

Selling Strategies for Local Food Producers

or many farmers, marketing and selling represent challenging tasks, especially when they sell directly to consumers. However, consumers increasingly appreciate tasty, healthy food purchased from farmers with whom they can talk, ask questions and build relationships. This trend makes directly marketing fresh and unique food products a rapidly growing opportunity for producers.

For farmers to succeed at selling direct through farmers markets (see Figure 1), roadside stands and restaurants, they must hone skills in sales, marketing, production and financial management.

In any business, marketing and selling go hand in hand. Marketing includes deciding what to produce and how to price, distribute and promote a product. Selling, on the other hand, describes the techniques used to entice buyers to purchase the seller's products. Developing strong selling skills is critically important to acquiring and keeping customers in a direct marketing enterprise. Although many farmers may be intimidated



Figure 1. Fresh, local produce sold at a farmers market.

Revised by

Bill McKelvey, Project Coordinator, Division of Applied Social Sciences **Mary Hendrickson**, Associate Professor, Division of Applied Social Sciences **Alice Roach**, Senior Research Associate, Division of Applied Social Sciences by selling, remember that selling skills — just like other skills — can be learned.

The selling techniques described in this guide are customer-friendly and ethical. The guide provides practical advice on how to increase sales by building a loyal customer base. Its approach to selling — adapted from the book *Win-Win Selling* (Wilson Learning Library, 2003) — takes readers through a four-step selling process: (1) build relationships with customers, (2) discover customers' needs and preferences, (3) advocate for one's products and (4) provide quality service. Much of the information centers on selling face-to-face at farmers markets. In addition, a number of tips are appropriate for those who sell their products directly to consumers at roadside stands and to chefs and other food service professionals.

Checklist: Are you ready to sell?

Prepare before you sell (see Figure 2). Cover these basics before you open for business or make a sales call.

- **Product quality**: Is your product fresh, clean and ready to sell? Are samples prepared?
- **Price**: Is your product priced fairly and competitively? Is your price list accurate and up-to-date?
- **Display**: Is your display neat, accessible and attractive? Are prices clearly marked? Is your farm's name displayed on boxes, banners or signs?
- **Supplies**: Do you have plenty of shopping bags? Do you have enough cash to make change? If you accept credit card payments, then do you have a card reader? Is your scale in good working order? Are farm pamphlets and recipes available?
- **Personal appearance**: Are you reasonably well-dressed and presentable?
- **Attitude**: Are you proud of your products and what you do for a living?
- **Service**: Are you ready to be attentive, personable and helpful? Do you have a plan for handling complaints? Do you have a good invoice system? .

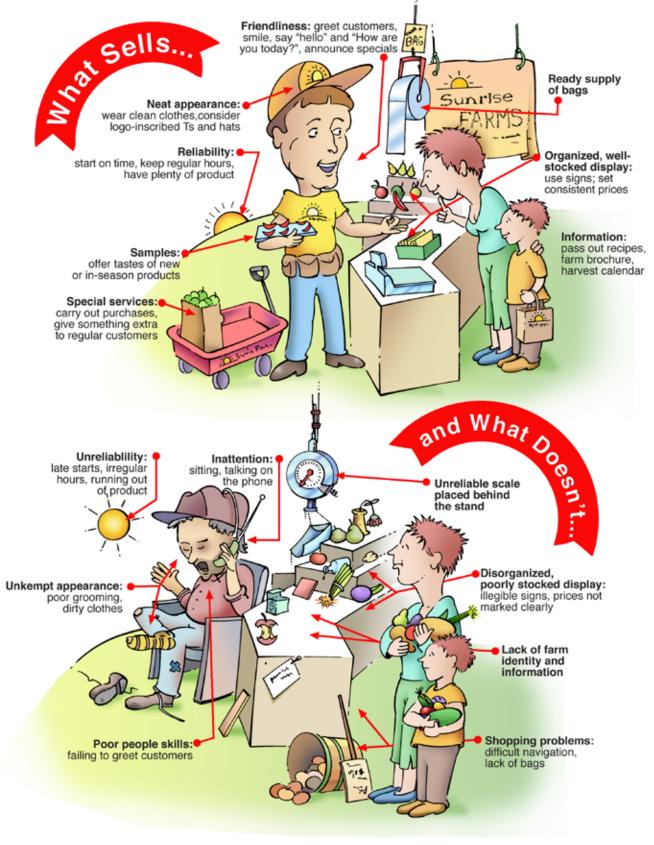


Figure 2. Essential selling strategies for local food producers.

Understanding nonverbal communication

Waving "hi" to a neighbor; slouching in a chair; looking intently into the eyes of a loved one. These are all ways that we communicate without using words.

Nonverbal communication takes many forms and can convey diverse meanings. However, its significance is often overlooked. Nonverbal messages can actually convey more meaning than verbal messages. Researchers estimate that at least 60% of a message's impact comes from nonverbal factors such as eye behavior, gestures, posture and voice.

You can enhance relationships with customers by not only being aware of the ways messages are conveyed nonverbally but also by taking steps to improve your nonverbal communication. Consider the following suggestions from *Successful Nonverbal Communication* by Dale G. Leathers (1986):

- Sustain eye contact with customers when serving them or talking with them. Avoid shifting your eyes too much or looking down or away from customers.
- Keep hands and elbows away from your body. When listening to customers, nod your head, and smile. Avoid fidgeting, handwringing and touching your face.
- Keep an open and relaxed posture. Lean forward slightly. Avoid crossing your arms and standing rigidly.
- Speak at an appropriate volume and rate. Vary your pitch. Avoid speaking in a monotone, using too many pauses and "ahs" and repeating words.

Before you start

Selling is just one part of operating a successful directmarketing business. Good production skills and superior postharvest handling techniques can ensure you offer high-quality products that command premium prices. Likewise, thorough knowledge of your farm's financial condition can ensure that you employ the right pricing and advertising strategies to gain the most profit.

Identifying competitors — for example, supermarkets and other farmers market vendors — can also help ensure success. At the end of the day, you want customers to spend more of their dollars with you. This means that you must constantly improve your skills and look for competitive advantages. Although product quality, farm financial planning, pricing and merchandising topics are beyond this guide's scope, you can find related resources in the "Resources" section at the end of this publication and through the University of Missouri Extension publications and county offices (On the Web: <u>extension</u>. <u>missouri.edu</u>).

Build relationships with your customers

In any business, building relationships with customers is key, particularly when marketing directly to customers. However, building customer relationships takes time, and it relies on you being personable and paying attention to a few basic details. The following suggestions intend to help you make a good first impression and begin building a loyal customer base.

First, pay attention to your personal appearance. Consciously or unconsciously, customers may base their purchasing decisions on their first impression of you. Be clean, neat and reasonably well-dressed and -groomed. This doesn't mean wear your nicest outfit when selling. A clean pair of blue jeans and a fresh shirt are acceptable attire for farmers. Also, consider wearing a name tag or having your farm logo inscribed on shirts and hats.

Second, engage customers as soon as you can at the market so they don't go elsewhere. If you are able, then stand rather than sit. Make eye contact with customers and avoid wearing sunglasses if possible. Smile. Say "Hello, how are you today?" Avoid spending too much time looking at your smartphone. The idea here is to be inviting and make it easy for customers to visit your stand and get to know you both as a farmer and as a person.

When customers visit your stand, make an effort to learn their names and something about them. This allows you to address them by name and strike up casual conversation when they visit again. When working with chefs, do some homework to learn their names before you make your first sales call. If the market is slow, then keep busy by restocking or straightening the stand, passing out samples or having a partner placed in front of the stand to draw in people.

Third, be reliable. Show up on time, keep regular hours, and have adequate supplies of your product. Customers may not trust you if they don't know when you'll be at the market, when you'll arrive with a delivery, how long you'll be open for business or how much product you'll have. If selling to a restaurant, then reliability can help with gaining and maintaining customers. For instance, if a hailstorm wipes out your spinach or deer season closes your meat processor, then tell the chef as far in advance as possible that you won't be able to deliver an order. With advance warning, chefs may take the lack of product in stride and still order from you. Without upfront communication, you may lose the entire account.

Fourth, share your knowledge about your products and skills. Customers are often interested in the nutritional value of different foods, how foods are grown or processed or what makes your offerings special. This is especially important if you sell specialty or ethnic products. Customers also appreciate hearing about how your products are used by other satisfied customers.

page 3

Fifth, go the extra mile for customers. Offer to carry or cart-out purchases if you have extra help. Allow customers to leave purchased items at your stand until they've completed their other shopping. Always try to deliver more than the customer expects. Give away something extra or throw in a sample of a new product to regular customers. These and other services demonstrate your commitment to your customers and show them how much you appreciate their business.

Finally, be pragmatic, and have a sense of humor. You will not satisfy everyone all of the time. Placing reasonable expectations on yourself and others — and being able to laugh at yourself on occasion — will allow you to keep a good attitude and attract customers. Also, if you don't feel outgoing enough for direct marketing, then find someone in your family or hire someone who is. Remember to educate your team about your products and the importance of providing great customer service.

Discover your customers' needs and preferences

Discovering needs and preferences takes time, patience and a good ear. It also follows naturally from a commitment to building relationships with customers and getting to know them personally.

For instance, you might arrive at market with a truckload of the best yellow-fleshed watermelon in the county, but if customers are not familiar with this variety, then you may also leave the market with a truckload of yellow-fleshed watermelon.

To find out what customers want, consider these two strategies.

First, when talking to customers, ask questions about their preferences. For instance, ask, "Are you looking for anything special today?" or "Are you preparing any special meals this week?" If a family is shopping with children, then ask the kids, "What's your favorite vegetable?" You can also relate your products to the season or upcoming holidays by asking, "Are you planning to do any canning this year?" or "Will you cook out for the Fourth of July?" Listen carefully to what customers say. If you are taking orders, then restate orders to be sure you heard them correctly. Keep a notepad and pen nearby to record orders, comments and special requests.

Second, do some homework. Research the latest consumer trends by subscribing to lifestyle magazines (e.g., *Martha Stewart Living; O, The Oprah Magazine; Real Simple*), searching the internet, reading blogs and following influencers on social media. Look for information about the types of products you sell. Stay abreast of the latest developments in direct marketing and farming. Use this information, along with what you learn directly from your customers, to adjust your product selection to better meet your customers' needs.

Advocate for your products

Once you've developed a relationship with your customers and have a good idea of their expectations, match their needs with your products. Implementing the following practices creates a partnership with your customers rather than selling them something they don't need.

First, balance between sharing information about your products and socializing with customers. Talk about your products' nutritional qualities or how to store, preserve and use them. With chefs, talk about the ease of using your products in the restaurant or your products' unique flavors and qualities. For instance, mention the rich flavor of your grass-fed meat or how

Building relationships with chefs

When selling to chefs, building strong relationships is particularly important in part because you stand to gain or lose a higher volume of sales than with an individual customer at a farmers market. Establishing relationships with chefs can take time. You may have to make a few visits or phone calls before a chef takes an interest. Being politely persistent can pay off.

Once chefs are interested, schedule meetings well before the start of the season to determine their needs. Ask a few questions, such as:

- "What is your favorite meal to prepare?"
- "What are some of your best-selling items?"
- "What products would you like to source locally?"
- "What are hard-to-find or highly perishable products not available from your distributor?"

Take a seed catalog with you and review it with chefs to determine which products they want. Talk about what products sell best at market, and ask chefs if they are interested in the same ones. If in-season, then provide samples of your best products for chefs to test at home or in their restaurants.

When arranging meetings with chefs, keep in mind that they have different schedules than farmers. Chefs are extremely busy during meal times and will not welcome interruptions. If you call on a chef specializing in the lunch business at 11:30 a.m., then you will lose the sale. The best time to call or drop by is midmorning, generally before 10 a.m. or in the afternoon around 2 or 3 p.m. after the lunchtime rush is over and before the dinner hour starts. well your egg yolks hold up when they're fried sunnyside up. Realize that most people like receiving some information, but they don't necessarily want a lecture. Keep the conversation light and friendly. To share more information, pass out informational fliers, or include your website and social media URLs on your business card.

Second, consider sharing recipes to show consumers how to use your products, especially if they are new or unique. Consumers tend to like simple, seasonal recipes with only a few ingredients. Gather recipes in the off-season, and print them on tear-off notepads with your farm logo and contact information. You can also share recipes through e-newsletters and social media.

Third, offering samples can introduce new or in-season products. Before offering samples at a farmers market, consult with your local health department and check the market's rules. Generally, samples should be fresh and served in individual cups on a covered tray. Keep a trash can nearby for waste disposal. When providing samples to chefs, take small quantities of your product to the restaurant with some information about your farm. Briefly talk with the chef if possible. Check back a week later to see if the chef liked your product and would like to place an order.

Fourth, make signs or announcements to let customers know about products that will be available soon. A simple sign can read, "Fresh shiitake mushrooms available next week. Special price: \$5 per 1/2 pound while supplies last." Or, as customers leave with their purchases, you might say, "Next week, we'll have our first harvest of oyster mushrooms. Visit our stand early because we'll only have a few pounds available early in the season." Give customers a reason to visit your booth again and the opportunity to become preferred customers. Also, if you sell many products, consider offering one each week at a reduced price. Everyone likes to feel like they are getting a deal. Announce such weekly specials. A sign might read, "This Week's Special: Winter Squash, 2 for \$5." Or, you might say to customers, "We have a special on #2 canning tomatoes this week. They're slightly blemished but will make great sauce or salsa. Here's a copy of our family's salsa recipe."

Fifth, add a little flair to your presentation. Wear a costume or make periodic announcements to passersby about new or special products. Be sure to use discretion though, and be considerate of other vendors and shoppers.

Finally, remember to ask for the sale. Be specific with your pitch. Assume the sale by asking questions that will make a sale regardless of the answer. The best questions have two choices with no negative outcome (i.e., no loss of sale). For example, rather than asking,

Creating printed and online materials

Many farmers who market directly invest time and energy in communicating with customers through printed or online materials and social media. Regularly communicating with customers allows farmers to build relationships with those customers and tell the story of their farms and farm products.

Before you start a communications plan, consider creating unique "brand elements" for your business or product. Graphic designers can help you create a simple logo that will help your farm stand out. Choose colors and fonts that you'll consistently use in your signage, logo, product labels and website. Write a tagline to express your business goal or philosophy.

Once you've selected your brand elements, use them consistently on all printed and online materials. Customers are more likely to remember your business if you have a strong and consistent identity.

To communicate with customers, consider the following as materials to create and platforms to use. You can develop many of these materials using basic word processing or publishing software, and you can use many communication platforms at no or little cost.

- Farm pamphlet or brochure: Include pictures, history of your farm, a statement of your farming philosophy, products and a harvest calendar.
- Weekly or monthly e-newsletter: Update customers about new products and other farm news. Include seasonal recipes and food storage and preservation tips. Also, tell subscribers where they can next see you at market.
- **Informational fliers**: Consider creating a half- or one-page handout about nutrition, cooking, storage and preservation, classes, events, contests, history and origins of select food crops, relevant news stories and policy issues.
- Website: Highlight your farm's story, family, products and distribution points. Web design and hosting products make creating and maintaining a website relatively easy. However, if you don't have these skills, then seek help from a professional web designer or web manager. If you want to sell online, then look for web services that provide e-commerce capabilities.
- **Social media**: Facebook, Twitter, Instagram and Pinterest have gained popularity in recent years. Consider your options, and pick from these or other platforms that your audience uses and allows you to best communicate about your farm and products.

"Would you like to buy some eggs?" say "Would you like just a dozen eggs this week, or would you like to take an extra dozen to have on hand?" Other examples: "How



Figure 3. High quality customer service helps producers stand out.

many pounds of beans can I get for you today?" and "Would you like the green peppers or the red peppers or both?"

You can assume the sale subtly. If a customer is wavering between two products, then say, "How about getting the fresh spreadable cheese to use on toast and this aged cheese to sprinkle over salads?" In this example, the customer is more likely to buy two items, not just one, from you.

If you ask for the sale and it doesn't happen, then you may need to make another attempt to discover your customers' wants and needs. To increase your sales, however, you ultimately must ask for the sale. Many sales don't happen without the ask!

Provide quality service

You may be familiar with the following adage: a satisfied customer will tell fewer than five people about your business, but a dissatisfied customer will tell at least 10 people. This demonstrates two important points. First, satisfied customers are essential to any business. Second, word-of-mouth publicity can make or break a business. With this in mind, focus on strengthening relationships with existing customers by providing outstanding service using the following tips.

First, once the market opens, serving customers should be the first priority (see Figure 3). All other activities such as talking with other vendors or rearranging the display should wait until the customer is served. Also, thank customers as they leave and make it clear that all products are guaranteed.

Second, provide prompt service, especially during busy times. However, try to give each customer attention. Develop a way to serve customers in order and acknowledge customers who are waiting in line. Make eye contact with waiting customers, tell them that

Learning to be a good salesperson

Anyone can learn to be a good salesperson. Those who naturally excel at selling will enjoy working with a wide variety of personalities, have excellent interpersonal skills and enjoy thinking creatively about positioning or placing their products. They will pay attention to detail and be comfortable when customers don't want their product or don't return their sales calls.

For others, learning to be a good salesperson may take time and attention. Initially, it may require extra effort to be outgoing and start conversations with customers. It might also require committing to the resources in this guide.

Additionally, for farm enterprises to succeed with direct marketing, they require excellence in production, marketing, financial management and selling. Most farmers shine in one or two areas and struggle with the others. Farmers who know all about producing and harvesting high-quality products and understand their enterprises' profitability may feel completely intimidated by marketing and selling their products. Or, someone who knows how to market well and produce great products may find it very challenging to determine which of their crop or livestock enterprises make the most money.

Because developing expertise in all skill areas is not easy, direct marketers should honestly evaluate their talents and skills; take strides to develop broad skills in areas that need improvement; and seek help from other farmers, workers or family members who possess expertise in particular areas.

you'll be with them in a moment, and thank them for their patience. If possible, then offer waiting customers a sample or a pamphlet about your farm. When selling to chefs or other direct customers, return phone calls or emails within at least 24 hours to avoid losing the sale. To manage extremely busy periods, consider hiring employees, recruiting family members or making prepackaged items available.

Third, address any post-sale dissatisfaction politely and promptly. Whatever you do, avoid arguing with customers. Acknowledge all complaints, apologize, and take appropriate steps to remedy the problem. Consider asking customers how they would like a situation resolved. Once the complaint is resolved, thank the customer for bringing the complaint to your attention and make a note of the complaint for future reference. Keep in mind that it takes more energy and effort to gain new customers than it does to keep existing ones. Even when customers have negative experiences, they will likely return to purchase from you again if they feel complaints were resolved appropriately and quickly. Fourth, if selling to chefs, then accommodate the restaurant's needs. Samples can introduce your product to a chef, but provide enough product and package it well so the chef can experiment. Good packaging will allow you to show that your product will be consistent from package to package and standardized by weight or count. With this information, a chef can confidently order the necessary amount.

Print current, easy-to-read price lists and leave them with samples. Price lists can introduce new products to the chefs, especially if you highlight the variety of products you have available. Also, make ordering easy. Some chefs will place orders after their dinner service closes, which means you are likely to lose the sale if you can't take email or Internet orders.

You will need to deliver products on a regular basis at predetermined times convenient for the chef. Because chefs have limited storage on-site, delaying your delivery by even a day can disrupt the restaurant's menu and damage your relationship. You will also need to include a separate, legible invoice with products you deliver. Invoices are usually passed to the bookkeeper, who must understand the information to process a timely payment.

Explore beyond the basics

Although providing outstanding customer service is a proven way to build and strengthen relationships with existing customers, you can improve service by following these practices.

First, when interacting with customers, find other products to sell to them. Take note of what they have in their shopping bags or on their restaurant menus and offer complementary items. Remember their previous purchases, ask how they enjoyed those items, and ask if they'd like more. If customers want items you don't carry, then recommend other vendors who do carry those items.

If you see a regular customer carrying a competitor's product, then offer a sample of your own product with an appropriate promotion to encourage them to visit your stand next week. For instance, "I see you purchased some tomatoes down the way. I've planted this really great variety this year that I think you'll like. Try this one at no charge, and if you like it, come back next week to see me."

Second, consider creative ways to communicate with customers throughout the year. Many farms use newsletters and social media to stay in touch with customers. Collect customers' contact information from a guest book or sign-up sheet and ask how they prefer to receive communications from you. Add an e-newsletter subscription page to your website and promote it via social media. On your website, place widgets that link to your social media pages.

Third, think about hosting events, classes or contests. Scheduling an open house, farm tour or on-farm meal shows you appreciate your customers. Sponsor free classes on preserving foods. Partner with a local chef to offer tasting parties or cooking classes. Have a drawing or recipe contest.

Finally, make a concerted effort to evaluate and improve your service. Record yourself during busy times with a video or audio recorder. Listen to and watch other vendors. Tour other markets, visit other roadside stands, or go to supermarkets to check their selection, display and prices. Put yourself in your customers' shoes and think about your business from their perspective. Some businesses measure customer satisfaction through customer surveys, meetings with customers or customer complaints and compliments. The goal is to reflect on successes and failures and be willing to change.

Summary

Succeeding with direct marketing takes time, effort and attention. It requires producing a quality product and building lasting relationships with customers. It also takes a combination of skills — and ideally, a group effort — to create a lasting, profitable enterprise.

Marketing directly to consumers also has many rewards. As a farmer, you can gain greater control over production and marketing decisions. You have the opportunity to use unique marketing strategies and earn retail prices for your products. You also become a valued community member and gain satisfaction from both your work and the relationships you build with community members.

Resources

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