


Profitable Meat Marketing Part II


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Profitable Meat Marketing

What are the farm's financial goals?

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

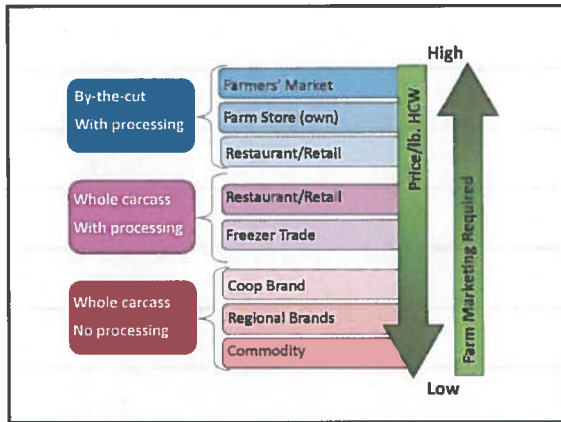
Now we can create sales projections and write specific objectives!




Profitable Meat Marketing

Channels for Meat Sales

<p><u>By the carcass</u></p> <ul style="list-style-type: none"> Commodity Small/regional brand Co-op brand Retail stores Restaurants Freezer trade Institutions 	<p><u>By the cut</u></p> <ul style="list-style-type: none"> Farmers' Markets Farm Store (own) Meat CSA Retail stores Restaurants Institutions
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Cornell Meat Price & Yield Calculator

Each Channel has different costs.

Each cut comes in a proportion.

Each cut has a level of demand.

Therefore, we need pricing for each channel.



Cornell Meat Price & Yield Calculator

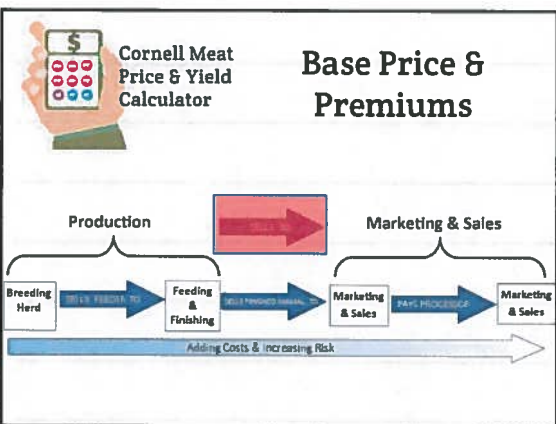
In fact, why expect a different level of profit in each channel?




Cornell Meat Price & Yield Calculator

Using the Price Calculator

1. Identify income & profit goals
2. Understand production costs.
3. Develop a price that works for each channel.






Cornell Meat Price & Yield Calculator

Calculator Prep 1

- What is my cost of production?
- How much profit would I like my PRODUCTION business to make on 1 head?




Cornell Meat Price & Yield Calculator

Calculator Prep 2

- How much profit would I like on 1 head?
- How much time will I invest in selling?


Channel	Estimated labor/head
Farmers' Market	40
Restaurants	20
Freezer Trade	10
Commodity/Small Brand	1-3



Cornell Meat Price & Yield Calculator

Go to Calculator


<http://calculator.meatsuite.com/>



Cornell Meat Price & Yield Calculator

What's the point?


- So, what does it mean if you develop pricing but determine that your customers in that channel "would never pay those prices?"



Cornell Meat Price & Yield Calculator

For Successful Use

- Prepare in advance.
- Set aside the time.
- Estimate COP.
- Decide Production Profit/head.
- Estimate Marketing Time.
- 1 head data (or AVG).
- Weigh all cuts.
- Processing invoice.
- Trucking time & \$.
- Current channel prices.



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Why go freezer trade?

- Premium pricing (above market).
- Whole carcass demand.
- USDA-inspection not necessary.
- Efficient marketing (low labor).
- Affordable for consumers.
- Less need for year round supply.
- No inventory mgmt., reduces risk & labor



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Resources

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



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