



Effectively Assisting Direct Marketing Producers: A Guide for Extension and Other Field Agents

A Decision-Making Guide To Determining If, When, and How
Much You Can Effectively Assist Producers With Direct Marketing
Questions

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Many who enter an outreach and continuing education position for the first time, or change the focus of their position to serve a new type of clientele, may find themselves uncertain as to how they may best serve many potential clients given limited human resources. After trial and error in my own outreach career over the past 10 years, I was asked to share a few ideas on how I try to effectively serve a fast-growing segment of agricultural producers, those who direct market. One of the primary challenges to helping direct market producers is helping them frame the marketing challenges they might face, so that is one area where specific tips might be particularly helpful to those in outreach and education who have less experience in the consumer marketing area.

Initial Producer Contact — Judging the Client’s Preparedness

1. First set up a time with them to conduct a half-hour meeting at a later time.
 - This is often a good method to determine the client’s commitment to their new project and concept.
 - Those who follow through with organizing a time have shown a commitment to partnering with you.
2. When you do have 30 minutes to talk to the new client:
 - Ask them, “Give me a 3-5 minute discussion that describes what it is you want to do.”
 - Coach them to include some information on the product or service, geography of the market they hope to serve, and how they think they might be able to find their target customers.
 - If there are missing pieces, have them think through it as homework before moving forward — again, to show commitment.
 - You may want to refer the client to a few references you have had success in the past with in working with others (or that peers have recommended).

Two Choices

At this time, you have a critical decision, and these are criteria I use to decide:

1. Confirm that you can help them immediately IF you feel there has been enough “footwork” in exploring the marketing concept, showing both a commitment to executing their plans and allowing you to discern the initial feasibility of what they seek to do.
 - Give the client realistic goals of what they should do before they return for more help, making sure that they have fully framed the market they plan to sell within by product/service, geography, and target customer.

OR

2. Explain that you need them to do more research and get back to you IF any or all of the important market decisions have not been considered or were not thought out fully.
 - Be careful to not sound overly dismissive, but also assertive enough for them to understand that you are seeking well formulated ideas before you can provide assistance or referrals to others on campus or in technical assistance agencies.

Determining the Appropriate Level of Marketing Technical Assistance

If you decide the client is at a point where they could effectively use assistance from your office or other partners you work with, you have a choice in terms of the degree of involvement you can afford to make. I generally ask myself three questions in determining my willingness to provide more or less assistance.

1. After an initial development stage, could I help this client secure resources that would make their reliance on me and my organization less?
 - Given the myriad of new and existing grant opportunities for value added agriculture, sustainable agriculture, rural business enterprises, specialty crops, alternative energy, cooperatives and state-based marketing programs, I am answering this question with a “yes” more and more frequently.
2. After investing my organization’s resources with this client, will there be broader impacts and results to the community, region, or industry?
 - If this is the case, you can justify the use of public dollars for the impact it would have on a larger set of producers and enterprises, but make sure the producers realize you may want to share their experience and expertise in workshops, case studies, and presentations to others.
 - Is this something I can develop a piece of educational curriculum, fact sheet or other publication from to help other producers and professionals learn something from this project?
3. Will this help me meet my personal professional development goals?
 - Especially when I was younger, I realized that I needed to enhance my academic and classroom knowledge with working knowledge that can only be gained working with a business or industry.
 - So, for younger professionals, or those looking to change the focus of their career, you may want to invest a little more than your usual work hours to develop expertise with a particular industry, marketing channel, or marketing issue.

Assessing the Client

Beyond your personal choice as a professional, assessing the client's personality, working style, and practicality may help you decide how much to invest. So ask, what kind of person do you have on the phone or across the table?

1. Are they a person with existing resources who is pragmatic and detail-oriented? Are they a dreamer with a vision of what consumers want before others have thought of and delivered that product or service?
 - Most likely, you want a combination of these attributes or a team of managers who can balance each other. If not, help them build a team that can provide assistance in areas where they have no background or expertise, especially in the legal/regulatory and public relations/print fields.
 - Try to assess whether your working style will be a good complement to their styles and approach to the market, and if not, suggest another partner or professional that may be of better assistance.

2. What does the producer hope to accomplish with the new marketing strategy?
 - Although value-added enterprises have received a lot of attention, producers must be aware that the additional "share of each food dollar" that a new marketing plan helps them secure will also be associated with a new cost or use of existing resources.
 - The best potential generally stems from the producer's assessment that there is a 'slack resource' for them to tap. For example, there is a family member with business/marketing education who is not fully employed, a unique aspect of their raw product that is in high demand by consumers (e.g., organic, heritage breed), or they are in a location that draws high income customers looking for local products (e.g., mountain resorts).
 - Be willing to challenge the producer if they have not thought through the benefits AND the costs of a new marketing strategy or new enterprise.

Assessing the Marketing Challenge

If you decide to enter a more involved technical assistance relationship with a producer or you need more information in order to refer them to the appropriate marketing specialist, your next step is to initiate a discussion with the producer and ask, "What is the marketing challenge?"

1. Is it a commodity or an innovative product?
 - a. Commodity: The challenge isn't to differentiate the product, but instead, to focus on the most efficient production and logistical strategies to provide low cost, reliable supplies to buyers.
 - This will tend to be higher volume and focus mostly on capital and information management improvements.
 - These marketing challenges are less likely to be localized so you may need to look to state and national expertise for help.

 - b. Innovative: These are customized products that are differentiated to attract a particular target consumer segment which has an unmet need.
 - There is a higher likelihood that the marketing challenge is unique to the local area, its consumers, and the marketing channels that exist for the producer to work within, so local assistance is invaluable.

- The thinness of the market may present a challenge, since there may be few or no examples or case studies that already exist to draw market analysis or lessons from. Some lessons may be drawn from customer discussions rather than more formalized market surveys and studies. In short, inexpensive research is possible.

2. Is it a product development or supply chain issue?

- a. Product development – The objectives with these marketing enterprises is to increase the value-added to a producer and/or differentiate the product for the consumer so that the producer can secure more loyal or less price sensitive consumers.
 - In this case, food and nutrition, agribusiness, and marketing assistance are paramount.
 - Business planning should focus on targeting the best potential consumer segments, defining the product’s tangible (taste, size of container, convenience) and intangible (local, organic, brand image) attributes, and assessing costs of production for pricing.
- b. Supply chain – Product has been developed and sells well where available, but how do I get it to a broader set of consumers?
 - In this case, the producer’s state department of agriculture and commodity group programs can provide some assistance (databases, export assistance, Buy Local programs) and the enterprise may want to partner with food brokers, distributors, or public relations firms.
 - Business planning should focus on customer (retailer, restaurant) and consumer (focus group, in-store sampling) responsiveness, quality assurance, and regulatory compliance, and on assessing the appropriate scale of investment/production.

In short, you have three choices:

1. ADOPT the project if you perceive a good match with your skills, working style, and the potential impact of the project to the broader community, or an ability to get grants if most benefits are private to the company.
2. REFER the project if you feel it is well thought out, but not in your area of expertise or with clients who do not match your working style.
3. DEFER the project if you did not get good answers to your questions – say to them: “I can tell you are very early in the process, do these next steps (being as specific as possible), and then get back to me.”

This guide is available on-line along with Referral Tips, numerous Marketing Topics resources, and a Directory of Expertise at www.swmarketingnetwork.org see “Resources for Agents.” Project funded by Western SARE.