

BALANCE NEEDS, VALUES AND INNOVATION TO MAKE SALES

by Joseph Suttles and Dr. Allan Gray

It used to be pretty easy for agri-marketers to describe customers based on their distinct buying preferences. Some were price buyers. Others just wanted convenience. And, a few made decisions based only on performance or service.

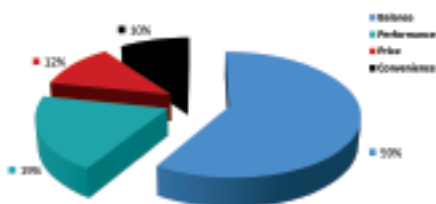
But, now, agri-marketers are faced with a large group of balance buyers — farmers who make purchases based on a combination of customer service, convenience and support services. Plus, they still expect high performance at a fair price.

The 2008 Large Commercial Producer Survey, conducted by Purdue University's Center for Food and Agricultural Business, found that more than half of the 2,500 farmers surveyed are balance buyers when making seed and crop protection chemical purchases (see Figures 1 and 2). This segment (69% and 59% respectively) has grown significantly

Fig. 1
Buying Segments for Seed Products



Fig. 2
Buying Segments for Crop Protection Chemical Products



from five years ago when the same survey results indicated only 34% of farmers desired a balance of the five decision influencers (convenience/location, customer service,

price, product and support services).

This change presents both challenges and opportunities for agri-marketers. To properly position themselves in this new market landscape, agri-marketers must think beyond only a farmer's needs and, instead, discover what values drive those needs. Then, they must take what they discover and find innovative ways to serve their customers in these uncertain, volatile times.

Since producers fit into specific buying segments, it's not surprising that their values differ, as well. However, Purdue researchers have identified common values across the segments that agri-marketers can use to their advantage.

LOCAL HAS LEVERAGE

Farmers value their local community. They like the idea of supporting people who live and work in their area, and that often means they have some level of loyalty to their local input suppliers. It doesn't mean they will accept lower standards from those in their local community, but with all else equal, they prefer to do business locally.

GET TO KNOW THEM

Producers also place high value on relationships. Agri-marketers gain business by bringing value to a farmer, but it is through strong, positive relationships that they can help extend the length of time that they keep a farmer's business.

HONESTY IS THE BEST POLICY

Above all, farmers value honesty. They want to work with sincere, honest people who are always dependable and looking out for their best interest.



Agri-marketers are facing the challenge of meeting their customer's needs and values in new and innovative ways.

STAND OUT THROUGH INNOVATION

Even after agri-marketers have managed to align with their customers' values and have met all of their needs, the job is not finished. To stand out from competitors, agri-marketers must deliver their products and services in new and innovative ways. They need to properly position their people, bring novel ideas and approaches to the way they do business, listen carefully to customers, and respond quickly to changes in market conditions. They must also effectively and efficiently communicate with their customers in ways most convenient to the customer, not themselves.

It's clear that today's producers want it all when making buying decisions. The challenge for agri-marketers is how to give it to them and remain profitable. By satisfying their customer's needs and values in innovative ways, agri-marketers can position themselves to be the provider of choice in today's volatile agricultural marketplace. **AM**

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