

Farm Market Owners Can Learn Ways To Capture, Keep Customers

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Lancaster Farming Staff
HERSHEY (Dauphin Co.) —

Owners of farm markets could lose lots of ground to their competition — one-stop supermarkets — in the coming years unless they learn how to capture and keep their loyal customers.

Nearly 70 owners of farm markets throughout Pennsylvania and surrounding states attended a special marketing short course which examined customer service and special events at retail farm markets. The course was held Thursday morning at the annual Pennsylvania Vegetable Conference and Trade Show at the Hershey Convention Center.

The key is to recognize how important your loyal customers are to the farm market business, according to Robert Matarazzo, president of RJM Marketing, Belvidere, N.J., as well as owner of a 392-acre fruit and vegetable farm and winery.

The past president of the Vegetable Growers Association of N.J. said that "the customers you take care of are going to generate new customers for you," he said. "Focus your time and energy and customers that really take care of you."

Rather than spending money on trying to attract new customers, Matarazzo believes it is far more important to spend \$1,200 or so on developing a mailing list of your repeat customers.

Matarazzo told the farm marketers at the short course two follow two rules: spend 60 percent of your marketing budget to take care of your existing customers and the other 40 percent on new customers. The rule of marketing is, that 80 percent of your sales are going to come from about 20 percent of your customer base.

Matarazzo, who holds special events throughout the season at his farm market, gave a series of tips for the marketers to help them develop a customer base. They include greeting the customers warmly, asking them questions

that cannot be answered with a yes or no, and offering information about the business to educate the customer.

Many of the customers to his market drive for 40-70 miles simply for the special events held during various times of the year. This is the 75th year the Matarazzo family has been in the vegetable business.

Holding special drawings and other contests can help marketers develop a mailing list. From this, a "preferred customer list" that make up a select percentage can be the list on which future sales can be made.

It is important to let customers know of the "proprietary relationship you have with the customer," and to make the customer believe it is "their business," he said.

Matarazzo detailed a variety of ways to develop fliers for mailing to the customer list. He publishes a special newspaper, The Matarazzo Times.

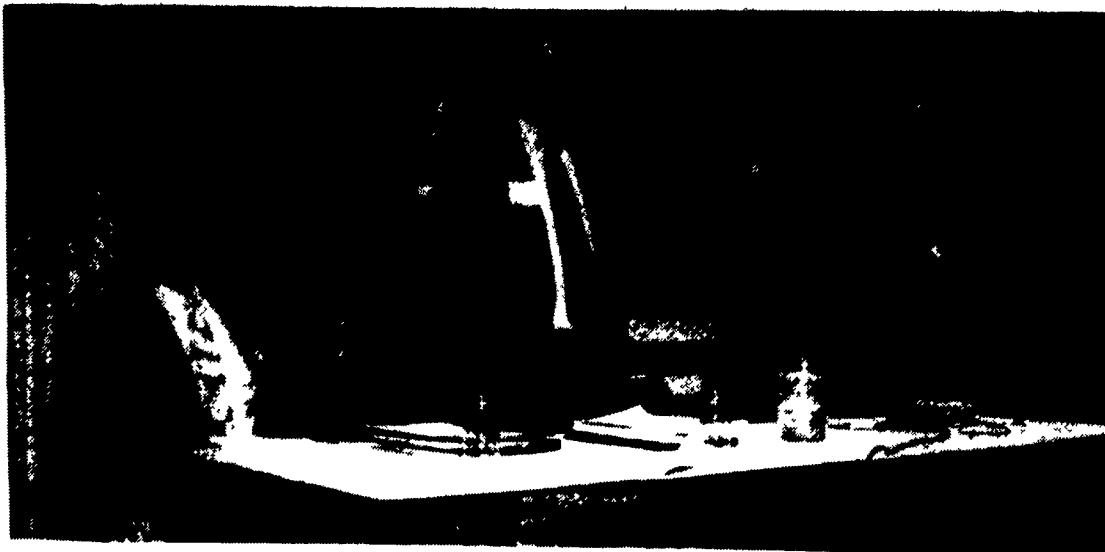
In a separate discussion, Matarazzo spoke about ways to write and develop news releases, which promote credibility for your farm market. He emphasized the importance of developing a "relationship with your press people" and providing information about special events. It is important to write the release in such a way that makes it "a community event."

Marketers must take steps now to ensure customer loyalty because of the encroachment of one-stop supermarkets on the highly competitive fresh vegetable and fruit roadside markets.

"We used to say, pile it high and watch them buy," said James Lincoln, extension agent and horticultural specialist at Michigan State. "Now it takes a lot more than that to continue to be successful in farm marketing."

Lincoln said the big supermarkets are using some of the successful techniques of roadside and farm markets to promote products — luring people away from the traditional farm market.

As a result, farm market opera-



Nearly 70 owners of farm markets throughout Pennsylvania and surrounding states attended a special marketing short course which examined customer service and special events at retail farm markets. A panel looked at ways to handle and merchandise produce. From left, Fred Davis, multicounty financial management agent, moderator; Jim Lincoln, extension agent, Michigan State; and Robert Matarazzo, president of RJM Marketing.

tors have to adjust and try to compete by providing a lot more variety of products. Marketers must try to promote more convenience and color at the market and hold more special events.

According to Lincoln, the "entertainment farming" aspect continues to get more crucial in order for many to survive.

Also at the short course, Dr. Ramu Govindasamy, marketing specialist for Rutgers University in New Jersey, provided details of a

survey of New Jersey direct marketing operations conducted in 1992.

Of 1,000 questionnaires mailed out to marketers in New Jersey, 450 were returned, according to Govindasamy. The data were compiled and analyzed to determine exactly what marketers were doing.

Most of the growers (32.6 percent) grew less than six acres of crops. Some of them (5.5 percent) grew more than 100 acres of crops.

About half the marketers (47.7

percent) grew nearly all the products sold at the stand. Most (about 50.6 percent) don't sell related products, such as T-shirts, mugs, etc. On advertising, 36 percent spend nothing while about 5.25 percent spend \$10,000 or more per year, and also have the highest sales.

Of the advertising, most (61.2 percent) go by word of mouth. The rest include newspapers (58 percent) and signs (55.9 percent). In only 2.7 percent of the cases is TV used to advertise.

What Will Be Tomorrow's Tomato Plant?

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This is a glimpse of what "tomorrow's tomato plant" will look like.

It will have a shortened fruit maturation (SFM) cycle, meaning less time to market. It will exhibit compact growth, so it won't need to be caged or staked. It will have a high population of fruit set, grown

on a shorter row, with large fruit size. And the fruit will taste great.

The seeds for the "tomato of tomorrow" are being worked on today at North Carolina State University, according to Dr. Randy Gardener of the Mountain Research Station in Fletcher, N.C.

Gardener spoke to about 100 tomato producers and agri-industry representatives during a

portion of the annual Pennsylvania Vegetable Conference and Trade Show on Wednesday afternoon.

Gardener is helping to spearhead research on the "tomorrow" tomato variety that will combine a lot of different characteristics, including insect and disease resistance, to be available commercially within five years.

He revealed some of the research under way at North Carolina at the vegetable conference.

Gardener said that the environment in North Carolina for tomato production is similar to those faced by growers in Pennsylvania. They

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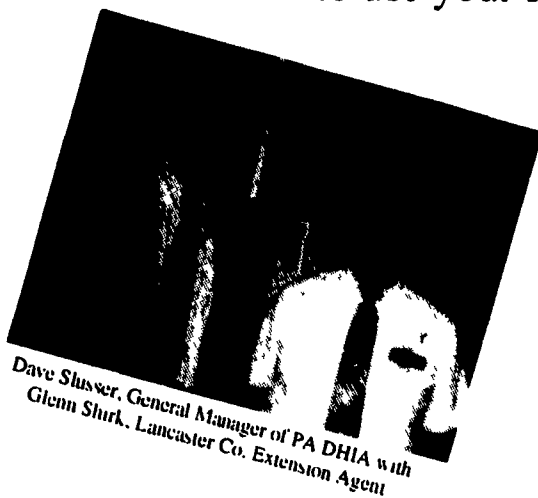
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