Finding a Specialty Market for your Farm Products

by Martha Goodsell SoCNY RC&D Market Report Coordinator

Breaking into a specialty food store, a gourmet restaurant or even finding a reputable wholesaler to buy your livestock or produce takes a lot of hard work and persistence. I have been asked time and time again how one goes about getting into such a market. I am reluctant to share this information because I have earned it through the school of hard knocks, and simply handing it out freely seems to invite competition to what I am doing. However more and more small farmers are going out on their own trying to get in where they are able. Marketing is a hard job and a time consuming one. Anyone thinking any different is entirely wrong. If I had to say how I spend my working hours on our farm, over half is spent on marketing, promotion and sales.

The first step in getting in anywhere, especially where you want to get in, is a referral. It may seem like an impossible task, but somewhere out there is a person who can help you. Keep talking, and in some circle, someone will know someone who can give you what you are looking for. Chefs, I have found, are a tight nit group, and a referral is paramount to your success.

With referral in hand, I begin to do my homework and learn about the customer. I look for a good "fit" between my products and the intended customer. By "fit" I mean, is it in their price range, their product line, or would the customer base of my intended customer even purchase my product. Find out who actually does the purchasing and ordering- is it the owner, the purchasing agent, the chef or sous chef? I don't like to waste my time or the customer's time. It is my responsibility to check this out before making any contact with the intended customer.

Once I have gotten a referral and have investigated my proposed customer, I send a cover letter, very short and to the point because chefs don't like to take the time to read lengthy letters or brochures. I make sure to include the referral. I also send a very well written brochure and price list. It must look very professional. There is a lot of competition out there, and you are competing with the big boys!

I allow several days to a week for my intended customer to read the material I have sent and then follow up with a phone call. Sometimes I will get a flat out rejection, but other times I can get a foot in the door. At this point I make an appointment to see the intended customer. (You have to set a time and date. You might even want to send a postcard as a reminder of your meeting.)

The meeting itself is very important. You must be prepared to answer any question asked of you. What quantities, what qualities, who else is using it, what makes it different, how can it be used (recipe suggestions can be helpful in some situations), what is the nutritional profile, how will it be delivered, how much does it cost, what are shipping terms, what are the payment terms? These are just some of the many questions that will be asked of you. Be prepared and know the answers. If the perspective customer is sincerely interested, offer a sample. I don't like to waste my money on handing out samples if the individual is truly not interested.

Give the intended customer a day or two to try the product. If you gave a great sales pitch, the customer will try it as soon as possible. Follow up with a phone call. At this point you need to get them hooked by placing an order, or you risk losing them. This must be done tactfully as no one likes to feel pressured. I suggest practicing this with a good friend. Have your friend play the devils advocate!

With an initial order, make sure everything is as promised, or better. Follow the order with a phone call to make sure they received their delivery and everything was satisfactory. Often we call again, about a week later, to see how the customer liked our product, how the response was, and if the customer is in need of more.

There are very few customers who will call you, the small farmer, for an order – you have to call them, and you have to do it without being "annoying." Never call a chef during lunch or dinner, and never call on weekends. There are some times of the day that are better than others for most customers. Keep a notebook for each customer. Note when the customer is first called, when an order is placed, what was ordered, and feedback offered by the customer.

Generally, the customer will develop a routine, or a usage schedule you can predict. Some of our big restaurants place a weekly order, others are bi-weekly, and still others are monthly. Some have our product on the weekly menu, others run our product as a special.

Whatever you do, don't lose contact with the customer; this is especially true if you are marketing a seasonal product. If you are selling meats in the fall and winter, contact during the spring or summer is necessary. You should touch base with your customer to adjust your level of production. You must also remember that chefs are more important than their restaurant. If a chef leaves, do whatever it takes to find where he has moved. If you have a great product, your chef will still be your valuable customer. Perhaps you may even pick up a second chef at the first chef's former restaurant.

Holidays are very important at restaurants. By knowing who their clientele is, you will have some idea of their demands. During holidays this demand will increase dramatically. Be sure you can supply their needs. Ethnic restaurants have very specific needs, and not just any product will do. Get the specifics from your customer. Watch the calendar for the holidays of your market. I like to call well in advance, (two to three weeks ahead), to get an idea of their holiday orders. This is also a good time to get into a restaurant as a "special." If they like your product enough, then you have a good chance of repeat sales.

Marketing to restaurants and other customers isn't for everyone. It takes a lot of commitment and many, many hours on the phone and in the car traveling. I believe that is

why "group or regional" marketing makes more sense – to have one individual represent several farmers and a wide array of various products. Farmers need to help each other, not step on each other. There are many markets out there waiting to be explored. The entire east coast from Boston to Richmond is a large potential market waiting to be developed. It is not endless but it is vast. We should not be fighting amongst ourselves for a market in just one of these cities. We must work together. I have shared with you my "secrets" of the trade. I ask in return that in your attempts at direct marketing, you too share your experiences when asked, that you help your fellow farmer, and that you do not knock on the door where farmers are already marketing directly.