



# Small Farmers Opportunities for Direct Marketing to Consumers and Retailers in KY

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# How and Who to do you want to sell

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- Direct to consumers
  - Farmers' Markets
  - CSA
  - Restaurants
- Wholesale
  - Distribution
  - Manufacturing
- Retail
  - Own shop or booth



# Direct...Farmers' Markets

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- 2011 there were 7,175
- 2014 there are 8,268
- 2018 KY 166 FM+111 CSA
  - Cooking / Taste demos

- In 2008 KY AGR carried out taste demos in markets in Northern KY
- Prior to demo aprox. 395 units were sold/wk
- During Demos, 4,076 units were sold
- 3 Weeks after demo, 1,526 were sold weekly

So this data shows that tasting demo help sell product and sales continue.

- One-on-one with customers



# Why farmers' market success?

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- Want to talk about their farm and activities
- Want to get to know their customers
- Want to sell the freshest and prettiest products
- Are very display conscious
- They want to make money
  - Be ready for some negative comments

# Farmers' Markets....

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- Be prepared!
- Have contact info for future purchases
- Supply recipes
- Compliment with other products available at the market during demos.
- Mostly have fun, and people will buy your products

# CSA ~Community Supported Agriculture

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- CSA's - Community Supported Fisheries - have sprouted in coastal communities around the country, giving fishermen a little more income as a way to sell their catches directly to quality conscious consumers.
- Now a Long Island based CSA has expanded that to a restaurant model, enlisting New York Chefs who pay \$2500 per month for a selection of 100 lbs of seafood delivered weekly, including both premium and 'trash' fish.
- Fish Farmers can do this!!!

# Restaurants...want local and fresh

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- Want to highlight your farm and activities
- Local foods let you be creative with your menu and offer more variety.
- Local foods protect the environment.
- Local foods aren't as expensive as you think.
  - Know what you are selling: how it is grown, harvested, what does it eat and how is it prepared.

# Food Trends

## Local Sustainable Different

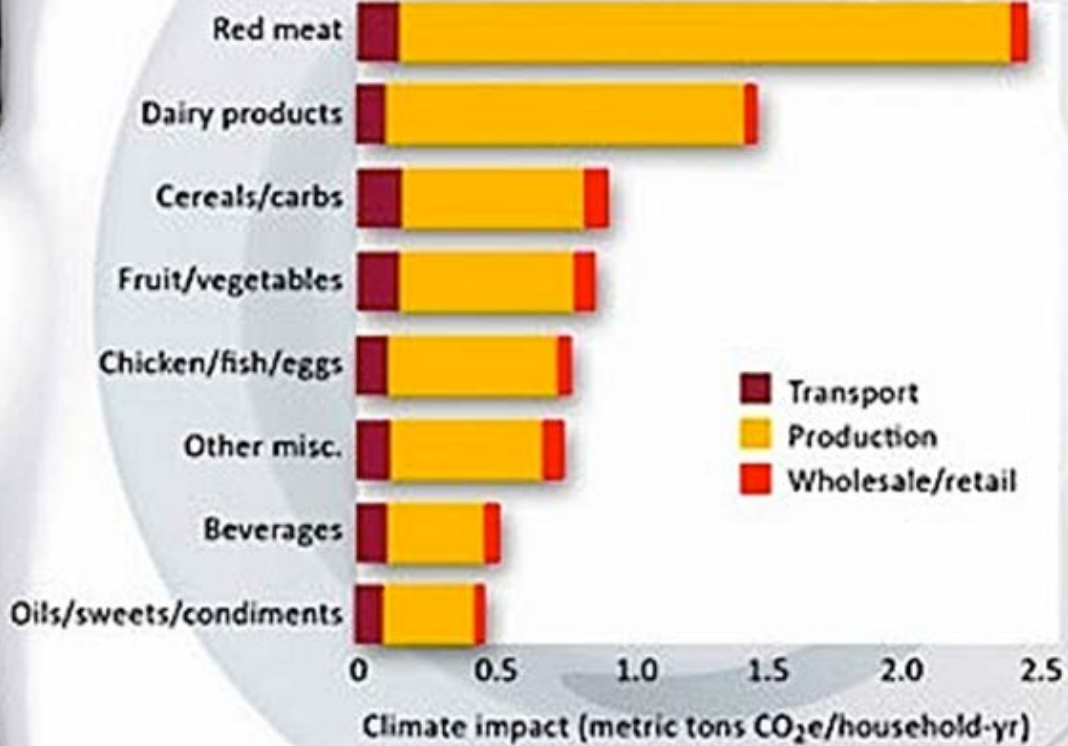


# food

		HOT TREND	Yesterday's News	Perennial Favorite
1.	Locally sourced meats and seafood	82%	7%	12%
2.	Locally grown produce	79%	4%	17%
3.	Environmental sustainability	77%	9%	14%
4.	Healthful kids' meals	75%	10%	15%
5.	Natural ingredients/ minimally processed food	75%	9%	17%
6.	New cuts of meat (e.g. culotte/sirloin cap, teres major, tri-tip)	73%	17%	10%
7.	Hyper-local sourcing (e.g. restaurant gardens)	72%	16%	12%
8.	Sustainable seafood	71%	12%	17%
9.	Food waste reduction/ management	70%	8%	22%
10.	Farm/estate branded items	69%	17%	13%
11.	Non-wheat noodles/ pasta (e.g. quinoa, rice, buckwheat)	69%	22%	9%
12.	Gluten-free cuisine	69%	20%	12%



**Total greenhouse gas emissions by supply chain tier associated with household food consumption in the U.S.**



# Who sets the trends?

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- Market studies, economist, retailers, researchers....?
- The Consumer!
  - What they want
  - What is important to them
  - What they are willing to pay
- They have a voice, \$\$\$ and it creates change

# Change in seafood consumption due to ?... Coming of age.

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- Millennials- 20 to 35-year-olds
  - Around 77 million consumers or 25 percent of the U.S. population
- GEN-X - 36-55 year olds
  - Ready made meals
  - Convenient
  - Cheap
- Baby boomers- 52-71 (those born between 1946 and 1964)

# Age makes a difference.

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- Millennials and Baby boomers:
- Boomer generation made 218 per-capita restaurant visits in 2012
- Millennials generation made 199 restaurant visits in 2012 NPD Group's National Eating Trends study.
- Both Spend more money on fresh seafood than other generational groups.

# According to Frey...

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- Sherry Frey, executive VP of Nielsen Perishables Group states:
- “Compared to total shoppers, both boomers and millennials are more engaged with the seafood department, with higher household penetration, more trips and a larger spend per trip”.
- Millennials are more tech-savvy and convenience-minded than their Generation X and Baby boomer predecessors.
- They are open to marketing via social media,
- Buying convenient foods at supermarkets, C-stores, restaurants and other outlets,
  - However are known for having short attention spans.
- They do remember flavor: Fortunately for seafood manufacturers and restaurant

# Age matters...Millennials and Baby boomers

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- Looking for exciting new flavors
- They desire to eat healthier foods than other groups.
- Have time to look through cook books and recreate a great meal
- Travel further-International travel:1974 2.4M adults vs 1980 3M vs 2015 over 24M
- More adventurous
- Have adventurous taste buds. Seafood is already a more adventurous item for many shoppers to buy and cook. Retailers and restaurants that accompany their seafood dishes with unique, worldly flavors will have a better chance of survival.
- These are the most important demographic group for seafood marketers.

# The Difference?

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## Boomers/Millennials

- Young/Older
- Out of school
- First jobs/Retired
- No Kid or Kids out of the house
- Expendable income
- Interested in; environmental issues, travel, animal welfare and future

## Gen X

- Just married
- Young children
- School fees/soccer
- College
- Buy a home
- More kids....
- A dog
- NO MONEY, time or resources

- Stuck in the middle of life

# People Love Local!

Consumers are searching for it!  
Chefs are responding!





# How are you going to sell... Whole or Processed

- What are the requirements
- What are your resources
  - Local processing/MPU



# Wholesale Distributors

- Large volume
- Lower price
- Higher specs
  - Size
  - Packaging
  - Grading
- One stop
- One billing



# Keys to Success

- Determination
- Creativity
- Listen well to others
- Watch the Market
- Know competition
- Good Management
- Good communication
- Follow through
- Know your limitations



# Determination

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- Know what you want to accomplish
- Know your time line for each step
- Know what is needed to achieve
- Who/What do you need to know
  - Safety, health, zoning, shipping
- Who do you need to work with
  - State, federal, neighbors, brokers, family

# Creativity

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- Looking for other opportunities
- Ask; Why should anyone buy this?
- Always look at current market trend
  - Can you adapt this to your product or marketing campaign
  - Can you create a different product to fulfill
    - Low Carb/Paleo
    - Ready made meals
    - Part of the industry needs: hatchery/stockers

# Know your customers

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- Who are they? Age?
- What is there average income?
- What do they usually spend on specialty products?
- How do they historically prepare similar products?
  - Will that meet your price point?
    - Live, Fresh, Processed, Value-added

# Listen well to others..

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- What does your customer want
- What can you accomplish with what your resources are
- Be open to suggestions and research them well



# Watch the Market

- What are consumers buying
- What are the trends
  - Packaging
  - Portions
  - Marketing campaigns
  - Season
    - Lent, Valentines day, Thanksgiving, 4<sup>th</sup> of July
    - Plan your market accordingly





# Know competition

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- What are the specials they are running
- Can you compliment other products and companies
  - Sauces and Marinades
  - Percentage of a ready made meal



# Good Management

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- Treat your staff well
- Manage your billing and suppliers well
- Treat your customers with respect
- Nurture your relationships with business people
  - Customers
  - Suppliers
  - Business partners
- Do not neglect your family!

# Good communication

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- Listen well
- Make your customers feel like they are your first priority
- Reiterate understanding in making deals
- Follow up with a descriptive letter/email
- Keep all communication lines open and be willing to assist them during difficult times
  - Suppliers and customers
  - Assist your customers/brokers to communicate your message well
    - Why your product stands out

# Follow through

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- Follow all trade leads
- Return all phone calls in a timely manner
- If a problem arises and it will take time, let them know that it is being dealt with and check in with them from time to time
- If you can not service that request, make other suggestions and referrals
  - This will create a trusting relationship

# Know your limitations!

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- Do not over commit
- Do not make false promises
- Be honest
- If you are not good with the public, get someone that is good to be your front line person

# Conclusion

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- Talk to people
- Do your research on who your customers are, where they are and what their needs are
- Be prepared

# Questions????

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# Thank You

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