

# BUILDING A MARKETING PLAN

An important step in developing a successful seedstock operation is establishing a marketing plan. Indiscriminant promotion is no more advisable than indiscriminately mating your animals; either can spell disaster for a seedstock operation. The following outline can be used as a template for developing your own marketing plan. No specific approach is right for every individual marketing plan but, most successful plans have similar features. Remember, your marketing plan should support your business, not the other way around. It is also very important to review your plan annually to be certain that you are accomplishing your goals as cost effectively as possible.

## A. Who are your customers?

Commercial producers?

Purebred breeders?

Junior exhibitors?

International breeders?

All of these potential customers may be able to incorporate your genetics into their operation, but each has distinctly different needs and concerns; marketing is not a 'one size fits all' proposition.

## B. Build your seedstock program to satisfy your customer.

1. The right type of cattle – the customer knows what he wants.
2. At the right price – value is an important issue for every customer, though each may define it differently.
3. At the right time – if he needs a bull, he needs a bull.
4. Of the right quality – make sure your product is what it should be and represent it for exactly what it is.
5. In the right quantity – a producer that needs 10 bulls is more likely to shop where there are 100 for sale.
6. In the right location – as fuel costs continue to rise, shipping small lots of cattle becomes increasingly difficult to justify.

## C. Pricing Fundamentals

1. Maintain adequate records – you're selling genetics and you need proof of what your genetics can produce. You also need to know exactly where you stand; is your operation viable?
  - a. What is your actual average cost of production per head? – be honest (you can only fool yourself)
  - b. What is your anticipated average selling price per head? – be realistic (include the culls, as well)
  - c. Is your anticipated net profit where you need it to be?
2. Analyze the market – cattle values are always relative to what they can produce for the buyer.
3. Establish price lines for each group of cattle – genetic variation is inherent, so price variation is unavoidable.

## E. Promotion decisions

1. Determine what you need to promote.
  - a. Range bulls
  - b. Individual cattle
  - c. Your production sale
  - d. Institutional advertising (your herd in general).
3. Determine your promotional budget.
4. Determine which promotional vehicles will be the most effective in helping you reach ***your*** goals.
  - a. Website
  - b. Print advertising
    - i. Direct mail
    - ii. Breed publications
    - iii. Other livestock publications
    - iv. Local or county newspapers
  - c. Visiting customers' operations
  - d. Participation in industry trade shows
  - e. Flyers posted at various shows, local sale barns, etc.
  - f. Specialty items (pens, caps, business cards, etc.)
  - g. Radio advertising
  - h. Bill boards
  - i. other?
5. Determine the appropriate timing for your promotional efforts.

Developing a marketing plan is just one step in building a successful seedstock operation, but it is an essential step. You can be a genetics genius and a management marvel, but without a well thought out marketing plan, you will never realize the true value of your efforts.