



# **Target Market Identification and Promotion Strategies for Agri-Tourism**

**Regional Agri-Tourism Workshop  
Crossville**

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Part I:

# Target Market Identification

Adapted from *Target Market Identification and Development* by Russ Bragg



# Target Market



- A portion of the population with a
  1. Need that your business can fulfill
  2. Willingness to purchase
  3. Ability to purchase



# Levels of Market Segmentation

- **Level 1 – Mass Marketing**
  - *Henry Ford Model T, Coca Cola™*
- **Level 2 – Segment Marketing**
  - *Ford King Ranch Dually*
- **Level 3 – Niche Marketing**
  - *Rolls Royce and Bentley Automobile*
- **Level 4 – Micromarketing**
  - *Local Marketing, individual marketing*



# Everyday Example: Target Market Identification

- Who is targeted?
- Why is this appealing to the target market?
- Where would target market find this product?
- Would you buy this product?
- What is the value of this product to you?  
...to target market?



# Key Factors for Target Market Identification



## Segment size and growth

- Can they provide an adequate amount of sales?
- **“Where is the money?”**



## Segment accessibility

- Can they be accessed?



## Businesses objectives and resources



# Characteristics to Analyze

- Demographic Analysis
  - Age
  - Gender
  - Geographic location
  - Annual Income
  - Marriage Status
  - Education level
- Psychographic Analysis
  - What do they VALUE?
    - Price
    - Entertainment/Activities
    - Convenience
    - Safety
  - How do they make decisions?
    - Recommendations
    - Advertising



# Levels of Market Segmentation for Agritourism

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# Potential Agritourism Target Markets

- Interstate Travelers
  - Family - Vacation
  - Retired – Touring
  - Commuters
- School Groups
  - Specific Grade Levels
  - Mothers Clubs
- Retired travelers
- Festival and Seasonal Travelers
- Church Groups
- Business Groups
  - Retreats, Meeting Places
- Local Families
- Teenage Entertainment
- Birthday Groups



# Who will you target?

I don't know the key to success,  
but the key to failure is trying to  
please everybody.

**Bill Cosby**

# Part II: Advertising and Promotion Strategies



# Promotion

- The act of furthering the growth or development of something
- Activities to prompt or entice customers
- *Especially* through **advertising, publicity, sampling or discounting**

# Linking Seller and Buyer

- The seller's four Ps
  - Product
  - Price
  - Place
  - **Promotion**
- The buyer's four Cs
  - Customer benefit
  - Customer cost
  - Convenience
  - **Communication**

Source:

<http://www.foodsci.purdue.edu/outreach/vap/materials/marketing.pdf>



# Keys Factors for Promotional Strategy Development

- 🔑 **Tie-in to Tourism**
- 🔑 **Reach *Your* Target Market**
- 🔑 **Meet *Your* Goals and Objectives**



# Tie-in to Tourism



# Tie-in to Tourism

- Build relationships with tourism industry organizations
  - Convention and Visitors Bureaus, Chamber of Commerces
  - Join, get involved, attend meetings and events
  - Invite to your operation, host meetings
  - Inform about operation and events
- Why?
  - Market directly to tourists
  - Recognized by media
  - Expand area of influence
  - Assistance in preparing/distributing promotional materials
- Challenge
  - Time commitment

## Case Study:



- Joined County Convention and Visitors Association
- \$145/year fee
- Assisted with stopping zoning limitations
- Page on association website
- Link to farm website

Jane Eckert. *Making the Money Connection: Farms and the Tourism Industry*. 2004 NAFDMA Conference.



**Reach *Your***  
**Target Market**





# Everyday Examples: Promoting to Your Target Market

- When might you see this product advertised?
- WHY?

# Promoting to Your Target Market: Teachers/School Groups

- Results of 1999 survey in 6 county area of TN

<b>Percentage of Teachers Who Learn About Field Trips by Selected Methods</b>	
Word-of-Mouth	81%
Brochures/Flyers	42%
Mail	39%
Newspaper	9%
Bulletins	7%
Mass Media	3%

Source: *Targeting School Groups for Agritainment Enterprises*

<http://www.utextension.utk.edu/publications/pbfiles/pb1669.pdf>

# Promoting to Your Target Market: Fresh Farm Outlet Customers

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

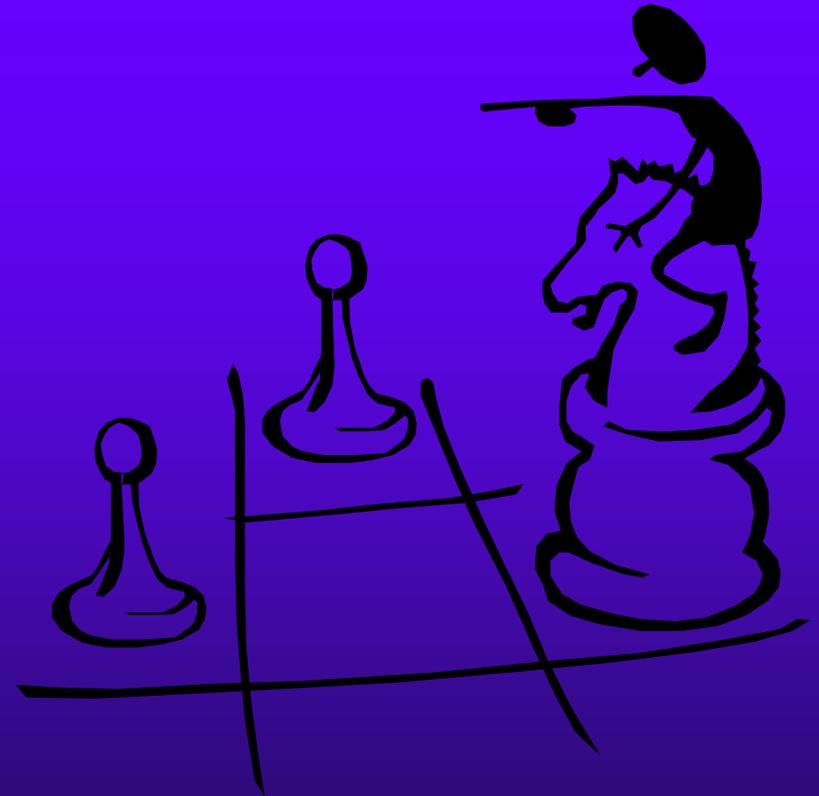
	<u>Arizona</u>	<u>Michigan</u>
Word-of-mouth; from friends or family	45.4%	51%
Newspaper articles	14.6%	n.a.
Roadside signs	10.6%	21%
Media advertising	9.3%	10%
"Fresh Farm produce" brochure	3.4%	n.a.
Travel information centers	n.a.	3%
From other producers/businesses	4.2%	n.a.

## 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%

# Promotional Strategy Options

- Word-of-Mouth
- Publicity
- Sampling
- Advertising
- Discounting



# Word-of-Mouth

- Passing of information by verbal means, especially recommendations
  - In an informal, person-to-person manner, rather than by media or advertising
- Some statistics...
  - A satisfied customer will tell 4 or 5 others about a pleasant brand experience.
  - An unsatisfied customer will tell 7 to 13 others.
  - “It costs 3 to 5 times more to replace than to keep a customer.”

(Wreden, 2003)

# Word-of-Mouth

- Earn it
  - Provide good experience
  - Service oriented
- Be creative
  - Ask for referrals
  - Implement an incentive program for referrals
  - Provide business cards/brochures

# Publicity

- Non-paid for communication of information about company or product
- Advantages
  - Perceived as credible
  - Relatively inexpensive
- Disadvantage
  - Little control





# Ways to Gain Positive Publicity

- Write an article
- Contact local TV and radio stations and offer to be interviewed
- Publish a newsletter
- Speak at local functions
- Offer or sponsor a seminar
- Write news releases and fax them to the media
- Volunteer
- Sponsor a community project or support a nonprofit organization or charity
- Promote a cause

Source: <http://www.foodsci.purdue.edu/outreach/vap/materials/marketing.pdf>

# Case Study: Clover Hill Winery

## *Lehigh Valley turns into wine country*

**Success by the glassful:**  
Kari Skrip, co-owner of  
Clover Hill Winery in  
Breingsville, Pa. By Bill  
Adams, The Express-  
Times via AP



*USA Today* [http://www.usatoday.com/travel/destinations/2003-11-24-pa-wine\\_x.htm](http://www.usatoday.com/travel/destinations/2003-11-24-pa-wine_x.htm)

# Sampling

- Provide free trial of product or service
- Advantage
  - Allows customer to try product without risk
- Disadvantage
  - Can be expensive





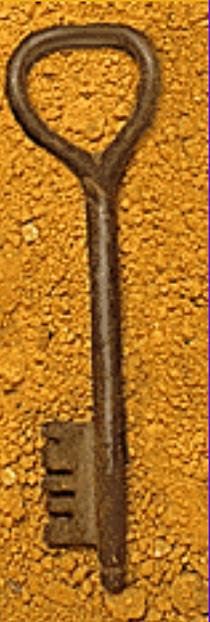
# Case Study: Nahunta Pork

- Samples in store on weekends
- Experience taste and aroma from cooking
- Cost of samples = ~\$600 for Fridays and Saturdays
- Sales of sampled products up 600%

# Advertising

- To call public attention to
- Emphasizes desirable qualities so as to arouse a desire to buy or patronize
- Paid announcements





# Ad Development Considerations

- What is the primary purpose of our ad?
- What unique benefit can we offer customers?
- At whom (what market segments) are we aiming this ad?
- What response do we want from our audience?
- What image do we want to convey in our ads?

Source:

<http://www.foodsci.purdue.edu/outreach/vap/materials/marketing.pdf>

# Media Types

- Newspaper
- Radio
- Magazine
- Television
- Direct Mail
- Point of Sale
- Outdoor
- Internet



# Websites



- Travelers hit the *information superhighway* before hitting the highway.
- You don't exist if you don't have one!
- Saves phone time

# Case Study: Goat Lady Dairy



Visit the Dairy - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites History Print

Address <http://www.goatladydairy.com/Visit.htm> Go Link

## Goat Lady Dairy

- Home
- The Dairy
- The Farm
- Farmstead Cheeses
- Dinner at the Dairy
- Visit the Dairy
- Meeting Rentals
- Directions
- Useful Links
- News and Recipes
- Products



Click on **News and Recipes** for date and time of our next Open House. Several times a year, we schedule a Sunday OPEN HOUSE from 1:00 to 5:00 p.m. We invite you to bring the whole family to experience our farm for yourselves. There are animals to touch, eggs to gather, herbs to smell and gardens to tour. You can also stroll in the woods or meadows, relax by the pond or even picnic. These events are open to all. Our family will be there to help you learn about our life on the farm and give you a taste of our farmstead cheese. Of course, you can also purchase some cheese to take home.

At other times, we provide farm tours for school groups, garden clubs, seniors, bus tours and other groups. The \$5.00 per person charge includes a cheese tasting and a 90-minute guided tour. These visits are made by special arrangement and are limited. We regret we cannot offer tours to individual families.

You can purchase cheese at the dairy but phone (336) 824-2163 to make your order before you come. Because we are a working farm, we are not open for unannounced visitors.

[Home](#) | [The Farm](#) | [The Dairy](#) | [Farmstead Cheeses](#) | [Dinner at the Dairy](#)  
[Visit the Dairy](#) | [Meeting Rentals](#) | [Directions](#) | [Useful Links](#) | [News and Recipes](#) | [Products](#)

**Goat Lady Dairy**

3515 Jess Hackett Road Climax, North Carolina 27233 (336)824-2163

[Info@goatladydairy.com](mailto:Info@goatladydairy.com)

# Discounting

- Coupons, 2 for 1, quantity discount, punch card
- Advantages
  - Attractive to price sensitive customers
  - Can encourage trial
  - Can help track effectiveness of ads
- Disadvantages
  - Difficult to estimate usage
  - May be expensive



# Case Study: Sever's Corn Maze



**BIGGER, BETTER AND MORE FUN THAN EVER!**

**Our 7th Year!**

Bring this coupon to the maze and get...

**\$1 OFF**

Everyone in your group.

**2003 MAZE**

live music · pig races · food & beverages · hay rides

www.severcornmaze.com

**SEVER'S CORN MAZE & Fall Festival**

corn maze hotline: 952-974-5000

"The World According to Sever"

OPEN Halloween & MER

**GREAT FAMILY FUN!**

exotic animal petting zoo · huge straw bale maze · pumpkin slinger · camel & pony rides



***Meet Your Goals  
and Objectives***



# Marketing Budget

- Create based on
  - Your goal/objectives
  - Expected sales
  - Costs of marketing activities
- Benchmark:  
5 to 10% of gross sales



# Contacting the Center

*Center for Profitable Agriculture*

**Middle Tennessee Experiment Station**

**P. O. Box 1819**

**Spring Hill, TN 37174**

**(931)486-2777**

**cpa@utk.edu**

**<http://cpa.utk.edu>**

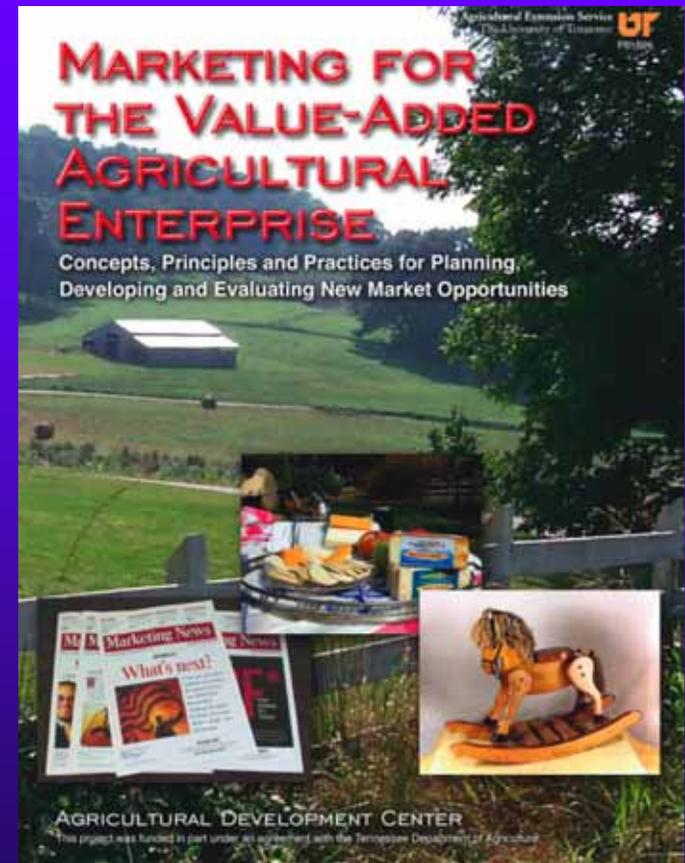


# Appendices

- Additional Resources: Publications
- Advantages and Disadvantages of Different Media Types

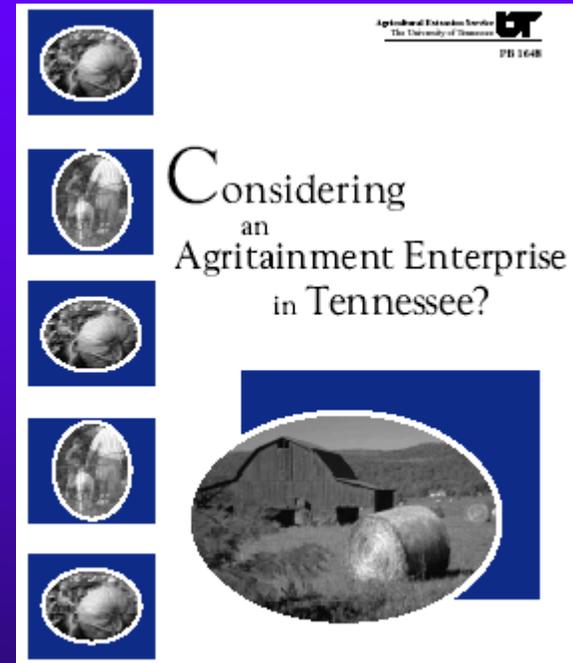
# Additional Resources

- Discussion of marketing issues
- Example marketing plan
- Available at <http://cpa.utk.edu>



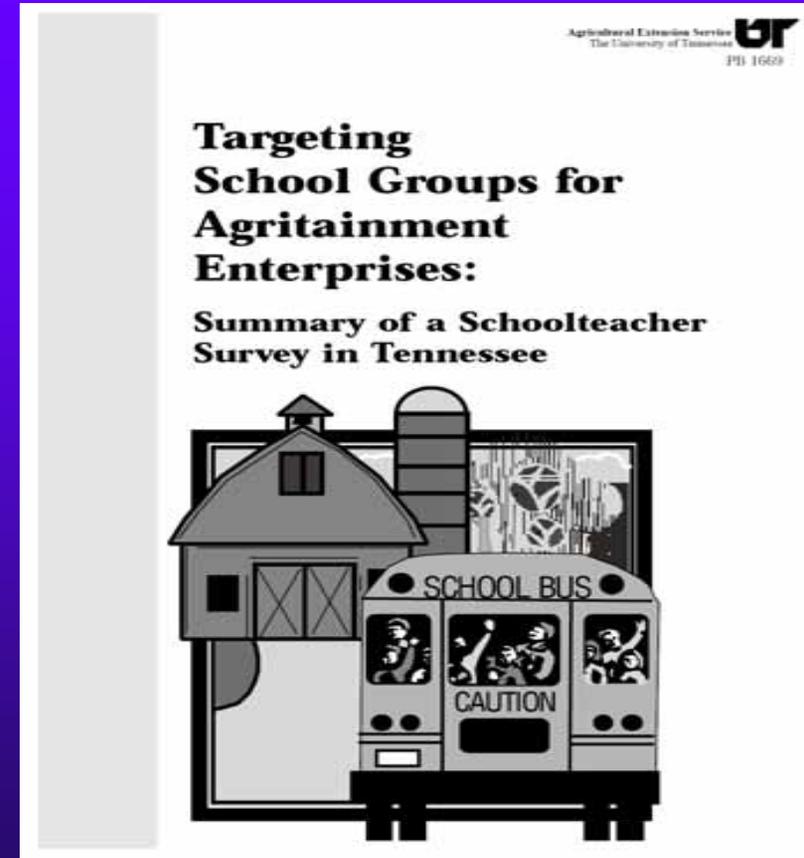
# Additional Resources

- Discussion of marketing issues associated with agritourism
- Available at <http://cpa.utk.edu>



# Additional Resources

- Recommendations for marketing to schoolteachers
- Available at <http://cpa.utk.edu>



# Newspaper

## Advantages

- Large coverage area
- Low cost relative to other media
- Immediate/timely (daily or weekly)
- Access to many socioeconomic groups
- Can target a specific audience via specialty sections
- Can use color and flexibility in size
- Visibility of the product (i.e., picture)
- Use of coupons to measure effectiveness
- Short lead time

## Disadvantages

- Inconsistent reproduction
- One-day exposure, typically
- Clutter (can be lost among others)
- May be limited to text or black-and-white print
- Lack of movement and sound



# Radio

## Advantages

- Specific audience (demographics)
- Immediate/timely/frequency (multiple exposure)
- High entertainment value
- Celebrity endorsement or pitch
- Time and content flexibility
- Use of a human voice (celebrity pitching product)
- Sound of reinforcement

## Disadvantages

- Time limitations restrict message
- Need for repetition
- Clutter (can be lost among others)
- Ad recall is low
- “Station surfing” during commercial breaks
- Short ad exposure



# Magazines

## Advantages

- Large coverage area
- Can target a specific audience
- Can use color and flexibility in size
- Visibility of the product (i.e., picture)
- Use of coupons to measure effectiveness
- Large repeat and secondary exposure
- Easy to reproduce advertisement

## Disadvantages

- Clutter (can be lost among others)
- Cost associated with repeat exposure
- Lack of movement and sound
- Not immediate; publication may be weekly, monthly or less frequent



# Television

## Advantages

- Large coverage area
- Can target a specific audience
- Uses both visual and auditory stimulants
- Large repeat exposure
- Easy-to-reproduce advertisement

## Disadvantages

- Costly to air and produce
- Time limitations restrict message
- Need for repetition
- Clutter (can be lost among others)
- Short ad recall
- Inverse relationship between hours watched and income



# Direct Mail



## Advantages

- Can target a specific audience
- More opportunity to educate on benefits of the product
- Timeliness (can reach customers in 2 to 3 weeks)

## Disadvantages

- Expensive (\$1 to \$2 per piece)
- Difficult to obtain “clean” mailing list
- Perception of junk mail
- Not immediate, 2- to 3-week lag time
- May be discarded unopened

# Point of Sale

## Advantages

- Can influence impulse purchasing
- Helps product “stand out” among competition
- Customer has opportunity for direct response at time of ad presentation (i.e., purchase)

## Disadvantages

- Can be expensive
- Clutter (ad can be lost among other point-of-sale material)



# Outdoor

## Advantages

- Large audience exposure
- Use of color
- Can provide information and directions
- Continuous exposure (temporary or permanent)

## Disadvantages

- Limited message length
- Initial production and preparation costs
- Difficulty in “ideal” site selection





# Internet

(Email, Banner Ads, Website)

- Advantages

- Info available 24/7
- Customers in their environment
- Relatively cost-effective
- Can target types of viewers
- Messages can be timely
- Ads can be interactive
- Able to reach a global audience

- Disadvantages

- Maintenance
- Should be one component of the marketing strategy
- Difficult to gauge impact
- Range of costs can vary dramatically
- Spam