

Produce Marketing Points to Remember

Be pro-active in seeking buyers.

- Take advantage of your status as a local grower. Consumers and buyers generally feel local produce is fresher and like to support local growers.
- Most buyers expect local growers to approach them. They do not actively seek out local growers even though they may be interested in buying local produce.
- Identify potential buyers based on the type of account desired (restaurants, independent stores, chain stores, wholesales, etc.), the distance you are willing to deliver; and the volume you are capable of producing and packing.
- Local telephone directories, especially the Yellow Pages, can be a useful source of local food stores, restaurants, hospitals, schools and institutions that could be potential buyers.
- You can assemble a valuable list of potential buyers by simple observation of restaurants, stores, and other establishments that purchase produce which you pass in your everyday travels.
- Buyers expect growers to know their products (how they grew it) and the produce industry (current prices, how their product is retailed and marketing trends). Do your homework before approaching buyers. Visit a supermarket and note the items offered, quality, size, etc.

Make a personal visit.

- Take advantage of any opportunities to personally meet potential buyers.
- A product sample delivered to the buyer in person can be the best method of opening a door for sales.
- When visiting buyers, an appointment may be helpful but probably is not necessary. Try to avoid obviously busy times for the buyer, however, such as over the noon hour for a restaurant chef or on Friday or Saturday for a store produce manager.
- While a dress suit is not usually necessary, wear clean, presentable clothing. If you are sloppily dressed, you will likely impress the buyer as one who is not meticulous about your growing and packing either.
- Be relaxed, act naturally and use the buyer's name in the conversation. While arrogance is a turn-off, self-confidence in your product and service is essential. Seek to understand the buyer and the other persons in the organization that influence the buying decisions.
- Introduce yourself and explain the purpose of the visit. Be prepared to show a sample and/or explain the quality and other attributes of your product(s) and service. Point out any extra measures that have been taken to insure a quality product - such as irrigation, IPM practices, etc. Finally, directly ask if the buyer is interested in purchasing the product(s). If the buyer is not interested, ask why not. You need to know so you can work on overcoming the objection.
- Buyers indicated that growers who supply them with a list of products they produce and call them regularly during the season (such as twice a week) are likely to be more successful in securing a sale.

Don't become a pest, but be persistent.

- Surveys show that 48% of sales representatives make only one call to a prospective buyer, 20% make two calls, seven percent make three calls and five percent make four calls before giving up. Twenty percent of sales representatives make five or more calls on a prospective buyer before giving up and they are rewarded with 75 to 80% of the new business.

Be organized and protect yourself.

- Make a record of pertinent information about prospective customers - company name, parent company, billing information, buyers name and telephone, other important contacts at the company, fax numbers, best times to call, etc.
- Credit-rating services for produce buyers are available. You may also choose to ask for references from the buyer. A bank and another, non-produce supplier (such as a meat or seafood supplier which have similar payment terms as produce) should be sufficient.
- Some buyers may require growers to carry product liability insurance. It is another expense but you need to protect your investment in your operation.

Deliver a quality product.

- Buyers are often disappointed with the condition of local produce they receive because it is improperly graded or packed or the quality is inconsistent.
- Harvest at the right stage of maturity. Your produce should be mature, but not overripe so that it will not have any shelf-life.
- If at all feasible, pre-cool your produce or at least harvest in the cool of the morning.

Be a professional.

- Buyers need prompt delivery at the agreed upon time and delivery of the quantity ordered. Consistent, reliable delivery of a quality product is the most important key to repeat business. If you cannot deliver an order as promised, let the buyer know as soon as possible. Simply not showing up is not acceptable.
- Develop an ongoing communication chain with the buyer on when your local supplies will be available and on what quantities will be available.
- Maintain a professional, honest relationship with the buyer. Do not ignore any complaints or requests for information, prices, supplies, etc.
- Long-term success is also based on accepting a fair price. You both need to make a profit.

- Provide a invoice to the buyer that includes the following information:

--growers name, address and telephone number,
--invoice number
--date ordered and date delivered
--payment terms
--customers purchase order number
--customers name and address
--delivery address
--quantity, size or unit, commodity description, price per unit and total price
--invoice total; and
--receiver's signature.

The grower may also want to include the following notes and disclaimers:

"Report any discrepancies between the order and delivery immediately."

"All orders subject to crop availability." "Prices subject to change without notice."

The invoice should be made in duplicate with the grower retaining a copy.

The information in this brochure is excerpted from "Developing a Wholesale Marketing Strategy for Produce in the Mid-Atlantic Region" by James Hanson and David Rada of the University of Maryland. University of Maryland Information Series No. 209201. January 1992. The authors conducted a USDA-funded research project in cooperation with the land-grant universities and state departments of agriculture in Maryland, Pennsylvania, Virginia and West Virginia. They surveyed 182 wholesale produce buyers to obtain the following information. Some of the points listed are just good common sense. Other points are from the produce buyer's point-of-view. In objective terms, the produce buyers point-of-view may not be "right", but it is the basis the buyer is going to use in making buying decisions. Therefore, the grower who wishes to sell to the buyer will seek to meet the buyer's expectations and standards. As the saying goes: "The customer is always right."