

Marketing Plan

Executive Summary: Riddell Farms Inc. is a 5th generation hazelnut and seed farm in the Willamette Valley. They pride themselves in producing the highest quality hazelnuts and grass and cover crop seed in the area. The hazelnuts they produce are sold and distributed by their subsidiary, Ash Creek Oregon, while the farm themselves distributes the seed they grow. Much of this product is exported in bulk quantities for further use. Currently, their seed growing operations only tailor to clients who purchase on a negotiated contract basis, with large potential for retail sales given the quality of product. They also don't do a lot of outside marketing of their product, with minimal use on social media. This marketing plan addresses three goals which they hope to achieve: gaining more wholesale clients (they currently only have about 10), improving online/social media presence, and launching into the retail/consumer market. After a careful analysis of internal and external forces which can affect their operations, a laid out marketing strategy shows how each of the elements will tie back to these goals. Finally, it will briefly describe how Riddell Farms will implement this new program and monitor and control it over time. Please note that the majority of the program is tailored towards the seed segment of the company rather than the hazelnut operations.

Situation Analysis: Throughout the five generations that it's been operational, Riddell Farms has always had a culture characterized by hardworking people who come from all walks of life and share a love for farming. To make sure that the farm is maintaining its cultural identity, all employees who work at Riddell Farms is given a list of core values for them to uphold, including having clean and respected tools and workspaces, have open communication with others and accept constructive feedback, maintain a safe working environment, learn from your mistakes, and respect the land which you're farming (N. Olson, personal communication, June 5, 2023). The farm currently operates with a full-time staff of nine with Dylan Branch as Vice President and Farm Manager. There are also operations, warehouse, and office managers, and several mechanics and equipment operators (Riddell Farms, 2018c). The majority of seasonal work is provided by a partnership with WAFLA, a Washington-based company which provides foreign workers, in Riddell's case from Mexico, H-2A work visas to be able to live and work onsite on seasonal basis (N. Olson, personal Communication, June 5, 2023).

Riddell's clientele is mostly comprised of seed brokers, wholesalers, or other farms who purchase their products in bulk to be used in their own processes. Buyers' names and product pricing are undisclosed to the public for sake of minimizing potential competition (N. Olson, personal communication, June 5, 2023). One "customer" you might say, is Ash Creek Oregon, the subsidiary of Riddell Farms. They are the main retailer for Riddell's hazelnuts, turning them into roasted, dark chocolate, and milk chocolate-covered products (N. Olson, personal communication, June 5, 2023). Aside from four varieties of Oregon hazelnuts, the Farm also produces various species of grasses and cover crops harvested for their seed (Riddell Farms, 2018b).

Buyers purchase Riddell's products in bulk quantities 50lb bags and 55,000 "lots" at a negotiated price. Pricing is based on how clean the buyer wishes the seed to be, their packaging preferences, and other conditions of the contract. After purchase from Riddell, buyers either plant the seed for production of their own products, or send them further down the supply chain. As with the names of the buyers themselves, and since it's so customized, Riddell's pricing is kept undisclosed as well (N. Olson, personal communication, June 5, 2023). Some of Riddell Farms' buyers are domestic, but the majority of their products are exported. Examples of which include: grass seed planted in both the US and eastern Asia, wheat used in noodles in China and Korea, straw and oats used in animal feed throughout Asia (Riddell Farms, 2018a).

As to when products are purchased, it is hard to say. Buyers purchase Riddell's grass seed and cover crops on a contractual basis, where often times the purchase is made even before production has started. Production of all products takes less than a year. For actual harvesting, hazelnuts are harvested in October, and the grass and cover crop seed in June-August (N. Olson, personal communication, June 5, 2023).

When looking at the external environment, there are a number of factors which have the potential to affect Riddell Farms, either for the better or worst. One such factor is the potential for competition to arise. Oregon's

temperate environment allows for close to 1,500 grass seed farms to produce nearly 2/3 of the country's grass seed output (Willamette Valley Field Crops, 2018). Riddell's production of hazelnuts is also another cause for competition, as they are one of more than 800 family farms in the area, helping produce 99% of the nation's hazelnuts (Oregon Agriculture, n.d.). However, Riddell Farms has little competition in the area. This is because practically no two farms grow the same products each year, and farms tend to have an established list of clientele, which lowers, if not minimizes competition (N. Olson, personal communication, June 5, 2023).

Another factor which affects Riddell Farms' operations for the better is the continuous innovations in farming technology and sustainable practices. One such practice is the use of growing cover crops. These plants, which include things like rye, oats, and legumes, help naturally improve the soil quality and physical characteristics, such as introducing excess nitrogen into the soil, increase amount of organic matter and biological activity, improve aeration and water flow, and help prevent water and wind erosion of the soil (Oregon State University Forage Information System, 2019). Another method the farm uses to naturally improve soil quality is by practicing continuous no-till methods, which improves the stability of the soil, and also cuts down on labor costs and fossil fuel emissions (Riddell Farms, 2018b).

Some of the legal issues that Riddell Farms has to deal with would be upholding standards set in place by USDA and other environmental agencies, and making sure that the nonimmigrant workers are working within the limits of the H-2A visas. Political, and sociocultural factors are of minimal effect to the company, and the Economic forces will be discussed in the next section.

SWOT Analysis: As stated previously one of Riddell Farms' biggest strengths as a company is their dedicated workforce. Many of the seasonal WAFLA employees are also highly dedicated and have been coming back year after year. The company tries to retain employees by creating a good work-life balance, which can be particularly challenging in the industry (N. Olson, personal communication, June 5, 2023). Another strength they possess is that, unlike most other farms in the area who grow the product then send it off to a second party to be processed and sold, Riddell Farms is vertically integrated, which means that they grow, clean, process, and sell the products themselves, allowing for more control over the quality of the product, which they highly value (N. Olson, personal communication, June 5, 2023).

One of the company's biggest weaknesses is its difficulty in finding dedicated workers. To help find the workers needed to farm the land, in addition to the seasonal WAFLA workers, Riddell Farms offers its full-time employees retirement, paid time off, and healthcare benefits. Very few farms in the area use this approach for obtaining the help needed from an already low number of individuals. Another prominent, yet smaller weakness the company faces is their somewhat weak and inconsistent social media presence (N. Olson, personal communication, June 5, 2023).

An opportunity presented to Riddell Farms is the Willamette Valley's optimal weather conditions for both hazelnut and seed production. For seed production, the mild winters and dry summers allow production on more than 400,000 acres of farmland statewide, and the Willamette Valley to be coined the "grass seed capital of the world" (Willamette Valley Field Crops, 2018). As for hazelnuts, moderate climate and nutrient-rich soil allows for Oregon to produce 99% of the hazelnuts consumed by Americans (Oregon Agriculture, n.d.).

As with all involved in the farming industry, Riddell Farms faces several key threats towards its operations and success. One of the largest threats is being faced with operational costs that are greater than your income. Specifically for Riddell Farms, since 2020, the cost of fertilizer, chemicals, and other farming materials essential to their operations have increased exponentially, without seeing much of an increase in the price standards for the seed they sell (N. Olson, personal communication, June 5, 2023). Another threat is that, along with not being able to find a dedicated workforce, there's also increasing labor costs, such as mandatory wage increases, and new rules regarding paid overtime, which in the farming industry, is a frequent occurrence (McClain, 2022).

Marketing Goals and Objectives: Riddell Farms currently does not have many marketing strong marketing goals, as their main focus is to focus on producing a high-quality product which satisfies their clients' needs. Marketing isn't currently of important concern to the farm, as they have a strong clientele list of about 10 businesses, who show a great amount of dedication towards their product and operations (N. Olson, personal communication, June 5, 2023). However, this is not to say that they aren't willing to boost their marketing practices further.

One of Riddell Farms' upcoming marketing goals will be to keep their existing clients (about 10) and obtain new ones. The first major way this will be accomplished, and something that has been working for years, will be to uphold their high standards for product quality. This includes continuing their practices of no-till and planting cover crops, which enhances soil quality, and providing extra nutrients to the crops when needed (Riddell Farms, 2018b). Knowing that the farm uses these practices and treats the crop with care, clients will know that they are receiving the best-quality product. To attract new clients, Riddell Farms will reach out to major agriculture publications and grass seed reference lists both locally, nationally, and eventually even internationally, given Oregon is a major producer of the world's seed, and many of their clients are international.

Another one of the Farms' goals, and possibly most important, is to increase its online presence. Currently, the majority of the company's focus is to provide the high quality product for their customers. This leaves little time for online activities. To combat this, Riddell's first objective will be to hire a marketing manager, either part-time or full-time, depending on what they see fit. This person will be in charge of updating the website and keeping it looking fresh, and posting to social media on a regular basis. By a quick look at their Facebook page, one can see that Riddell Farms currently only posts to its page once or twice a year and only has 303 followers. These posts could be as simple as farm updates or employee recognition, which would be especially nice for the WAFLA employees. Along with updating social media outlets regularly, one final objective to aid in achieving the overall goal here would be to update the farm's website occasionally and keeping it looking fresh.

A third and final goal for Riddell Farms to work on achieving is to sell some of their seed products on a smaller, retail scale. With the high quality seed that their clients receive in bulk quantities, then planting them in their own fields, only make sense for the farm to harvest some of their products for the public as well. This may be a challenge to accomplish, but will be worth it in the end. The first objective to help achieve this is to acquire and plant more acreage to be harvested. This will be a large feat to accomplish, but the farm cannot risk losing their current loyal clients by downsizing their main operations. A second objective will be to either reallocate existing farm workers, or try to find more help. Since this operation will be relatively small in relation to the existing bulk processing operation, not a significant amount of manpower will be needed, so they would only need to hire a small handful of workers.

Marketing Strategy The new marketing plan will consist of two target markets. The primary focus will still be on those clients who purchase large quantities of seed at negotiable prices, while the secondary focus will be launching a retail line of product. The primary market consists of businesses like food producers, golf courses, and others who wish for large areas to be planted with either specialty grasses or cover crops, such as wheat or oats (Riddell Farms, 2018a). The secondary market will consist of individuals who want the same high-quality products, but in lower quantities, and at a set, somewhat reasonable price.

Other than putting their name in agriculture publications to help attract new clients on the wholesale level, Riddell Farms will not do anything differently when it comes to branding their bulk services, as they provide very high-quality seed, and buyers tend to know that. Since the seed market is a "open market" there is normally a set standard price, and buyers call the different farms in the area(s) to see if the farms supply what the buyers are looking for, which is what makes it a niche market (N. Olson, personal communication, June 5, 2023). However, when it comes to branding themselves in the retail sector, that will take some effort. The first thing that they will do is update their packaging to have their logo, and wording describing the high-quality qualities of their product. The packaging will also have images of their grasses, vs other grasses, such as what

the ordinary person may have in their yard, showing the clear differences. It is during this time that they will also create and spread a sales pitch telling customers that their product is a “high quality, highly pure and germinated product, which is unlike what one will find in large-scale operations such as Scott’s Blend in Home Depot” (N. Olson, personal communication, June 5, 2023).

Riddell Farms’ primary target market is categorized as a business product, because other businesses are purchasing the seed in large quantities to be used in the production of their own products, either directly or passed further down the supply chain. The new product (same seed in lower quantities) would be considered both a consumer product and a product line extension. The seed is being sold to consumers on a smaller scale to individuals for personal use. This isn’t a whole new product line, but rather an extension to the existing product line, because they’re taking the same product and in a way just repurposing it. The smaller packaging will make the product targeted to individuals who may want to improve the look of their yard or other landscaping features, by planting specialty grasses. Although this extension will be a success, the farm will still see how it appeals to customers by launching it on a small scale before scaling it up to full production.

Given that the wholesale clients keep coming to Riddell Farms year after year, they will keep their wholesale prices and negotiation strategy the same. As mentioned before, to avoid competition, the exact prices are kept undisclosed. One way that the farm will save money when forming their retail line is by using available resources and just upscaling production volume, so as to keep their wholesale clients as well. Since the product is of higher quality than that of products found elsewhere, Riddell Farms will start by selling the consumer seed at standard price, to establish themselves, then increase the pricing to match the quality. This increase will lead them into competitive or prestige pricing.

For this plan, Riddell Farms won’t focus so much on changing the distribution strategy for their wholesale products, as they have an existing and strong clientele list, most of which are exported outside of the country. Since the consumer segment is their secondary market, Riddell Farms won’t necessarily distribute the product themselves, but rather have their subsidiary, Ash Creek Oregon, do the distribution. They are already the retail side of the prized hazelnuts, and also take part in weekend farmers’ markets where people like to buy high-end products (N. Olson, personal communication, June 5, 2023). And then if that becomes successful, they may expand into local landscaping supply stores. They will also add a store page to their website and sell them that way, potentially as a secondary method to start out with.

Brand and product promotion is one area where Riddell Farms is currently lacking. If they wish to acquire new wholesale clients and step into the retail market, they will need to up their promotional game, which will come in a variety of ways. To help acquire wholesale clients, one thing Riddell farms will do is put themselves into regional, national, and potentially international agriculture publications, aimed towards large scale operations, where and other resources where buyers visit when trying to find a suitable product for their needs. Ways of increasing their online presence were discussed in the previous section. As to how they will promote their retail line of products will take the most work. The first thing the farm will do is have their existing wholesale clients and the local community spread the word about their new product. They will also place ads in both local and regional newspapers, gardening shops online gardening forums, and at the local chamber of commerce. While this is occurring, the small scale distribution at farmers’ markets will take place to gain publicity and hopefully spur interest. Free to little cost samples will also be available at the gardening shops. A new page on the farm’s website will be added specifically for spreading awareness about the new service. After these efforts appear to be paying off, this is when Riddell Farms will work on upscaling their production and selling operations. .

Marketing Implementation: With the help of the skilled marketing manager which will be hired, Riddell Farms will implement this marketing program by utilizing the Implementation Through Change approach, which will allow for everyone to work together in changing the company’s operations in ways to ensure a successful operation. The main advantage of this approach include specifically focusing on the strategic implementation of the marketing strategy.

The leadership structure involved in making sure implementation is a success will consist of the Vice President/Farm Manager, Operations Manager, and the Field Labor Crew Chief, all overseen by an experienced marketing manager to keep them on track. Since not much will be changing in the ways of operation, there won't need to be trained in new processes, thus saving both time and resources. In addition to this, the only system that will be needing to change is perhaps the addition of a new, smaller packaging line to compensate for the smaller quantities of product. Resources as well won't need to change, with the exception of additional land being cleared and planted. Once enough seed has been produced, while Riddell Farms will do a small-scale launch, and keep growing as see fit.

Evaluation and Control: The first thing Riddell Farms will do after they've fully implemented their established marketing plan is create a periodic comprehensive goal schedule to make sure they're staying on track. This will include things to meet all of their goals, such as increasing wholesale client count, amount of social media activity/increasing reactions from the public, and most importantly, making a profit in the retail sector. There will also be routine marketing audits conducted by the marketing manager to make sure they're staying on track.

Outline

1. Executive Summary
 - a. Brief Company Background
 - i. Products offered
 - b. Overview of the presented marketing plan
2. Situation Analysis
 - a. Internal Environment
 - i. Organization Culture
 1. Personnel Roles
 2. Core Values
 3. H2A (Immigrant worker) program
 - b. Customer Environment
 - i. Who they are:
 1. Seed Brokers and other wholesalers on a negotiation basis (names kept undisclosed)
 2. Ash Creek Oregon
 - ii. What they do with the product
 1. Products sold in bulk quantities
 2. Customers then either plant the seed in their fields or further send it down the supply chain
 3. Sold both domestically and as exports
 - iii. When
 1. All products sold on contractual bases
 2. Ordered even before planted
 3. Hazelnuts-October, Everything else-June through August
 - c. External Environment
 - i. Hundreds of similar farms throughout the state
 1. However little competition as each is unique
 - ii. Innovation in sustainable farming practices
 - iii. Legal hurdles to overcome
 - iv. Sociocultural, & Political factors don't have significant impact
3. SWOT Analysis
 - a. Strengths
 - i. Comprised of hardworking, dedicated people
 - ii. Vertically Integrated
 - b. Weaknesses
 - i. Hard to find workers
 1. Offers benefits as an incentive
 - ii. Lacking social media presence and website updates
 - c. Opportunities
 - i. Optimal weather conditions
 - d. Threats
 - i. Price fluctuations

4. Marketing Goals and Objectives

- a. Goal #1: Maintain existing clientele and obtain new ones
 - i. Objective #1: Keep producing the highest quality seed
 - ii. Objective #2: Be included in more agriculture publications to get discovered
- b. Goal #2: Improve online presence
 - i. Objective #1: Update website at regular intervals
 - ii. Objective #2: Be more consistent with online presence
 - 1. Hire a marketing manager
 - 2. Try to post at least weekly or bi-monthly
 - a. Include things like farm updates or employee recognition, Especially for the WAFLA employees
 - 3. Update website regularly
- c. Goal 3: Produce some products on a retail sale
 - i. Objective #1: Acquire and plant more acreage
 - ii. Objective #2: Hire more personnel

5. Marketing Strategy

- a. Markets
 - i. Primary: Large farms and other landowners who require large quantities in bulk
 - ii. Secondary: Consumers wanting high quality seed but in smaller quantities and at a lower price
- b. Branding:
 - i. Stay the same: High quality grass seed
- c. Product
 - i. Current product
 - 1. Business Product
 - ii. Retail Sale
 - 1. Consumer Product; Product Line Extension
 - 2. Smaller packaging
 - 3. Tested on small scale before full launch
- d. Price
 - i. Current Product
 - 1. Keep pricing as is and negotiable
 - ii. Retail Sale
 - 1. Saves money and lowers price by using existing resources
 - 2. Price may be standards price or slightly higher, due to high quality product
 - a. Focus on start out low then increase to competitive or prestige pricing
- e. Place
 - i. Not of much concern for current bulk products as most are already exported
 - ii. Retail Sale
 - 1. Let Ash Creek do the distribution through their farmers' markets and other retail outlets
- f. Promotion
 - i. Gaining new clients
 - 1. Be put in agriculture publications and other online resources
 - ii. Improve online presence
 - iii. Retail Sale
 - 1. Post ads in newspapers, gardening magazines, and gardening shops
 - 2. Small scale selling at farmers' markets

3. Dedicated page on website

6. Marketing Implementation

a. Utilize Implementation Through Change Approach

i. Letting everyone work together

ii. Leadership roles

7. Evaluation and Control

a. Utilize a goal planner to make sure they're achieving what they hope to in a timely manner

b. Conduct occasional marketing audits to see how things are going over time.

References (in APA Format, one page limit)

- McClain, S. (2022, March 28). Demand for grass seed booms, but growers face mounting challenges. *Capital Press*. Retrieved June 5, 2023, from https://www.capitalpress.com/state/oregon/demand-for-grass-seed-booms-but-growers-face-mounting-challenges/article_a80a1824-aedd-11ec-b6ea-fb3baa771024.html
- Nay, C. (2022, October 21). *Oregon hazelnut growers are feeling the crunch - National Nut Grower*. National Nut Grower. Retrieved June 5, 2023, from <https://nationalnutgrower.com/news/oregon-hazelnut-growers-are-feeling-the-crunch/>
- Oregon Agriculture. (n.d.). *Oregon Hazelnut Industry*. Retrieved June 6, 2023, from <https://oregonfresh.net/education/oregon-agriculture-production/oregon-hazelnut-industry/>
- Oregon State University Forage Information System. (2019, August 9). Cover Crops. Oregon State University. Retrieved June 6, 2023, from <https://forages.oregonstate.edu/oregon/topics/cover-crops>
- Riddell Farms. (2018a). About Us. Retrieved June 8, 2023, from <https://www.riddellfarmsinc.com/about-us>
- Riddell Farms. (2018b). Crop Production. Retrieved June 7, 2023, from <https://www.riddellfarmsinc.com/crop-production>
- Riddell Farms. (2018c). Meet Our Team. Retrieved June 5, 2023, from <https://www.riddellfarmsinc.com/meet-our-team>
- Riddell Farms. (2018d). Mission Statement. Retrieved June 7, 2023, from <https://www.riddellfarmsinc.com/mission-statement>
- Willamette Valley Field Crops. (2018, October 25). Grass Seed. Oregon State University. Retrieved June 6, 2023, from <https://valleyfieldcrops.oregonstate.edu/grass-seed>