

Merchandising

by Keith Evans



'Which Way Should I Go?'

In Lewis Carroll's classic story, *Alice's Adventures in Wonderland*, Alice was confused as she approached a fork in the road. The Cheshire Cat sat in a nearby tree, and Alice begged him to tell her which road she should take:

"Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the Cat.

"I don't much care where —" said Alice.

"Then it doesn't matter which way you go," said the Cat.

Many registered beef cattle marketers find themselves in Alice's predicament. They know that an advertising and marketing program is necessary to support their business, but they are nagged by the question, "Which way should I go?" And like Alice, it doesn't make any difference unless they know where they want to go.

The most important thing a marketer should do before making a marketing decision is to look at his own breeding program and determine what kind of primary market he is best equipped to fill. In some areas of the country, where the bull market is small and competitive, it might be supplying replacement heifers and club heifers. In another location, the commercial bull market might provide virtually the only opportunity for sales.

Many breeders cultivate the commercial bull market and the registered female replacement market — two separate customer bases — since bulls will go mostly to commercial producers and females will sell mostly to registered breeders.

Market combinations can get fairly complicated. Consequently, the road a

breeder should take depends upon genetics, the breeding program and how well they fit what potential customers want and need. If you are at this fork in the road, be honest about the potential markets available and how well you are equipped to fill them.

Another question that must be answered before deciding which fork to take is "where are the potential customers?" Are they within your county? Within a 10-county area?

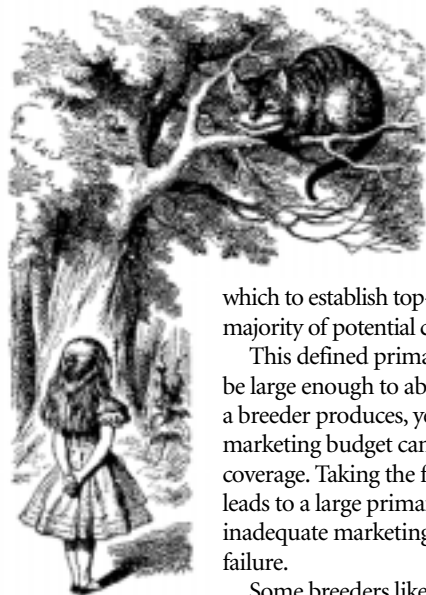
Within a two- or three-state area or nationwide? The answer will take some research. The results will determine a breeder's primary market area — the area to be blanketed with advertising and promotion and in

which to establish top-of-mind awareness in a majority of potential customers.

This defined primary market area has to be large enough to absorb the seedstock that a breeder produces, yet small enough so the marketing budget can provide adequate coverage. Taking the fork in the road that leads to a large primary market area with an inadequate marketing budget can lead to failure.

Some breeders like to sell cattle one day of the year at a production sale. For others this is too risky. They prefer not to put all of their eggs in one basket, so to speak. But there is even more to consider before deciding which road to take.

Most people agree that the out-of-pocket cost of a properly managed auction is higher than selling privately. On the other hand, private-treaty selling takes time. Someone has to be available during normal business hours and willing to be on call at odd hours and on weekends. What's more, the person responsible for marketing must understand the business of one-on-one, private-treaty selling. That person needs to know how to make a customer feel comfortable, how to determine the customer's needs and how to focus attention on the cattle that will best fill those needs. Finally, the salesperson must



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know how to ask for the order — to make the sale.

Selling by auction or selling by private treaty are both effective ways to market cattle. The two can be combined into one marketing program; however, they take different skills and present different time demands. Some people are better equipped for one kind of selling than another. It is a good thing to understand these differences before heading down an unfamiliar fork in the road.

Almost every cattle marketing program is based upon paid advertising. Even those who choose the Internet as a primary marketing tool must have solid advertising to direct potential customers to their Web page. So before the first advertising dollar is spent, an advertiser must understand the media within the defined primary market area.

An advertiser must know what types of media are out there — radio, television, daily or weekly newspapers, farm and livestock publications, etc. Investigate not only what a unit of advertising costs, but also the cost per potential customer reached. The lowest cost per 1,000 readers might well be found in a statewide, general farm publication. The lowest cost per potential customer reached may be found in a specialized livestock publication or in your breed association magazine. You won't know until you check.

Advertisements come in all shapes, sizes and layouts. However, the best ones make full use of the five basic building blocks of a

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print ad. Building an ad is like building a house. A house must have a solid foundation, a good roof and all the other basic elements, whether it is a mansion or a bungalow. An ad needs the same attention to detail whether it is selling \$200,000 combines or \$3,000 bulls. Virtually every ad produced should include the five basic building blocks:

1. A headline that gets attention and promises a benefit;
2. An illustration that gets attention and illustrates or demonstrates the product;


3. Body copy that presents an effective sales message;
4. An effective logo or “trademark”; and
5. A distinctive layout that is attractive, easy to read and moves the eye smoothly from one element to another.

Built properly, an advertisement should do five things every time: (1) attract attention, (2) create interest, (3) create desire, (4) build conviction and (5) ask for action.

It’s a great waste of money to pay for advertising that’s missing basic construction materials and doesn’t accomplish the five essential tasks. The breeder who isn’t personally equipped to produce the best possible advertising should hire someone

who is. A few of you can tear down and overhaul an engine. But those of us who can’t will be dollars and time ahead if we hire the right help instead of doing it ourselves. The same goes for advertising.

The Cheshire Cat was mostly right. If you don’t know where you’re going, you’ll never know which fork in the road to take. It *does* make a difference. Heading down the right road can make your life more enjoyable and your business more successful.



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