adelaide</td>
</tr>
<tr>
<td>Large Chain Grocery store</td>
<td>Orange, large, bagged, 2 lb. bags.</td>
<td>Bolero</td>
</tr>
<tr>
<td>Local Natural Foods Store</td>
<td>Rainbow bunches, tops on, 1 lb. bunches</td>
<td>Rainbow mix</td>
</tr>
<tr>
<td>Seniors paying with nutrition checks</td>
<td>Small bunches, thin, orange.</td>
<td>Romance</td>
</tr>
<tr>
<td>Juicers &amp; Health Fanatics</td>
<td>Super clean, 5 lb. bags, topped. Seconds!</td>
<td>Purple</td>
</tr>
<tr>
<td>Chefs at small restaurants with farm names on the menu.</td>
<td>Fancy varieties, by the lb., order minimum</td>
<td>Atlas</td>
</tr>
</tbody>
</table>
Strategy Development

Brainstorm!

• How would busy working moms on a budget like to buy sausage?
• What kind of sausage?

• Fresh or frozen?
• Spicy?
• Bulk with home delivery?
Strategy Development

- Concentrate on exact, specific goals.
- Develop the BEST way to reach goals.

Provide free hors d’ouvers at tasting night at the wine shop.

Invite BMW sales team to stop by for a taste.
Very hard mattresses are scientifically proven to be better for you!

• Hard mattresses align you spine for better health.

• People who sleep on very hard mattresses:
  • Live an average of 5 years longer.
  • Earn more money at their jobs.
  • Lower cholesterol.
  • More energy.
  • Fewer children.
Now, what do you choose?

$120/night

$140/night
As marketers,

Understanding the consumer is BETTER than

Educating the consumer.
Marketing is the process of:
Understanding what the consumer wants, developing the product, and getting it to them.
Two Approaches to Marketing

Production-driven Marketing (Push)

Market-driven Production (Pull)
Market Research

Production Driven

“Push” Marketing

- We make this stuff.
- It is good stuff.
- You should buy it.

- **Marketing Objective:** To persuade. To educate. To convince the consumer to try and buy.
Market Driven

“Pull” Marketing

• People **want** this stuff.
• “I wish there was...”
• They will buy it.

• **Marketing Objective:** Let them know we exist. We have that stuff.
**Market Research**

**PULL**
Market-driven

*Examples*: posters, signage, paid ads, sponsorships.

**PUSH**
Production-driven

*Examples*: Free samples, tastings, discounts, free offers.

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Name your price

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**Product Price**

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**Marketing Cost**

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Offer discounts
EXAMPLES of “Pull” Marketing:

Winter CSA’s

Winter Farmers’ Markets

The newest iPhone

EXAMPLES of “Push” Marketing:

Crest 3D White Advanced Vivid

Tide with Acti-Lift

Kalette
Market Research

So what about what I produce now?

• Identify the consumers who currently want what you produce.
• Where are they?
• How many of them are there?
• How can you best reach them?
• What message resonates with them?
Market research helps us market our products to those who already value them.

This is more efficient than push marketing.
Market Research: Summary

- Adapt production to meet consumer demand.
  - When reasonable
  - When profitable
- Develop a target consumer to focus on.
- Needs, motivations, desires, & buying habits.
- Use market research to keep your product(s) in the market-driven space.
What about consumer education?

• Some consumer education makes sense:
  • Example: Recipes and cooking tips

• There are organizations to educate consumers:
Marketing objectives:
What are you trying to accomplish?

- To build a positive & distinct image, carve out your spot in the market.
- To increase name (brand) recognition.
- To gain new customers.
- To increase sales.
Marketing objectives:
What are you trying to accomplish?

• To accomplish *differentiation*, *branding*, and *positioning*.
• Differentiation- how you stand apart
• Branding- increasing visibility w/ an image.
• Positioning- “they are the ones that ___”
Marketing objectives:
Perceptual Mapping

- Perception vs. Reality

![Perceptual Mapping Diagram]

- Farm A
- Cert. Org.
- Farm B
- Farm C
Marketing objectives:
An objective pays off when specific & measureable

- “I should put some money in savings”
- “I will put money in savings every month”
- “I’ll put $50 from my first pay check in savings every month beginning in Sept.”
Marketing objectives:
An objective pays off when specific & measureable

I grossed an average of $525 per farmers’ market last summer.

Objective  
I want to gross an average of $750 per farmers’ market...

Audience  
…to my target audience...

Budget  
$75/week

Timeline  
…from June 21 through October 31.

Action  
I will offer 10% off of orders $20 or more. I’ll put it on a big sign at my stall. (That would take 38 customers).

Actually, that’s just $2 off, what could I do that is more interesting?
Marketing objectives:
An objective pays off when specific & measureable

We want to profitably market 12 head of beef this year.

Objective: I want to get 48 beef quarters sold this fall.

Audience: ...rural families with young children who don’t know about us...

Budget: $50/week x 15 weeks = $750

Timeline: ...from Sept 1st through Dec. 20.

Action
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Action!

TO DO LIST:
- Talk with team, write strategy sentence.
- Conduct research to inform projections.
- Formulate objectives
- Develop innovative & efficient solutions!
What are the farm’s financial goals?

<table>
<thead>
<tr>
<th>Per Year</th>
<th>Per Species</th>
<th>Per Head</th>
</tr>
</thead>
</table>

How much do we wish to make in Gross Sales?

How many head do we need to market to reach that?

How much do we expect to retain as Profit?

Now we can create sales projections and write specific objectives!
Resources

Cornell Smart Marketing Series
https://dyson.cornell.edu/outreach/smart-marketing-newsletter.html
Profitable Meat Marketing

CONTACT INFORMATION

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How much is a quarter of beef?

“Well, I get $4.15/lb. hanging weight and then there’s the butcher cost and they get $0.85/lb. plus $85 for kill fee, but I pay that directly, or you can pay them but then I’ll have to let you know how much it is.”

“A quarter will cost between $600-650 and weigh about 90-110 lbs.”