



# CONSISTENT EFFORTS YIELD CONSISTENT RESULTS

Gain real-world insight on how effective and efficient marketing will maximize your bottom line.

by *Rachel Dotson*

**T**he American Hereford Association (AHA) understands that in order for producers to succeed, they must be equipped with the knowledge and tools to thrive in the business. As part of a panel discussion at “The Brand” Marketing Summit held in June 2019, Hereford breeders and marketing professionals Bill Dunn, Dunn Herefords; Mark Johnson, Producers Livestock Marketing; and Jason Barber, Superior Livestock, shared practical advice on becoming productive marketers.

“There are multiple opportunities and multiple venues that fit your marketing skills and style and how your herd is set up,” says Jason Barber, purebred division manager for Superior Livestock. “But, you cannot decide a month from sale day to start advertising or marketing. It just does not work that way. For people to have success, you have to eat, breath and sleep the business.”

At the end of the day, no matter the business, the key components to being a successful marketer are knowing your operation and your target audience, providing excellent customer service, and identifying additional resources to add awareness to your product.

## Know your operation, know your audience

From the panelists’ perspective, the Hereford breed’s advantage in versatility

holds an extreme amount of value for producers and is advantageous for both sellers and buyers. Breeders need to distinguish who they are in the marketplace and how they can identify key stakeholders. Once producers establish their operation’s “True North”—the ideal, or state of perfection, a business should strive toward—then they can establish a target audience and a marketing plan.

“Defining who you are as an operation and your strengths is important,” says Mark Johnson, Hereford breeder and livestock marketing agent for Producers Livestock Marketing. “Once you identify that, it then turns into telling people about it. Get your message out there. We all do a really great job at what we do but a really poor or average job of telling people about it.”

Johnson feels some producers may become intimidated by the self-promotion component. “A lot of us are just raised to more humble, but we need to get our message out there,” he notes.

Specifically, Johnson’s clients who market first-generation (F1) heifers through Producer Livestock Marketing have capitalized on programs resulting in high premiums.

“By taking a partnership approach with our customers and giving them access to sell F1 females in our bull sale, it’s not only resulted in higher sales

for all parties but also a huge increase in customer loyalty,” Johnson says. In addition, Johnson also has a role in connecting producers who are seeking a backgrounder or feedlot to place calves.

Finding your niche in the industry may transpire when faced with pitfalls, as was the case for Bill Dunn, owner of Dunn Herefords, whose northwestern Pennsylvania location tended to work as a hindrance. “I suffer from a serious geographic disadvantage to some of these breeders in the central part of the country and am a long way from the action,” Dunn describes. “We have tried to find ways around that by grouping big groups of quality calves together. I think it is important that smaller producers, pool cattle together and try to market 45, 46 or 47,000-pound groups of similar type cattle. When you do that you realize some economic advantages, versus trying to sell 25 or 30 at a time.”

Dunn believes producers must be creative when finding their niche because “you cannot put a round peg in a square hole — you either reshape the hole or find the right peg.” He applies this analogy while explaining how he adjusted to meet the needs of his customers who would buy his Angus bulls but not his Herefords.

“My bull customers were apprehensive to buy Hereford bulls and after quizzing these guys on why, the response was they could not sell red-hided calves,” Dunn says. “That is when we started backgrounding [red-hided] calves for our customers and grouping them with other calves. That service has really added value to our bull business.”

If your niche is a commercial operation, Johnson recommends taking advantage of premium price structures and identifying how your operation can fit in with those programs. “A big hand in what I do is setting up many alliances where calves are going directly from a ranch to a background or to a feedyard and trying to repeat that as much as possible,” he says. “Getting feedback from the feedlot sector to the backgrounder or to the cow-calf guy helps them know where they need to improve, from herd health to carcass data, which leads to continued customer relations and hopefully a better product for everybody.”

Once producers identify what their operations offer, next is finding a way to connect with the audience. Barber’s role with Superior Livestock and in helping grow his family’s Hereford operation gleans insight on the importance of identifying your target customers and then advertising accordingly through print, digital, broadcast, you name it.

“When, I sit down and formulate a marketing plan with someone, the first thing I want to know is what is your target audience and then build from there,” Barber says. “A lot of people do not understand marketing or they are new to the business or they are successful in another business — and they are trying to apply it to the cattle business, but many times they are battling obscurity. No one knows who they are, but yet, they want to have the same results as successful sales they see somewhere else.”

Barber strives to help Superior Livestock clients build a plan which matches their budget, hits their target

audience and shows them how to improve their marketing year after year.

“To me, the most successful families right now are the ones that are raising the best genetics and also have the firmest grasp on marketing knowledge and customer relationships,” he says.

### Customer service

Across the board, the panelists agreed customer service can make or break current or future business relationships. They advise getting to know and taking an interest in your customers.

“I think we’re all guilty of it, but we all need to spend some time with our customers, making sure we’re meeting their needs,” Dunn says. “It is very important we remember who supports us, learn what they need and make sure we meet those needs.”

Taking an interest in current and future customers’ needs goes past the sale, Dunn advises.

“We have been able to help [customers] after the sale by looking at the results and then explaining to them what we know or how we are going to be able to help them,” he says. “We have gained a lot of customers and a lot of market share by taking the market share away from some other breeds locally, which I am certainly proud of that.”

Barber wants buyers to remember producers have options of whom to purchase from, and if you are not returning customer calls, which he recommends returning within three hours if possible, or staying connected throughout the year, someone else is. He says you can measure customer service success by seeing if customers continue to come back — that is all the feedback producers need. Little gestures can mean much to a buyer and can be something as simple as a hand written thank-you card after a sale.

“No matter what you are marketing, whether it is fed cattle or feeder cattle or purebred livestock or whatever widget you might be selling, treat people fairly,” Johnson says. “Develop relationships that you can fall back on if times get tough. If you have a strong brand, you can have a few setbacks and people will still rally around you rather than just focusing on your product.”

Protecting your brand image includes having some sort of guarantee associated with sales that fall through after a purchase.

Dunn’s past experiences have resulted in him working quickly to find a solution for the customer that seems to fit both parties, which has resulted in repeat business for his operation.

Barber and his family follow a breeding season guarantee protocol of if a bull does not get cows bred during that first breeding season, they advise their customer to bring the bull back to them or take it to the sale barn, and Barber’s will pay the difference.

“You also have to protect yourselves sometimes because it can be a customer’s management,” Barber says. “We try to keep people happy, but there is definitely a level of management responsible and sometimes you will be invited not to buy a bull from us again.”

### Utilize outside resources

There is no question that marketing can get pricey, but if breeders are effective marketers, they will make up the costs with the revenue from sale day, Barber says.

“But the way that I look at it, you have

to spend money to make money,” he says. “Is it really costing you money if you are spending \$30,000 more on this, but it’s yielding you \$60,000 more because of it at sale time? Is that really costing you money? In my opinion it is not, but it is definitely part of the process.”

As marketing evolves within the cattle industry, Barber advises to keep up on the trends but also not to forget to utilize traditional promotion tactics — fliers, tri-fold brochures, eBlasts, banner ads and catalogs.

“I think auctions and just the sale business in general is definitely going more modern,” Barber says. “The same principles apply. If you were a good salesman back then, you could still be a good salesman today and you probably are a very good salesman. But there’s definitely new technologies, there’s trends in the industry you need to pick up on that can aid your efforts. But the same concepts don’t change.”

Outside assistance with professional sale management can pay dividends, such as hiring a videographer to capture footage of your calves. Videotaping cattle ahead of sale time allows customers to get a jump start on their buying selections, Barber points out.

“Whether you broadcast the sale online or not, videoing the cattle ahead of time is crucial,” he says. “You used to have people come to the cattle auctions early to look at everything. Now people are going online and viewing these cattle then sorting down

their group. They get to the sale and they are sorting through the group they have already narrowed down to.”

This tactic is valuable when producers want to drum up new business. Breeders are able to promote these videos on their websites as well as to push videos through social media platforms to maximize exposure, according to Barber.

As someone with 13 years of involvement in the sale business, Barber is a firm believer in using professional sale management to gain advice on when and where to market plus these individuals understand trends.

“When this [online sale broadcasting] first started people would ask, ‘Why are you trying to give guys a reason to stay home and not come to bid in person?’” Barber says. “That is not what it is about. It is about creating new business with people. We don’t want someone to miss out on the opportunity to buy because they cannot be there because we know everyone is busy.”

Barber stresses marketing is a year-round effort and producers have to provide exceptional customer service. “Be in the business,” he says. “You have got to love this business for it to be successful and you see so many of these families that have been in it forever. They’re in it, their parents were in it, their kids will be in it, and they love it. And to me, that’s what’s going to continue to make the Hereford breed go far.” **HW**

## SIX NOTABLE SALE MARKETING TIPS

Jason Barber, Hereford breeder and purebred division manager for Superior Livestock, has 13-plus years of sale experience under his belt. Through his family’s operation and his professional career, he has spent numerous hours formulating marketing tactics to incorporate in order to maximize revenue on sale day. Check out these six tips below which Barber and his family have integrated into their operation.

### 1) MAIL CATALOGS TO POTENTIAL CUSTOMERS

When it comes to determining who is on your mailing list, always consider your target customer base and mail to potential buyers who fit that description. Even if someone does not make a purchase that year, you should continue to send that individual advertising content — sometimes unforeseen circumstances occur which prevent someone from making a purchase. “If you didn’t get them this time, they could still make a purchase the next time,” Barber says.

### 2) CONSIDER VIDEO-ONLY AUCTIONS

From past experience, Barber is a believer in the value of video-only auctions. “The positives are less labor, less liability and the cattle don’t get hurt,” he explains. “You don’t get quite the excitement compared to a live animal in the ring, but for our bull sales that target commercial cattlemen, it works.” He adds when bulls are videoed properly and in a good pen, they are in a more natural element than in a sale ring and can be better represented.

### 3) HAVE ORDERS ON SALE DAY

This is a component the Barber family focuses on intently with their bull sales. “We don’t like going into a sale without an order,” Barber says. “How you get orders is by calling people, visiting customers and seeing them over and over. Sometimes it’s the first lot that is hardest to sell and sometimes it is the one after. If you have an order, you don’t have to sit there and beg for the money to get going on them.” Additionally, the momentum of the auction can be carried by the orders.

### 4) KNOW THE MARKETING CLIMATE AND ADJUST SALE INVENTORY ACCORDINGLY

The purebred sector mirrors and follows the commercial world, Barber says, and it is important for breeders to plan their sales accordingly to market conditions. When it comes to evaluating the operation’s inventory conditions, the result may be eliminating the bottom 10% of bulls from the sale — Barber says his family falls victim to this.

### 5) USING CATALOG ORDER VERSES SALE ORDER

Barber prefers catalog order, specifically for bull sales, and he sees more and more producers moving to adapt that tactic. “It lets your customers set their own sale order and you don’t designate a top or bottom end,” Barber says. “You can still catalog them ahead of time by age group, sire or however you want to. But keep in mind to always put some good ones at the start.”

### 6) USE ADAPTIVE FLOOR PRICING

This is a discussion Barber says he and his father have numerous times on sale day. “I’d rather see cattle in the bank than back on our trailer headed home,” he says. To him, not using floor prices and having an open mindset is a good philosophy for producers to keep. “Sometimes the right approach is to let something sell a little cheaper today if it saves you money — or costs you less — in the long run,” he says. “And sometimes your expectations may just not be in line with the current market and you need to readjust a little.” If something doesn’t sell that day, then think about your next opportunity to market and consider adjusting your floor price. **HW**