Ohio Aquaculture Association Annual Conference

MARKET AQUACULTURE PRODUCTS
ERIC BARRETT & JULIE FOX, OSU EXTENSION
Marketing: “Combination”

Marketing is not only much broader than selling, it is the whole business seen from the customer’s point of view.

Peter Drucker
Are You...

MARKET READY
Think Like a Customer

• People
  – Customers: can you think like them?
  – YOU & Your business goals/capabilities

• Product

• Place

• Promotion

• Plan & Process
Think Like a Customer

- **Direct to Consumer**
  - Demographics +
- **Direct to Wholesale Buyers**
  - Restaurants, Grocery Stores…
  - Bait Shops, Pay Lakes, …
  - Other Aquaculture Businesses
- **Other Influential People**

- What do you know about who they are, what’s important to them, where they get information and how they behave?

People – Product – Place – Promotion – Plan
Think Like a Marketer

New growers need to find a place in the market to match their land, facilities, abilities, and scale of production.

Richard de Wilde, Harmony Valley Farm

• What to Consider…
  – Your Personal, Family & Business Interests/Goals
  – Your Resources & Strengths
  – Your Lifestyle & Motivations

• Is Aquaculture Farming For You?
• People
• **Product**
  – Product selection and supply
  – Packaging & Labeling
  – Pricing & Payments
• Place
• Promotion
• Plan & Process
Product Selection & Supply

- 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

People – Product – Place – Promotion – Plan
Food Trends & Predictions

- 1 Locally sourced meats and seafood
- 2 Locally grown produce
- 4 Environmental sustainability
- 7 Hyper-local sourcing (restaurant gardens)
- 9 Sustainable seafood
- 11 Farm/estate-branded ingredients
Agritourism Experiences:
• Guided Tours
• Festivals/Events
• Entertainment
• Adventure
• Celebration
• Education
• Shopping – Retail Therapy
• Eating locally grown or locally prepared food
• Overnight stays – B&B, cabin, cottage, …

People – Product – Place – Promotion – Plan
Packaging & Labeling

- Regulation
- Protection against damage, spoilage, and pilferage
- Assist in marketing
- Function, Education, Reinforce Brand…
- Cost Effective
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, Lost Leader, Impulse

- POP (no more than 1/3 of average sale)

- AgT: One Entry Fee or Price/Attraction?
How & When Pay?

- Consumers
  - Cash
  - Check
  - Credit Cards
  - Mobile Payments
- Wholesale Buyers (invoice & terms)
• People
• Product
• Place
  – Distribution & Storage
  – Signage & Merchandising
  – Marketing Environment
• Promotion
• Plan & Process
Distribution

On-Farm Examples

- Retail Market
- Food Service
- Agritourism
  - Tours
  - Pondside Shrimp Harvest
  - Festival

Preparation and Storage of Freshwater Shrimp

Fish and shellfish are nutritious. They are high in protein, vitamins, and minerals but low in total fat and saturated fat. Freshwater shrimp contain less cholesterol than saltwater shrimp and less than 0.5% fat.

**Purchasing Fresh Shrimp**
- Fish is firm in texture, not soft
- Odor is fresh and mild
- Shell is free of black spots

**Purchasing Frozen Shrimp**
- Shrimp should be solidly frozen
- Little or no odor
- No brown spots or freezer burn

**Freezing Fresh Shrimp**
- Place shrimp in plastic freezer bag
- Add some water, partially close bag
- Remove most of water and air, finish closing
- Place in freezer

People – Product – Place – Promotion – Plan
Distribution

Off-Farm Examples

- Farmers’ Market
- Community Event
- Catering
- Restaurant Sales
- Grocery Sales
- Other
- CSA
Distribution Options

- Own delivery direct-to-buyer
- Shared delivery with other producers
- Pre-arranged pick up points
- 3rd Party delivery company
- Wholesaler or distributor working with restaurants

*Each system has own benefits and costs*
• Distribution & Storage
  – How can you keep product quality?
  – Harvest to Delivery
  – Cost of distribution and storage

http://plantsforhumanhealth.ncsu.edu/2012/08/20/pack-n-cool/
Signage

- Signage
  - Way finding
  - On Premises
  - Point of Purchase
  - Direct, Find You
  - Inform, Educate
  - Select Product … Other Action
  - Answer common Questions or Solve problems
  - Positioning/Branding
Signage

• **Elements of good signage**
  – Simple, clear message
  – Tough to read ALL CAPS, *Fancy Fonts*
  – Size of Letters & *Color Combinations*
  – *Color Psychology* ... Consistency
  – Appropriate Materials (Permanent/Temp)
  – Background

www.oaaa.org/marketingresources/industrystandardsandpractices.aspx

www.thesignagefoundation.org/Research
• People
• Product
• Place
• **Promotion**
  – Print & Electronic Communications
  – Targeted Campaigns
  – Custom Service
• Plan & Process
Basic Communications

- **Print**
  - Business Card
  - Brochure
  - Price List

- **Electronic**
  - Website
  - Social Media

- **Other**
  - Elevator Pitch
  - Directory Listings
  - Uniforms

People – Product – Place – Promotion – Plan
Basic Communications

Market Partners

- Sales & Marketing to wholesale buyers
- Marketing with wholesale customers
  - Recognition on menus
  - Signage in grocery
  - Link on websites
  - Cross-promo on social media

People – Product – Place – Promotion – Plan

Local aquaculture in the grocery
Basic Communications

Connecting through MarketMaker

Free Business Profile – buyers can find you

Buy/Sell Forum post/find (private)

Free market data demographics, food consumption, industry contacts

Feature your business

People – Product – Place – Promotion – Plan
Targeted Campaigns
Why, how & when you lead the customer to purchase (Taylor, 1965)

- **Why?** (what will you measure?)
  - Awareness, Trial, Customers, Referrals, Loyalty
- **Who?**
  - Right Audience/s ... Relationships
- **What?**
  - Right Message (Benefits vs. Features)
    - Attention, Interest, Desire, Action (Lavidge and Steiner, 1961)
    - What do you want them to feel, do, know?
- **When?**
  - Right Time, Frequency (4-9x), Consistency
- **Where?** - Right Place, Media Choices
- **How Much?** - Right Budget

People – Product – Place – Promotion – Plan
Customer Service
Policies, Practices & Performance

- The Customer Service Experience

<table>
<thead>
<tr>
<th>Feature</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has knowledgeable employees</td>
<td>65%</td>
</tr>
<tr>
<td>Addresses my needs on first contact</td>
<td>64%</td>
</tr>
<tr>
<td>Treats me like a valued customer</td>
<td>62%</td>
</tr>
<tr>
<td>Demonstrates desire to meet my needs</td>
<td>54%</td>
</tr>
<tr>
<td>Can quickly access information</td>
<td>49%</td>
</tr>
<tr>
<td>Is good value for the money</td>
<td>49%</td>
</tr>
<tr>
<td>Has courteous employees</td>
<td>45%</td>
</tr>
<tr>
<td>Is a company/brand I can trust</td>
<td>43%</td>
</tr>
<tr>
<td>Treats me fairly</td>
<td>38%</td>
</tr>
<tr>
<td>Provides relevant/personalized service</td>
<td>31%</td>
</tr>
</tbody>
</table>

Source: Convergys 2008 U.S. Customer Scorecard

So what? Customers’ willingness to recommend you to someone else (Harvard Business Review)
# Customer Service

## Communication examples

<table>
<thead>
<tr>
<th>Wrong Approach</th>
<th>Polite and Friendly Alternative</th>
</tr>
</thead>
<tbody>
<tr>
<td>“I don’t know.”</td>
<td>“I’ll find out.”</td>
</tr>
<tr>
<td>“No.”</td>
<td>“What I can do is…”</td>
</tr>
<tr>
<td>“That’s not my job.”</td>
<td>“Let me find the right person who can help you with …”</td>
</tr>
<tr>
<td>“You’re right – this is bad.”</td>
<td>“I understand your frustrations.”</td>
</tr>
<tr>
<td>“That’s not my fault.”</td>
<td>“Let’s see what we can do about this.”</td>
</tr>
<tr>
<td>“You want it by when?”</td>
<td>“I’ll try my best.”</td>
</tr>
<tr>
<td>“Calm down.”</td>
<td>“I’m sorry.”</td>
</tr>
<tr>
<td>“I’m busy right now.”</td>
<td>“I’ll be with you in just a moment.”</td>
</tr>
<tr>
<td>“Call me back.”</td>
<td>“I will call you back, what is your telephone ber.”</td>
</tr>
</tbody>
</table>

- [www.customerservicemanager.com](http://www.customerservicemanager.com)
- [http://www.nationalcsa.com](http://www.nationalcsa.com)
- [http://icsatoday.org](http://icsatoday.org)
MarketReady

- People
- Product
- Place
- Promotion
- **Plan & Process**
  - Current Marketing Audit (customer/s point of view)
  - Industry Overview & Competitive Analysis
  - Resource Management ($, Human, Space, Equip)
  - Risk Management (Quality, Safety, Insurance)
  - Marketing & business plan (goals, milestones, budget, calendar)
Are You MarketReady?
Bring it all Together

Your Plan ...
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