

Collaborative Marketing Models

How can an entity assist multiple farms to reach value-added markets?

Business Models for Review:

Independent Farm Marketing

Certification & Promotion Programs

Enhanced Certification & Promotion Program

Coordinated, Independent sales

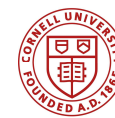
Farm-to-Market Models

Live Animal Aggregators

Distributor/Food Hub Model

Branded & Coop Programs

Hybrid and Tiered



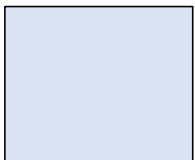
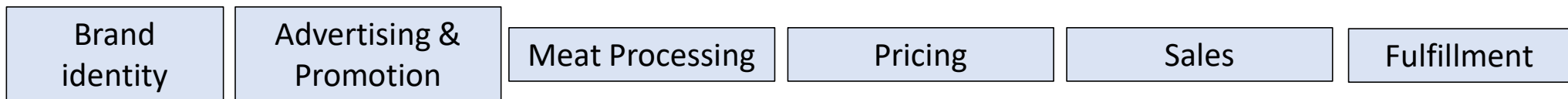
Dyson
Cornell
SC Johnson College of Business

Definitions

- **Value-added channel:** A channel differentiated from commodity channels. For example, “local,” “all natural,” etc..
- **Fulfillment:** Packing the order and getting it to the customer, whether by shipping, customer pick-up, or home delivery.

Marketing Responsibilities

- In essence, the various models distribute marketing responsibilities between the farm and company in different ways.
- The major marketing functions are:

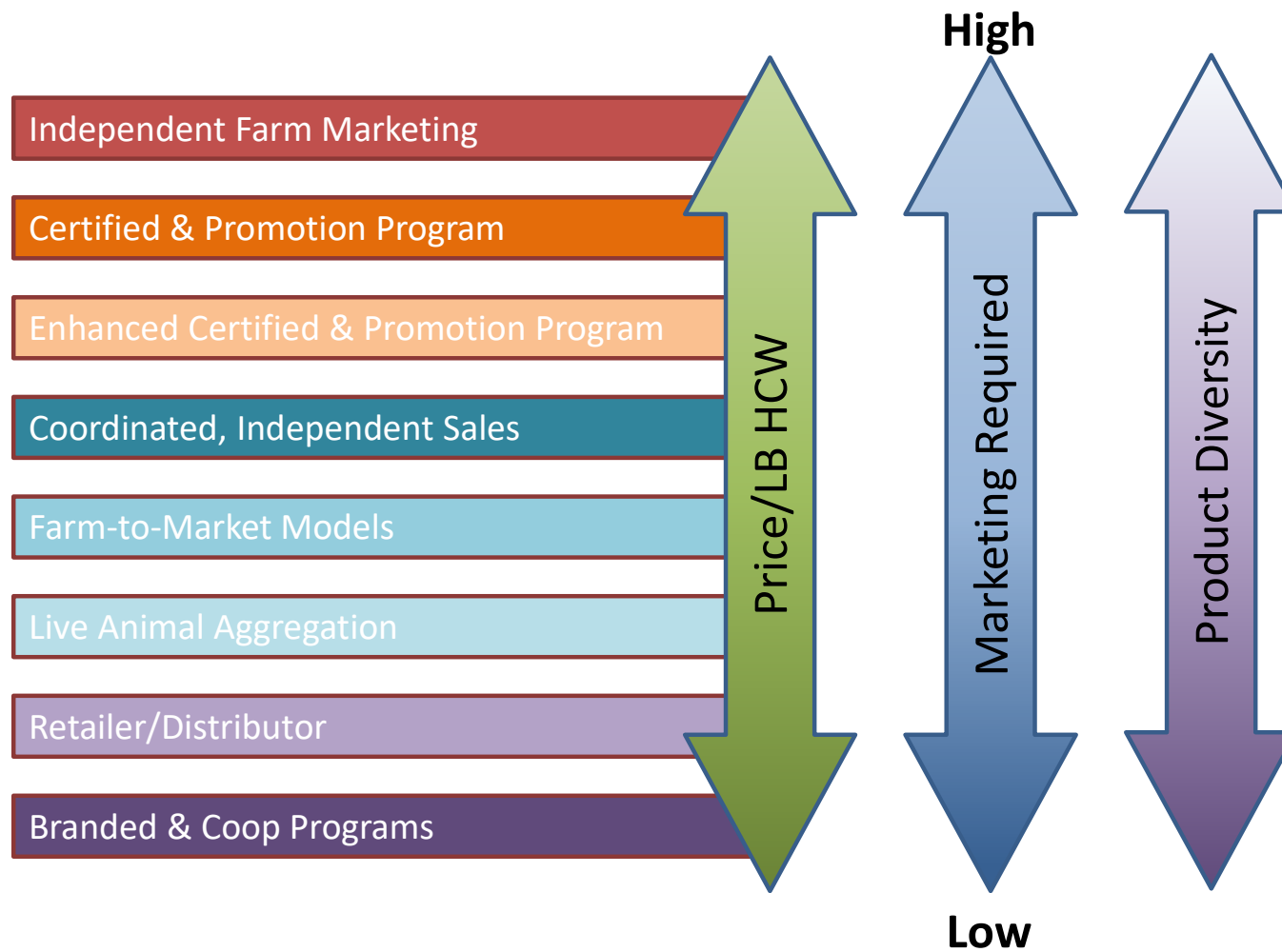


Blue Shading =
Farm responsibility



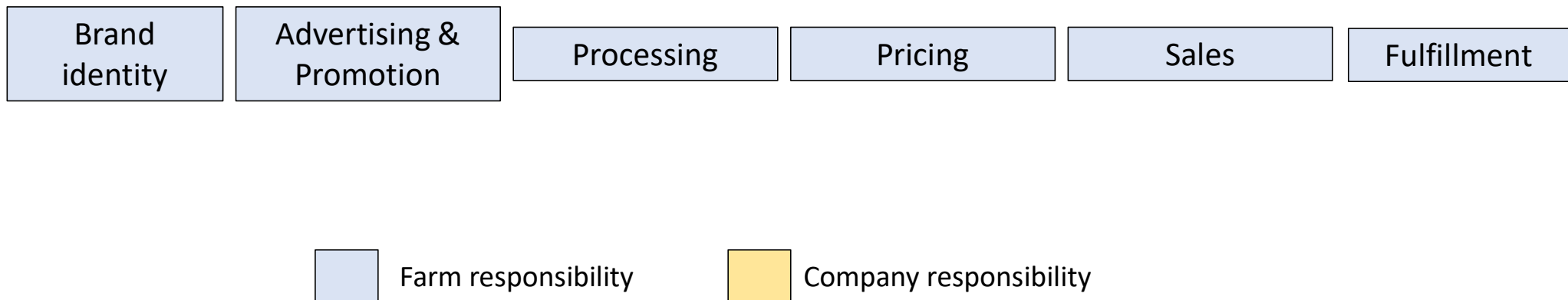
Yellow Shading =
Company responsibility

Implications of Various Marketing Models



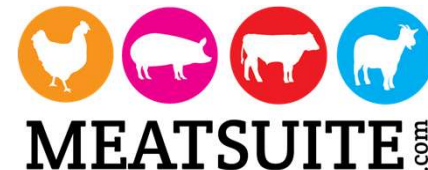
1. Independent Farm Marketing

- Farm is in charge of their brand identity, advertising, sales and fulfillment.
- Farm sets the prices.
- Farms arranges for processing.
- Includes online services like Barn2Door, Shopify, etc...



2. Certified & Promotion Programs

- The Company provides branding and outreach assistance.
- The Company offers a seal/logo to use on materials.
- Signifies important traits of brand identity such as: Iowa-grown, pasture-raised, or farm participation in the program.
- The Company has a website and farm directory.



Brand identity

Advertising &
Promotion

Meat Processing

Pricing

Sales

Fulfillment



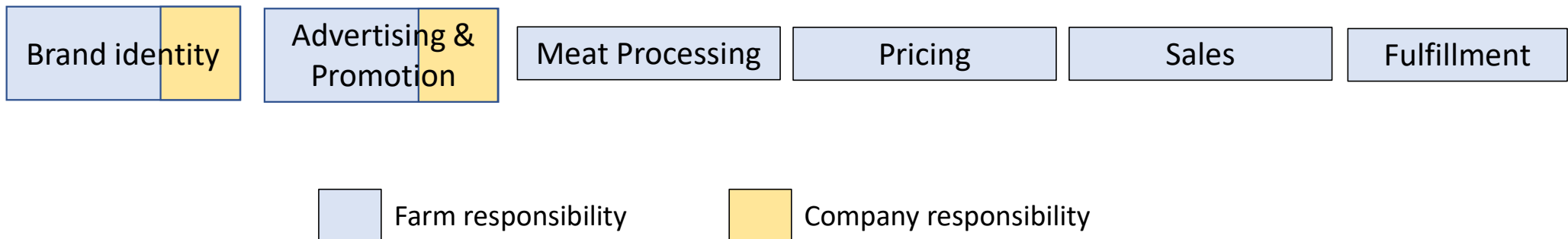
Farm responsibility



Company responsibility

3. Enhanced Certified & Promotion Program

- The Company provides branding and outreach assistance.
- The Company offers a seal/logo to use on materials.
- Signifies important traits of brand identity such as: Iowa-grown, pasture-raised, or farm participation in the program.
- The Company has a website and farm directory.
- The Company offers templates, graphic design, & marketing services for member use.
- Not aware of a current example.



4. Coordinated, Independent Sales: The Etsy Model

- Farm has complete control and responsibility.
- Farm sets the prices and lists items on the site.
- Farm owns and fulfills product orders.
- The Company recruits customers.
- The Company facilitates sales on their site.
- Not aware of a real-world example with meat.



Brand identity

Advertising &
Promotion

Meat Processing

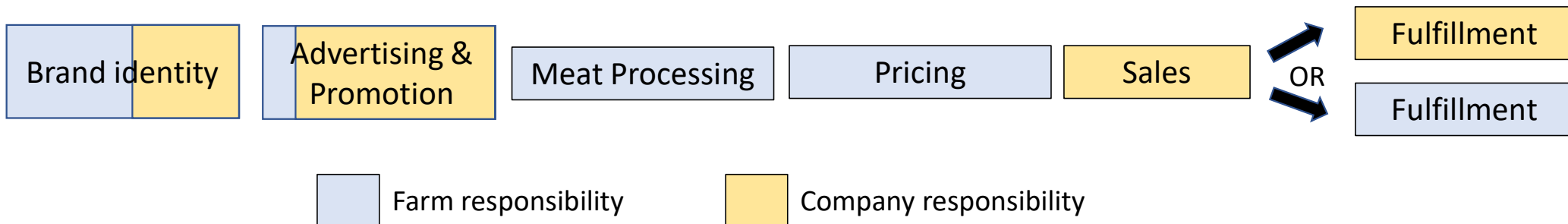
Pricing

Sales

Fulfillment

5. Farm-to-Market Models

- Farm participates in the program.
- The farm has minimal advertising responsibility.
- Farms notify the Company of available inventory.
- The Company recruits consumers & sells products.
- Either the company OR the farm fulfills orders.
- The Company has largest advertising & sales responsibility.
- The farm owns the product until the sale to the consumer.



6. Live Animal Aggregation

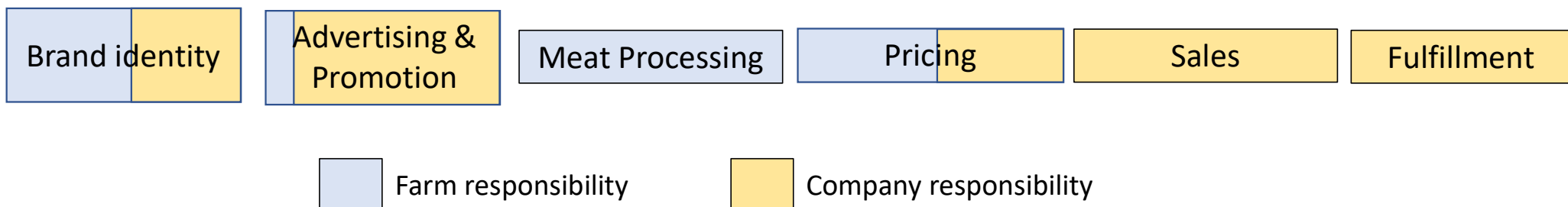


- The Company arranges for animal pooling, for buyers.
- Livestock Auctions do this in one sense.
- Value-added pooled feeder sales are being done in VA successfully.
- The pools have management criteria (protocols).
- Could be done with finished livestock as well.
- Animals are USDA-graded and sorted before the sale.



7. Retailer/Distributor/Food Hub

- The Company purchases multiple products from multiple farms.
- The Company then conducts marketing without the farm involvement.
- This may include selling the product with the farm's brand identity or the Company's.
- The farm has minimal marketing responsibility.
- Farms can negotiate price with the Company.
- Company sets retail prices.



8. Branded & Coop Programs

- The Company purchases products from multiple farms.
- The Company handles processing.
- Based on specific value-added criteria (protocols).
- The Company then conducts marketing without the farm involvement.
- The Company has its own brand identity.



Brand identity

Advertising &
Promotion

Meat Processing

Pricing

Sales

Fulfillment



Farm responsibility



Company responsibility

Want to discuss this more?

- You can book a 10-minute private Zoom meeting with me today, from 1:00-3:00 Central time.
- You can book an appointment here:
<https://calendly.com/mnl28/collaborative-marketing-discussion>
- Then I will email you a Zoom link.

Hybrid & Tiered

- There could be any combination of traits from models discussed.
- There could be “tiered” participation.
- For example:
 - A program that buys finished animals and markets meat, but also arranges for value-added feeder sales.
 - A company that purchases meat cuts from farms to retail, but also carcasses for in-house cutting.
 - A company that sells its own products, but also provides a platform for Etsy-style sales.