



MARKETING VS SELLING

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We all know the end goal in sheep and goat production is to make money. The way in which we do so looks different for each producer but, most producers will use the term “marketing” to cover all aspects of turning our livestock into a monetary end. However, when looking at many producers across the country, it becomes clear that some producers “sell” their livestock and some “market.” What’s the difference? Well, a lot actually but mainly, a producer who “sells,” is a price taker and one who “markets” is a price maker.

Price Takers

Being a price taker means that you sell your animals for a price that is determined by the buyer, most commonly through a stockyard setting. For most producers, selling livestock through a graded sale in a stockyards is a very affordable and easy means of generating income. Benefits include:

- 1) The producer goes home with a check without doing a lot of pre-planning or negotiating to get the animals sold. Granted, the producer would have planned several months in advance when he/she would have wanted to sell in the marketplace, but the buyer was already at the sale, the facilities to sell the animal were already in place, and the check for the animals is ready as soon as the sale is over.

- 2) The price for the livestock is guided by demand, thus the price has been very favorable over the past 3 years. Prices generally follow an overall trend so, producers can plan on times when the market price is higher in order to sell their livestock.

- 3) Prices for different sizes of animals is readily available through online reports provided by USDA. There is no guessing as to the current trend in market prices.

Price Makers

Being a price maker means you determine the price for your product instead of the buyer. Price making occurs when there is an additional value that can be associated with a product. The additional value (or value-added) is most often determined by the producer because

he/she is the only one that knows the inputs required to achieve the additional value. A value added product can be a variety of things from a purebred animal, a service the animal performs or an end product like milk, meat or fiber.

Creating a value added product is hard work. No longer are you simply selling an animal like the example above of the price taker. As a price maker, you must identify the market in which to sell your product. Hence, your efforts are marketing.

There is no better way to explain marketing than to hear from producers who live it out each day. Below are examples of marketing efforts from producers who market purebred livestock, meat products and fiber.

Marketing Purebred Goats and Sheep

Breeders of purebred livestock have made a significant investment in establishing and maintaining quality flocks and herds. Seedstock breeders must strive to have only superior individuals, understand the true value of animals to price them correctly, keep products before the public and maintain certain public contacts. Whether active on a national, state or local level, effective advertising is a must. Advertising may be in the form of national, state and local shows, breed magazines, websites, email campaigns, social media and active involvement in state and local livestock associations.

The development of a logo and an advertising theme is time and money well spent. Most perspective buyers tend to imagine that the quality of a seller's livestock is similar to the quality of the seller's advertising efforts therefore, livestock producers that go the extra mile in creating an effective advertising campaign often reap the rewards.

Generally speaking, there are three different avenues for connecting with potential buyers- consignment sales, on-line sales and on-farm sales.

Consignment sales are popular even though they require marketing expenses such as sale consignment fees and travel expenses. An advantage for these sales is that a large number of prospective buyers are present. Before consigning, breeders should realize that prices received are often related to an animal's potential performance or capability of producing such animals. It is wise to only consign your best animals to

seedstock auction sales because you don't want to negatively affect the overall image of your seedstock operation.

On-line sales are becoming increasingly popular. Since only pictures of sale animals are available, the reputation of the breeder becomes very important for a successful sale. Buyers need to use some caution, as pictures do not reveal soundness and confirmation may be distorted due to a good fitting job. Hence, on-line auctions featuring video clips are becoming increasingly popular as a video clip gives the buyers a chance to see the animal's movement.

Lastly, **on-farm sales** can be very rewarding and often the most profitable of the three sales avenues. Good and genuine customer service will sell a lot of livestock. Presentation of sale animals in a clean area separate from other animals is important. Pride in maintaining a neat and clean farm will translate into the same attitude of animal care. Prospective buyers can be shown sires, dams and related animals to determine if sale animals are representative of the breeder's program. Marketing animals that are genetically clean from problems, are healthy and have the potential to be prolific will lead to very important and satisfying marketing results like repeat buyers. The difference between a livestock operation that makes money and one that doesn't is often the volume of repeat customers. Other "good customer service" considerations when selling from the farm is to deliver purchased animals and conduct a follow up call.

People enjoy doing business with



people they like. All three avenues require a seller that has people skills and who communicates the virtues of his product in a realistic and genuine manner.

Marketing Meat Products

Tavalin Tails Farm raises registered and commercial Katahdin sheep. They are a young farm, started in 2011 with just 13 ewes, and today they have 290 ewes. Amy and Brandon Tavalin both have agriculture backgrounds. Brandon is a farm manager of a certified organic farm in Rutherford County, and they live on Amy's family farm in Williamson County. Since Amy's family farm is already busting at the seams, they lease 150 acres around them for the livestock production. Amy and Brandon have incorporated what they know to be successful in vegetable production to their lamb sales, and that is direct marketing.

With the recent resurgence of locally
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grown, consumers want to know who grows their food and how it is grown, and for this reason Amy and Brandon have been successful at direct marketing their lamb. Using their retail meat permit, they sell their lamb at their local farmers market, and they also direct market to the customer and sell whole and half lamb on the hoof. Their biggest direct marketing outlet is to a local butcher shop. Amy and Brandon sell directly to Porter Rd Butcher in Nashville, who then sells to several restaurants in the middle TN area. Porter Rd Butcher is a unique butcher shop that also has its own meat processing plant, so their lamb goes from the farm directly to Porter Rd Butcher to be sold in their butcher shop and to restaurants.

Direct marketing takes time and investment but the Tavalins have found that they are more successful at increasing their business than if they chose another route. They initially developed a logo for their farm (see above) and then started generating marketing materials. A well designed logo implies a degree of professionalism and competence that could help steer potential customers toward choosing one business over another. Since their product would be in well known stores and restaurants, they knew that their logo needed to be simple and able to convey information about their farm. They worked with a designer who was familiar with farmers and who helped them make a comprehensible and unique logo. They also took advantage of free marketing outlets such as the TN Department of Agriculture's Pick TN Products. Social media, another free marketing tool, has also had a large impact on their business. They have to make a conscious effort to post daily on one of their social media channels: Instagram, Twitter and Facebook. With the number of social media channels increasing, Amy chose to focus on just those three, and do them well, rather than try to

be involved in all media outlets. Instagram, an online mobile photo-sharing network, enables Amy to take pictures and videos and share them with followers who want a "look" at the farm. Instagram has the most consumer interaction, while Twitter, a social media site for sharing what is happening on the farm, has the most followers for the Tavalins. Of the three social media outlets Facebook is where Brandon has been most successful at selling their registered seedstock.

The Tavalin's have two goals for 2016: first, to start selling their seedstock online by updating their current website and second, to start a second direct marketing outlet with their lamb through a meat CSA. They have spent the last two years building up their registered Angus beef and heritage pork herds to add to their lamb sells and plan to sell their meat CSA at farmers markets and other drop off locations around Nashville.

Amy and Brandon have learned in their brief time of lamb production the importance of marketing, and not just selling. They have taken risks with advertisements in magazines that cater to their customers for their meat sales, and they have had to find similar outlets for their seedstock sales. They've also learned that a lot of marketing is simply relationship building, and knowing who your customer base is will help you determine in what publications to run an advertisement. The Tavalins recognize that they need more than one outlet for their farm and to not "put all their eggs in one basket." With this in mind, they continue to advertise directly to consumers and are continuously looking for ways to direct market, either through restaurants, farmers markets or in their future plans of a meat CSA.

Marketing Fiber Products

As with the animals from which it

originates, fiber can be sold either outright (to a wool pool, broker, or processor) or niche marketed. Selling outright results in lower costs and instant gain to the producer, but the gain is also smaller than it would be through direct marketing. For instance, at current USDA market prices raw wool auctions for less than \$0.75/lb. to \$1.00/lb; that same wool marketed directly to fiber artists will fetch nearly four times the price.

Avenues for fiber products include: online sales, fiber festivals and craft shows, local yarn shops, and on-farm sales. Of these, the farm sales are the least lucrative, as customers rarely want to travel to your location to buy fiber. Fiber may need to be processed in order to make it more attractive to buyers; while handspinners and other fiber artists may look for raw fiber, most want it washed, skirting, and processed into roving or yarn. As both producer and salesperson, you will be responsible for the cost of processing, and these costs must be passed on to the end consumer.

Online sales: Fiber can be marketed via independent "maker" sites such as Craftsy.com, Etsy.com, Ravelry.com, or Ebay.com. Many fiber producers also market their products on their business websites or Facebook pages. Social media such as Instagram and Facebook can be of use in driving business to the website. Costs include website development and hosting, advertising, and selling fees. My website and Etsy are my selling platforms for the "off season" between fiber festivals. Having an online presence also lends legitimacy to your small fiber business, as it gives you a formal "store" that can be accessed 24/7. When you sell on the internet, your market expands from your community to the entire world.

Fiber festivals and craft shows: Events are often the best place to sell raw fleeces and less processed fiber, since fiber artists are looking for raw product they can finish themselves. Although you can find a festival, show, or venue somewhere every month of the year, you'll want to do a lot of research before committing the time away from your farm (and life) and the travel expenses you may incur. Get a list of events in your area and contact vendors from the previous year. Ask what they liked and didn't like about the show, what they thought could have been done better, and if they've attended that event multiple times, ask what trends they've noticed



over the years. Every event has different requirements and booth fees. Be wary of booking shows that are geographically close; you will almost certainly encounter the same customers. Practice setting your booth up before you go, and have marketing materials such as brochures, samples, and business cards at the ready. Know where you excel and what sets you apart from similar vendors. Customers are looking to have a personal experience with a unique product. You can do very simple tasks to “add value” to your fiber: personalized wrapping, labels with the animal’s face on it, a free gift with purchase, etc. You will need a state tax ID to have a booth; don’t forget to include sales tax in your prices (and to submit the taxes afterward)!

Local Yarn Shops: Every yarn shop is different. Some sell roving, while others only want finished yarns; some will buy your fiber outright while many will sell your products on consignment. Kits are very popular - find a designer to create a pattern for your yarn, felting fiber, or roving. Take samples to the shop and ask if you can meet with the owner or buyer. Again, have marketing materials at the ready. Above all, make sure the agreement works for you! If you are uncomfortable with a price point or stipulation, offer an alternative suggestion or simply walk away. It’s easy to take things personally in this business, but remember that it *is* a business, and it’s up to you to succeed. Local yarn shops are great places to network. Many have classes and knit nights - you may be able to

host a trunk show or teach at one of these events! Fiber is a tactile product so the more hands-on people get, the greater the chance you will make a sale!

I use a combination of these platforms, coupled with educational events outside the fiber community and a podcast for fiber producers and artists. The bulk of my income is made during the festival season, with local yarn shops and online sales providing lesser (but steady) income during the “off” months. I know which animals in my flock are popular and what each of their fleeces is best for, so I can budget for paying the fiber processing mill. I plan show attendance in advance so I can budget my booth fees and I don’t (currently) travel to shows that require a hotel. I always have fiber samples and business cards with me - almost everyone knows someone who knits or crochets, and I’ve gotten opportunities with yarn shops by dropping in while travelling. My website (ballyhoofiberemporium.com) hosts both my podcast and my retail shop, and I use Instagram ([ballyhoo.fiber.emporium](https://www.instagram.com/ballyhoo.fiber.emporium)) and Facebook (Ballyhoo Farm and Ballyhoo Fiber Emporium) as additional (free) marketing tools.

Marketing is more work, but the payoff is greater. The relationships that develop and opportunities to connect people with the animals and fiber I love so much are reward in themselves. Customers definitely appreciate the care, knowledge, and ethical practices that go into small flock fiber production. No one knows your

animals better than you - shouldn’t you be the liaison between farm and consumer?

Amy Tavalin is a marketing specialist at the TN Department of Agriculture. She and her husband, Brandon, live on Amy’s family certified organic vegetable farm, Delvin Farms, in Williamson County. Amy and Brandon started a livestock business in 2011, Tavalin Tails, where they raise Katahdin sheep, Angus beef cows and Berkshire pigs. They have a 2 yr old son they hope will one day show sheep. For updates on Tavalin Tails, follow them on Twitter (@tavalintails), Instagram (@tavalintailsfarm) or Facebook (tavalintailsfarm)

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Madeline Norman has been raising primitive breed wool sheep since 2008. When she’s not shearing, spinning, or knitting by hand, Madeline advocates for sustainability and fiber art through hands-on experiences at schools, festivals, and her podcast, available at ballyhoofiberemporium.com or through iTunes.