

Section IV:

Marketing Your Enterprise

Agri-Tourism Workbook

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Developing A Marketing Plan

Effective marketing is a key element in any business enterprise. Landowners who do not have experience in marketing a service business often overlook its importance. Even the best-managed fee-recreation business can be unsuccessful if prospective clients are unaware of the enterprise.

Marketing is simply determining what people want, planning and providing products and services to meet those wants, and selecting the most effective ways of reaching those who might pay for these products and services.

Developing a Marketing Plan

Your Business Plan should contain a section which includes your Marketing Plan. Keep your plan simple: define your audience, define your service, and develop a plan for getting information about your enterprise to potential clients. You must remember to budget each year for marketing.

As you develop a marketing strategy you will want to identify the two or three strong selling points of your service or operation. It might be the success rate of a fee-hunting experience, exclusivity and solitude, facilities, location and access to area attractions, price, or other services you provide. Determining your audience first will help choose the key selling points for your marketing strategy.

Marketing Your Business

The type and amount of marketing you use in your fee-based recreation enterprise will depend on the specifics of your operation. Marketing can be as simple as word-of-mouth referral, or involve an intensive regional, national, or international media campaign.

Your marketing style and message must be directed to your identified audience. If you are providing dude-ranch activities, for example, you may emphasize the experiences of riding horses and outdoor activities. Anything you print must reflect these selling points in neat, high quality, and tasteful presentation. Sloppy advertisements or brochures reflect badly on your business.

The three basics of advertising include: the message (the two or three strong selling points and additional information about your service), the medium (publications, radio, TV, etc.), and the target audience you're trying to reach.

The Message

Your message should tell about the type of activity or enterprise you offer, additional goods and services, directions to your location, costs of the activities and how to make reservations. Try to be original in your marketing. Keep your message simple. Always check dates, fees, addresses and phone numbers for accuracy. Make certain the goods and services advertised represent what you can deliver. Contact someone experienced in desktop publishing to assist in design and creation of printed pieces if you don't have this experience.



The Medium

Marketing includes a wide range of activities, from public relations and advertising, to promotions and trade shows. Advertising is the most expensive approach. You should carefully consider all the following mediums and focus on those that fit your budget and reach your target audience.

The *medium* is the method by which the message is delivered to your potential clients. They might include:

Magazines	Newspapers	Local sporting good stores
Billboards		Local hunting or shooting clubs
Brochures	Newsletters	
Local referral	Direct Mail	
Radio	Telephone book listings	
Television	Booking agents	
Video tapes	Travel agents	
Trade journals	Word-of-mouth referral	
Chamber of Commerce	Sport shows	
Trade shows	Visitors Bureau	
Cooperative Ads	Welcome Centers	



The Target Audience

Target audiences are distinct groups or segments of clients that you expect to reach when you employ different marketing strategies. You may decide to target your service based on the characteristics of:

- income level
- age
- location (in or out-of-state; urban/rural, international)
- client preference (lodging, level of involvement —self guided versus guided, experience, etc.)

If you currently have people entering your property without paying (hunters, fishers, wildlife viewers, etc.), you may want to conduct a survey of their interests and ability to pay for services.

Marketing Costs

The cost of marketing for a fee-recreation enterprise will largely depend on the size and type of your operation, the medium you select, and the number of times you repeat any advertisements. New operations typically spend 10-25% of total operational costs on marketing for the first few years. It's important to keep good records about response to specific marketing efforts so you can be more effective. Question or survey all customers about how they found out about your operation. With time and reputation, costs for marketing will be reduced.

The Importance of Public Relations

Public relations is defined as the creation and maintenance of a favorable image. It is part of marketing and advertising, but it goes further. As a landowner, you should always be concerned with your business image. Your public relation goals can range from client's satisfaction with their experience, to acceptance of your operation by neighbors, local community leaders, and the general public.

It's worth the effort to foster the support of neighbors, state and federal agencies, local sheriff and law enforcement personnel, citizen groups and your local Chamber of Commerce or visitor bureau.

Situation Analysis

Adapted from the Agri-tourism Marketing Plan Workbook, Market Advantage, 1997

Questions often force us to look at issues we might otherwise overlook. A situation analysis is a fundamental step in the “soul searching” that lays the foundation of your marketing plan. Here are some probing questions to help utilize the suggestions and tools in this section:

Management Philosophies: Describe any values, philosophies, or policies (written or unstated) that might influence your choice of marketing strategies. For example, do you like spending time with young children? Is “entertainment farming” your cup of tea? How much time do you have to devote to this type of enterprise? How much time do you have to spend with guests during the peak agricultural season?

Decision Making: Does your organization collect accurate, objective information about its customers, competitors, and marketing environment? Does the organization have record keeping system in place that allows the development of sound strategies and the ability to evaluate their effectiveness? Is there an able person assigned to analyze, plan, and implement the marketing work of the venture?

Human Resources: Does the organization have enough manpower to ensure that guests’ needs are met, even during peak farming seasons? Are temporary employees readily available to meet the short-term, emergency needs? Do employees know that “the customer is always right”? Are employees trained and empowered to provide guests with high-quality experiences?

Financial Resources: Does the organization have the capital needed to build or improve the guest facilities? Does the organization have the capital needed to operate at a loss until break even occurs?

Product/Service: Your product is everything you offer to satisfy customers’ needs—the features, optional services, quality, style, name, packaging, length of service, price, etc. In what ways is your product better than other options available to the customer? What do customers think of your facility, personnel and services? Are product improvements planned?

Putting it All Together

1. Identify and describe the target market.
2. Decide on the Market Position—the positive idea that you want prospects to associate strongly with your business name. Keep it short and simple, descriptive of some benefit to the customer, and different from your competitors.
3. Decide on market expenditure level. Most established businesses spend 15-25% of gross sales on marketing. For start-ups, it may be significantly higher than that. A good rule of thumb is that expenditures during introduction should be twice the rate currently spent by competitors who have market shares equal to your organization’s objectives.
4. Develop the marketing mix. The marketing mix is the blend of tools that an organization will use to achieve its objectives with a target market. The tools, referred to earlier as “The Four Ps,” include produce, price, place and promotion. The elements of your marketing mix must be integrated so they work with, not against, one another.

“*Selling* is getting rid of what you have. *Marketing* is making sure you have what you can sell. The aim of marketing is to know the customer so well that the product fits him and sells itself.”

—Peter Drucker

Marketing = the Four Ps

<u>Product</u>	<u>Place (Distribution)</u>	<u>Promotion</u>	<u>Price (Cost)</u>
Features	Location	Publicity	List Price
Optional Services	Frequency of Service	Sales Promotion	Discounts
Product Quality	Transportation	Personal Selling	Credit Terms
Staff Quality	Distributors	Advertising	Inclusive/Not
Style	Inventory	Mailing List	Remoteness
Brand Name			
Packaging			
Parking			
Scenic Beauty			
Guarantees			

Part of marketing is identifying the mix of “Ps” that makes your service unique. This is also called your *marketing mix*. The next step is to shape your *marketing mix* and *position* them so as to create a unique identity for your business that attracts and retains customers.

Your market *position* is one or more selected benefits or features that makes you unique and different. The steps here include:

- Identify your target market.
- Determine what the target consumer desires.
- Assess whether you have any advantages over your competition in delivering the desired service.
- Choose the position that is most valued by the consumer.

Possible *Positions* for Marketing Your Operation:

1. The feature that makes your product or service different than the offerings of competing attractions (e.g., a restaurant on an organic farm, a B&B on an exotic animal farm, a cornfield maze at a u-pick produce stand, etc.)
2. The length of time your organization has been in business (e.g., a family-run farm for over a century).
3. The unique people involved in your operation (e.g., clinics by a nationally-renowned horse trainer, entertainment by a cowboy poet, home cookin’ by a country fair blue-ribbon winner, etc.)
4. Your location (e.g., in the heart of prime bird watching habitat, within an hour of the Pacific ocean, far off the beaten path, etc.).
5. The size of your operation (e.g., a small, intimate inn on a working ranch; a 120,000 acre cattle ranch, etc.).
6. The benefits of your product or services (e.g., catch the romantic spirit of the West, restful solitude and tranquility, fulfill a childhood dream, guaranteed catch or wildlife sightings, etc.).
7. The services of your organization (e.g., outdoor recreation for young singles).
8. Your price (e.g., an affordable family adventure).
9. Your reputation (e.g., featured in Northwest’s Best Places to Stay)
10. The lifestyle-defining aspect of your offering (e.g., escape the ordinary, edge of danger rock climbing, etc.).

Adding Value & Personalizing Your Services

As you consider your enterprise and the two or three key things that will be your main selling points, consider the following as options in adding that extra value that clients may be looking for. It may be the difference between you getting the business and the potential client going somewhere else.

Guests remember the little things, and happy customers will return, as well as tell their friends about your farm or ranch. You can add value to your guest's experience by offering refreshments. Select products that compliment what you are producing on your farm or ranch, such as cheese samples, fresh bread, apple juice, or beef jerky.

You can also distribute recipe pamphlets, pins, posters, and other goodies. Many of the Commodity Commissions and agriculture trade organizations in Oregon already have promotional items that are available free of charge or at a nominal cost.

With time and creativity, you can expand your recreation enterprise. Other fun, entertaining activities include contests, adult and children's classes and games, ranging from guessing how many apples are in a barrel, to horseshoe throwing and bake-offs. Children love straw mazes, pumpkin painting and scarecrow making. Adults may enjoy historic displays or classes on painting or herbs. Fortunately, visitors do not need to be entertained every moment. Make time for rest and relaxation. Some guests are simply looking to escape their busy routines. The better you profile the customers you want to attract, the easier it will be to create appropriate activities for the guests.



Tips for Building Marketing and Community Partnerships

Establishing relationships and cooperative alliances with your community is a key element of long-term success.

1. Speak about your project early with neighbors, family, and local businesses. Share your ideas. Listen to their concerns and feedback. Address any problems early in the development of the project.
2. Develop a comfortable level of public presentation. Have a clear focus of your mission and expected outcomes. Don't let yourself become overburdened by the administrative aspects, the rules and procedures of your project. Keep your eye on the outcomes.
3. Speak about your project at service clubs, association meetings, and other gatherings. Get feedback, modify your presentation. Join the local Chamber. Offer to write a regular column for your local newspaper.
4. See your shortcomings or weaknesses as future partnerships. Inventory your community and seek out those who have what you need to complete your goals. Return the favor.
5. Define who shares potential customers with you. Align yourself with other businesses, attractions and openly discuss potential customers. Develop exchange promotions and track where your leads come from.
6. Be innovative. The greatest achievements happen outside the "system." Don't break laws or burn bridges, just be creative.
7. Local ordinances—like your mother, government listens to commitments, not complaints. And so do your neighbors. If you cannot turn a negative situation into a positive passion, don't go there. Work through compliance issues as required by law and in the spirit of cooperation with surrounding properties and interests.
8. Engage any adversaries. Most simply want to be heard or are afraid of the unknown impacts. Sit down one-on-one and listen. Address the concerns, don't whitewash over them.
9. Keep your business plan and marketing plan in the daylight. Make them work for you. If they aren't, then change them. Use them to support your actions and efforts.
10. Work to foster a sense of community and personal responsibility among citizens.
11. Manage physical growth of your operation to ensure quality of life for all citizens affected.
12. Work with other businesses to encourage small town character and support of locally-owned businesses.
13. Build on the agricultural, timber and other resource-based assets in the area.
14. Maintain and enhance historic structures.

Top Marketing Ideas for Agri-tourism Operations

Adapted from a fact sheet written by Mike Wetter

1. **Happy customers are the most important key to success.** Customer service is the most critical element. The level of customer service will determine repeat visits and “word-of-mouth” advertising. Learn their names. Remember what they like and have it ready for them. Keep a database if you can’t keep it all in your head. The little touches make all the differences.
2. Develop a mailing list. Get names from outdoor magazines, associations, ODFW and other sources of people that like outdoor activities. Your mailing list is your most important asset. Mail to your customers *at least* twice a year.
3. People don’t come to hunt or fish or ride a horse or tractor. They come to have fun and relax. You are in the hospitality business -- take care of your customers and you will succeed. Always ask your customers what they liked about their stay and what could be improved.
4. Cater to as “high end” a customer as you can and don’t be afraid to charge for your service. This is not a volume business, so you can’t go low-end and make money. If you target people with money and charge more for your service, people will expect more from you. You don’t have to be “upscale,” but you do need to offer a quality experience.
5. Take care of the details. Make sure that your telephone is answered professionally (“Anderson Ranch” rather than “hello”). Your answering machine should have a professional message. Return calls promptly.
6. Let your neighbors know about you. Join the Chamber of Commerce, talk to gas station owners, cafes, Elk clubs, motels, and neighboring farms. Give people your brochure and make sure that people in your area know about you. Start close to home at first and move out gradually. It is much less expensive to attract a client from Portland, Boise, or Seattle than from Japan or Germany. Get listed in the Complete Guide to Ranching Vacations in North America ((916) 583-6926).
7. Send information about your company to magazines and newspapers. Send them news releases and story ideas. Invite them out for a free stay. Follow mailings with personal calls. Think of things that will interest them. The Oregon Tourism Commission has a media guide, available for \$6, which will provide ideas for how to work with the press. Call (503) 986-0000 to order a copy.
8. Obtain brochures and literature from other operations that are similar to yours. See what they are offering and what it costs. Look at their brochures to see what you like and don’t like. Improve your materials accordingly. Get addresses and phone numbers of operations from outdoor recreation magazines. Owners are generally willing to give you a half-hour of free advice. Call them and tell them you are just starting out and ask if you can have a few minutes of their time to ask some questions.
9. Put signs on your property that are visible from the road. Make sure people can find you and have a way to contact you. Call the Travel Information Council about signage on state and federal highways at (503) 373-1042
10. Produce quality brochures and PR materials. On brochures, less is more. Don’t clutter it with lots of words. Use photos. Hire a graphic artist or get lots of feedback from other business people before you go to print. Don’t use a photocopier. Color is costlier than a black and white brochure, but it shows a commitment to quality and attracts a lot more attention. Another option which may be more useful than brochures are websites. More and more people are using websites to plan vacations and get information. Discuss the importance of developing and maintaining a dynamic website.



Website Development



Why Develop A Website?

- A website is a powerful and effective marketing tool for advertising your business and sharing information
- It provides colorful interactive presentations and material, describing your products and/or services
- Local and international markets can be reached 24 hours a day, 365 days a year
- It is a cost-effective form of advertising
- Almost limitless to the amount of information that can be displayed on a website
- Information is easily updated
- Allows customers to pre-shop

What to have on the Website

There are four major components a website should contain:

1. **Domain Name-** The domain name is the name of your website. For example, www.mybusiness.com.
2. **Site Map-** The site map is a “road map” of how your site is set up. It shows the navigation of the site and where different elements are located on the website.
3. **Look and Feel-** The look and feel of your website is the design aspect of your website. How do you want it look? What colors do you want to use? What kind of images do you want displayed? These are the types of questions to ask yourself when thinking about building a website.
4. **Content-** Many websites have history about their business, the people who run the business and what they offer (“About Us”). For example, if your business has been family owned for 3 generations, talk about it. A list of your products and/or services (“Our Products”), with detailed descriptions (pictures are always helpful). Contact information (“Contact Us”) is crucial. Include all contact information that you have, including address, phone, fax, and e-mail.

Other components of a website:

- **Logos:** Do you have a logo or something that is used on your business stationary or envelopes? Family crest? If so, make sure they are displayed throughout the website.
- **Links:** Are there some links you feel would give your customers more information or that they may be interested in?
- **“What’s New” Page:** This could be upcoming activities or events taking place at your business including dates, times and locations.
- **“In the News” Page:** If your business has been in the paper or a magazine with good comments, add it to your website so that your customers and guests can read about what others have to say.
- **“FAQ” (Frequently Asked Questions) Page:** If you get a lot of e-mails and letters asking questions about your business, display the questions on the website so that your customers and guests can learn more.

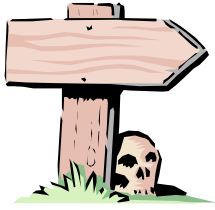
- **“Feedback” Page:** It’s always nice to get good reviews from your visitors. Take advantage of the opportunity and show the positive feedback to others.

These are just a few suggestions, but the possibilities are endless when it comes to websites. If you are thinking about developing a website, here are some things to think about:

- Search the Internet and look through other websites
- Start to think about how you want yours to look and feel
- Make sure the information is easy to find

If you are interested in building a website, please contact:

Susan Davis
Endless Solutions
(503) 804-0041
www.endless-solutions.com



Tourist Oriented Directional Signs

In 1981, the Oregon State Legislature passed a bill allowing a new type of sign for businesses that operate for the tourist trade. Tourist Oriented Directional Signs (TOD Signs) are an alternative form of advertising that are very attractive and helpful to motorists looking for a facility that is not readily visible. TOD signs are considered to be designated traffic control devices, and must meet all regulations set by the Federal Highway Administration and State sign standards.

These blue backboards with white lettering can be found on any state-owned highway. TODS are allowed on freeway or expressway systems. If your business is within one mile of the signed intersection, or nine miles with an approved waiver, you may qualify for this sign.

TODS are designed to serve a business that qualifies as a cultural, historical, recreational, educational entertainment or commercial activity whose major portion of income or visitors is derived from motorists not residing in the immediate area of the business. U-Pick and On-Farm sales qualify.

Provisions of the Oregon Motorist Information Act state that *“temporary directional signs that provide directions to farms selling agricultural products harvested or produced on the premises”* are exempted from permit requirements. However, they must comply with certain other regulations for exempt signs. Contact your District Maintenance Office of the Oregon Department of Transportation for details.

There are no state regulations for on-premise signs, although some municipal or county governments may have requirements. To find out about other on- and off-premise sign requirements, contact your local city or county transportation bureau.

The only additional requirement is that your business be open six hours a day, six days a week.

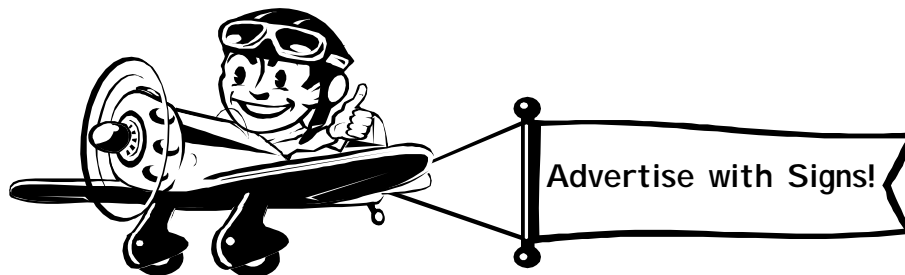
CONTACT: Travel Information Council
229 Madrona, SE
Salem, OR 97302
(503) 378-4508



Other Signs

You'll want to make sure that visitors can find you, which means some sort of sign giving directions or indicating your location. In addition to the Tourist Directional Signs explained on the previous page, you may also be interested in other types of signing outlined in the chart below.

TYPE OF SIGN	Direct Farm Marketing Signs	Bed & Breakfast	Festivals & Special Event Signs	Signs Visible from a State Highway
AGENCY & CONTACT	ODOT District Maintenance Office	Travel Information Council 229 Madrona, NE Salem OR 97302 (503) 378-4508	ODOT District Maintenance Office	ODOT Program Technician 2950 State St. E. Salem OR 97310 (503) 945-7931
TYPE OF LICENSE AND APPROVAL	Approval by ODOT	Fee	Permit	Permit
PURPOSE / SCOPE OF REGULATION	Consistency, safety	Off/on Interstate Logo Program Tourist Directional Signs, Gazebo and Travel Information Centers at Rest Areas, Historical Marker Program	Consistency, safety	Consistency, safety, highway beautification
RENEWAL/ AUTHORIZATION TIME PERIOD	Remove when marketing complete	Yearly	Varies with event	Renew permit annually



Conclusion

If you have thought through the issues outlined in this guide and talked with the appropriate government contacts or other resources, you should know whether your proposed enterprise can be a viable part of your farm or ranch operation.

In some instances, current laws or regulations may prohibit or limit what you desire to do. You are invited to write down such situations—and how you would propose to correct it—and mail the proposal to the Oregon Department of Agriculture Information Office at the address in the front of the guide. While immediate remedies are unlikely, the agency will keep a list of these concerns and try to work with other state, federal, or local agencies to resolve these situations, if possible.

Demand for farm or ranch tourism/recreational experiences will only continue to grow with increased populations and pressure on state and federal recreation resources. Those operators who venture into this arena may find it useful to join an existing association, such as those listed on the preceding pages, that can help with networking, marketing, and insurance or legislative issues. Additionally, if enough interest exists among operators, the formation of a new association specific to farm/ranch recreation in Oregon may be worth exploring.

Please keep the Oregon Department of Agriculture apprised of your efforts in farm/ranch recreation. If you have any suggestions on ways this guide might be improved, please send them to:

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1200 NW Naito Parkway, Suite #290
Portland, OR 97209
(503) 241-1487
fax: (503) 274-5405
www.aglink.org
e-mail: info@aglink.org