



## Stand Behind Your Bulls

*Customer service is key to developing a loyal customer base.*

BY ANGIE STUMP DENTON

**Why** does a customer keep coming back? Why does he or she find the product you offer desirable?

Research shows many factors influence consumer buying decisions. Price, reputation and quality are all important to consumers today. Possibly the most important marketing strategy that keeps customers coming back and bringing new buyers with them is service.

Customer service in the beef business is everything, says Pat Goggins, an Angus breeder from Montana.

"You can't sell a product each and every year to a new set of customers," he says. "You earn repeat customers by service and added value."

Servicing your customers can be tough. Just what is customer service? To many it means honesty, reliability, offering a superior product, guaranteeing your product and following up after the sale. Many Angus breeders go beyond the call of duty by providing a variety of options to their customers.

While researching this story idea, I visited with several Angus breeders about their bull marketing techniques. Even though they are from several different states and individually market their bulls in different ways, they all agree customer service is important to keeping repeat buyers and soliciting new ones.

**Everett Benoit** of Benoit Angus, Ebson, Kan., offers 100 bulls in their annual sale each March. Working in the Angus business for more than 30 years, the Benois started hosting an annual production sale in 1990.

**Pat Goggins**, Billings, Mont., sells more than 500 bulls a year. He hosts two bulls sales a year, one in the spring and one in the fall. His bulls are sold to cattle producers from Texas, California, Nebraska, the Dakotas and the Northwest. He also sells a number of first-calf heifer bulls to commercial cow-calf producers by private treaty.

**Charlie Boyd Jr.** of Boyd Beef Cattle, Mays Lick, Ky., offers 25 to 30 bulls a year private treaty. He targets customers in southern Ohio and Kentucky.

**Alan Kapp** of Kapp Farms, Clarksdale, MO., markets 10 to 15 bulls a year. For the past five years the Kapp Family has hosted an open house/silent auction on their farm.

This year Alan joined Professional Beef Genetics, which is a group of 20 beef producers jointly developing and marketing their bulls. Joining the group will allow the Kapps to more economically develop and advertise their bulls. The group will host two sales per year at the evelopmental site, Shannon's Circle 5 Ranch, Amsterdam, Mo.



California Angus breeders, **Dave Medeiros and Dave Dal Porto**, jointly host a production sale each September where more than 120 bulls are offered.

Medeiros and Dal Porto have been in the Angus business for more than 20 years. Until the past five years they individually sold their bulls private treaty.

Dal Porto says having the sale gives customers equal opportunity. Neither breeder sells a bull ahead of time.

**Joe Bill Meng**, general manager of Shady Brook Farm in Kentucky, says they will sell about 100 bulls private treaty this year. They are increasing their herd and working toward a bull sale in the future.

Shady Brook recently built a bull development facility. This allows them to sort bulls into management groups for feeding. It also aids in displaying the bulls to potential customers, which allows Meng to market the bulls by age group.

Here are a few tips on how these seven Angus marketers serve their customers:

## Building a reputation

In many cases your reputation can make or break you. What is characteristic of a reputable breeder? Honesty and a producer of high-quality cattle are characteristics of a reputable breeder.

"A good share of a breeder's reputation is in his cattle's genetics — the pedigree he produces for his customers: Goggins says.

Meng says it's important to offer genetic variation. Your customers will appreciate your effort of offering a variety of bulls that will fit different needs.

As a seedstock producer it's important to know how your cattle will do in the feedlot and on the rail. With this information you can work to develop bulls that can help your customers meet the demands of today

Goggins says during the past 50 years he's noted that if bull marketer wants to develop a good reputation, he must follow the motto. "To thine own self be true — don't lie to yourself."

Secondly, a producer must develop and sell seedstock that will do well for his customers. Thirdly, if a customer asks which bull or bulls to use, a producer should know about the customer's herd and be able to make a justifiable suggestion.

Just as a bull buyer investigates your seedstock operation you should investigate his or hers. The more you know about a customer's cow herd, environment and management, the more effectively you can help him or her find the right bull.

## Offering a reliable product

Customer service includes offering a reliable product. Many problems can be eliminated by pre-sale tests.

Goggins says troubles can be minimized by examining the bulls before offering them to the customer.

Each bull should have a breeding soundness exam. This exam includes a semen test, scrotal measurement as well as an internal and external physical. If a bull fails any portion of the exam he should not sell.

This exam verifies that on the day of the test the bull is capable of breeding females. By testing bulls, Goggins says, you can eliminate almost all customer complaints.

## Guaranteeing your product

Sam Walton's theory of satisfaction guaranteed has vaulted Wal-Mart past their competitors. Customer satisfaction is also important when selling hulls. If a customer isn't happy with your bull he probably won't come back.

Benoit stands behind his bulls 100 percent. If a customer has a problem he'll replace the bull, or if he doesn't have one on hand he'll give the customer a bull of equal value at his next sale. He also encourages customers to get insurance when buying bulls.

"If you are good to your customers they'll spread the word," Benoit says.

Medeiros and Dal Porto tell customers who call with a problem to send the bull to town. They'll replace it with another or they'll credit them the difference for their next sale.

"We are willing to do whatever it takes to make things right with the customer," they say.

Customer faith in their program is important. To keep that faith both producers make sure they are confident in each bull that enters the auction ring.

The customer is always right, is Boyd Beef Cattle's philosophy. "If a customer has problem will give him another bull or gave his money back," Boyd says.



**Getting to know your customers one on one.** Greg McCurry of McCurry Bros., Sedgwick, Kan., says customers are their biggest asset. McCurry Bros. sell more than 100 Angus bulls private treaty each year, offering delivery and a satisfaction guarantee. When potential buyers visit the McCurry operation to look at bulls they are given a fact sheet with each bull's age, sire, EPDs, ultrasound measurements, weight and price.

Shady Brook's policy is to take a dissatisfied customer's bull back at his or her option.

"We fully guarantee our bulls to breed," Meng says.

Developing customer loyalty and keeping customers happy is the goal of Shady Brook.

Meng says once you have one dissatisfied customer it's like running an ad in the paper or going to church and telling everyone.

### To ensure your liability

The American Angus Association has developed suggested sale terms and conditions which all Angus breeders can use. The Board of Directors updated the current version in March '94. A copy is printed for your reference on page 470.

### Service after the sale

Service doesn't end after the bull walks off your farm. Keeping in touch with the customer can make the difference between a one-time buyer and a repeat buyer.

Kapp calls his customers at calving and weaning time to check on how the bull's offspring are performing.

"To be successful in the cattle business you have to work at developing a clientele by servicing your customers," Boyd says.

The Boyd Family keeps in contact with their customers and follows up on their bull's performance.

Developing this line of communication between you and your customer could lead to a better relationship. If customers believe you genuinely care about their operation they will more likely return to yours.

### Rewarding your customers

As the beef industry moves towards value-based marketing, why not reward your customers by helping them market their calves? If potential buyers know using your bull's genetics could improve their bottomline they'll probably give your bull a try

Several Angus breeders have developed programs in which they partner with or help their bull customers find options to finish their cattle and get back carcass data.

Meng says Shady Brook is in the process of developing a program in which they will reward their bull buyers.

"The Certified Angus Beef Program has become a big asset when marketing bulls," Meng says. Producers like to hear if they use Angus bulls they could receive a premium for their calves.

Even though Kapp markets less than 15 bulls a year, he also tries to aid his customers in marketing their calves. He helps find order buyers or representatives of alliances who might be interested in his customer's calves. Kapp also solicited buyers for one of his customer's female sales.

This year he invited 10 potential customers to his farm for an open house. Phil Lalich, Certified Angus Beef Program supply development assistant, spoke to guests about maximizing return on their calves. He shared possible feeding and marketing options.

The new group Kapp joined also plans on helping their customers place feeder cattle and possibly provide a heifer development program for females out of Professional Beef Genetics bulls.

Although standing behind your bulls can be a dirty place, it's the right place to be if you plan on a long and profitable career in the seedstock business.

