Part 1
Marketing Plan Workshop:
The ABCs of Preparing a Marketing Plan

By
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Introduction

**Structure of the Workshops:**

- Series of Workshops
- Combination of lectures and assignments
- Follow up one-on-one consultancy
Introduction

Objectives of Marketing Workshops:

– Provide you with a practical guide to the basics of developing a marketing plan

– Provide you with all of what you really need to know, from a practical point of view, to develop a marketing plan

– Help you learn how you can identify and evaluate market opportunities (niche markets)
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Evaluate market demand for an existing produce
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Evaluate market options for new products
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Evaluate market demand for value added products
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In this Workshop you will learn how to:

• **Identify the main components** of a marketing plan

• **Conduct market research:**
  – Situation Analysis (knowing your business)
  – Product Analysis
  – Target Market Identification and Description
  – Sources of advice, information, and assistance

• **Prepare a simple marketing plan**
Introduction

The Team:

- **Edward ‘Gilly’ Evans** (Trade and Extension Economist, UF-TREC)
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- **Frank Lam** (Agribusiness Specialist, IICA)
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- **Sikavas Nalampang** (Economic Analysis Coordinator, UF-TREC)
- **Oscar Mendoza** (student)
Why Do I need a Marketing Plan?

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Overview

• Why planning and marketing are important for your business

• Components of the Marketing Plan
Why is marketing important?
2007 Toyota COWrolla
Clean Air  Energy Efficient  Sun Roof

The New Toyota Cowrolla!
Study of Food Marketing

• **Macro-marketing concern with:**
  - How the food system is organized
  - How well it performs its economic and social tasks
  - How the food system is changing over time

• **Micro-marketing concern with the individual firms:**
  - The tools of marketing management to develop strategies that are designed to satisfy customers at a profit.
  - Characterized by competition, new product development, market research, demand stimulation, creative pricing and distribution strategies, customer service, and other marketing management tactics.
What is Planning?
Planning is deciding what routes can take you where you want to go and choosing the one that best fits your goal.
1. First must establish goals

2. Must identify the quantity and quality of resources that you have to meet the goals

3. Must identify alternatives, analyze them and select those that will come closest to meeting your goals.
What is Marketing?
Marketing is finding out what your customers want/need and supplying it to them at a profit.
Marketing is all the business activities involved in the flow of goods and services from the point of initial production until they reach the ultimate consumer.
1. The marketing process has to be customer oriented.

2. The task of marketing is to convert society’s needs and wants into profitable opportunities.

3. Marketing begins with production.

4. For marketing to be sustainable it must be profitable to all participants.

5. The essence of marketing is "management decision making."

Without customers the business is out of business.
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Golden Rule: Produce what you can sell, rather than trying to sell what you have produced.
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Reasons Why Planning and Marketing are important

1. In today world it takes careful planning and understanding of the market place to survive and be successful.
18 Trade Agreements Completed or Pending

- Australia
- Chile
- Bahrain
- Jordan
- Morocco
- FTAA
- Southern African Customs Union
- Singapore
- Israel
- CUSTA
- NAFTA
- DR-CAFTA
- Morocco
- Panama
- Columbia
- Chile
- Thailand
- Malaysia
- South Korea
- Colombia
- South Korea

Adapted from Parr Rosson,
Implication:
Globalization means increased competition

Increased competition means doing all that you can to retain your existing customers and/or attract new ones
Retaining your customers means continuing to deliver satisfaction.

Attracting new customers means promising and delivering better value than your competitors.
Reasons Why Planning and Marketing are important

To retain and attract new customers:

• Know who your customers are.
• Understand their purchase and usage behavior.
• Clearly understand their preferences, likes, dislikes and evaluation criteria.
• Have mechanisms to ensure that there are clear, unambiguous signals continually being sent back from the consumers.
• Must constantly strive to improve your product and ensure that you are meeting consumer requirements—retain and attract.
“Without Customers a business is out of business”

Marketing Plan will therefore help you to:

• Define your customers or target market
• Tailor your product, pricing, distribution and promotional strategies to satisfy that target market
What is the relationship between Market Research and a Marketing Plan?
• What is your product?
• What market do you serve?/Who are my customers?
• What are the unique features that distinguish my product from the others?
• What is the best way to get my product into the hands of the consumers that I am targeting?
• How should I price the product?
• How should I promote it?
• How is the market I am targeting changing or is likely to change? Eg. Market for organic crops
The value an individual places on a good or service is derived from a complex mix of: cultural, ethical, moral, climatic, wealth etc.
The Changing US Food Market System

The Food Marketing System:
- Firms, Organizations
- Product Flows, Distribution Channels
- Management and Marketing Activities
- Pricing and Exchange

Final Consumer

Laws and Government Policies

Domestic and Global Economy

Science and Technology

Customs and Values

Competition

Infrastructure (transport, communication, education, etc.)

Farm Products

Adapted from Kohls & Uhl, '02
Profitability is not about what you can produce but how much you can sell.
Profit = Volume \times (Price - Cost)
Why do I need a marketing plan?
Old Agriculture vs. New Agriculture

Major Changes Include:

– **Concentration of power** among the retailers (market power over shippers/growers and consumers).

– **Supermarkets have merged**, acquired new stores and have grown larger

– **Mass merchandisers** such as Wal-Mart, Kmart and Target emphasizing “every-low-price”

– A tendency for the retailers to skip the middlemen (wholesalers) and to deal directly with the shippers/growers.

– **Retailers dictating** variety, quantity, quality, packaging, delivery date and price. Also, charging “slotting fees”
Old Agriculture vs. New Agriculture

Major Changes (continued):

- **Rising proportion of foodservice/restaurant sales**
- **Increased Imports**—Imported food is one of the fastest growing categories in many supermarkets;
- **Increasing Demand** for greater variety and quality in fresh produce;
- **Rising Demand** for fresh produce year-round
- **Increased concerns** about food safety and environmental issues
- **Greater demand for functional foods**, e.g. healthy, diet, organic
- **More contractual arrangements** between growers/shippers and buyers
Components of Marketing Plan

1. Executive Summary
2. Goals
3. Business
4. Customers
5. Competitors
6. Product or Service
7. Location
8. Budget
9. Pricing Strategy
Concluding Remarks

Key Points to Remember:

– Without customers a business is without business

– Golden Rule: Produce what you can sell, rather than trying to Sell what you have Produced.

– Profitability is not about what you can produce but how much you can sell

– Planning allows you to look before you leap.
Thanks!

http://agecon-trec.ifas.ufl.edu/