

A PRODUCER'S GUIDE
TO MAXIMIZING YIELD

NEBRASKA
OUR **BEST** TO YOU



SUCCEED AT MARKETING YOUR PRODUCE

The Nebraska Department of Agriculture is working to help local growers sell their products under the theme *Nebraska Our Best to You*. The basis for this effort is a comprehensive marketing communications plan. This marketing guide is a synopsis of that plan. If you would like the full report, contact the Nebraska Department of Agriculture, Ag Promotion and Development Division at agprom@agr.ne.gov.

1. Organize a Growers' Association

The first step to create demand for Nebraska-grown produce is to organize a growers' association. Results in other states prove that producers who band together realize a significant return on investment.

Structure the association to include growers, the Nebraska Department of Agriculture, the Food Processing Center at the

Institute of Agriculture and Natural Resources at the University of Nebraska—Lincoln, and food wholesalers and retailers.

- Set short- and long-term goals and an estimate of the costs associated with achieving them.
- Seek out funding sources from entities such as the USDA, the Nebraska Department of Agriculture and Nebraska Cooperative Development Center. Don't forget the viability of self-funding. Grower associations in other states often require their members to contribute a set amount in exchange for access to the logo and marketing materials provided by the association.
- Develop meaningful quality control guidelines for the use of the *Nebraska Our Best to You* logo. Growers who display the *Nebraska Our Best to You* logo would be expected to adhere to the guidelines.

Develop a brand identity for *Nebraska Our Best to You* that includes a distinct logo. The logo would appear on produce stickers, bags, advertising, etc.

Implement a consumer awareness campaign for *Nebraska Our Best to You* to create demand for Nebraska-grown fruits and vegetables. Media would include paid advertising, public relations and a Web site. All materials would drive consumers to the Web site for locations and hours of operation for farmers' markets, roadside stands and U-Pick operations.

2. Generate Growth Through Diversification

You may not be able to achieve growth objectives because of any number of variables from labor availability to climate. You can overcome obstacles by diversifying.

Broaden the variety of produce you offer. Instead of offering just

slicing tomatoes, offer cherry tomatoes, grape tomatoes, red vine cluster tomatoes in a bag, yellow tomatoes, and beefsteak tomatoes. Add items that have ethnic appeal (example: hot peppers for Hispanic dishes).

Explore new avenues for distributing your produce, such as through restaurants or school food service programs. Add a second roadside stand or participate in more than one farmers' market.

Extend the growing season by offering processed products made from your fresh produce. Consumers like the convenience of frozen and canned goods, ready-to-eat pies, novelty breads, etc. Make them available at your stand or booth.

Explore adding organic produce. The demand for organic produce is growing at a tremendous rate—and consumers are willing to pay a premium for it. But before you venture into this area, make

certain that your operation can support a true organic label.

3. Maximize Yield of a Roadside Stand Operation

According to the results of research done with Nebraska growers, the roadside stand was the most widely used outlet for direct-to-consumer sales. With careful planning and application of proven marketing and promotion techniques, the potential yield from a roadside stand can be improved.

- ☛ Determine the optimum location for your roadside stand—and then maintain a consistent presence from week to week and year to year. Predictability and reliability are keys to meeting consumer expectations.

- ☛ Develop and maintain a consumer-friendly image for your roadside stand. Project the concept of wholesome and fresh.

- ☛ Keep your customers informed of what you will be selling, and when it will be available.

Don't assume customers are aware of the growing season for all of your produce. Make certain they know what to expect and when.

- ☛ Encourage trial of new produce items by helping the customer understand the potential for enhancing their meal. In addition to offering samples (fresh or prepared), provide recipes.

- ☛ Implement a loyalty program to keep customers coming back to your stand. A punch card system is easy to work. With a certain number of punches, the customer is entitled to free produce.

- ☛ Establish a reasonable pricing policy. Visit local retailers in the vicinity of your roadside stand to compare prices. Don't forget to monitor prices at other roadside stands in the area.

- ☛ Cross-promote items to build the sale from each customer. Consider offering a discount on multiple purchases. Offer meal ideas that involve multiple purchases. For example, have a recipe card available for a potato/pepper/zucchini gratin—a side dish that's easy to prepare and includes three of your produce options.

- ☛ Capitalize on consumer demand for convenience. Example: salad kits are one of the hottest items in grocery stores. Offer the same convenience by preparing pre-cleaned, pre-package blends of lettuce, shaved carrots, sliced radishes, etc. in re-sealable plastic bags.

4. Maximize Yield of a Farmers' Market Operation

There is tremendous growth nationwide in the number and popularity of farmers' markets. Not only do they represent an attractive alternative to traditional retail operations, they also provide

a social experience not found in grocery stores. Research in Nebraska, however, shows that only 17 percent of consumers regularly attend a farmers' market. Yet those who attend regularly or occasionally are pleased with the experience. Key drivers for the success of these markets are accessibility, awareness and timely availability.

- ☛ Determine the wants and needs of your customers. Use customer survey forms on a regular basis to gauge satisfaction level.

- ☛ Create an awareness campaign for the farmers' market in which you participate. Newspaper advertising, especially on "food day"—usually Wednesday, can be an effective tool.

5. Maximize Yield of a U-Pick Operation

A U-Pick operation can be very successful if it is located near a sufficient population base. Research suggests that consumers

are more likely to seek out a farm that is within a radius of 20 miles. Exceptions to this certainly exist, especially when a region becomes well-known for the quality of a particular item (for example, Nebraska City apples). To be truly successful, a U-Pick operation needs to be customer friendly so that the experience is an enjoyable one.

🌱 Create awareness for your U-Pick operation and the availability of produce offerings. Small space advertising in the local newspaper is probably the most cost-effective way to alert customers to the opening of the season. Consider investing in a simple Web site to communicate with customers or a special recorded phone message.

🌱 Make your U-Pick operation as customer-friendly as possible. Pay attention to things such as parking, transportation to and from the field, etc.

🌱 Explore ways to differentiate your U-Pick operation and enhance

the experience of the visit for the customer. Consider adding playground equipment or a small petting zoo of farm animals.

🌱 Develop a plan for alternate distribution of produce to be implemented as needed. Put up a roadside stand or donate produce to a food pantry.

🌱 Establish a pricing policy that will enhance your success.

6. Maximize Yield of a Wholesaler, Distribution Center or Retail Operation

Traditional retail grocery stores are without question the single most popular source of fresh produce purchased by Nebraska consumers. Well over half of Nebraska consumers said they bought “all or most” of their produce from a grocery store, with an additional 43 percent indicating they at least bought “some” produce there. This is clearly a distribution channel that Nebraska growers need to consider,

even if it means the potential to give up some margin for a reliable, predictable customer source. To be effective in this arena, you must understand the relationships that exist between a particular retailer and their sources of produce (be it a central distribution center or a wholesaler) and how local producers can “break into” that market.

🌱 Determine best opportunities for supplying the wholesaler/retailer market. Visit managers from both independent stores and at least one store from each chain. Find out if the way they do business is compatible with what you have to offer.

🌱 Develop a realistic analysis of your ability to operate in this arena.

🌱 Develop a position and image for your operation that causes wholesalers/retailers to want to do business with you.

🌱 Develop a plan to show decision makers how you intend to be

an active partner in this “joint venture.” Offer value-added services. Develop point-of-sale materials that highlight your farm that the retailer can use next to your produce to promote the local flavor. Offer to do in-store demonstrations on a regular basis. This could be simply handing out fresh samples, samples of dishes prepared from family-favorite recipes and a recipe card.

FOR MORE INFORMATION

or to request a copy of the full marketing plan, contact the Nebraska Department of Agriculture, Ag Promotion and Development Division at agprom@agr.ne.gov.



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