

# Plan Your Strategy

*Advertising can be a powerful marketing tool or a colossal waste of money. It depends upon how you use it.*

BY KEITH EVANS

**A**ngus producers with sound marketing programs know that advertising is not something a cattle breeder does sporadically or only when it's time to sell cattle. It is a year-round proposition. Advertising should be part of a planned marketing program that keeps the breeder's name in front of the buying public virtually all of the time.

It is difficult to overemphasize the importance of effective advertising and promotion. A few years ago, Mississippi State University (MSU) set out to determine how much performance records affected registered bull prices. In the process of researching, they found that something was affecting the sale price of the bulls in addition to performance records, and they set about to find out just what it was.

After eliminating a group of variables, it became obvious that the hidden factor was advertising and promotion. To pin it down, they divided the cattle breeders they were studying into groups according to their promotional efforts. They ranked them as inferior, average or excellent.

The research showed that breeders with top performance records who also were rated excellent on promotion received a \$600 premium for their bulls. A breakdown of the premium revealed that performance contributed \$247 while excellent promotion accounted for \$353. This conclusion surprised a lot of people.

Even more surprising was the discovery that there was no promotion premium for bulls from herds that were ranked average or inferior for promotion. In other words, an average attempt at advertising and promotion under the MSU rating system wasn't any better than inferior promotion.

One breeder, with excellent performance records but a low promotion ranking, sold his bulls for one-third less than bulls of similar quality. By the same token, breeders with excellent promotion rankings whose cattle ranked average and below on performance also received no premium.

So forget all you've ever heard about

quality selling itself. Forget the old saying that you can boost the price of a low-quality product with a powerful marketing blitz. If you make a better mousetrap, people won't beat a path to your door until they know about it and are convinced it is what they want and need. By the same token, you can't make a silk purse from a sow's ear. The more you advertise a poor product, the quicker customers will find out about its "merits."

There are simply no shortcuts to success in cattle breeding and marketing.



## No shortcuts

To understand marketing (particularly advertising) better, compare it to physical conditioning. Suppose your doctor told you that you needed to lose weight and to get in better physical condition in order to improve and to extend your life. That day you skip lunch. In the evening you do all the sit-ups and push-ups you can, then you run down the road until you are ready to drop. To cap it off, you have a dry salad and carrot sticks for dinner.

Are you in shape at the end of that day? Obviously not. To get in shape, you must first develop a program geared to your abilities and needs. Then you have to stick with it day after day, month after month, and year after year. If you stop, you eventually will return to where you started.

Research has shown that advertising works the same way. A few years ago, a business-to-business publications group

put together a test to evaluate the power of advertising. They selected two industrial products that were of high quality but that hadn't received sufficient advertising support. One was a \$10 portable safety item, and the other was a \$10,000 commercial transportation component.

Professional advertising programs were developed for both items, along with a plan to track sales. Once the new advertising program was launched, nothing happened for months. It took four months before measurable sales increases were recorded for the \$10 item. Sales of the \$10,000 transportation component took about two months longer to register an upturn.

After a few months, when sales had leveled off at their new plateau, the frequency of advertising was increased for both items. Again sales rose to a higher level. Adding four-color printing to the advertising boosted sales even more. Finally, when sales of both items had reached a new plateau, advertising was reduced to pretest levels. Again, nothing happened for several months. It took four months before sales of the \$10 item started to decline. Sales of the \$10,000 item remained unchanged for six months, then headed south. Eventually, sales of both items returned to pretest levels.

Advertising that produces sales increases for you must be part of a program that reaches all the customers and potential customers within your defined market area. It must reach them often enough that they don't forget you. One ad here and another one or two just prior to when you have cattle for sale isn't enough. That's because the cattle buying cycle is a long one.

## Top of mind

The buying cycle is measured from the time potential customers first learn about your herd until they contact you to buy their first bulls or heifers. In retail the cycle can be as short as 24 hours. A beef sale ad in Wednesday's newspaper will bring increased sales the next day. In business-to-business advertising — which is what seedstock

marketing is — the cycle is at least several months and more often up to a year or more.

As Ted Price, an advertising expert and lecturer from Omaha, Neb., explains, “Nobody wants anything today — maybe tomorrow or next month, but not today.” You know from experience that this is true. This month in most of the publications you read, you will see advertisements for Ford trucks and John Deere equipment. You may read them, but it is unlikely that you immediately will head to a dealership to buy. That’s because you don’t want a truck or a tractor today — maybe next month or next year, but not today.

These advertisers know that only a fraction of the people who see their ads today will come into the showroom tomorrow. So, if nobody wants anything today, why advertise? The answer is to create top-of-mind awareness in as many potential customers within your defined market area as possible.

Top-of-mind awareness, in your case as an Angus marketer, means that when cattle producers and influencers — such as bankers and Extension specialists — think of Angus seedstock, they think of you first and favorably. The goal of your advertising and marketing programs primarily should be to create top-of-mind awareness.

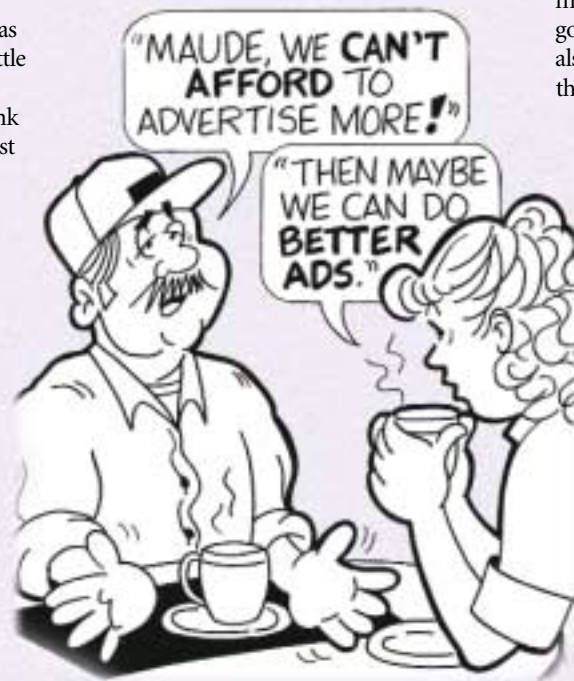
Many people spend most of their advertising dollars just a few weeks before their auction or the day they are ready to sell bulls by private treaty. They don’t understand that, by this time, most buyers already have made up their minds where they will buy bulls and when. Last-minute advertising should serve primarily as a reminder about your auction or that you have cattle for sale and how to get to your place.

Most of us know this from our own experience. Few cattle breeders wait until it is time to breed cows before deciding what semen they are going to use. Obtaining the proper genetics is not an impulse decision for registered Angus breeders, and neither is it an impulse decision for commercial bull customers.

Customers are “sold” long before they make a purchase, regardless of what the product is. Assume your teenage daughter has a big social

occasion coming up, and tomorrow is the day she will shop for a new outfit. What will she do in the morning? It is unlikely she will wake up early to scan the morning newspaper for clothing store ads or turn on the television in search of a place to shop. She will take your credit card, get in your car, and drive directly to the Unique Boutique or some similar place. All the dress store advertising done that day will have no influence on where she buys her dress.

If your electric drill dies unexpectedly while you are working on a special project, what will you do — rush into the house and start searching for hardware store ads? Of course not. You will get in the pickup, drive to a store and buy a new drill. All the hardware-store advertising done that day will have no effect upon where you buy the drill. The business that sells you the drill and the store your daughter visits first have established top-of-mind awareness with you



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and her, respectively. My guess is that if you are likely to need a new truck this fall, you know today the brand you prefer and the dealership you will visit first. That’s top-of-mind awareness.

When you establish top-of-mind awareness with a potential customer, you almost surely will get first crack at that person’s business. It gives you the first chance to satisfy the potential customer’s needs and to make the sale. A lot goes into making a sale between the time customers arrive at your place and the time they hand you a check. But it all starts with top-of-mind awareness. The more people who think of you first and favorably when they need Angus seedstock, the better your business will be.

### Repetition

As the late Harry Barger told an Angus audience some years back, advertising is somewhat like rain. Barger at the time managed the Wilson and Co. sporting goods and meat advertising department. He also served as an advertising consultant for the American Angus Association and an ad copywriter for more than 30 years. He explained that an inch of rain is great, but a farmer needs an inch every week or so in order to bring in a crop.

Likewise, a single ad can grab people’s attention, but it takes a well-planned series of advertisements to build awareness and to get a full crop of customers to your place to buy bulls or heifers. Advertising builds upon itself. Each ad reinforces the ad that came before it. When too much time lapses between your advertising and marketing efforts, your promotional efforts wilt because readers forget what you did earlier.

A vigorous workout every Saturday morning will create fatigue and aching muscles but won’t do much for your health. An ad now and then will deflate your bank account but won’t create top-of-mind awareness. Nobody wants anything today. That’s why your advertising and marketing effectively must change the way potential customers think. When they need Angus seedstock, make sure they think of you first and favorably.

