



Knowledge is Power if Not Profit

The number of potential customers for your registered Angus is limited. There are only so many cow-calf producers in any given area of the country and virtually nothing you can do to change it.

Some breeders draw customers from all over the United States, even the world. Most herds, however, have a potential market area that encompasses a radius of from 50 to 150 miles. The size of the area depends on the part of the country and the kind of herds involved.

In some western range states, for example, full-time cattle producers who buy a lot of bulls each year may drive long distances to find exactly what they want. In many other areas of the country, most people won't drive more than 50 miles to buy a bull.

Consequently a breeder who wants to expand his market must take customers or sales from someone else. Where the pie is limited, those who get a bigger piece do so at the expense of others.

It is not surprising that some people compare marketing to warfare. In fact Al Ries and Jack Trout, advertising experts and authors, have written a book called "Marketing Warfare." The true nature of marketing today, they contend, is outwitting, outflanking and outfighting the com-

petition. But that is another story. In order to develop a program that will outwit, outflank and outfight competitors you have to first know who and where they are and as much about them as possible.

Here are four steps to help you evaluate your competition:

First, determine if your competition is primarily breeders of Angus, other British breeds, continental breeds or a combination of all three. Obviously the kind of marketing program you develop will depend upon the breed makeup of the competition.

Second, is there a dominant registered seedstock producer in your market area, or are most of them like you? If you must compete against a big, dominant breeder, then you can't compete head to head. You will have to outflank, outwit and outsmart him by identifying his weaknesses and taking advantage of them. On the other hand, if there is no clearly dominant breeder in your market area, you may want to fill this slot. Being recognized as No. 1 has many competitive advantages.

Third, find out whether your area is a net importer or exporter of bulls to the commercial industry. You can do this by asking your area Extension livestock specialist to provide you with the beef cow

numbers for the counties you are interested in. He might also know how many registered breeders and how many bulls of all breeds are produced in these counties. If not, maybe he can help you estimate the number with some accuracy. Using the two sets of figures, you can get a rough idea of the bull production and potential demand in your market area. There may be more potential to sell bulls close to home than you think. If there is a surplus of bulls you will know what you face and can plan accordingly.

Fourth, study your competitors closely. Learn as much about their cattle and how they perform in other herds as you possibly can. You don't learn about competitors in order to knock them down. You can't build up your own reputation by trying to tear down someone else's. You learn about them in order to know how you can compete and serve potential customers better. You need to know what benefits your cattle offer potential customers that are not available from some or all of your competitors.

Knowledge is power, if not profit. A sound marketing program must be built upon knowledge and understanding of the competition.

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