



# Agricultural Marketing Report



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## SOCIAL NETWORKING AND MARKETING FOR COLORADO'S AGRICULTURAL PRODUCERS

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### Introduction

Promotion is an essential element of any marketing strategy and plan, but it is arguably the most quickly evolving given its relationship with how people receive, measure the value of and share information. Traditionally, businesses and firms launched marketing and advertising campaigns targeted at individuals through printed media and audio-visual outlets. This strategy can be costly, and its effectiveness is difficult to measure. The first generation of Internet marketing and promotion addressed some of the shortcomings of broadcast media because it was relatively cost-effective and could be targeted more effectively. However, website banners and promotional emails still may feel intrusive to potential customers—another criticism of traditional advertising.

It is not clear how broadcast promotions will fare in the new information economy which allows for increasingly interactive and targeted communications. This is especially important given recent studies that show consumers are more and more wary of traditional marketing strategies. In this lean and consumer-conscious economy, small businesses are looking for more cost-effective ways to market their products and services, connect with current customers in a more

relational way, and generate new clients through word of mouth within their own online communities.

Word-of-mouth promotion is responsible for over half of new customers at small businesses (Miller, 2009). Recent studies at Colorado State University have shown that this is particularly true for agritourism and consumer purchases (Ansteth, Sullins and Thilmany, 2007). Although owners and operators of agribusinesses can try their best to provide positive

### **Direct Marketing**

**actively contacting a potential customer to encourage sales**

- published advertising
- direct mailings
- cold calling

### **Indirect Marketing**

**participating in activities that do not push a specific product, sale, or goal**

- community events
- public speaking
- blogging
- word of mouth advertising
- social networking

(Sheldon, 2007)

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Extension programs are available to all without discrimination.

experiences, they would benefit greatly if satisfied customers created new business by sharing positive experiences with their friends. Some marketing strategies and “refer-a-friend” programs encourage such interactions but may compromise the relationship between customers and their friends. The Internet has hyper-accelerated the rate at which people talk to each other through instant messaging, emails, and social media services such as Facebook and Twitter. By developing an online presence through email services, websites, and social networking, a small business can capitalize on emerging virtual social networks.

### **Marketing in the Internet Age**

When businesses first started using Internet applications for promotion, it was referred to as viral marketing since messages spread so quickly from one person to another. This concept of viral marketing has grown alongside social networking sites such as Facebook, Twitter, MySpace, and YouTube. In summary, these social networking services are websites devoted to establishing online communities by allowing members to connect with other members and explore mutual interests. Most sites are multi-functional, allowing members to share pictures, videos and files, participate in group and private discussions, and publish blogs (part online journal, part open forum). Although these sites initially catered to individuals,

they are continually evolving and adding business-friendly features. These features are giving businesses new avenues for essentially costless direct and indirect advertising, while providing enough feedback to maintain contact through voluntary customer lists.

Given the nature of these sites, effective marketing campaigns using social networking sites can create viral expansion loops: in short, social marketing can fuel a campaign which can expose a large percentage of your target audience to different aspects of your business through shared posts. More importantly, the multifunctional media components of these sites give potential customers the opportunity to virtually explore a business, may motivate them to visit the business’ physical location, and then may even encourage them to share their experiences with their friends.

The screen shot included in Figure 1 shows a typical newsfeed from Facebook where the user can read direct news from The Growing Project, Grant Family Farms, and the Fort Collins Food Co-operative, and see that friends have become fans of Leigh’s Garden Winery and Wolf Moon Farms. These newsfeeds allow friends and customers to directly and indirectly share what is going on in their lives, the businesses they are supporting, and the events they attend—all without any pressured marketing tactics that might be unwelcome in their network.



**Figure 1: Screenshot of a Facebook Newsfeed**

The following sections describe Internet-based tools that agricultural producers should consider to build their customer base, promote their products and services, and engage people in the growth of their agricultural business.

### **Websites and Blogs**

As a business owner, your website should be the number one resource for current and new customers. It propagates your business information consistently and is constantly available. At a minimum, your business should have a “splash page” listing location, hours of operation, and contact information. This can be achieved through relevant directories such as LocalHarvest, Ecovian and MarketMaker (in states that are members, check the map at: <http://national.marketmaker.uiuc.edu/>).

There are also many free website hosting services and blog services that will allow you to post more in-depth information, pictures, video, and other forms of media. While a static webpage that doesn't change often is better than no webpage at all, dynamic, engaging websites that are updated regularly are most likely to capture the interests and loyalty of your customer base. Many business owners do this by maintaining a blog on their website that allows their customers to read about the daily rituals of their business. Wordpress.com and Google's Blogger.com are the most commonly used blog services, both by new “amateur users” and by professionals making their living by posting commentary online (Ettenson, 2007).

You can research other sites that catch your attention as a visitor to get ideas for your business website. For a fine example of what you can build online for free, check out [thefamilytablefarm.com](http://thefamilytablefarm.com). For a different approach, some businesses rely on social networking sites like Facebook and MySpace to communicate their daily activities to their customer base since these sites have built in blogging functions and also allow for real time updates.

#### **Facebook**

Facebook originally started as a social networking tool for college students. It quickly spread to corporations and other business types. It is now open to anyone with an email address. Facebook members are able to search for other people and send selected people ‘friend requests’ or messages. Members can

post pictures, videos, and notes on their own profiles, and post messages on other profiles. They also can participate in group discussions, send private messages to anyone registered with Facebook, and send instant messages to friends who are currently logged on to the site.

Members are also able to establish and invite people to Groups, Events, and Pages. Establishing a Group is similar to creating a profile. The creator and the administrators of the Group can post pictures, videos, discussion questions, and news briefs, and send messages to group members.

Establishing a Page is nearly identical to creating a Group; however, it is limited to businesses and offers additional services such as direct advertising. Other members of Facebook can be referenced, and users can search for groups and businesses, and join them, or post pictures, videos, and discuss questions or comments. The Page administrator is alerted when new posts are made and is able to delete any questionable or undesirable posts if needed. Otherwise a Page's content is a primarily developed through the dynamic relationships among Fans and the enterprise.

Facebook is a great way to establish a virtual social circle through personal profiles, and expand virtual customer bases through Groups and Pages. Most importantly, creating a profile requires no web publishing experience.

Overall, the manager can maintain control of content and the time investment in these pages can be kept fairly minimal. Security settings offer a wide variety of privacy options and no maintenance is required, although at least weekly activity is recommended. This could include accepting friend requests, monitoring and participating in group discussions, posting pictures, videos, and updates, and actively searching for new friends, customers, and groups.

#### **Twitter**

While Facebook remains the largest and most popular social networking site, Twitter is gaining in popularity and use at a surprising rate (Kazeniak, 2009). Twitter was founded on the question, “What are you doing?” where the interface allows users to post answers up to 140 characters long which allows for easier use among those with handheld communication devices. Since the post size is small and your update

will be quickly pushed down on the list by everyone else's updates, Twitter is used mostly to keep people and customers updated on real time issues.

As one example, The Fort Collins Food Co-operative (FCFC) typically uses Twitter to announce lunch specials and new items at the store. Twitter posts are similar in nature and form to Facebook posts. There are even applications available to link the two sites which enable one post to go to both locations (FCFC employs this tool).

Similar to Facebook friends, personal users keep their friends updated on day-to-day activities while simultaneously "following" their friends, acquaintances, and business owners' updates. By establishing a presence on Twitter, you not only allow your customers to follow your daily activities, but you also allow them to pass the word on to their friends in real time. When your customer responds to your post or "re-tweets" (forwards to a follower list) your post, the conversation shows up not only on your Twitter homepage and your customers' homepages, but also in the homepages of the people who are following your customers—a viral expansion very similar to Facebook.

### MySpace

MySpace is very similar to Facebook, however its more open availability to the general public has caused privacy concerns among some users. Although it offers many of the same features as Facebook, it

allows some flexibility in profile appearance. The added feature of music and audio sharing makes the site popular with musicians, comedians, and filmmakers. Members create personal profiles first and then can create groups for their businesses or personal interests.

Like the other applications, MySpace features several applications such as status updates, calendars, discussion boards, and associated company listings. However, there are few agriculture groups using MySpace, so it is difficult to gage its promotional effectiveness for this sector.

As Figures 2 and 3 show, the current usage among these sites suggests Facebook is the most commonly used network (a change from just one year earlier). This ascent in popularity can be explained by some of the features summarized here and summarized in Figure 3. One less apparent reason may be the privacy concerns of MySpace as a barrier to some generations or users with concerns about maintaining their circles.

### Adding a Dynamic to your Web Presence

Maintaining a website may still be the best way to have an on-line presence to promote your business. Online networks (such as MarketMaker, national trade associations, state agricultural directories or community based sites (foodroutes.org) do provide a limited set of linked referrals that allow new customers to explore and gain information on your operation.

Rank	Site	Unique Visitors	Monthly Visitors	Previous Rank
1	Facebook.com	68,557,534	1,191,373,339	2
2	Myspace.com	58,555,800	810,153,536	1
3	Twitter.com	5,979,052	54,218,731	22

Source: Kazeniak, 2009.

**Figure 2: Top Social Networks by Site Visits**

Site /Features	Easy to Use	Multi Media/ Function	Visible to Non-Subscribers	Large Ag/ Food Audience	Data/Stats Package	Business Specific Features
Facebook	X	X		X	X	X
Twitter	X			X		
Myspace		X	X			

**Figure 3: General Characteristics of Social Networking Sites**

However, stand-alone websites are typically limited to the perspectives of the owners, and it may be difficult to drive new customers to the site. Establishing a group or page on a social networking site may provide a more cost-effective approach since it represents a forum for current customers to share personal testimonies with potential customers.

A November 2009 New York Times article included some basic rules:

1. Buy-buy-buy messages won't fly. The best practitioners make Facebook less about selling and more about interacting.
2. Engage your fans and critics. Listen to what people are saying, good and bad. You may even pick up ideas on how to improve your business.
3. Keep content fresh. Use status updates and newsfeeds to tell fans about specials, events, contests or anything of interest.

The interactive nature of viral marketing is also seemingly well-suited to new attitudes about marketing. By reading reviews, viewing pictures, watching videos, and participating in group discussions, potential clients can explore your products and services with confidence and assurances from those with no apparent biased interest in a business. Once potential customers have explored the information available on the social networking site at their own convenience, they can follow their interest to the linked business webpage or contact the owner directly. But, the more an operation invests in encouraging and responding to such social networking, the more impact these activities will have on the bottom line of the operation.

### **Goals for your Marketing Strategy in the Virtual World**

How, then, can social marketing help grow agritourism businesses in Colorado and elsewhere? This depends on how the business' specific goals and objectives may be accomplished through effective promotion of its goods and services. Examples include:

- a. Increasing direct sales through a specific retail outlet, event or sales promotion
- b. Creating an active online community to build the business' customer base and promote business partners in a network with shared values

- c. Leveraging a community organization's social networks to promote a member's products or events
- d. Driving customers to a specific event such as a festival, member day or fair

Once a specific goal or outcome is set, there are many free Internet tools available to track and assess these goals. Many social networking sites come with their own data and statistical tracking package, and most websites and services without this feature can easily be linked to such a tool. Other websites and services, such as Twitter, guard against these particular applications. A summary of the more popular sites and services are discussed later.

### **Are Social Media Strategies Effective Methods to Connect with Customers?**

Since social networks are constantly changing and evolving, one can easily visit a social networking service daily, constantly making new connections and updating information. At a minimum, the business' page can easily be maintained by the owner or an employee on a weekly basis—in the same time allotted for maintaining direct email conversations.

Direct postings are not always required. Instead, an active social circle that is prompted to share experiences (recipes for food, pictures from visits) will continually post new pictures, videos and comments to a group's page. The owner of the page and business only needs to encourage the circle to post new information. For example, they may host a recipe contest with a small prize, have computers at farm days that allow quick uploads of visitors' pictures, or send pictures after events encourage fans to post feedback.

Since the majority of social networking sites are free and open to the public, they require no financial investment, minimal time investment (as they are generally easy to use and update), and attract a wide range of people. Personal profiles and business pages can be created in less than an hour and require little maintenance; however they are more effective when regularly maintained. Spending one hour a week on such sites is sufficient to engage some followers. At the other extreme, active social networkers will spend approximately five hours a week engaging their virtual social network.



To provide some context for how the level of engagement affects viral marketing activity, three operations in Northern Colorado were tracked as a case study. Figure 4 outlines the Facebook activity of three farms on the Front Range and the subsequent website traffic referred by Facebook.

Native Hill Farm, a two-person operation with one acre in production, only posted their website on their Facebook profile and did not maintain this profile. Since there is no business information on Facebook, one can assume that interested Facebook users go directly to the Native Hill Farm website where business information tends to be static. Wolf Moon Farms, a mid-sized operation with two paid employees and ten working members has five acres in production. Although this operation is a bit more engaged, the owner and a working member spend a minimal amount of time on Facebook, resulting in a mildly engaged fan base, but with little traffic driven to their website. Grant Family Farms, the most engaged marketing operation, is discussed in more depth in a later section.

### **Evaluating Goals with Online Tools**

When launching any marketing campaign, it is important to establish a method for assessing goals and measuring outcomes. There are several free data trackers and analytical packages available online. Some social networking sites come with their own trackers, and some sites will allow you to add a tracker, while other sites will not even allow these applications. The following discussion outlines several measurement tools.

#### **Google Analytics**

Google Analytics is a free service that records traffic on your website. It provides a wealth of infor-

mation ranging from how many times your site is visited in a day to what words are entered in search engines that return listings for your site, and how much time people spend on your site.

To gain marketing information, this service requires inserting two lines of code on every page of your website. This code records traffic to and from those pages. If you have a contract with an outside company, they can do this in a couple of minutes. If you are using a free site/blog-building service such as Wordpress, you will not be able to use Google Analytics, since you have limited access to your pages' code. Similarly, you cannot use Google Analytics on sites such as Facebook, MySpace, Twitter, directories, since they are sites with which you interface, but do not own. However, many of these sites come with their own statistics package.

#### **Facebook Insights**

Facebook offers a tracking service with their Pages, but not for their Groups. This service is called Insights, and it automatically comes with your Page. The Insights tool primarily keeps track of your 'Fans' instead of individual Page views. Although it can be difficult to understand at first, it is useful when trying to gauge how engaging your posts are by illustrating which generated the most fan base activity.

Wordpress offers a statistics service that looks very similar to Google Analytics with a similar amount of depth. Unlike Google Analytics and Facebook Insights, however, the reports cannot be exported into other file formats such as Excel spreadsheets. Twitter is currently tailoring its tracking service specifically to businesses; however, it will likely be for a fee (Miller, 2009). There are also many other free tracking services

	Native Hill Farm	Wolf Moon Farms	Grant Family Farms
<b>Amount of Content on Facebook</b>	Very Little	Moderate	Moderate
<b>Person Responsible</b>	No one	Working Member	Employee
<b>Hours Spent per Week</b>	0	0.3	5
<b>Posts per Week</b>	0	4	14
<b>Interactions per Post</b>	0	0.4	2.2
<b>Interactions per Fan</b>	0	0.4	0.9
<b>Number of Fans</b>	3	47	588
<b>% Website Traffic Referred from Facebook</b>	42	9	22

**Figure 4: Data from Preliminary Facebook Studies at Colorado State University**

similar to Google Analytics, although none seems as easy to use or as comprehensive as Google Analytics.

### **Grant Family Farm's Foray into Social Media Marketing**

Grant Family Farms, a 2000+ acre market farm and CSA on the Colorado Front Range, maintains its Facebook Page actively and effectively. They keep over five hundred fans updated and engaged with pictures, recipes, event invitations, news articles, coupons, and poems. By posting to their Facebook Page an average of two times a day (individual pictures count as individual posts), they elicit an average of four unique interactions from their fans a day. Although it is not as broad in reach, Grant Family Farms also uses Twitter to share news, announce upcoming events, and post coupons (see Figure 5).

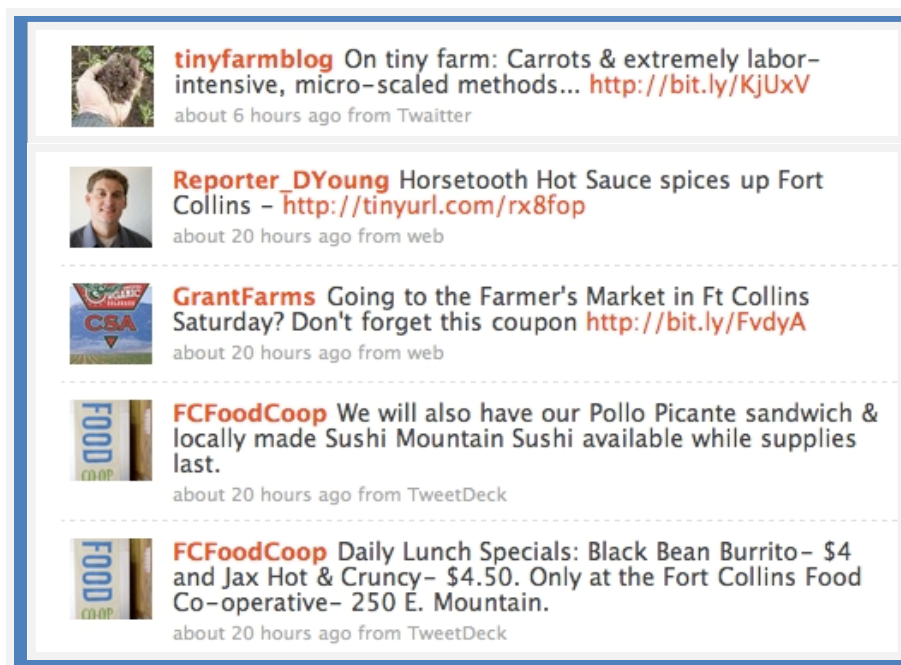
More importantly to the viral network strategy, they encourage healthy and vibrant fan-to-fan interactions on their discussion board by asking their CSA members to share recipes and advice pertaining to a specific week's harvest. One customer posts new recipes weekly, based on what shows up in her produce box. An example of these discussions can be seen in Figure 6. Their social networker exercises creativity and thoughtfulness while engaging and communicating with the Grant Family Farm customer base. These techniques can be easily employed at any level of networking in order to capture the attention and loyalty of a specific market.

Figure 7 shows what Grant Family Farms has discovered: all social media are not equal. Although the Farm maintains a Facebook Fan base of over five hundred, they only have fourteen MySpace friends. Preliminary studies at Colorado State University show that there is no user traffic between MySpace and the participating farm.

### **Conclusion**

This factsheet provides an overview of social networking tools and how they might benefit agricultural producers who are looking to increase sales or their customer base, or otherwise promote their business. It also points to two important elements. First, the social networking platforms discussed in this factsheet are free to access, although some of the analytical packages that allow you to measure the effectiveness of your promotions may have an associated cost. Your primary cost, as a business owner, is the time that you or your employee will invest in building an effective interface. Therefore, to leverage the power of social networking, you need to become an active member of the community you are building by contributing information and interaction on a regular basis.

Second, these networking tools allow the business owner to create an experience that can capture the potential customer's imagination and motivate him or her to take an action (visit your business, purchase something, or pass the word to someone else). This



**Figure 5: Screenshot of Twitter Homepage**



**Figure 6: Screenshot from Grant Family Farm’s Discussion Board**

Grant Family Farms	Facebook	Twitter	MySpace
<b>% Referral Traffic from Service to Website</b>	22.3%	2.29%	0%

**Figure 7: Data from Current Studies at Colorado State University**

type of indirect marketing models what research shows to be most effective—virtual word-of-mouth information sharing between friends or others with shared interests. These connections, whether virtual or eventually realized, help build community around various issues, interests and opportunities in agriculture, and increase awareness of how everyone is somehow linked to agriculture.

The resources listed on page 9 will help familiarize you with how other businesses and organizations are using the Internet to build interest in their products or causes, and will provide you with tools for using social networking to promote your own business well beyond the reach of traditional marketing strategies.



## Resources for Colorado Producers

### **Directories/Associations- Colorado Specific**

- Market Maker - [comarketmaker.com](http://comarketmaker.com)
- Ecovian - [ecovian.com](http://ecovian.com)
- Colorado Proud - [www.coloradoagriculture.com](http://www.coloradoagriculture.com)
- Colorado Agritourism - [www.coloradoagritourism.com](http://www.coloradoagritourism.com)
- Colorado Food and Agriculture Directory [www.ag.state.co.us/FoodAgDirectory/](http://www.ag.state.co.us/FoodAgDirectory/)

### **Directories/Associations- National**

- Local Harvest - [localharvest.org](http://localharvest.org)
- Agritourism World - [www.agritourismworld.com](http://www.agritourismworld.com)

### **Social Networking Guides**

- [www.thegogglesdonothing.com/archives/2008/01/facebook\\_groups\\_vs\\_pages.shtml](http://www.thegogglesdonothing.com/archives/2008/01/facebook_groups_vs_pages.shtml)
- [www.insidecrm.com/features/facebook-marketing-toolbox-012308/](http://www.insidecrm.com/features/facebook-marketing-toolbox-012308/)
- [www.automotivedigitalmarketing.com/forum/topics/1970539:Topic:71271](http://www.automotivedigitalmarketing.com/forum/topics/1970539:Topic:71271)
- [www.smallbusinessbranding.com/590/myspace-marketing/](http://www.smallbusinessbranding.com/590/myspace-marketing/)
- [wiredpen.com/2009/04/16/twitter-lingo-a-quick-guide/](http://wiredpen.com/2009/04/16/twitter-lingo-a-quick-guide/)

### **Marketing Guides**

- [Www.entrepreneur.com/marketing/publicrelations/prcolumnistdavidseaman/article202684.html](http://Www.entrepreneur.com/marketing/publicrelations/prcolumnistdavidseaman/article202684.html)

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