



WORKSHEET #2

Marketing Strategy Worksheet

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This is one of the first steps in developing your overall business strategy for your small farm. “Your marketing strategy is about defining your customer or target market and tailoring your product, pricing, distribution, and promotion strategies to satisfy that target market” (MISA, 2003).

Markets: Who are your target customers?

Commodity: _____

Are your customers other businesses or individuals? What are the different segments of each (i.e. are there some customers who will buy raw product and other customers who want the value added products)?

Where are the customers located geographically?

What are their demographic characteristics (i.e. age, gender, household size, etc)?

What are other characteristics that affect what your customers buy (i.e. are they health conscious, are they interested in buying local or organic, etc)?

What are the target customers’ needs or preferences regarding your products?

Product: What will you offer?

Describe each product you will offer. Then, discuss how it will appeal to your target customers based on the information above. Are the characteristics that appeal to your customers easily imitable by your competition?

Product One:	Product Two:	Product Three:

What are the market trends for this product? Is the demand steady, or off and on? How does the market change?

Summarize the unique qualities of your product or products and describe how those qualities are valuable to your target audience.

The Competition

Who are your competitors?

What markets do they compete with you?

What are their products? What are the characteristics of their products?

What are the price ranges of their products?

What are your advantages over your competition?

What are your disadvantages regarding your competition?

What is your overall strategy for competing with these other businesses?

Pricing: How will you decide prices for your products?

What are your competitor's and the industry's prices for your products?

How sensitive is demand to price changes?

What is your pricing strategy?

- Competitive pricing - aimed at undermining your competition
- Cost-oriented pricing - this is pricing based on your production costs and what the market is willing to pay
- Flexible or variable pricing - setting a range for your prices, or giving customers the flexibility of bargaining with you
- Promotional pricing - setting your initial prices lower than your targeted prices to penetrate the market initially
- Product line pricing - a limited range of prices is established for all the products you offer (appropriate for marketing to lower income customers)
- Relative pricing - setting your prices according to prevailing market prices
- Skimming or skim pricing - setting a high market entry price to recover start up costs and then lowering the price to your target price
- Contract pricing for specialty commodities - using contracting to secure prices for specialty commodities

Promotion: How will you communicate with your target customers?

What do you want your customers to know about your company and/or your products (refer to your customers' values, needs, and preferences)?

How will you communicate this information to them?

How often will you contact your customers with advertising or other methods of communication?

How much will your advertising or communication methods cost?

What is your overall promotional strategy?