

Diversified Marketing for Vegetable Farmers

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WHAT ARE THE CHOICES FOR MARKETING VEGETABLES? (David)

Here is our version in order from the most efficient, least complicated methods to the least efficient, most complicated methods of marketing.

WHOLESALE to stores or store distributors

Advantages:

- Simplified sales and marketing, growing and planning
- Stick with what you are good at and know how to grow
- Specialization of Employees, Equipment, and Efficiency

Disadvantages:

- Putting more eggs in one basket, more risk of loss
- Lower price for product than direct retail

Generally,

- In wholesale you want to stick with 3-5 crops that you do well and that have big demand
- Lots of small independent stores are opening up and wanting good produce of stock items (carrots, tomatoes, peppers, potatoes, onions)

THIRD PARTY DISTRIBUTORS for resale to Retail, Restaurants, or Consumers

Advantages:

- They do the marketing for you
- More flexible than large wholesale, can take smaller amounts
- They often offer farmer a better price than large wholesale b/c they are marketing your produce to people who appreciate it & will pay more.
- Ability to move surplus crop above demand of CSA or farmers markets

Disadvantages:

- Lower price for product than direct retail
- You have less control over product with your name/reputation on it once it is out of your hands

RESTAURANTS

Advantages:

- Will take small amounts
- Sometimes can take last minute deals (but generally want predictions, or some consistency week to week)

Disadvantages:

- Sometimes/often sale is too small (and diverse but still small) to be worth the time involved in delivery and specific packing

FARMERS MARKETS

Advantages:

- Good way to get started
- Retail prices
- Builds relationship with consumer, gets farm name out there
- You can bring very small amounts of whatever you have available
- Fun, interactive, can barter for high quality groceries with other vendors

TOFGA 2013: “Diversified Marketing for Vegetable Production”²

Disadvantages:

- In certain places, Austin now being one, there are a flood of markets, which disbursts the crowds and doesn't encourage “selling out” for any farmers
- Lots of time invested in the sale, traveling, and no guarantee of big crowds or good weather

ON-SITE FARM STANDS

Advantages:

- No travel
- Retail prices
- Captive audience~ you're the only farm to get zucchini from!
- Display whatever amounts you have available
- Little regulation
- Can sell other farmers' products like a “Store”

Disadvantages:

- Must have great location to draw crowds
- If not crowded, YOU are the captive audience, can't leave farm if set hours are public
- Farm liability, crowds, wear and tear on driveway, other farm assets

CSA/Community-supported Agriculture

Advantages:

- Pre-payment for goods and services
- Deep community involvement
- Near retail prices

Disadvantages:

- Most complicated
- Least efficient
- Planning and labor-intensive
- More complicated organic certification application process
- May lose on some crops that aren't efficient to grow or process, but must have the variety to keep it interesting

WHAT DO WE DO AT TECOLOTE FARM? (Katie)

Three pronged approach:

- CSA
- Wholesale to 3rd Party, Restaurants, and Retail stores
- Farmers Market

Why did we name this session “Diverse Marketing for VEGETABLE Farmers?”

We have discovered through trials and errors that we are only human. We can't do it all. So, we settled for the last 20 years on what we did well: vegetables. Now we are getting into pastured pork and possibly value-added products. But you have to

BALANCE Diversity

Weigh what you do well and what you enjoy against what it would take to diversify more, and do it well-
Veggies/ Fruits/ Animals/ Flowers

[Slide of income from all three methods here, plus slides of OUR STORY](#)

CHOOSING YOUR MARKETS

CHOOSING/FINDING YOUR STYLE (David)

Easiest and most common first marketing approach is starting small, going to a farmers market.

WARNING: Right now Austin is FLOODED with growers and markets, which disperses crowds and farm talents. Much easier access 10 years ago, the "hay day" of the late 90s/early 00s

GRO-ACT slide here (Katie)

Location

- Look at your marketing options in your local area.

- Just because you are in an undeveloped or rural area doesn't mean you don't have any advantages.

California farmers have to practically give some products away because of the stiff competition and abundance of farmers.

- Think outside the Box.

- Develop your own market!!

Target Community

- Prices, economics

- Ethnicity

- Post-harvest handling: how much? How little?

- Don't sell people short

Record Keeping

It will surprise you to determine which crops make money for you and which don't sometimes. Keep good records of time spent on each in early years to find out which crops give you best profitability.

Personality

People person? If yes, do direct marketing (farmers markets, CSA, farm stands)

If no, do wholesale, 3rd Party Distributors

Success in direct marketing means

"putting on a show" It's theater, you must be a people-pleaser,

Have great customer service, good organizational skills

Reputation

Be conscious of what you project. You are selling yourself, like it or not. Who represents your farm at farmers markets, who are your drivers, your employees?

Your reputation is Huge. It's everything. It's your label.

Integrity sells. It is your greatest investment. If you cut corners or are dishonest, it will bite you later on. KARMA!!

It doesn't matter if you are making a \$2 farmers market sale, a \$50 restaurant sale, or a \$1000 pallet sale to wholesale, they are equally important sales: your treatment of the customer equals your future sales.