

Profitable Meat Marketing Part I



Matt LeRoux Cornell Cooperative Extension



Profitable Meat Marketing

Matt LeRoux





- Marketing Specialist at CCE-Tompkins County.
 - Master's in Ag/Food Marketing.

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- 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.





Strategy Development

At each choice, ask "why?"



Other booths

What do your customers want?

Decode their questions

Customer: "Is your farm organic?" "grass-fed?" "free-range?" What are they <u>really</u> 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 <u>target customers</u> 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?

Strategy Development

Our farm raises *claims/product(s)* for *target customers* who *activity/demographic/behavior*.

Impacts production and marketing decisions.



Example: The humble carrot

Families, with young children, worried about pesticides.	Topped, bagged, small carrots.	Adelaide
Large Chain Grocery store	Orange, large, bagged, 2 lb. bags.	Bolero
Local Natural Foods Store	Rainbow bunches, tops on, 1 lb. bunches	Rainbow mix
Seniors paying with nutrition checks	Small bunches, thin, orange.	Romance
Juicers & Health Fanatics	Super clean, 5 lb. bags, topped. Seconds!	Purple
Chefs at small restaurants with farm names on the menu.	Fancy varieties, by the lb., order minimum	Atlas

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.



HOTEL



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





Concept 1

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)

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.



PUSH Production-driven

Examples: posters, signage, paid ads, sponsorships.

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



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





So what about what I produce <u>now</u>?

- 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?

Concept 2

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:



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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.



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 ____"

Perceptual Mapping

• Perception vs. Reality



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."

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?

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





What are the farm's financial goals?

<u>Per Year</u> <u>Per Species</u> <u>Per Head</u>

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!



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Resources



Cornell Smart Marketing Series Oct-Dec. 2017 & Jan. 2018 https://dyson.cornell.edu/outreach/smartmarketing-newsletter.html



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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."