

## You Can't Float a Marketing Program with an Ad or Two

Commercial cow-calf producers pay extra for bulls that come from a herd that has an excellent reputation and an outstanding herd advertising and promotion program.

A Mississippi research project found that good promotion and reputation boosted the price of bulls in the study by an average of \$353.

When Mississippi State University researcher Malcom Commer Jr. set out to see how performance records affect the price of bulls sold to commercial cattle producers he got a surprise. After tracking sales of bulls from 11 different breeds at the Hines Livestock Evaluation Station Sale in Raymond, Miss., he found that improved performance resulted in higher prices.

But performance seemed to account for less than 50 percent of the price variations he observed. Something else was affecting prices. After ruling out other variables, Commer, along with Warren Couvillion and C.W. Herndon Jr., developed a study to determine if breeder reputation, advertising and promotion were involved.

They selected three experienced Extension livestock people to independently evaluate the 48 breeders for five activities:

1. advertising
2. show ring promotion
3. business longevity
4. public relations activity
5. breeder integrity.

After finding that breeder longevity had little effect on bull prices, they

combined the other four factors into one promotional score and ranked breeders as either inferior, average or excellent for promotional activities.

Surprisingly, they found that breeders who ranked inferior or average received about the same price for their cattle. There seemed to be little advantage in doing a mediocre job of promotion as compared to an inferior one.

Another surprise was that excellent

showed. One large breeder in particular stood out, Commer said. This man had cattle with size and performance equal to the best cattle in the sales that were monitored, but he ranked average or below on promotion. His bulls brought one-third less than bulls of similar quality from well promoted herds.

On the other hand, breeders with average performance cattle weren't able to get top prices just because they

received excellent promotion scores.

The obvious lessons to be learned from this research are:

First, superior genetics and a well planned promotion program complement each other to produce significantly higher bull prices.

Second, it's important to have a product that fills the demand in a breeder's market area before investing heavily in advertising. Advertising won't influence commercial breeders to pay higher prices for bulls that don't meet their specifications.

Third, excellent advertising and promotion is a profitable investment. Adding \$353 to the value of every bull sold boosts income by \$7,000 a year for the breeder who sells 20 bulls.

Fourth, a half-hearted approach to advertising and promotion is little more effective than an inferior one. You can't float a boat with a bucket of water and you can't float a marketing program with an ad or two.



promoters were generally also the best breeders. Their cattle ranked highest in performance traits. These breeders with excellent promotion programs received an average of \$600 more per bull sold than those in the bottom two groups.

When this \$600 advantage was analyzed it turned out that \$353 of it was the result of improved promotion while the rest was from performance traits. Excellent promotion made these breeders' bulls worth \$353 more per head.

Outstanding breeders who weren't excellent promoters suffered, the test