



THE OHIO STATE UNIVERSITY

COLLEGE OF FOOD, AGRICULTURAL,
AND ENVIRONMENTAL SCIENCES

The Marketing Plan

Understanding the 4P's



What is Marketing?

- Putting the right product in the right place,
at the right price, at the right time!





Goal Setting

Short-term

Long-term



4 P's- What are they?

- Product/Service
- Place
- Price
- Promotion





The Product(s)

Product selection and supply

- What products/services do you offer?
 - Food Fish and Shrimp (fresh, value-added)
 - Aquaponic Crops
 - Sport (bait, stocking)
 - Agritourism Experiences
- Quality & Attributes
- Quantity
- Timing – available when buyer wants



The Product(s)

- What are your products?
- Where do your products fit into the market?

Product	Description	Location	Selling Price
Product A-			
Product B-			
Product C-			



The Situation

- Description of your business
- Industry Overview
- Situation Analysis

Strengths	Weaknesses
Opportunities	Threats



What's **HOT**

2015 CULINARY FORECAST

TOP 10 FOOD TRENDS

1. Locally sourced meat and seafood
2. Locally grown produce
3. Environmental sustainability
4. Healthful kids' meals
5. Natural ingredients/minimally processed food
6. New cuts of meat
7. Hyper-local sourcing
8. Sustainable seafood
9. Food waste reduction/management
10. Farm/estate branded items





The Market



- Who are you selling to?
- Where are you selling?

Customer Group	Who	Where?	What do you know?	What do they need?
Identifier A-				
Identifier B-				
Identifier C-				



What do you know about Your Customers?

Demographics – Who/Where are they?

Age, Gender, Income Level, Education, Marital Status, Household Type, Location, Occupation...

Psychographics – What is important to them

Activities, Interests, Opinions – Lifestyle

Customer Type –

Awareness/Relationship

Preferences & Behavior

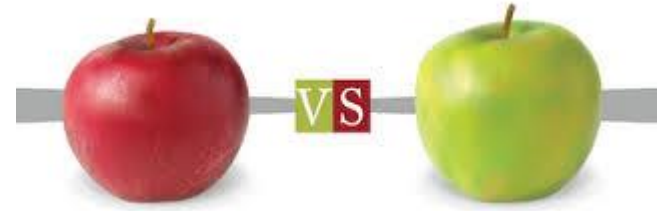
Non-customers

Perceived barriers?



The Competition

- Who are they?
- Comparison



Competitor	Value to Customers	Strengths	Weaknesses
Competitor A-			
Competitor B-			
Competitor C-			



The Place (on/off farm)

- Roadside stands
- Farm markets & Pick-Your-Own operations
- Farmers markets and public markets
- Mail order, Internet-based sales &
- CSA – Community Supported Agriculture (Delivery)
- Auctions, Festivals & Other Events
- On location sales calls (delivery)
- Restaurants, Specialty Grocers, Institutions
- Other...



The Place- distribution

- Own delivery direct-to-buyer
- Shared delivery with other producers
- Pre-arranged pick up points
- Wholesaler or distributor working with restaurants

Each system has benefits/limitations and costs



The Place- distribution/storage

- How can you keep your product quality? (on/off farm)
- Harvest to Delivery
- Cost of Distribution and Storage



The Promotion

Print

- Business Card
- Brochure
- Price List

• Electronic

- Website
- Social Media (blogs, twitter, instagram, facebook, youtube)

• Other

- Elevator Pitch
- Directory Listings
- Uniforms

Keep Your Branding in Mind!



Marketing Activity	Who/Why	Cost	Success Indicator



The Promotion- PR

- Get involved in community activities
- Help sponsor community events
- Acknowledge referrals
- **Press Releases** (pre-write press releases for every week of busy season)
- Contests
- Media link on website with story ideas
- Deliver samples of 'first picked' to five most popular media outlets along w/media packet – other influential people
- Be an “Expert” Speaker
- (speak to civic organizations (30-60 days before busy season))
- Have an answering machine message
- Cross Promotions & Cooperative Marketing



The Price

- What are customers willing to pay?
- What is your break-even point? Are all costs covered?
- How much profit do you want to make?
- What is your competition charging?



How Much \$? Pricing Objectives?

- Bottom Up – ALL costs are starting point, then influences such as competition & market tolerance
- Top Down – Analyze range, set retail price, then analyze - costs covered / profit enough?
- What are customers willing to pay?
(supply & demand, seasonality, competition, unique factors, perceived value)
- What image convey? Penetration, Rate, Skim
- Other Strategies: Bundling, Loss Leader, Impulse



Pricing my product

- **Formula A**
 - Materials + Labor (production time x hourly rate) divided by number of units/lbs= selling price per unit
Monthly: $\$1000 + (100 \text{ hours} \times \$8/\text{hr}) / 120\text{lbs} = \$15/\text{lb}$
- **Formula B**
 - Materials + Overhead+ Labor (production time x hourly rate) divided by number of units/lbs= selling price per unit
Monthly: $\$1000 + \$200 + \$800 / 120\text{lbs} = \$16.60/\text{lb}$
- **Formula C**
 - Materials + Overhead+ Labor + Profit divided by number of units/lbs= selling price per unit
Monthly: $\$1000 + \$200 + \$800 + \$150 / 120\text{lbs} = \$17.91/\text{lb}$

Match this up to your GOAL/Income needed. Are you short, can you produce what you need to?



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