

Here, we take a look at the basics of marketing — how to develop a solid merchandising program to compliment a sound breeding program. Then, in the two related articles, we look at two non-typical marketing options for producers to consider — silent auction and Internet sales.

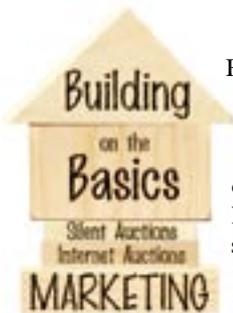
Tips for laying the foundation for a strong marketing program.

by **Angie Stump Denton**

It's been said that nothing is more important to the success of a registered operation, aside from having quality cattle, than a well-planned advertising and merchandising program. For some cattle producers, the breeding and management of cattle comes naturally, but developing a solid marketing program is not as easy.

"A successful marketing program achieves its most basic goal — to sell the product," says Kelly Hale, *Hereford World* advertising coordinator.

Mark Holt, American Hereford Association (AHA) western region fieldman, adds, "The basis of a solid marketing program is producing a product that is in demand. The first thing we need to remember is to develop a herd of cattle with sound phenotype, EPDs (expected progeny differences) and pedigrees. After doing this, develop a plan to reach potential customers, which may include magazine ads, flyers, Web site or banner ads on the AHA Web site.



Finally, enough cannot be said for customer service after the sale. Follow up with customers and offering help to market Hereford-sired commercial calves will build a strong loyalty within your buyers."

Understand the basics

Keith Evans, who is considered one of the leading seedstock marketing experts in the industry, for years shared his knowledge with Hereford breeders and other registered cattle breeders in his syndicated marketing column. One of Evans' articles summarized the basics of advertising; he wrote:

- 1) You must know and believe that benefit-filled advertising works. It is impossible to produce an effective advertising program if you have reservations about advertising's effectiveness.
- 2) You must understand your customers and potential customers. Learn what they need and want. Almost no one can help you if you aren't sure

what makes your customers tick and what will motivate them to buy your bulls.

- 3) You absolutely must know the five things that every advertisement must accomplish — grab attention, arouse interest, create desire, build confidence and conviction, and ask the potential customer to act. Further, demand that every ad you run accomplishes all five.
- 4) Know the five basic building blocks of a good advertisement: a dominant, attention-getting illustration; a headline that promises a benefit; persuasive body copy; a consistent signature (logo); and an overall distinctive appearance. Don't run an ad that is missing one of these strategic blocks.
- 5) Learn enough about the media within your designated market area to buy advertising space efficiently.
- 6) Work with talented people who can build on your knowledge and the information you have to produce ads that won't end up in advertising Hades.

Identify your target

Joe Rickabaugh, AHA director of field management and seedstock marketing, says the foundation to a successful marketing program begins with identifying your target or potential customers. It's important to consider where potential customers are located — in your county, state or areas across the U.S.

Once you have determined your target, you can plan your advertising program to reach that target. Your advertising program doesn't have to have a large budget. It's important to develop a plan that gets your program seen often and delivers a consistent message.

Hale shares these advertising tips: "Do your homework and find out what publications offer and who your advertisement will be reaching. If you choose to advertise on the Internet, do the same research. The most difficult part of advertising is making sure that the right people are receiving your message."

Evans explains when you advertise, keep potential customers and their wants and needs in mind. Stick to the facts and keep your claims modest. "Customers who are pleasantly surprised with the cattle they buy are likely to come back for more," Evans says. "What's more, they will pass the good news along to others."

Utilize AHA/HPI staff to help

Hereford breeders can contact AHA field staff or *Hereford World* staff for assistance in developing an advertising and marketing program. Hale encourages breeders to utilize their field representative as a market research specialist.

Rickabaugh agrees, saying the field staff in coordination with HPI staff can help with designing an advertising program for both print and Internet. "We can help develop a workable budget," he says.

Producers who utilize Creative Services — a division of Hereford Publications Inc. that assists producers with the development of promotional materials — have access to the AHA mail search feature. Customers can sort the database by state, zip code or type — AHA adult members, junior members, commercial producers who receive the *Hereford World* tabloid, bull buyers, cow buyers or a combination of any and all lists.

"A successful marketing program is one that is diversified yet consistent," says Holt. "Breeders have different buying styles and only offering cattle through one method of selling may not be enough. Solid marketing programs may utilize not only a production sale but also an Internet sale, private treaty and consignment sales. This will allow breeders of all backgrounds to see what you are offering."

Rickabaugh says through the years there have been advancements in marketing options yet the basics have stayed the same. "Seedstock marketing has changed so much with the Internet," he says. "Instant marketing that reaches bunches of people is possible. Sitting at home on sale day and watching the sale

on the Internet with the capability to buy is exciting. It's important to keep in mind that this is a people business and people do business with people they like. A huge advertising budget with all the bells and whistles will do little good without a personal touch."

Look beyond the sale

As you build your program, it's important to communicate with your customers. "Visit with your customers and make sure your program is supplying them the genetics they need to accomplish their goals," Rickabaugh says.

Customer service is key to happy customers. "A successful marketing program is ongoing," he says. "Don't rely on sale day to be your only contact with your customers. Stay in touch with your clientele; utilize new technologies to get



Customer service is key to repeat customers. Take time to follow up with customers to make sure they are happy with their purchase. A phone call is a nice gesture and a visit to their farm is even better.

your message out — newsletters, e-mail newsletters, e-mail, field day sponsors, county activities held at your place, attending your breed functions on a statewide and national basis; and develop a constant advertising program. A good marketing program also benefits your clients. For example, helping them sell their feeder calves or allowing them to sell a few in your production sale."

Jim Williams, Certified Hereford Beef (CHB) LLC vice president of supply, agrees saying, "Producers who work hand-and-hand with customers, specifically buying cattle back or helping the customer get involved with a branded-beef program, are developing long-lasting relationships or repeat customers."

Williams encourages seedstock breeders to produce what their customers want and work to meet customer demands.

As Evans wrote in one of his columns, "A breeding program that features the finest genetics is essential to your long-term success in the seedstock business. But that's just for starters. In today's competitive market, most buyers consider top genetics to be standard equipment on a bull, just like power steering is standard equipment on a new truck. This means that the prices you receive for your seedstock depend heavily upon the power of your marketing plan." On the following pages read about two marketing options that might give you some ideas to beef up your marketing plan. **HW**



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