

Growing Your Business with Social Media Workshop Series

At least once in your lifetime
you'll need a doctor, a lawyer, a policeman
and a preacher
But three times a day, everyday,
you need a FARMER



Growing Your Business with Social Media

Structure of the Workshops:

- Series of Workshops (English and Spanish)**
- Combination of lectures, hands on training and assignments**
- Follow up one-on-one consultancy**
- Resource center (videos, manual etc.)**

Growing Your Business with Social Media

First Workshop (February 18):

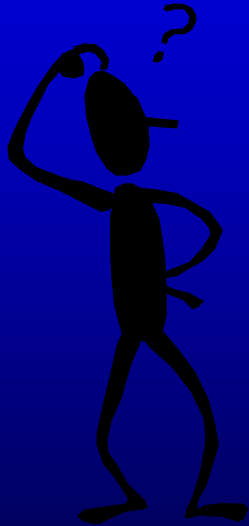
- How to prepare a simple marketing plan (Gilly's two-page marketing plan)**
- Overview of social media focusing on Facebook, Twitter and Pinterest**
- Experience of growers who are using social media to promote their business**

Growing Your Business with Social Media

Second Workshop (February 28):

- Hands-on training
- Computers and mobile devices
- Follow up one-on-one consultancy
 - *Ms. Vanessa Campoverde, Phone: 305-248-3311 Ext. 241 email: evcampoverde@ufl.edu.*

Preparing a Simple Marketing Plan



By

Edward 'Gilly' Evans and
Fredy H. Ballen

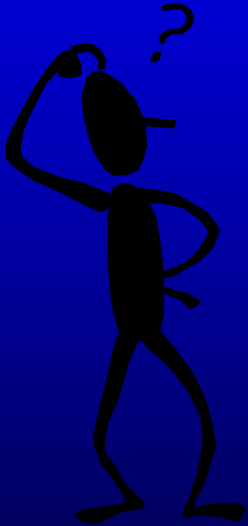
Tropical Research and Education Center, UF/IFAS

Introduction

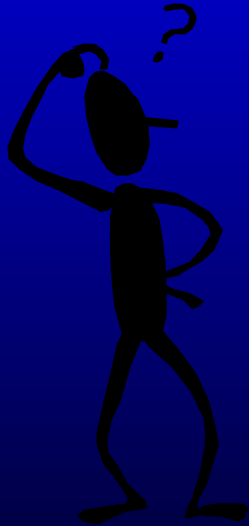
Objectives of this session:

- Provide you with 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 simple marketing plan
- Show how social media fits into your marketing plan

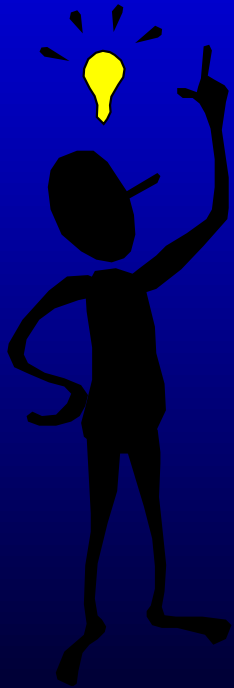
What is a Marketing Plan?



**What do we mean by
marketing?**

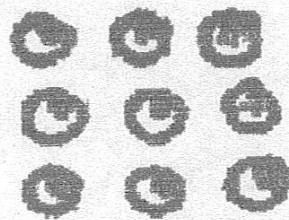


**Marketing is finding out what
your customers need/want and
supplying it to them at a profit**

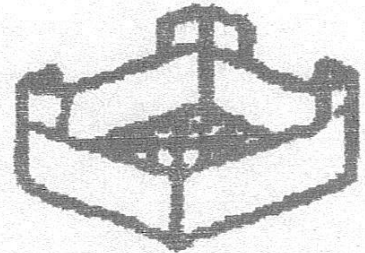


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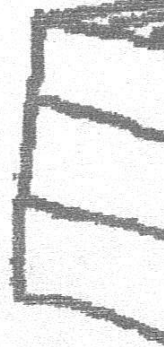


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**Marketing is not *just* about selling
and advertising!!!**

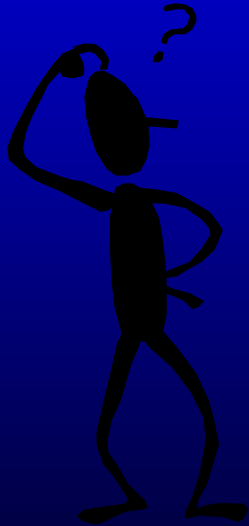
What is Marketing?

- Marketing involves:
 - Attracting new customers
 - Persuading them to buy
 - Selling
 - Retaining customers
- Marketing is about “creating value” for your customers and “extracting value” from your customers.

*Attracting new customers means
promising and delivering better value
than your competitors*

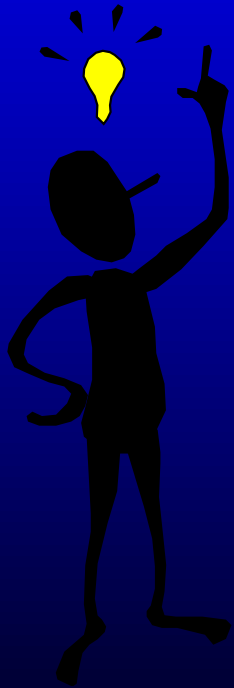
*Retaining your customers means
continuing to deliver satisfaction*

**How do I create value
for and extract value
from my customers?**



By focusing your efforts on the

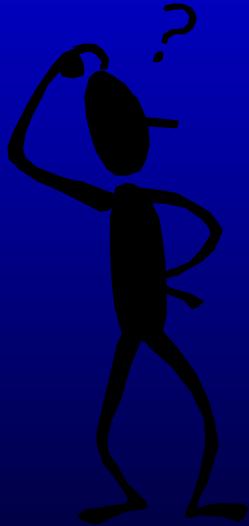
4P_s



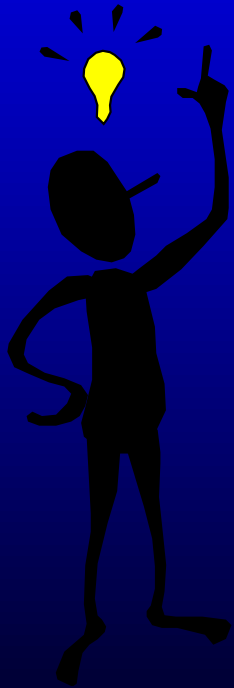
The Marketing Mix– 4 P's

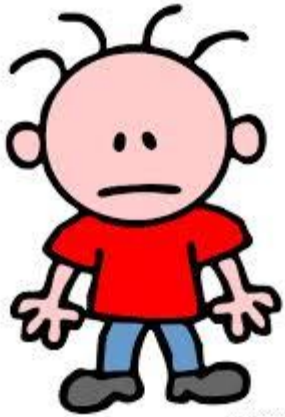
Marketing Variable	Definition	Aspect of this variable include
P roduct		
P rice		
P lace		
P romotion		SOCIAL MEDIA

**What do we mean by
“Plan”?**



**A plan is a set of orderly
actions aimed at achieving
specific objective(s) within a
given timeframe**

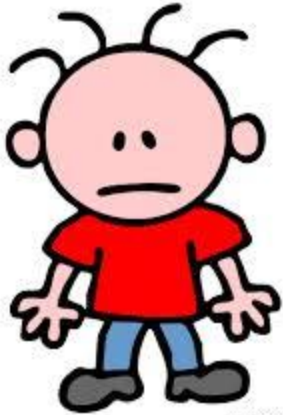




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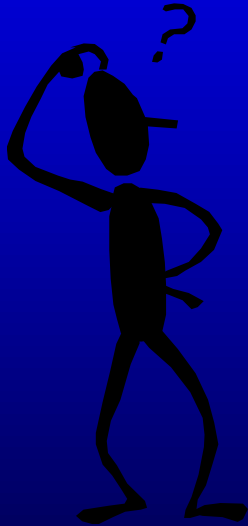
Marketing Plan

A **Marketing plan** is a strategic document outlining the steps you will take to achieve your marketing objectives

It helps you to:

- Define your customers or target market
- Tailor your product, pricing, distribution (place) and promotional strategies to satisfy that target market

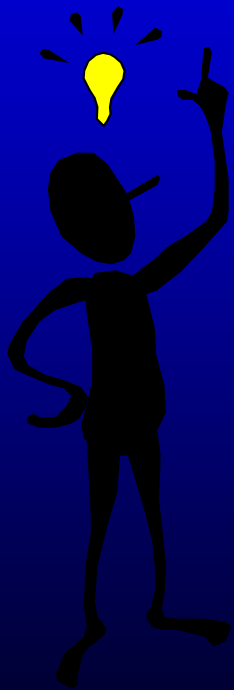
Why Do I need a Marketing Plan?



Several reasons :

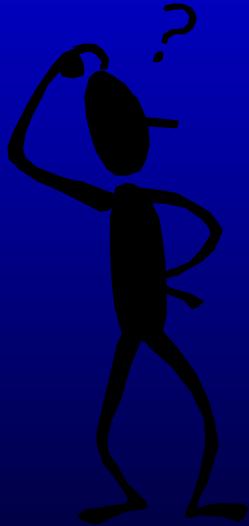
- **Helps you to reach your target audience**
- **Helps you to boost your customer base**
- **Increases your bottom line**
- **Assists with obtaining funds**
- **Helps you set clear realistic and measurable objectives for your business**

Why Do I need a Marketing Plan?

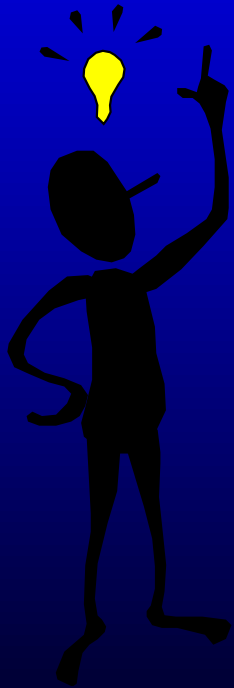


... but most importantly, a marketing plan helps you to focus your **total marketing efforts** in a way that will enable you to create value for your customers and extract value from them

**How do I go about
preparing a marketing
plan?**



**First you need to do a bit of
marketing research then follow
our eight—step guide**



Market Research



Marketing Plan

- **What is your product and or service?**
- **What market do you serve? Who are your customers?**
- **What are the unique (special) features that distinguish your product (s) from the others?**
- **What is the best way to get your product into the hands of the consumers that you are targeting?**
- **How should you price the product?**
- **How should you promote it (make people aware)?**
- **How is the market you're targeting changing or is likely to change? eg. Market for organic crops**

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STEPS FOR CREATING A SIMPLE MARKETING PLAN

Step 1: State your marketing objectives

Examples:

- Increase sales by 10 percent by the end of next year;
- Sell 50 more boxes of guavas;
- Sell 10 percent of what I produce directly to consumers;
- Participate in one trade show.

Tip: Be realistic about your marketing objectives and state them in a way in which success or achievement can be measured. It is a good practice to identify how you will measure success after you state each objective.

Tip: Your marketing objectives can be expressed in any of the following terms: sales dollars, sales units, market share, distribution levels/channel, and/or advertising awareness.

Step 2: Describe/identify your target market (individual or businesses)

- Simply jot down a description of your target audiences.
- If it is individuals describe them by age, sex; profession or career; income level; education level; and/or residency, individual
- Focus on only those customers who are more likely to purchase your product.

Tip: The target market is a group of customers (people or firms/packing houses) for whom your marketing effort is intended. Your choice of target markets will determine your production and marketing practices, not vice versa.

Tip: A target market is not simply whoever is buying, or will buy, your products. Rather it consists of the individuals or businesses that you identify as your most desirable customers.

Step 3: Identify your competition

You can identify your competition by:

- Sales data;
- Demand for product;
- Your nearest direct and indirect competitors;
- Strengths and weaknesses of competitors;
- An assessment of how competitors' businesses are doing;
- The similarities and dissimilarities between your product and the competitors, and by;
- A pricing strategy for and a comparison of yours and the competitors

Tip: Identify a couple of competitors and identify their strength and weaknesses; that is, how do they promote their product; what is their pricing strategy, is there anything unique or special about their product?

Step 4: Describe your product and/or service

Note: a “product” may be a commodity or service, or both.

- What are you offering and how is it different from your competitors?
- What are the benefits of the product and/or service you are providing from the perspective of the customer?
- What are some of the special features of your product/service, again from the customer’s point of view?
- Can you appeal to the environmentally or health conscious customers?
- How are you going to harvest it and package it?
- Is there an increase in the supply of your product on the market?
- Do you have an early or late window of opportunity?

Tip: Remember that without customers, the business is out of business; it is important that you give your customers a reason to buy your product and remain loyal (lifetime customers).

Tip: Produce what you can sell, rather than try to sell what you can produce.

Step 5: Place (describe your distribution strategy)

When we talk about place, we are thinking how you plan to get the product into the hands of your customers (the place they need it).

Answer the following questions:

- How widely do you plan to geographically (e.g., locally, in-state, multi-state, nationally, internationally) distribute your product?
- Are you going to be selling directly (direct marketing) to any of the following: Community Supported Agriculture (CSA), Home Delivery, Farmers Markets, Mail Order and Internet Sales, Pick Your Own (U-Pick), and Roadside Stands.
- Are you going to be selling indirectly (Intermediary marketing) to packing houses or retailers?

Tip: Depending on how you plan to distribute your product, you will have to consider packaging.

Tip: Packaging serves two purposes, namely to protect and preserve your product and to advertise and differentiate your product.

Step 6: Decide on your promotion strategy (ies)

Promotion refers to the entire set of activities that make people aware of your product and/or operation, and induce them to buy the product in preference over others.

Promotion is simply how you are going to get people to know about your operation, and the product and or/service you provide. It deals with how and what you want to communicate to the customers/buyers.

Several tools can be used (e.g., radio, television, direct mail, personal contacts, trade association, newspaper, magazines, yellow pages, billboards and **SOCIAL MEDIA**).

Need to identify the amount of resources (human and capital) you can set aside for your promotional program.

Tip: Social media is one of the most cost-effective means of promoting your business.

Step 7: Develop a pricing strategy

A few things of which you should be aware include the following:

- What are the pricing strategies used by your competitors?
- What is your cost of production?
- How will you determine the price of your good(s)?

Typically, your price should be based on the prevailing market prices and your costs. It should cover your full cost of production and include a profit.

You can do simple market research to learn about what prices customers would be willing to pay and what prices your competitors are charging.

Tip: In order to get the maximum price, try to schedule production when there is limited competing supply.

Step 8: Marketing budget

Since you do not have unlimited resources, it is good to identify just how much time and money you want to allocate to marketing.

Tip: Try to estimate how much it will cost for any marketing strategy you proposed in your plan and stick to your budget. For example, if you plan to participate in a trade show, estimate the costs for traveling, marketing materials, and rental of booth.

Gilly's Two-Page Marketing Plan Worksheet

What are your marketing objectives?

What market do you serve? Who are your customers?

Who are your competitors and what are the unique (special) features that distinguish your product/service from theirs?

What is your product/service?

What is the best way to get your product/service into the hands of the targeted consumers?

How do you plan to promote (make people aware of) your business, product/service?

How do you plan to price your product/service?

How much money and time can you set aside for your marketing activity?

How is the market you're targeting changing or is likely to change?

Outline of a Marketing Plan

- 1. Executive Summary**
- 2. Your Goals/Objectives**
- 3. Your Business**
- 4. Your Customers**
- 5. Your Competitors**
- 6. Your Product or Service**
- 7. Your Distribution Strategy**
- 8. Your Promotion Strategy**
- 9. Your Pricing Strategy**
- 10. Your Budget**

Concluding Remarks

Key Points to Remember:

- Without customers a business is without business**
- Golden Rule: Produce what you can sell, rather than try to sell what you have Produced.**
- Planning allows you to look before you leap**
- Social media is the most cost-effective means of promoting your farm business**

Thanks!

What you need to know about your target group/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**

Price

- Farmers do have the ability to influence price
- Your price should be based on the **prevailing market prices** and **your costs** and must cover your full costs
- Learn about what customers are willing to pay and what prices your competitors charge
- There are several different pricing strategies

Types Product Pricing Strategies

- **Competitive pricing**
- **Cost-oriented pricing**
- **Flexible or variable pricing**
- **Penetration or promotional pricing**
- **Product line pricing**
- **Relative pricing**
- **Skimming or skim pricing**
- **Contract pricing**

Some Ways to Maximize Farmers Price

- **Improve the quality and presentation of the produce**
- **Identify the highest price buyer**
- **Negotiate from strength eg. forming producer association/cooperatives**
- **Schedule production when there is limited competing supply**

Promotion

- How and what will you communicate to the buyer? How will you make the customer aware?
- Some business use brand or logo. This may be expensive for small producers
- Product advertising is aimed at creating immediate sales and include:
 - Samples
 - Coupons
 - Tasting
 - Publicity
 - Recipes
 - Word of mouth

Direct vs Intermediary Marketing

	Advantage	Disadvantage
Direct Marketing	<ul style="list-style-type: none">• More control over price• Higher profit• Receipts likely to vary less	<ul style="list-style-type: none">• Costly in terms of time• Might require additional skills
Intermediary Marketing (Packing House)	<ul style="list-style-type: none">• Frees up time to do other things• Less demanding in terms of marketing skills	<ul style="list-style-type: none">• Lower profit margins• Reduced flexibility

Success in Marketing

- **Knowing who your customers are**
- **Being able to satisfy their needs**