

# CASE

*Curriculum for Agricultural  
Science Education*

**Principles of Agricultural Science – Animal**

# Marketing 101

Unit 9 – Lesson 9.3 Value Added

# Why Market?

- Position your product in the marketplace to satisfy the most customers
- Marketing adds value to a product
- Increase profit



# Marketing vs. Selling

- **Marketing** – the process of developing, promoting, and distributing products to satisfy customers' needs and wanted
  - Producer has some control over pricing
- **Selling** – taking a product to market and accepting the price offered
  - Producer has no control of pricing

# The Four P's of Marketing

- 1. Product**
- 2. Price**
- 3. Place (distribution)**
- 4. Promotion**



# Product

A good or service offered to a customer



**Brand**



**Packaging**



**Functionality**



**Warranty**



**Appearance**



**Service/Support**



**Quality**

# Price

## Charge for product or service

### Pricing Strategies

- \$ Cost-plus
- \$ Value-based
- \$ Competitive
- \$ Going-rate
- \$ Psychological
- \$ Skimming

### Other Considerations

- \$ Discounts
- \$ Payment period
- \$ Allowances
- \$ Pricing differences

# Place (Distribution)

## Distribution methods from you to customer

### Distribution channels:

- **Direct Sales**
  - Producer sells directly to consumer
  - Complete product control
- **Intermediary Sales**
  - Wider distribution
  - Access to more customers

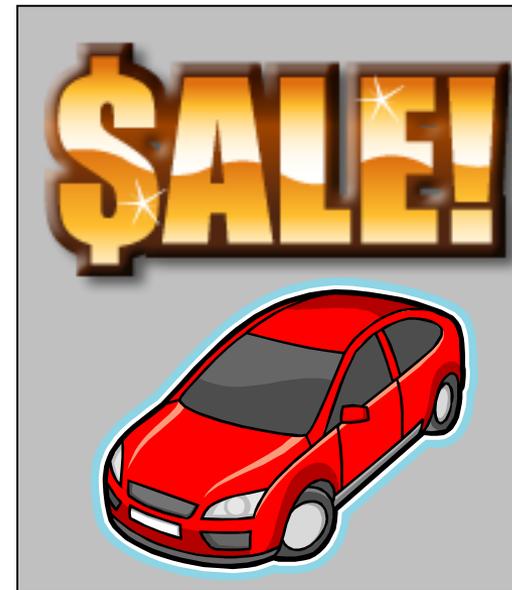
### Market coverage:

- **Intensive** – widespread product placement, low prices, works well for convenience products
- **Selective** – limited placement, upscale products
- **Exclusive** – one retailer, works well for specialty goods

# Promotion

The advertising and selling of your product

- Advertising – radio, television, print, electronic, word of mouth
- Personal selling
- Public relations



# Agricultural Marketing

## Goals:

- Reduce steps between producer and consumer
- Sell most profitable product at times of high demand

FOR  
SALES

# Agricultural Marketing

- Roadside markets
- Farmers' markets
- Niche marketing
  - Organic
  - Antibiotic/hormone free
- Value-added products
  - Brand name
  - Processing



# References

- Ehmke, C., Fulton, J., and Lusk, J. (2005). *Marketing's four p's: First steps for new entrepreneurs*. Retrieved from <http://www.ces.purdue.edu/extmedia/EC/EC-730.pdf>.
- Ricketts, C. and Rawlins, O. (2001). *Introduction to agribusiness*. Albany, NY: Delmar.