



Buying Advertising:

Guidance for Specialty
Crop Growers
Direct Marketing to
Consumers

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“Farmers have scarcely come to realize that their business needs advertising; yet if judiciously done it may prove of as much advantage in farming operations as in commercial lines.”

From Farm Management, by Fred W. Card, 1907¹

Introduction

Farmers may have only been realizing that their business needed advertising in 1907, but the 20th century saw an explosion of media channels available for farm advertising. From farm journals advertising production inputs to multimillion dollar ad campaigns from agricultural commodity organizations or large agribusinesses to modest advertising campaigns by individual farms marketing farm products to consumers, advertising has become common to agricultural production and marketing, including the direct marketing of specialty crops.

Whether a specialty crop grower is looking to inform potential customers of a new direct marketing enterprise, attract new customers to purchase products from their existing enterprise or remind longtime customers about the start of a specialty crop season, advertising is a key component of a thorough marketing plan. For specialty crop growers who are new to advertising, buying paid advertisements may be an intimidating task. Farmers may be concerned about choosing the right channels to use for advertising, determining how much to spend on advertising, or negotiating the best deal possible.

Advertising is the activity of attracting public attention to a product, service or business through a paid announcement. Advertising is done to inform, entice, encourage or persuade a specific target audience to take a desired action. It is an attempt to influence the action, usually buying behavior, of potential customers. This publication examines advertising as an essential part of a specialty crop grower's marketing plan and provides guidance to producers to help make advertising less intimidating, more cost-efficient and more effective in attracting customers and increasing sales. Topics discussed include identifying the target audience, defining the goals for the advertising campaign and developing a marketing budget, selecting the right advertising channels, tips for negotiating advertising purchases, and evaluating the effectiveness of advertising.

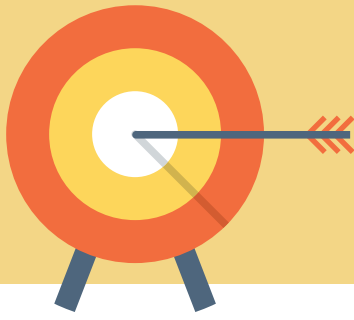
¹Accessed via the Core Historical Literature of Agriculture (CHLA), <http://chla.library.cornell.edu/c/chla/>



Steps to Developing an Effective Advertising Campaign

There is more to developing an effective advertising campaign than simply purchasing advertising and hoping that it will work. Advertising plans should be carefully crafted for a specific business, product and set of target customers. The steps to developing an effective advertising campaign are:

1. Identify the target audience.
2. Define the goals for the advertising campaign and develop a marketing budget.
3. Research and compare media options.
4. Select media channels.
5. Negotiate media purchases.
6. Execute the advertising campaign (develop and run advertisements).
7. Measure the effectiveness of the advertising campaign.



Identifying the Target Audience

Selecting the right type(s) of advertising may be challenging for specialty crop growers. The best advertising channels for a farm marketer are those that best reach the farm's target audience and help meet the grower's goals and objectives for the enterprise.

The target audience is made up of potential customers who are most likely to purchase the product. The potential customers are those that have been identified as having a need or desire that the specialty crop grower can fulfill, the financial ability to purchase the product and a willingness to purchase the product. The target audience needs to be large enough in number or demand enough product to create a viable market for the product.

Defining who the target customers are will help the farm marketer determine what type of advertising to purchase and where and when to run advertisements. Specialty crop growers should try to identify who their target customers are and how they learn about new products and make purchasing decisions.

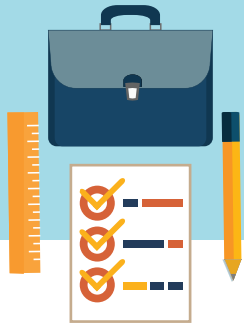
To learn about potential target audiences, producers may search for industry studies conducted by universities, commodity organizations or market research firms. Specialty crop growers may also be able to survey potential customers or observe customer shopping behavior to learn about a potential target audience.

Producers should try to develop a clear profile of the target audience including demographic characteristics such as gender, age, family status, income range, level of education, ethnicity and location (where they live, work and shop.) Understanding the needs, desires and preferences of target customers will help farmers purchase and develop ads that are effective in informing, enticing or persuading those potential customers to become actual customers. Learning about customer psychographics such as their shopping behaviors, values, lifestyle, attitudes and interests is also helpful in developing a marketing plan including an advertising campaign. Producers should try to find or determine answers to these questions about their target audience: What publications do they read, what websites do they visit, what types of social media do they engage in, what radio or television stations do they tune in to? When are they reading, viewing or engaging in these activities?

AD TIP



Sellers of advertising should be able to provide the ad buyer with information about the people reached by specific media. Farm marketers should review this information to determine if a particular advertising medium is likely to reach their target customers.



Defining the Goals for the Advertising Campaign and Developing a Marketing Budget

The types of advertising chosen must fit and help meet the goals and objectives of the specialty crop grower. Developing a marketing budget and clearly defining the specific goals for the advertising plan will help guide producer's decisions. While television advertising may be effective in reaching a specific target audience, for example, the cost of television advertising may not fit the grower's marketing budget. In another case, a grower may have a goal to double his or her sales of products and need to be aggressive in advertising to increase the number of customers visiting the farm to purchase specialty crops. Specialty crop growers should determine what they hope to accomplish through the advertising campaign they are preparing to embark on.

Many businesses have failed because they did not properly budget for marketing activities. Some businesses will treat advertising as something to be purchased "if there's any money left." A more proactive and, likely, more effective approach is to set a budget for advertising, then choose advertising that will reach the enterprise's target audience within the budget. It may be difficult for some specialty crop growers to know how much money to budget for marketing and how to allocate funds among media outlets.

Several factors may play into the development of a marketing budget. The short answer to "How much should a business spend on advertising?" is "It depends." How much and how quickly does the owner want to grow? What resources are available to the business (capital, skills, time)? What is the cost of advertising in the various available outlets that will reach the businesses target audience? How much revenue is earned or expected to be earned?

The Small Business Administration² suggests some benchmarks to help farmers gauge their marketing budgets in relation to business standards. Marketing budgets will, of course, depend on several factors such as access to capital, industry, business size, state of business, risk tolerance, etc. For small businesses that want to maintain current market position, a marketing budget of around 5 to 8 percent of total revenue (gross sales) is common. Enterprises that are seeking to grow their sales or earn a great market share may spend 10 or more percent of total revenue on marketing. New companies or businesses launching new products may spend upwards of 20 percent of total expected revenues to jump start the business or new product sales and begin the building of a brand.

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²Beesley, Caron. Small Business Administration. How to Set a Marketing Budget that Fits your Business Goals and Provides a High Return on Investment. Small Business Administration. Accessed online May 20, 2014 at <http://www.sba.gov/community/blogs/how-set-marketing-budget-fits-your-business-goals-and-provides-high-return-investmen>. Updated June 9, 2013.

For example, a specialty crop grower with expected annual sales of \$30,000 and a goal to increase market share may have a marketing budget of $(\$30,000 \times 0.10 = \$3,000)$. A producer kick-starting a new specialty crop operation may have expected sales of \$20,000 and have a marketing budget of \$4,000 $(\$20,000 \times 0.20 = \$4,000)$.

Advertising may be only a portion of the entire marketing budget. The marketing budget may include other expenses such as the development and purchase of marketing materials (business cards, brochures, website, directional signage, etc.), items given away in contests and sponsorship of items donated to charitable organizations. Specialty crop growers should be sure to plan for all expected marketing expenses.



Decision Worksheet for Marketing Budget

1. What are your expected gross sales/revenue for the year?

\$ _____

2. What are your business goals? _____

Check if Applies	Potential Goal	Marketing Budget %
_____	Kick start a new business or launch a new product	20
_____	Increase the number of customers or market share significantly	10+
_____	Maintain current sales	5-8

3. Calculate an estimated marketing budget.

\$ _____ x _____% = \$ _____

Expected Gross Sales x Marketing Budget % =
Marketing Budget Benchmark



Comparing Advertising Channels Available for Specialty Crop Growers

Once a target audience has been identified and a marketing budget developed, specialty crop growers may begin to evaluate the type of advertising most likely to reach those customers within the available budget. Advertising may be done using a variety of channels or media types. From print advertising in newspapers or on billboards to broadcast advertising on radio or television to newer online advertising opportunities, there are a multitude of choices with different characteristics, advantages and disadvantages. Understanding the qualities of each media type may help farmers choose the most effective advertising methods for their operation. A list of advertising media types with advantages and disadvantages of each is provided in Table 1. The list includes many of the media outlets where paid advertisements may be purchased to market specialty crops. This list is not exhaustive of every advertising option and does not include other marketing and promotion strategies such as business cards, websites, blogs, brochures, vehicle magnets, roadside signs or social media sites. While important options in an overall promotion strategy, this publication is focused on paid advertisements.



Table 1. Advantages and Disadvantages of Types of Advertising for Specialty Crops Growers

(Listed in approximate cost order, from least to greatest; exact costs will vary by market.)



Newspaper

Advantages

- Periodical often handles design, layout.
- Often has high Sunday readership.
- Tangible (readers able to hold in hands, study closely or save to look at again later).
- Ability to use pictures — readers can see the product.
- Ability to include coupons to help measure effectiveness.
- Low cost relative to other media in most cases.
- Ability to target specific groups in different sections.
- Short lead time needed to develop/run ads.
- Frequent publication allows immediate exposure and flexibility.

Disadvantages

- Costs can vary greatly.
- Potential for high ad clutter (large number of ads may make it difficult for the ad to be noticed by readers).
- Fewer people subscribing to newspapers/declining reach.
- Newspapers may be limited to text or black and white.
- Some may be limited to one-day exposure.
- Limited control over placement.
- Potential for competitor ads to be placed nearby.
- Only static visual interaction — no movement or sound.



Online Ads Pay per click, banner ads, search engine ads, social media site ads

Advantages

- People spending more time online and less time with traditional media.
- Can be targeted to specific audiences and geographic areas.
- Wide range of prices including some inexpensive options.
- Ability to set limits on expenditures.
- Ability for potential customers to click on links to be directed to website to learn more.
- Ability to use pictures, video, and/or sound.
- Available 24 hours a day, seven days a week.
- Ability to use web analytics or coupons to measure success.

Disadvantages

- Materials (logos, pictures, messages) easily copied.
- Ad clutter developing (larger number of ads make it less likely readers will notice a particular ad).
- Intangible.
- Possibly overwhelming number of choices, each with different options and functionality.
- Costs and pricing methods can vary dramatically.



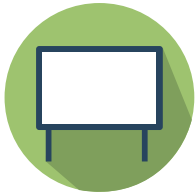
Magazine

Advantages

- Ability to target audience with specific interests.
- Some have long shelf life.
- Tangible (people hold in hands).
- Ability to use pictures.
- Ability to include coupons to help measure effectiveness.
- Periodical often handles design, layout.
- Ability to use pictures — readers can see the product.
- Opportunity for repeat and secondary exposure.

Disadvantages

- Long lead time needed to develop and schedule ads.
- Costs can vary greatly.
- Only static visual interaction — no movement or sound.
- Potential for high ad clutter.
- Less frequent publication typically.



Transit

Billboards, benches, bus stops

Advantages

- Accessible to many potential customers/potential for high reach.
- Potential for high frequency of views by same people.
- May use as directional signage to entice and guide customers to location.
- Helpful in targeting a location-based audience.

Disadvantages

- Availability and pricing may vary considerably.
- Fleeting message — people catch at a glance.
- Message influenced by environment where placed.
- May be perceived as pollution by some.
- Lack of quality control — materials, maintenance, ad clutter.
- Potential for outdoor elements (climate, weather) to diminish quality or destroy materials.



Radio

Advantages

- High relative frequency and reach.
- Sound has potential to increase recall.
- Production often done by radio station.
- Flexible — may include voice, music and other sound effects; possible to develop multiple versions.
- Targets specific geographic location.

Disadvantages

- Limited time to present message.
- High rate of channel switching during ads.
- High ad clutter.
- Intangible.
- No visual component to reinforce message.
- May be difficult to reach all of target audience on a single station.



Television

Advantages

- Typically highest reach.
- Potential for high frequency.
- Combined audio and visual components enhances effectiveness.
- Potential to show real-life situations.
- Targets specific geographic location.
- Local cable channels may present less expensive opportunities.

Disadvantages

- Ads interrupt entertainment and may be considered annoying.
- May be expensive.
- Potential for high production costs.
- High rate of channel switching or distractions during ads.
- DVRs decreasing reach.
- High ad clutter.

Comparing the costs of different advertising options can also be important whether trying to choose among different types of media outlets or different outlets of the same type. Specialty crop growers can estimate the cost per thousand, otherwise known as cost per mille, (CPM) for each outlet being considered. CPM refers to the cost of the advertising for every 1,000 people (or homes) reached by the advertising. (M is the roman numeral for 1,000, and mille is Latin for thousand.)

Some media outlets charge for ads based on a specified price per CPM. Growers should take care to understand what is included in each CPM calculation. Some CPMs only include the cost of the ad space. A CPM that is most helpful includes ad space, production and all other costs involved so growers can compare CPMs across media outlets.



To calculate a CPM, growers may use the following formula:

$$\text{CPM} = \frac{\text{Total Cost of Ad Campaign}}{\text{Number of Impressions}} \times 1,000$$

For example, if a newspaper ad costs \$250 and the newspaper has a circulation of 40,000 the CPM would be \$6.25.

$$\frac{\$250}{40,000} \times 1,000 = \$6.25$$

Magazine
The Modern Market Magazine March Edition

Raspberry Markets

Get you

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Teknologi buka le dalam

March Edition

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How to make Markets more profitable

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Ambush Magazine Template

Ambush Magazine Template

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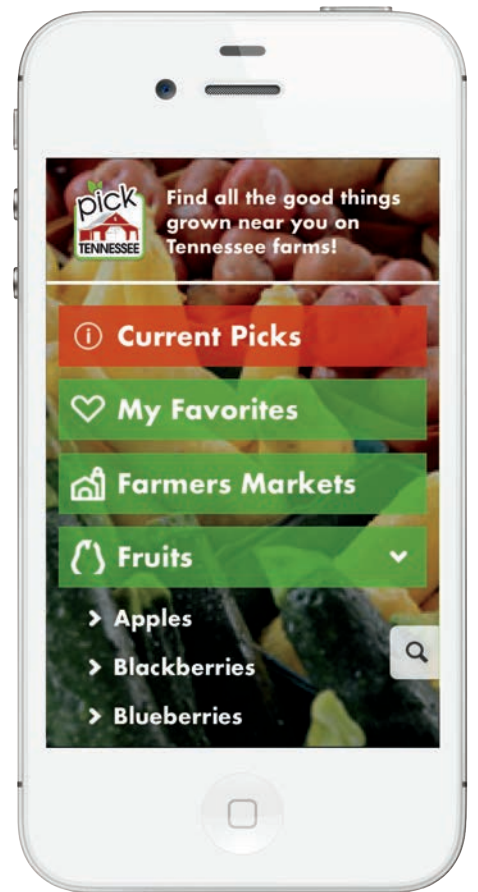
5

Many options exist to help promote specialty crop enterprises beyond paid advertisements including websites, social media, direct mail, email, business cards, coupons, daily deals, sponsorships, word-of-mouth referrals and more. Growers should investigate all of these options to develop an effective overall marketing plan.

Every business today needs a Web presence. For Tennessee specialty crop growers, this presence could be as simple as partnering with the Pick Tennessee Products program for a listing on their website and inclusion in the mobile app. Growers should consider having their own website with information about their products, locations where products can be purchased, when the products can be purchased, the farm story and how to contact the growers. Some producers may have more sophisticated websites including online stores where customers can purchase products online. Advertisements should always include a call to action, and oftentimes the call to action is for potential customers to learn more by visiting the advertiser's website.

Social media sites such as Facebook, Twitter, Pinterest and others can be a relatively simple and inexpensive way for specialty crop growers to build and maintain relationships with customers year-round. Social media may also benefit producers through a word-of-mouth effect where people connected with customers following the farm's social media may learn about the farm or be enticed to try a product.

Word-of-mouth referrals are often cited as the most effective method of "advertising" by direct farm marketers. While word-of-mouth referrals are effective and specialty crop growers may influence and encourage positive referrals, word of mouth is likely only to take a business so far. Direct marketers planning to significantly increase their number of customers will likely need to delve into the world of advertising.



A Web presence could be as simple as partnering with the Pick Tennessee Products program for a listing on their website and inclusion in the mobile app.



Selecting the Right Advertising Media

To develop an effective advertising campaign, specialty crop growers should select the advertising media that are most likely to reach their target audiences and will help them meet their business and budget goals. In addition, specialty crop growers should take care not to put all of their advertising eggs in one basket, so to speak, by spending their entire budget or all of their efforts on one media outlet.

By using multiple media types, specialty crop growers may experience several benefits. Advertising across several different media may reach different segments of the target audience. Members of the target audience may see multiple ads in multiple venues, reaching them more frequently and helping build recognition by potential customers. Using multiple media channels enables specialty crop growers to compare the effectiveness of different channels to determine what works best for their business.

Specialty crop growers may use the decision worksheet below to help select advertising channels for their farm.

AD TIP



Effective advertising conveys the same message regardless of the media channel. Always using the same name, logo, slogan and overall message in advertising helps a farm communicate a consistent message to potential customers and helps solidify the brand in consumers' minds.

Decision Worksheet for Selecting Advertising Channels

1. Who is the target audience?
2. What is the business' annual advertising budget?
3. What available media are most likely to reach the target customer?
4. What are the costs for available media most likely to reach the target customers?
What is the CPM for each media being considered?
5. What combination of advertising media will effectively reach the target audience and fit within the overall marketing budget (remember to consider other promotional methods that will be used as well)?



Negotiating Advertising Purchases

Negotiating the purchase of advertising may be one of the most intimidating tasks involved in marketing for specialty crop growers. Having followed the steps to developing an effective advertising campaign will help the grower focus on what kind of advertising is needed and how much to spend. Growers should also have an idea of what they are going to ask for from each media outlet to try to make the most of their advertising dollars. Growers may want to ask for proposals or bids from several different sources. For example, if the grower was going to include radio advertisements in an advertising campaign, he or she might request proposals from three radio stations in the area and invite the stations to try to win their business.

Here are a few tips to help specialty crop growers negotiate advertising purchases effectively:

Start early, and do not be in a hurry.

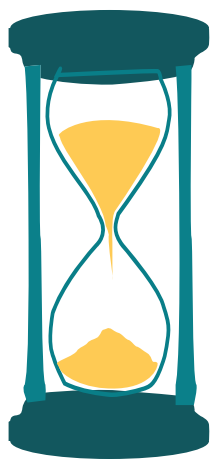
- Long before the advertising will be run, start making contacts with the appropriate media to negotiate rates, times and placement of ads.
- Growers should determine whether they are going to produce the ad themselves or whether they want to negotiate with the media outlets to produce the ads for them as part of the advertising package.
- Growers should review the media's audience demographics to ensure the media outlet is reaching the farm's desired target audience. For radio and television ads, ask for the demographics during the specific time when the ads will run as the audience for various programs may be different.

A key term for understanding advertising media is cume, advertising lingo for "cumulative unduplicated total audience" over two or more time periods. Because it measures more than one time period, a cume is a better indication for how many persons the media is actually reaching. For example, a person who reads the newspaper on both Sunday and a weekday is counted just one time in a Sunday/daily cume.

- Sometimes there is more competition for ad space than others. Election years, for instance, seem to have a shorter supply of available ad space or ads may be more expensive. Starting even earlier when high demand is expected may be helpful.

Ask about discounts, deals or opportunities to partner with the media outlet.

- Some media outlets may offer deals or discounts if a certain volume of advertising is purchased.
- Growers should be careful not to make a deal for a lower price that could jeopardize the effectiveness of the ads. Ad space may be cheaper in less desirable parts of a publication or during the night when fewer people are tuning in to broadcasts; however, the grower needs to determine whether ads placed in these timeslots or places will likely be effective in reaching the target audience. A discount is not a good deal if the ad is not effective.



Do not give in to high-pressure sales tactics.

- Even though advertising can be beneficial, the producer still makes the decision on whether or not to buy and how much to spend. The deal needs to fit the grower's needs and budget.
- Producers should take their time to decide whether the advertising being offered is right for their farm. Growers should not sign a contract until they are ready to proceed.
- Growers should be sure to ask for desired considerations – if they would like their ad to be placed in a certain section of the newspaper or on a certain place on the page or air during a specific time period.

Make time to develop effective ads.

- Make sure the ads developed, either by the grower, professionals or the media outlet, are consistent with the message the grower wants to send.
- Growers are responsible for making sure the ads are truthful and accurately represent the products being offered.
- If the media channel is developing the ad, growers should ask to review a proof of the finished ad before it is published.

Ask for proof that the media outlet did what they said they were going to do.

- At the end of an advertising campaign, the media outlets should be able to provide copies of advertisements run and a list of where and when the ads were run. Growers should double check to make sure what actually happened was at least as much as what was purchased.



BUSINESS



Tips for Purchasing and Developing Advertisements for Specific Media Types

There are some additional considerations for purchasing and developing advertisements that are specific to the different media types. Suggestions for what to work toward in negotiation; ideas for working with the advertising company representatives; key terms; and common mistakes made in purchasing for print ads (newspaper and magazine), billboards and broadcast ads (radio and television) may be helpful to specialty crop growers interested in purchasing paid advertisements.



Print Advertising

Print ads are spaces used for advertising in periodicals such as newspapers and magazines. Locally, these ads are typically purchased by working directly with a newspaper or magazine office representative. Publications covering a region or the nation are often sold through ad agencies or other media firms.

Two important terms to evaluate the potential effectiveness of print ads are circulation and readership. Circulation refers to the number of copies sold in a specific time period while readership is the number of people who read a publication. Newspaper circulation (the number of copies printed) may be much smaller than its readership (the number of individuals reading the paper), particularly for smaller publications.

Print ads are usually priced according to the location within the publication and by size or, sometimes, per column inch of print space. A column inch is a space one column wide by 1 inch high. Different publications may have different widths of columns.



Ready for Halloween?

www.BluOrchard.com



BLU CIRCLE ORCHARD

Ads in locations where people are most likely to read them are often most desired by advertisers and often higher in price. Specialty crop growers should try to invest in ad space where their target audience is most likely to see the ad. Some tips for where to place ads in the publications are below:

- Place ads in the section the target audience is most likely to read; for example, if trying to reach families with children, advertise in a “Family” or “Lifestyle” section.
- If there are not specific sections in a publication, try to place ads nearer the front page or on the very back pages where they are most often seen.
- In newspapers, try to secure advertising space above the fold. Stories and/or ads that are on the top half of a publication – that can be seen when the newspaper is folded – are most likely to be read by the audience. This concept also applies to website design where ads should show up on a user’s screen without the user having to scroll down or to the side to view them.
- When a newspaper is opened, readers are most likely to look at right-hand side, making this another desirable location for ads.
- Classified ads are not considered very effective for retail advertising as these mostly text ads tend to get lost in a sea of other ads and notices.

Layout is how the ad looks or appears in the publication. Local newspapers will often offer layout services for free or little charge to advertisers. The ad buyer should get to know the person selling the ad, as well as the person completing the ad layout. (In smaller papers, this may be the same person.) It is important for specialty crop growers to clearly communicate their desire for specific information, colors or graphics to the ad designers before they start the layout process, if being done by the publication. The ad text is called the ad copy.

If the growers are developing their ads, they should be sure to follow the required ad specifications and formats accepted by the publication. The publication may have specific design guidelines that must be followed or only accept certain kinds of electronic files.



A common way of evaluating which print advertising is reaching customers is to offer a coupon or discount on the print ad. Advertisers can put a code on the coupon, then track how many coupons with each different code are received. This method can help determine which ads have reached the most potential customers and target advertising dollars for the following season or year.

One common mistake made when advertising in print ads is not getting the ad in on time to meet a deadline. This is important if advertising a time-sensitive offer or event. Specialty crop growers should be sure to find out when deadlines are for each publication and to meet those deadlines.

Billboards

Choosing the location of the billboard is key. As one would expect, more desirable locations are likely to cost more; however, they may be more effective in reaching the target audience. Some tips to identifying an attractive billboard location are below:

- Specialty crop growers may research the traffic counts on the road near the billboard. The traffic count refers to the number of vehicles passing by a billboard's location per day. The more cars passing the location the better.
- Billboards should be in a location where the view is unobstructed by trees, buildings, traffic signs and other billboards.
- Billboards placed at a stoplight or in areas with slower speed limits may allow more time for an audience to see and read the board.
- Billboards on the right-hand side of the road are often considered more effective than billboards on the left side of the road.
- Specialty crop growers should consider the surroundings of the billboard before making a purchase. Is the location aesthetically pleasing? Are the homes or businesses in the area consistent with the message the billboard is trying to send or at least not displeasing to the target audience?

The height and size of billboards are also important considerations. Growers should determine if the board is easily seen by drivers before purchasing. Some billboards may be too high or low making them difficult to see. In some areas, two or more billboards are placed on the same pole. Specialty crop growers should determine if motorists will have enough time to view two or more billboards while driving in the location. A single billboard per pole may be more effective.

Billboards may be lit or unlit. Lit billboards will give the message to more traffic (at night) but may be more expensive. Specialty crop growers should be sure to check to make sure the lights are in working order periodically, and inform the billboard company if the lights do not seem to be functioning properly.

Billboards are usually negotiated by contracts for a certain period of time. Many billboard companies prefer to negotiate longer contracts, but billboards may also be purchased for less than a year. Like any contract purchase, the client should be sure that the contract language is understood and all costs and payment details are clear before purchasing.

A simple message should be portrayed on billboards as motorists will have a very limited amount of time to view and process the information. Successful billboards often have a message limited to approximately seven words in combination with a clear graphic or photograph consistent with the image of the operation. Like newspapers and magazines, most billboard companies will assist with ad design and layout, often including this in the cost of the billboard lease. Clients should be sure to check the proof of the ad to verify that text, colors, logos and other graphics will appear as intended.

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Broadcast Advertising

Broadcast advertising via radio or television is often the most expensive type of advertising because of the large potential audience. Broadcast advertising is typically purchased to be aired a certain amount of times during certain time periods. Ads aired during higher ratings periods are more expensive, explaining the high price of ads during prominent events like the Super Bowl.

Ad lengths may also vary. Radio spots are typically 15, 30 or 60 seconds. Television ads are usually 30 or 60 seconds.

The audience for radio and television is usually measured in a weekly cume. For radio, this is typically the number of people that tune in during any given 15-minute period during the week. For television, this is typically the number of people tuning in during any 30-minute period.

Radio spots are typically 15, 30 or 60 seconds.

Television ads are usually 30 or 60 seconds.



Radio and television stations often provide ad production services. In many local markets, these services may be included in the purchase price for the ad. Specialty crop growers should consider the cost of ad production when comparing the advertising costs for broadcast media.

Live read radio ads are read live on the air by the radio host or personality. This may be effective with a loyal radio audience who may connect or associate the farm or product being advertising with a favorite radio personality. The ad buyer may have less control over the content and quality, however, than with a pre-produced ad.

In negotiating broadcast advertising purchases, growers may be able to focus ad time on a station and time the target customer is likely to be listening and are likely to be making decisions on the purchase. For example, moms driving kids to or from school on Thursday or Friday may be more likely to be making plans for Saturday activities such as picking fruit, going to a pumpkin patch or buying a Christmas tree. Stations can provide growers with a map of their coverage area – the geographic area within which the station can be seen or heard.

Broadcast ads may be available at reduced rates for less desirable times and days. Specialty crop growers should weigh whether the reduced rates are worth the decrease in efficiency ads may have if fewer people are reached by them.

Live read radio ads are read live on the air by the radio host or personality. This may be effective with a loyal radio audience who may connect or associate the farm or product being advertising with a favorite radio personality.



Advertising in Action: Oakes Daylilies

Ken Oakes' first job when he joined his father's mail-order daylily business was to produce a color catalog. "It was really a big step for us. The pictures really helped us show our daylilies to people who weren't familiar with them," he said.

Ken said the catalog is just as big a part of his ad budget now as it was more than 20 years ago. But there are new costs to help send it to the right prospective customers. "We've worked with a consultant expanding our catalog mailings. It seems behind the times, but nonetheless it's still a viable direct marketing channel a lot of people use and use well."

Ken said it's important to realize how multiple advertising channels complement each other. "Probably 60 to 70 percent of our orders come in over the Internet. The impression I have is a lot of the folks may be looking at the catalog and place an order online. So we continue to do the catalog and will continue to do it."

Ken has also used outside expertise to target his advertising by hiring another consultant to manage the effectiveness of his pay-per-click advertising with Google AdWords and Microsoft. "Online or pay-per-click advertising has such a huge universe of potential customers," he said. "One benefit is you can track and get some idea of your results. You can say, 'I spent \$500 on this keyword or this ad campaign,' and it will flow it all the way through to bottom-line sales."

A higher percentage of the business' ad dollars, Ken said, is now spent on pay-per-click advertising than on space ads in gardening magazines. "We still advertise in magazines, but not as often," he said. "You would hope that if somebody gets a pay-per-click ad for daylilies, they're looking for it, versus a space ad where the ad is just in front of them."

Ken Oakes said that technology has also helped him produce an email newsletter. He uses the popular direct email service Constant Contact to send 50-60 newsletters to customers per year. "Sometimes they are short emails reminding people of when a sale ends," he said. "But we prefer to focus newsletters on an issue or problem (like what plants to plant for a dry, shady area) rather than a particular variety."

The business, which has four full-time and 20 seasonal employees, sells perennials and ornamental grasses as well as their signature daylilies — including more than 1,000 varieties. Using the outside expertise, said Ken, helps him focus his employees' time on advertising they can best handle in house, like the regular newsletters.

"Online or pay-per-click advertising has such a huge universe of potential customers," he said. "One benefit is you can track and get some idea of your results."



Advertising in Action – Granddaddy’s Farm

“Word of mouth is your best advertising, but it’s slow,” said Andrew Dixon. He and his parents, Steve and Karen, and brother, Philip, operate Granddaddy’s Farm in Estill Springs, Tennessee. The Dixons offer more than 35 varieties of mums and more than 100 varieties of pumpkins, winter squash and gourds at their on-farm retail market every fall.

The enterprise, which the family added to their row crop operation in 2006, is off the beaten path, literally on a dead-end road. “Our customers are going to have to want to come here. It’s not like they’ll just drive by and say, ‘Hey, let’s go,’” said Andrew. In addition to a website and social media, the family has relied heavily on traditional print advertising in the past – newspaper, billboard and fliers. For 2014, newspapers are out and radio advertising will be increased.

Andrew said that advertising makes up at least 15 percent of their operating expenses, and billboards make up most of their advertising budget. Since each billboard he leases has an average price of \$500 to \$650 per month, choosing properly sized billboards in key locations is important.

“We choose boards that people who live here will be passing by, and we choose boards in locations where there are high traffic counts,” he said. Keeping the billboard copy (the words on the billboard) simple is also important. “We use our billboards to point them to our website for directions to the farm, because putting directions on the billboard would be too much (copy),” he said.

One challenge Andrew has had to overcome is that he only needs to lease billboards for eight to 12 weeks. “Most billboard companies are probably going to favor renters that want a board for a whole year,” he said, “but the companies I’ve worked with are used to me and know I’m coming back.” That makes it important to establish a good working relationship with the billboard company – a good rule of thumb for working with any advertiser.

While the Dixons were advertising in newspapers, the farm included a coupon with a different code in each different newspaper. “That way we could see which ads were working, if we kept good records of the coupons!” said Andrew.

While both billboard companies and newspapers will offer free or low-cost ad layout, Granddaddy’s Farm has chosen to design its own ads. “We like doing it,” said Andrew, “and it helps us make sure the ad looks like we want it.” Advertising buyers should beware of companies that do not offer proofs, or previews, of the actual advertising copy.

Finally, Andrew said the farm uses its logo on all advertising – including its Facebook page. “It helps us build our identity with our customers,” he says. He said using social media like Facebook has so far been more helpful in relating to his existing customers than in attracting new ones. “Facebook, any advertising, it’s all about building that relationship between you and your customers,” said Andrew.



We use our billboards to point them to our website for directions to the farm, because putting directions on the billboard would be too much (copy),” he said.





Evaluating the Effectiveness of Advertising



“Half the money I spend on advertising is wasted; the trouble is, I don’t know which half.”

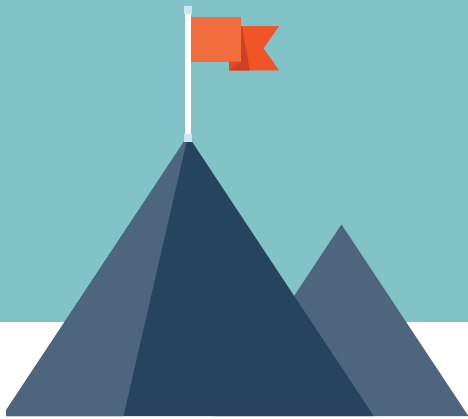
— Attributed to John Wanamaker
19th-century department store pioneer

This quote still rings true for many business owners. Specialty crop growers should develop and execute a plan to measure the effectiveness of their advertising campaign to help reduce waste due to ineffective advertising. Measuring advertising effectiveness does not have to be complicated.

- Ask customers where they heard about the farm and keep a tally sheet of answers at the checkout counter.
- If print advertising is used, growers might include a coupon with a unique code. Coupons returned may be collected and traced back to the source.
- Ask customers in ads to say a certain phrase at the check-in or checkout counter for a special offer at the farm.
- Track the number of customers and sales daily making notes about special circumstances such as weather that may have impacted sales. Compare numbers prior to an advertising campaign, during a campaign and following a campaign. Customer and sales numbers can also be compared across years for days, weeks or the season.
- Growers can incorporate tracking tools such as Google Analytics on their farm websites to determine how people are accessing it. This can help determine the effectiveness of ads where the call to action is asking customers to visit the

website. It can also assess the effectiveness of online ads that click through to the website. Growers may compare their own analytics data to any data provided by the media outlet to help determine the accuracy of the information provided by the media outlet.

If a certain advertising media outlet or channel is not working or not working well enough for the investment, then it is time to try something else. Producers should ask themselves: Are the ads running in an appropriate place and at appropriate times to reach the target audience? Do the ads convey the right information and a clear, consistent message? Are the ads attention-getting? If the answer is yes to those questions, then it is time to consider changing media.



Summary

Selecting and negotiating advertising may be an intimidating task to specialty crop growers. Growers seeking to increase sales, however, will likely only be able to do so much so fast without incorporating paid advertisements into their marketing plan. Learning and implementing the steps to developing an effective advertising campaign may help ease some of the stress associated with advertising, increase the effectiveness of advertising campaigns and make the most of marketing dollars.

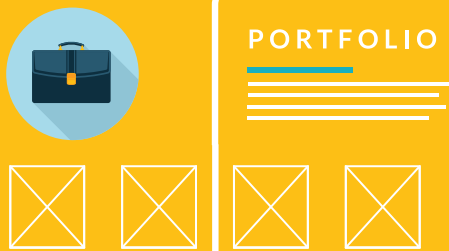
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