

Marketing Your Product

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Direct Marketing

- Selling Products Directly to the Consumer
 - Making a connection with the consumer
 - Determining the consumer wants or needs
 - Offering products that meet these needs

Advantages

- Higher Prices
- More Net Income
- Build Relationships with Customers
- Personal Satisfaction and Fulfillment
- Working at Home
- Maintaining Autonomy or Independence

Disadvantages

- Time Consuming
- Must Have People/Salesmanship Skills
- Must Have Proper Facilities
- Consistent Supply

Important Topics

- State Law Requirements
- Business Plans/Marketing Plans
- Liability Insurance
- Competition

N.C. Egg Law

- Richard Hoyle
- Poultry Programs Administrator
- North Carolina Department of Agriculture and Consumer Services
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General Statute 106-245.15
Labeling

- **Grade**
 - Under 30 dozen sold from your production may be labeled as ungraded.
- **Size**
 - Must show weigh class (Small, Medium, Large, Extra Large, or Jumbo)
- **Numerical Count**
 - 1 Dozen, 12 Eggs

General Statute 106-245.15
Labeling

- **Name and Address**
 - Must show the name and address of distributor or packer
- **“Eggs”**
 - Must have the word “eggs” on the principal display panel.

General Statute 106-245.15
Labeling

- **“Fresh”**
 - May only state fresh if the eggs meet the USDA Grade A Standards
- **Obscure Incorrect Labeling**
 - Eggs sold in used containers must be clean and free from odors and have the previous labeling that is incorrect obscured.

106-245.19
Invoices

- All Eggs Sold For Resale Must Be Accompanied By An Invoice Containing
 - Date of Sale
 - Name and Address of Seller
 - Quantity
 - Grade
 - Size
 - Must be maintain at site of sale for 30 days

Advertisement

- When Price is Designated the Following Must be Shown:
 - (Does not apply if you fall under the 30 dozen per week exemption)
 - Applicable Grade
 - Applicable Size
 - (Eggs may be labeled smaller than the actual egg size)

Sanitation

- Food Establishment
 - Eggs must be graded, packed and stored in accordance with food establishment requirements
- 60°F or Less Pre Processing
 - Ungraded eggs must be stored at 60°F until processed or graded. Eggs sold as ungraded must be stored at 45°F or less after gathering

Sanitation

- 45⁰F or Less Post Processing
 - All eggs must be stored, displayed, and sold at 45⁰F or Less
- Sanitary Methods of Cleaning Eggs
 - If eggs are washed they should be washed in water 20⁰F or warmer than the eggs and should contain 200PPM of bleach.

Organic

- Must be Certified by One of the Following Agencies in Order to be Labeled as Organic:
 - State
 - Federal
 - Accredited Organization
 - The agency must be Identified on the Container

Marketing Requirements

- For any Marketing Claims the Producer Must be Capable of:
 - Maintaining Identity
 - Provide supporting Evidence

Exemptions

- Own Production
 - Up to 30 dozen per week may be labeled as ungraded eggs
- On Premises of Production
 - Under grade eggs (cracks & dirties) may be sold on the site of production if they are properly labeled and sales do not exceed 30 dozen per customer.

Business Resource Web Sites

- www.ncagr.com/markets/gradnreg/reglator/egglaw.htm
- <http://chatham.ces.ncsu.edu/growingsmallfarms/meatandeggs.html>
- www.agmrc.org/agmrc/business
- www.sbcn.nc.gov/
- [/www.ncreal.org/](http://www.ncreal.org/)

Market Segments

- Farmers Markets
- On Farm Sales
- Restaurants and Institutions
- Internet Sales

Which Market

- Each Market Requires Different Approaches
- Target Consumer Demographics
 - Who purchases your type of product
 - What are the reasons for buying
 - What are they willing to pay
 - Population figures
 - Income

Farmers Markets

- Market Rules/Cost
- Days and Hours of Operation
- Customers Need to Know When & Where
- Travel Time

On Farm Sales

- No Transportation Cost
- Market Area/Demographics
- Advertising/Marketing
- Other Products & Services

Restaurants and Institutions

- Chefs on Cutting Edge of the “Buy Local” Trend
- Steady Market
- Consistent Product and Supply is Key
- Labor Saving Priority
- Fresher Eggs/Improved Performance in Cooking & Baking

Restaurants and Institutions

- Details are Important
- Who calls whom
- Regular Delivery Schedule Vs Demand Basis
- Payment Terms
- Encourage Feedback
- Invite Staff to Your Farm

Internet Sales

- Web Sites
 - www.ncfarmfresh.com/
 - www.eatwild.org
 - www.localharvest.org
 - www.newfarm.org/farmlocator/index.php
 - www.carolinafarmstewards.org/
 - www.localharvest.org/

Positioning Your Product

- Why is Your Product Different
 - Product Quality/Freshness/Locally Produced
 - Organic/Free Range/Natural/ Cage Free/ Free Roaming/Pasture Raised

Prospecting

- Barriers
 - Lack of Motivation
 - Fear
- Overcoming Fear of Rejection
 - Strictly a Numbers Game

Prospecting

- Be Organized
 - Keep Detailed Records of Contacted customers
 - Customer Contact Information and Preferences
- Establish Goals
 - Review Regularly
- Value Vs Price
- Qualify Prospects

Qualification Criteria

- Method, Date and Name of Initial Contact
- Customer's Current and Previous Supplier
- Contact's first reason for inquiry (poor service from previous supplier)
- All Contact Details Throughout Experience

Objectives of Prospecting

- Identify Yourself and Farm (Sell Your Story)
- Identify Benefits, Features and Advantages to Customer
 - How can you or your product help them
- Involve Customer
- Ask Questions
 - Focus on Customer Needs

When Prospecting

- Make Eye Contact
- Speak Clearly
- Don't Rush or Deliberately Talk Slow

Build Relationships

- Know Your Customers
- Emotional and Physical Connections
- Word of Mouth is King
- Customer is Always Right

Pricing is Key

- Who is Your Competition
 - Other Producers, Supermarkets, other Food Suppliers
- What Products
- What Message
- What Price

Know Your Cost

- Production Cost
- Processing Cost
- Marketing Cost
- Transportation Cost

Production Cost

- Type of bird
- Type of Feed
- Facilities
- Replacement stock

Processing Cost

- Type of Equipment
- Packaging
- Distance From Market
- Number of Deliveries
- Labor
- Water Electricity, Refrigeration, Taxes

Marketing Cost

- Brochures
- Carton Development
- Display Signs
- Print, Media, Radio Advertising
- Sample Product
- Liability Insurance

Transportation Cost

- Vehicle Maintenance
- Gas
- Insurance

Price - Cost = Profit

- Must Establish or Wasting Time

NCDA&CS Marketing Assistance

- “Goodness Grows In NC” Program
- “Got to be NC” Advertising Campaign
- Foodservice and Retail Marketing Specialist
- www.ncagr.com/markets
- www.ncagr.com/markets/gginc/store/index.htm
- www.ncfarmfresh.com
