

DIRECT MARKETING STRATEGIES

DIRECT MARKETING IN WASHINGTON STATE



Direct marketing farms sell their products in a variety of ways, including directly to consumers on the farm, at farm stands or U-Pick operations, at farmers markets, and through Community Supported Agriculture (CSA), culinary and agritourism, online and mail-order sales. Direct marketing farms may also sell through what's called "intermediated markets" such as food hubs and directly to local restaurants, grocery stores, food co-ops, and institutions like schools. While, direct marketing is well suited for smaller, diversified operations, farms of any size can benefit from direct marketing as a diversification strategy.

According to the 2017 Census of Agriculture, 13 percent of Washington farms sold products directly to individuals, valued at \$68.6 million. In 2019, Washington State had more than 170 farmers market locations, with sales over \$51 million. We also have over 350 farm stands and 310 CSA farms. Market research consistently shows ongoing demand from consumers seeking products they perceive as clean, fresh, real, and made by nature. Consumers want to buy local, seasonal products from farms they know. An overview of key direct marketing concepts and tools can help farms get started in accessing this market.

This fact sheet includes information on:

- Challenges and benefits.
- Getting started.
- Knowing your market and communicating with your customers.
- Customer lists.
- Consumer education about farming and products.
- Farm listings and farm maps as a marketing tool.
- Social networking as a marketing tool.
- Producer cooperatives as a marketing tool.

Challenges and Benefits

Direct marketing may not be for everyone. In addition to farming and producing high-quality products, the farmer must take on the full range of marketing, sales, and distribution. This requires investment of time and labor. The skill and science of knowing your market is critical, as is being able to create and establish your brand and communicate it with attractive signage, displays, and online presence. Educating consumers

and developing relationships is also important – all of which can be socially demanding. A bad weather day at market may dash sales for the day. And, since sales are not guaranteed, cash flow can be uncertain.

However, for many farms, direct marketing is a viable and strategic option with many benefits. Direct marketing can be a complete business model, or it can be used as a means of diversifying sales outlets and potentially reducing overall market risk. A key benefit of direct marketing is that the farmer sets the prices (within what shoppers are willing to pay) and, depending on the marketing outlet, farms are typically able to capture the full retail value of their product. Likewise, regular sales with immediate payment can produce a more even cash flow.

Not needing to size or grade products (a common requirement when selling via wholesale distributors), means there may be less waste and greater flexibility to sell in quantities that work for you—from the pound to the pallet. Getting immediate feedback from customers about products, and generating new customers, is an invaluable benefit of direct marketing. Some farmers especially value having a personal connection to the people eating and using their products. For those who invest the time, building relationships with customers who become loyal to your farm can be personally rewarding, as well as good business.

Getting Started

Direct marketing starts with a solid marketing plan driven by your goals and informed by your specific skills and interests. It relies on good information about production costs, supply and demand, customer demographics, prices people are paying, sizes or quantities they want, and how frequently they would buy. It also requires an understanding of the direct marketing regulations.

Here are several helpful business resources for getting started with your plan:

- The Ag Entrepreneurship course, a part of the Cultivating Success training series, cultivatingsuccess.org, includes the development of a marketing and business plan.

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- The SARE Learning Center, sare.org, is a good source of information, including marketing strategies for small farmers. Use the keyword filters or search box to begin exploring.
- ATTRA, the National Sustainable Agriculture Information Service, attra.ncat.org, offers free marketing materials, including various ways to develop new markets.
- USDA Alternative Farming Systems Information Center offers resources and publications. Search “direct marketing” on the Natural Agricultural Library site, nal.usda.gov/afsic

There are also many books, blogs, podcasts, and local training offerings with excellent insights and tools on the topic of direct market farming available online.

Knowing Your Market and Communicating with Your Customers

Understanding what drives your customers is central to selling your products. To be effective at direct marketing, you need to know your customers, stay connected to them, and be responsive to their shifting needs. Accessing sector-level market research information can be a challenge, since direct marketing farmers do not have the equivalent of a commodity commission dedicated to tracking this information. As a result, a key skill for knowing your market is talking to local people, such as market managers, WSU Extension researchers, dedicated non-profits, other farmers, and most importantly, your customers.

A consistent characteristic of direct-market customers is their interest in many aspects of the farms they buy from. Customers may want to know about your growing practices, what varieties you grow, how you care for your animals, where you get your seeds or starts, when you will be at the market, when products will be ripe, if you could custom grow a product, if you have seconds or bulk discounts, what forms of payment you take, and what recipes you recommend. It can be personal: seeking the “story” of your farm, your family history, how long you have been farming, how you got started, what your animals names are, and if they can come and visit and when.

Answering customers’ questions helps build relationships and trust. Communicating with your customers is extremely important in direct marketing, so be sure your marketing plans include the costs of business cards, market signage, newsletters, websites, farm map listings, and additional annual or seasonal

advertising. It is helpful to have an online presence with information about everything customers may ask, as well as listing all your market outlets.

It is helpful to build this time and effort into your overall plans. And remember that relationships are two-way. These conversations can be built into your “market research” to get honest feedback on your products and ideas.

These resources can help with other market research:

- Growing for Market, growingformarket.com, is a long-standing trade publication for local food and flower producers covering many topics.
- Hartman Group, hartman-group.com, based in Bellevue, researches consumer behavior and food and beverage culture, and offers free newsletters, webinars, infographics, and papers online.
- Small Business Administration Office of Entrepreneurship Education, sba.gov/wa, offers free assistance, including access to business and economic statistics. Contact the SBA Seattle office for Western Washington at 206-553-7310, and the Spokane branch for Eastern Washington at 509-353-2800.

Customer Lists

Perhaps the single most important marketing tool direct marketers have is one they create themselves: their customer list. To start, collect your customers’ names, addresses, phone numbers and email addresses. You will need a way to collect and keep track of this information. Make it easy to collect this information by setting up a system that can be used at every tabling event or market outlet. It could be as simple as a clipboard and 3x5 index cards, or a spreadsheet on a tablet that customers can fill in themselves to subscribe to your communications. The key is to do it, do your best to keep it up to date, and then use the contact information to communicate with the people who already like your farm and products. Online services can be useful for managing contacts and communicating with customers. Some are free and some require subscriptions.

Knowing who your customers are and having the tools to regularly reach out to them is a tremendous asset, especially in a field where relationships are prized. With good contact information, you can target your marketing efforts, create “special offers,” and send out seasonal updates.

Customer privacy considerations

It is a best practice to let people know when your business is collecting their information for marketing purposes. An effective way to do this is with a simple privacy notice that explains the ways you will use their information. The notice can be displayed on your sign-up sheet and your website, or anywhere you are collecting customer data. It is also important to care for customer financial data, such as credit card information, is only stored for as long as is required to complete the transaction and file the receipt.

All businesses need to make sure email practices comply with the federal consumer protection for commercial emails that require the business's physical address is included in the email, and that you honor "opt-out," or "unsubscribe," requests from recipients. For more information, search for "CAN-SPAM" act at the Federal Trade Commission website, ftc.gov.

Consumer Education about Local Farms and Products

Washington State has a network of small farm advocates and organizations dedicated to educating the public about our food system, the merits of local foods, nutrition education, and the community, economic, and environmental value of local farms. Many organizations feature local farms to help highlight these points and "put a face on food."

Many communities have created hyper-local brands like "Methow Made," "Walla Walla Grown," and "Island Grown." Others organize buy-local and eat-local campaigns, agricultural and culinary trails like the Thurston Bountiful Byway and Olympic Culinary Loop, and farm tour days supported by WSU County Extension offices. Other promotions are product focused like the Culinary Breeders' Network events to connect chefs and farmers around unique produce varieties, and events that celebrate local cider, cheeses, cut flowers, and more. All these activities educate the public about local food, products, and farms.

This collective outreach and education, along with changing consumer behavior and high interest in local food, has built an ever-growing consumer demand for products from local farms.

Farm Listings and Farm Maps as a Marketing Tool

Adding your farm to local farm listings and farm maps helps customers find you. Many print and online farm maps and directories are available in Washington. Some are free and some charge a listing fee. Some farm maps offer space to tell your story, or welcome people to your farm, and some simply list your website and phone number. Some, like localharvest.org, include the option to list the most common things customers may want to know about your farm. See the Resources for Small Farms in Washington fact sheet for information on some of the statewide lists.

Farm map organizers often collaborate with local tourism offices to create sample touring "packages," and harvest season events to enliven the imagination and help people plan their trips based on farm stops and restaurants that feature local ingredients.

All formats of farm listings such as ag-trails, food atlases, and online and print maps offer significant marketing value for farms that sell direct, connecting you and your story to the people who are looking for local products (individuals, chefs, caterers, retailers, wholesale buyers, food journalists, etc.).

See the Resources for Small Farms in Washington fact sheet for information on some of the statewide lists. Contact your local farmers market manager, co-op grocery store, WSU Extension office, local farm organization, tourism office, or Chamber of Commerce to find out how to get listed in their publications, and how to get involved in planning events like farm tours that may bring more customers to you.

No matter the direct market outlet, it is worth investing in communicating the story of your farm. Through images, text, or personal interactions, share a sense of yourself, your family, farm employees, the land and its history, how long you have been farming, how you got started, your animals — and if you ever welcome visitors. The personal connection your customers feel to your farm adds value to your products.

Social Networking as a Marketing Tool

The internet is an efficient direct marketing tool. The majority of people will use their phone or a computer to look online, whether via a website or social media, to find information about your farm or products. It is critical to have an online presence, whether a bare-bones website, a basic social media page, or a sophisticated social media marketing strategy. Do what works for you.

A few photos with your contact information can be enough to start a simple website. Purchase a domain name and sign up with a web hosting service. Use one of the many programs that take you through creating a website step-by-step. Some are free, others are not. Usually, the available features increase with paid products. If you have a physical retail outlet such as a farm store, a free listing on Google Maps is also very important for making your business come up toward the top of the list in internet searches. This map will also generate directions on your webpage and on any searches for your business.

Social media sites like Facebook and Instagram are another way to create a free presence online. A social media site is not as simple for customers to locate and is more limited than a website for online sales, but it has the benefit of developing ongoing and interactive connections with your customers and their extended networks.

A savvy marketer's tool is the smartphone or tablet, with tools to take pictures or videos, and easily post to social media. Many farmers post videos and photos on social media daily to introduce new products, talk about daily life on the farm, and engage in conversations with their customers. Posting on social media regularly does not have to be daunting. It could simply be a "re-share" of an article that relates to your products, but always make it personal. Note that as these sites are more saturated, paid advertising is required to reach people. If you are aggressively seeking to gain more customers, a very small monthly advertising budget can go far on social media platforms.

The ATTRA webinar, "Using Facebook to Grow Your Farm Business," found on [YouTube](#) and at [attra.ncat.org/videos](#) is an excellent overview of setting up your page from scratch, including tips for creating content and leveraging advertising, as well as tools for managing multiple accounts and scheduling posts.

Producer Cooperatives as a Marketing Tool

A marketing cooperative, often known as a producer cooperative, allows its members who produce the same or similar products to cooperatively market and sell the products. Producer marketing co-ops are common in agriculture. According to Co-op Law, 30 percent of total agriculture production in the U.S. is marketed by co-ops. In Washington, there are several food hub and marketing co-ops that have formed specifically to help member farms market their products to local customers. For support developing a producer marketing co-op, including writing an application to the Rural Cooperative Development Grant Program, contact the Northwest Co-op Development Center at [nwcdc.coop](#), or call 360-943-4241.

Additional Resources

- Cornell University Small Farms Program marketing resources: [smallfarms.cornell.edu](#)
- Tilth Alliance Farm Guide Directory: [farm-guide.org](#)
- UC Davis small farms: [sfp.ucdavis.edu/marketing/](#)
- USDA Market Maker, [foodmarketmaker.com](#), features include the mapping of potential buyers by census tract, including food preferences, income, and food expenditures. Registration is free and required to use the tool.
- Washington State Farmers Market Association: [wafarmersmarkets.org](#)
- Washington State Tourism: [experiencewa.com](#)
- WSDA Farm Wisdom Video, "Direct Marketing to Customers": [youtube.com/WSDAgov](#)



1. Resources for Small Farms in Washington State
12. Selling to Individuals: Buying Clubs to U-Pick
13. Selling Online: E-Commerce
14. Culinary and Agritourism