

## **ADVERTISING AND PROMOTION**

*by Douglas Dunn<sup>1</sup>*

**Y**ou may have the finest product and the most attractive prices, but if potential customers don't know about your business, your chances of success are limited. Advertising and promotion refer to activities undertaken to increase sales or enhance the image of a product or business. Advertising is used primarily to inform the potential customer of (1) the availability of products or services, (2) when they are in season, (3) where you are located and (4) anything special about your product. Promotional activities are important for maintaining customer traffic throughout the market season—used early in the season to draw customers to your business and during the season to maintain customer traffic levels during slow periods.

Unfortunately, the benefits of advertising and promotion for direct farm marketers have yet to be consistently demonstrated. Promotion of farm products appears to be effective in some cases, but not in others. The potential for successful advertising and promotion is increased when products are clearly differentiated, are of exceptionally high quality, are very seasonal in nature or are new offerings. Research conducted on direct farm marketing indicates that advertising, with emphasis on product freshness and quality, is more likely to move produce than price cutting.

How much should you spend? It is considered good business in retail marketing to spend 2 to 3 percent of gross sales for advertising. A 1985 survey of direct farm marketers in the mid-Atlantic states showed that producers spent an average of 3 percent of sales on advertising. You may find you cannot afford to do as much advertising as you would like. Therefore, it is important to set priorities. A scattered shotgun approach with limited funds usually ends up with poor results. It is important to plan your advertising program, otherwise you may fritter away your hard earned dollars. Know your targeted customers and direct your appeals to them. Be honest and factual.

On-farm and roadside markets with that "something special" usually build their merchandising program around a distinguishing trademark—a unique sign, display, atmosphere or building design. Advertising is easier to remember and more appealing when backed up by a unique, easily illustratable business name or slogan that clearly and concisely states the nature of the business and/or the principle products sold, e.g., WILBER'S WATERMELONS, APPLE ANNE'S—Fruit, Cider, Bakery Goods, RATZLAFF'S CHEMICAL FREE PRODUCE. Avoid creative names that may serve to confuse your potential customer. Many successful on-farm businesses carry the owner's name, creating a more intimate and sincere relationship with the consumer.

In the summer of 1993, a survey was undertaken of the fresh farm produce outlets in Cochise County, Arizona. Visitors were asked how they learned about the direct farm market they were patronizing. A similar survey was completed in Michigan. The results, summarized as follows, give some indication of the effectiveness of different promotional activities.

**How did you learn about this fresh farm outlet?**

	<u>Arizona</u>	<u>Michigan</u>
Word-of-mouth; from friends or family	45.4%	51%
Newspaper articles	14.6%	n.a.
Roadside signs	10.6%	21%
Media advertising	9.3%	10%
“Fresh Farm produce” brochure	3.4%	n.a.
Travel information centers	n.a.	3%
From other producers/businesses	4.2%	n.a.

**Have you seen/heard the following advertisements?**

	<u>Arizona</u>
Roadside signage	68%
Newspaper articles	49%
Newspaper advertising	48%
“Fresh Farm Produce” brochure	34%
Radio advertising	11%
T.V. coverage	9%

- Recipes and cooking ideas.
- How to get to other farm outlets and community points of interest.

Build repeat customers through customer satisfaction. Inquire into the customer’s needs. Seek suggestions for improvement. If visitors have a bad experience or don’t find what they were looking for, they not only don’t return, but will also tell others where not to stop.

Maintain a guest register or ask customers to fill out a pre-printed card. Then mail them a postcard or flier at the start of next year’s season thanking them for their business, indicating when different produce will be available and inviting them back. Hopefully they will also bring others. Consider having customers register directly on to a postcard. Later, print your message on the reverse side. This can save you a lot of time.

Let’s now look at each of these promotional activities and how they might be used in your enterprise. To help you evaluate these advertising options, first ask yourself: Why am I considering doing this? What is it suppose to do? What are my goals? Then seek feedback from your customers, particularly new customers, as to how they heard about you, to determine which advertising media was most effective.

**1. Word-of-mouth**

What can you do to help your present customers spread the word? Provide visitors with your business card. Include fliers or coupons with each purchase and ask your customers to pass them on to family and friends. Develop and distribute “point of purchase” marketing materials and displays:

- A “Fresh Farm Produce” buyers’ guide and map (discussed later).
- Information on “how to” pick, reduce spoilage, can, freeze, dry produce, etc.

**2. Media coverage**

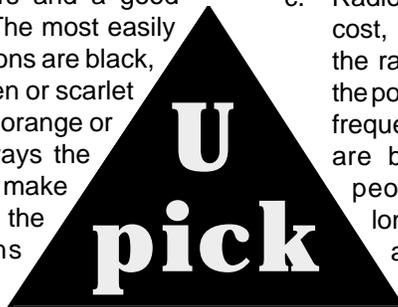
The fresh farm produce outlets in the Willcox, Arizona area have been particularly successful in generating and receiving news coverage in local and regional newspapers and television. Not only has this media coverage been very effective in promoting the outlets, it is free. The direct farm marketers in an area should consider banding together to generate media publicity. Name (contract with) a publicist to develop media opportunities and systematically generate positive publicity for the area’s direct farm marketing outlets. This might be done through the local Chamber of Commerce. Organize a media tour of area outlets. Invite the media to special events.

### 3. Roadside signs

Road side signs are a particularly important information source once travelers are near your business or event. Road side signs can be hindrances if they are not done professionally and kept well maintained. If signs are unattractive, hard to read, home painted and unkept, your operation is likely to start with a bad impression.

The entrance to your business should be clearly marked with a pull-off area on each side of the road. Your initial road sign should, as a rule, be placed at least 2,500 feet from the entrance to your business to allow travelers a safe stopping distance. Then place several advance road signs out from your initial sign that state the distance to your business, e.g., JONES' PRODUCE, 2 MILES. Signage should start from the nearest Interstate or major highway and clearly direct visitors to your business location.

Roadside signs should contain six words or less, with a 1 or 2 word focal point to catch the traveler's interest. Use 7" to 12" letters and a good contrast of colors. The most easily read color combinations are black, dark blue, bottle green or scarlet red on white, yellow, orange or green. It is not always the size of the letters that make them readable, but the space or margins around them. Create a simple logo, such as the example provided, that provides easy recognition.



### 4. Media Advertising

There are a number of options for media advertising. Interviews with direct farm marketers indicate that the most commonly used mediums are:

- a. Classified ads in the food or for sale sections of the Want Ads of local and regional newspapers: The ad should indicate what is for sale, when and where. Most direct farm marketers do not advertise price.
- b. Display ads in the entertainment or food section or in special supplements of regional newspapers: Such ads should be attractively designed and easy to read, with a limited number of words and a good use of white space. Incorporate a trademark or symbol in every ad so that it is quickly recognized by your regular customers. The advertising department of the newspaper can help you plan a layout. Since such ads are more expensive, cooperative funding should be explored with other area direct farm marketers. A group ad will convey to potential customers the wide variety of outlets, produce and experiences available, and assure visitors that they are likely to get what they want if they make the trip.
- c. Radio ads: Due to their higher cost, spot announcements on the radio must be short and to the point, 15 to 30 seconds. More frequent short announcements are believed to reach more people than less frequent longer ones. Frequent spot announcements can help create name recognition.
- d. Place information articles and/or advertising in area shopping guides, tourist publications, company and special interest newsletters targeted to specific audiences, e.g., Garden Clubs, health food, retirement communities, ethnic food.
- e. Yellow pages listing.

## 5. **Community brochure/buyers' guide**

Many rural communities have developed an informational brochure or directory that lists all direct farm marketers in the area with a description of the products they offer. Also included is a map of the area with directions to each outlet and a harvest calendar indicating when different fruits and vegetables will be available. Such brochures are often developed with the aid of the county Cooperative Extension office and are funded through a subscription of those businesses listed. Printing and financial aid may also be available through a local utility or the state Department of Agriculture. Such directories will be effective, however, only if they are properly promoted and distributed to prospective customers. The printing cost of the brochure is small compared to the cost of promoting the directory, postage for mailing them and travel costs in placing the directory at travel information centers and brochure racks at strategic locations. This directory should also be distributed at the direct farm market outlets to assist with referrals and encourage return visitors and word-of-mouth promotion. This project might be coordinated by the local Chamber of Commerce.

The Willcox community has implemented a telephone service which out-of-town customers can call for a regularly updated recording indicating produce availability. The service is sponsored through subscriptions from the advertised businesses.

## 6. **Referrals**

Make sure that the employees of recreation and tourist facilities, motels, gasoline stations, restaurants, campgrounds, the Chamber of Commerce and other visitor oriented businesses are aware of your business. These people can help channel more

customers to you. Make referrals. Exchange customers. Help visitors find the products they are looking for. The Cochise County survey found that many visitors were not aware of the wide diversity of products available at other locations. Some returned home without purchasing sought-after items. When asked what other products or activities they would like to see offered, a significant number of visitors indicated a park/picnic area, swimming, horseback riding, a good place to eat—not knowing that those facilities were available in the Willcox community. A community brochure and map to local restaurants, museums, motels, retail shops, swimming and other recreational facilities should be available at the farm outlets.

## 7. **Special festivals**

Agricultural festivals can be effective in attracting visitors to your community. They can generate additional sales if on-site activities are provided which bring potential customers in contact with your products. Such on-site activities might include things like hay rides, pick your own pumpkin (or watermelon), menudo cook-off, celebrity tomato pitch, watermelon seed spitting contest and farm tours. Unfortunately, the research indicates that limited spending on fresh farm products occurred at agricultural festivals mainly because such products (even those that the festival was named after) were not widely available. The festival activities often interfered with visitors getting to local businesses and on-farm outlets.

## 8. **Special tours**

Field trips and special tours have proven effective in bringing people to the area and your business that might not have made it on their own. Such groups include garden clubs, residents of retirement communities, ethnic clubs, foreign visitors and com-

pany picnics. School tours have been effective in stimulating return visits by the children with their parents in tow.

### 9. **Coupons, special discounts, drawings**

Experience indicates that general discounting can be counter productive in the direct marketing of farm produce. A discounted price suggests lower quality. The use of coupons can, however, help you track the effectiveness of different advertising media. In general it is recommended that discounts be expressed in whole dollars and cents rather than as a percent, and focus on increasing business during the slow seasons of the year. Giving your valued customers an unexpected benefit, e.g., free samples of new or slow moving produce may have a more positive impact than a discount.

### 10. **Labels**

Labels on bags, boxes, jars and containers reinforce your name to the consumer. Labels provide an opportunity for word-of-mouth advertising as guests to your customers' home observe your products. Generally, people will buy food items as gifts only when there is an attractive label indicating its origin and special qualities. Also labels can be effective in promoting the quality of your product, e.g., vine ripened, pesticide free, organic, high fiber, farm fresh, vitamin rich. Your name, logo and/or slogan

can also be printed on T-shirts, aprons, hats and bags, for sale, to help your customers promote your business.

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**FROM:**

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