

Developing your Maple Marketing Plan for wholesale and bulk sales



Selling maple products wholesale in retail
containers

Selling maple products wholesale bulk

Stephen Childs, NYS Maple Specialist

NYS Farm Viability Institute, Cornell Maple program, Western
NY Maple Producers Association



A marketing plan is an important part of a comprehensive business plan. Some of the other aspects of a business plan are listed below. This article will only deal with developing the marketing plan aspect of the overall business plan. The development of a marketing plan allows the maple producer to evaluate options to determine the most livable and profitable marketing options for selling my maple products in the wholesale and bulk market. The finished plan then allows the producer to focus efforts on what has been decided are the most livable and profitable ways of marketing for the business. For many maple producers who are most in love with maple production the question seems to be “Now that I’ve made maple syrup what is the best way for me to sell it?” The approach used in developing the marketing plan here is that of asking and evaluating some basic marketing questions will lead to assembling a reasonable marketing plan.

Executive Summary	•Elevator Pitch or abstract that distills the idea down to a short paragraph.
Mission & Goals	•Mission Statement expresses the values of the operation in a few sentences. •Goals – short, intermediate and long term length SMART Goals
Background	•Description of the operation, location, history, how does it fit into today's market structure
Organization	•Is the company an LLC, Sole Proprietor or Corporation? Who are the key personnel involved, their background and responsibilities.
Operations Plan	•Provide a few details about how the product is made, quality upheld, show the process is sustainable.
Marketing Plan	•Description of exactly what product or service you are providing. •Detailed market research results, market strategy, marketing budget, SWOT
Financial Statements	•Income statement, balance sheet, cashflow projections •Five year projections showing growth

Breaking the Marketing Plan down into manageable questions or options

- What if I: Market directly to the consumer at the farm
- What if I: Market directly to the consumer away from the farm
- What if I: Market wholesale in retail packaging
- What if I: Market wholesale bulk

After a little brain storming about what major marketing opportunities should be evaluated, select one and run a fairly simple evaluation using the SWOT approach. Here you make a listing of how your current business measures up as far as it's strengths, opportunities, weakness and threats in regards to the marketing area in question. List all of your business areas of strength for entering the wholesale market, then list areas of weakness. Next list areas of opportunity should you enter this area of marketing that are not currently being utilized . Finally what are the threats to your business should you begin marketing in this new way. Below is an example SWOT analysis sheet where the question posed is "Should I wholesale maple syrup and value added products". The statements given in the example may or may not be relevant to your maple enterprise. Use a copy of the blank SWOT sheet available at the end of this article to do an evaluation of a new marketing area for your farm. On studying a completed SWOT analysis a decision needs to be made. It may simply become obvious that this new marketing area does not fit you or your business. If so move on to a different question. You may study the SWOT and decide that you really need more information before you can make the decision to move forward or not. That additional information usually comes in the form of [marketing research](#).

EXAMPLE SWOT Analysis Sheet

Question: Should I wholesale Maple syrup and value added products away from home?

- **STRENGTHS**

- There are several grocery and specialty stores within a reasonable distance
- A degree of sales knowledge in the family
- Basic equipment in-place for start-up
- Family members available for delivery
- Farm name is already known in the area
- **OPPORTUNITIES**
- Know some insiders in out of state chains
- Marketing experience from current family members.
- Demand for local products is increasing
- Better price than selling bulk
- Healthy relative to other treats
- No local product currently in area stores

- **WEAKNESSES**

- Limited labor supply for processing large orders
- Equipment for processing large orders is limited.
- Slotting charges are pretty high
- Customers may choose to buy our product where we only get wholesale value
- **THREATS**
- Other local producers already in these markets.
- Bar coding is required by stores
- Very nervous about selling to dept. managers
- We need more experience with making quality value added products

**Next, answer the question! or
determine the need for additional
market research**

Marketing Research—what is it, ???

Answers the

–Who

–What

–When

–Where

–Why

–How

of your operation, products or potential customers

Provides objective information for building your marketing plan

Marketing Research—where do I get it???

When seeking to enter wholesale markets you can conduct significant market research by yourself

Market research for selling wholesale involves finding the location and distance to area grocery stores, specialty stores, farm markets, gas stations? schools, nursing homes, caterers, brokers, maple producers and restaurants.

This research can utilize a variety of resources such as phone book, internet, location finders (Garmin), trade associations, local ad publications, regulators listings (ag and markets regulates grocery, dept. of health regulates restaurants)

Using a search engine on the net can answer many of these questions very efficiently. For example on the example below simply typing into a search engine “grocery stores in Ithaca I get an immediate listing of stores with map locations, phone numbers and addresses.

The screenshot shows a search engine results page for the query "grocery stores in ithaca ny". The search bar at the top contains the query and a "Search" button. Below the search bar, there are tabs for "WEB", "IMAGES", "VIDEO", "LOCAL", "SHOPPING", "BLOGS", and "MORE". The "LOCAL" tab is selected, showing a map of Ithaca, NY, with several grocery stores marked. The map includes labels for "Wegmans", "Greenstar Co-Op Market", and "Cartland Priscilla". To the left of the map, there is a list of grocery stores with their names, ratings, and addresses. To the right of the map, there are several advertisements for local grocery stores, including "Local Grocery Stores", "Walmart Steaks", "Ithaca NY Hotel Deals", and "Ithaca NY at Amazon".

grocery stores in ithaca ny

Search

Options

462,000,000 results

WEB IMAGES VIDEO LOCAL SHOPPING BLOGS MORE

Ad related to grocery stores in ithaca ny

Local Grocery Stores
Find local grocery store listings Fresh Produce, Meats, Discount.
[yellowpages.com](#)

Grocery Stores near ithaca ny

Neighborhood
All (28) Collegietown (4) Fall Creek (2) Titus Flats (9)
Central Bus... (6) Northside T... (6) Lower North... (1)

1 **Wegmans** ★★★★★ (1) - [Info](#)
[wegmans.com](#)
(607) 277-5800 - 500 S Meadow St, Ithaca, NY

2 **Greenstar Co-Op Market** ★★★★★ (1) - [Info](#)
[greenstarcoop.com](#)
(607) 273-8392 - 701 W Buffalo St, Ithaca, NY

3 **Cartland Priscilla** - [Info](#)
[oasisgrocery.com](#)
(607) 273-8213 - 215 N Cayuga St, #80, Ithaca, NY

4 **Wegmans - Ithaca** - [Info](#)
[wegmans.com](#)
(607) 277-5800 - 500 S Meadow St, Ithaca, NY

5 **Pete's Grocery** - [Info](#)
[citgo.com](#)
(607) 273-7470 - 805 W Buffalo St, Ithaca, NY

[790 More Local Results...](#)

Grocery Stores in Ithaca, NY on Yahoo! Local
Grocery Stores in Ithaca, NY on Yahoo! Local Get Ratings & Reviews on Grocery Stores with Photos, Maps, Driving Directions and more.
[local.yahoo.com/NY/Ithaca/Food+Dining/Grocery+Stores](#) - [Cached](#)
[More results from local.yahoo.com »](#)

Ithaca Grocery stores | Grocery stores in Ithaca, NY - YP.com
29 listings of Grocery Stores in Ithaca on YP.com. Find reviews, directions & phone numbers for the best grocery stores in Ithaca, NY.

Ads

Grocery stores
Find Grocery Stores in Ithaca, NY.
Phone Numbers, Addresses & Maps.
[ithacany.localguides.com](#)

Local Grocery Stores
Find Grocery Stores Near You. See Actual Customer Reviews!
[Local.com](#)

Walmart® Steaks
Buy USDA Approved Choice Steaks at Your Local Walmart Today!
[walmart.com/steaks](#)

Ithaca NY Hotel Deals
Book Bargain Rates at Top Hotels in Ithaca, New York. Save Money!
[www.NexTravel.com/Ithaca](#)

Ithaca Ny at Amazon
Low Prices on Ithaca Ny. Free 2-Day Shipping w/ Amazon Prime.
[www.Amazon.com/Ithaca Ny](#)

Ithaca NY Hotels
Get more ways to save on hotels in Ithaca, NY at Priceline.com
[www.priceline.com](#)

Online Grocery Guide
Find groceries that offer online ordering for home delivery.
[online-grocery-shopping.net](#)

Using the net search engine can also locate restaurants along with other important contact information.

Search

Options ▾

6,310,000 results

WEB

IMAGES

VIDEO

LOCAL

SHOPPING

BLOGS

MORE ▾

Ad related to restaurants in ithaca ny

[Restaurant.com® \\$10 Deals](#)
Official Site. 24/7 Dining Deals. \$25 Gift Certificates for only \$10.
[www.Restaurant.com](#)
More Sponsors: [restaurants in ithaca ny](#), [restaurants](#), [ithaca ny hotels](#)

[Restaurants near Ithaca NY](#)

Nearby City

All (545)

[Cortland](#) (109)

[Dryden](#) (19)

[Candor](#) (10)

[Ithaca](#) (308)

[Trumansburg](#) (32)

[Groton](#) (13)

[Newfield](#) (9)

1

[Carriage House Cafe](#) ★★★★★(7) - [Menu](#) | [Info](#)
[carriagehousecafe.com](#)
(607) 645-0152 - 305 Stewart Ave, Ithaca, NY ▾

2

[Taste of Thai](#) ★★★★★(6) - [Menu](#) | [Info](#)
[tasteofthaiithaca.com](#)
(607) 256-5487 - 216 E State St, Ithaca, NY ▾

3

[Boat Yard Grill](#) ★★★★★★(11) - [Menu](#) | [Info](#)
[boatyardgrill.com](#)
(607) 256-2628 - 525 Taughannock Blvd, Ithaca, NY ▾

4

[Pudgie's Famous Chicken](#) ★★★★★(2) - [Menu](#) | [Info](#)
[pudgiespizza.org](#)
(607) 272-7600 - 215 Elmira Rd, Ithaca, NY ▾

5

[Asia Cuisine](#) ★★★★★(7) - [Menu](#) | [Info](#)
[local.yahoo.com](#)
(607) 256-8818 - 126 N Aurora St, Ithaca, NY ▾

[4171 More Local Results...](#)

[Ithaca Restaurant Review, a Dining Guide to Ithaca ...](#)
The Definitive Guide to **Restaurants in Ithaca, NY**, 14850. Includes reviews and photos of meals served.
[ithacarestaurantreview.com](#) - [Cached](#)

[Ithaca Menus: Restaurant Menus for Ithaca Restaurants in ...](#)
Online Guide to **Restaurant Menus for Ithaca, NY**. Links to **Restaurant** menus in the

Ads

[Local Restaurants](#)
Find Listings for Top Restaurants & Dining Options in Your Area
[yellowpages.com](#)

[Syracuse restaurants](#)
Find Syracuse **Restaurants** Phone Numbers, Addresses & Maps.
[www.LocalGuides.com](#)

[Ithaca NY Hotel Deals](#)
Book Bargain Rates at Top Hotels in **Ithaca**, New York. Save Money!
[www.NexTravel.com/Ithaca](#)

[Ithaca NY Hotel Deals](#)
Book Bargain Rates at Top Hotels in **Ithaca, NY** Hotels. Save Some Cash!
[Travel.NexTag.com/Ithaca-NY-Hotels](#)

[Ithaca Ny at Amazon](#)
Low Prices on **Ithaca Ny**. Free 2-Day Shipping w/ Amazon Prime.
[www.Amazon.com/Ithaca Ny](#)

[La Tourelle Hotel](#)
La Tourelle Hotel Deals. Up To 60% Off **Ithaca** Hotels.
[OneTime.com/La_Tourelle_Hotel](#)

More Sponsors:
[restaurants in ithaca ny](#)
[restaurants](#)
[ithaca ny hotels](#)

Using the search engine can give easy access to grocery and restaurant organizations and associations which will have their own listings of members and associated information. Many of these organizations have meetings and trade shows where suppliers can display and make contacts with potential buyers. Other possibilities that a maple business looking to get into the wholesale trade might want to check out is chef associations and food brokers. There are a number of farm cooperatives that provide marketing services to farmers for selling wholesale.

Marketing Research through site visits.

- Who's products are on the shelf there now and what are the current prices.
- Visit potential locations and take notes
- Find others how will do this research for you
- Are current suppliers local, in state, in US or out of the US.
- What kinds of containers are used?
- Can you compete with those prices?

Marketing Research through company direct inquiries.

- Find the market conditions and requirements for markets that look the most promising.
 - Do suppliers have to be company certified or inspected, provide proof of certification or licenses.
 - Can you deliver direct or does everything go through the central warehouse?
 - Are there bar code requirements, volume requirements, tracking code requirements, use by dates required, boxing requirements, pallet requirements

Marketing Research for your supply side.

- What will specified containers cost me?
- How many units can I process, fill, box, load and deliver in a given time?
- Is there machinery that can make me more efficient and profitable?
- What are my delivery options? Own truck, common carrier, food-link, cooperative agreement.
- Any volume of movement estimates on the part of potential supplier?

Marketing Research Data

- Can better help you determine weaknesses and strengths, opportunities and threats
- Some level of research is needed to answer most any question or option we consider

Many maple producers start out retailing their products or selling a combination of retail and selling bulk in the barrel. When making the switch to selling wholesale in retail containers there is usually a change in what is most important in the focus of the business in order to be successful. Below is a listing of just how different the list of priorities may be when wholesale sales is the focus vs. when retail sales is the focus.

Wholesale vs. Retail Focus

Wholesale

1. Efficiency and cost control
2. Meeting purchaser and legal requirements
3. Communication with the purchaser
4. Timeliness of orders
5. Delivery efficiency
6. Product and label attractiveness

Retail

1. Connecting with the retail consumer
2. Variety and display attractiveness
3. Friendly welcoming presentation
4. Setting price
5. Meeting quality expectations
6. Meeting legal requirements

Becoming the wholesale supplier of choice.

What does it take for me to become the supplier of choice or preferred supplier in the eyes of the wholesale purchaser?

- Consistent secure supply and quality
- Deliveries arrive on time in excellent condition
- Cost competitive
- Effective communication
- Fast effective resolution of adjustments and complaints
- Farm identification and look of success – packaging, delivery vehicle, delivery person
- Attractive, legal labeling
- Everything delivered in line with company standards

Wholesale Marketing Crimes

- **Dirty clothing or hat**
- **Dirty, ugly delivery vehicle**
- **Ignore calls or poor communication**
- **Don't show up when expected**
- **Billing and delivery don't match**
- **Un-professional billing**
- **Improper or illegal labels**
- **Saying no when they have a supply need**

When Marketing Research has provided information needed for reasonable decision making, return to the SWOT analysis sheet and the primary question that needs to be answered: "Should I wholesale Maple syrup and value added products". With the information available at this point does it appear that wholesale marketing will be livable for you, your family and your staff. Does it look like there may be the potential for being profitable? This may be a good time to make a clear decision that this is not the direction for the business to go and say "no". It is important to note that at this point no in-depth financial feasibility has been conducted. That is accomplished in several small steps has the plan development proceeds and saying no may come following more complete analysis. On the other hand if the evaluation to this point looks livable and offers a profit potential then say yes and move to the next level of plan development.

The next step in developing the Maple Marketing Plan

Brain storming the wholesale marketing options may have been accomplished as part of marketing research but that list needs to be primary next. List all of the ways wholesale marketing could be approached by the maple business. List both the obvious and ideas that may at first seem extreme. Next put the list in order of priority, listing first the ideas that without much further analysis seem like they could work for the business. An example of such a list is next:

Brainstorm listing of wholesale marketing opportunities.

- 1.Small grocery and specialty stores
- 2.Brokers
- 3.Restaurants
- 4.Farm Stands
- 5.Large grocery and specialty stores and chains
- 6.Other maple producers
- 7.Schools, nursing homes, caterers

How the list is ordered will depend on many aspects of your business. Such as business size, location, equipment, delivery options and so on.

SWOT or Marketing Action Options

Now you can go back to the SWOT analysis sheet for a second round only with new more detailed questions. If you have those basic questions answered sufficiently without going back to SWOT move to the Marketing Action Options Sheet. This sheet assists in organizing your thoughts on just what you would be willing to do and what you may be unwilling to do to begin implementation of the top priority on your Brainstorm list. Why list what you think you are unwilling to do? Evaluation and analysis often moves items from one side to the other as some of the hard realities become more obvious.

Example: The Marketing Action Options

Question: If I sell Maple syrup and value added products at small grocery stores?

I will (begin or continue):

- I will sell at the small grocery in our village
- Install a filter press
- Buy a new clean hat
- Obtain billing software
- Detail the delivery vehicle

I will not:

- Get set up for using bar codes
- Deliver more than 30 miles away
- Purchase more advanced bottling equipment

Next pick what you think is your best “I will action option or options” and assemble a simple financial feasibility.

The choice listed on the Marketing Action Options Sheet as the first priority is the sell maple syrup to the small local village grocery store. In the example below on the costs side the cost of production per quart has been determined to be \$8. That kind of information only comes with good expense and production records for the business. The store is 20 miles from the farm, mileage is charged at 55 cents per mile. Delivery time is one hour per month and canning labor one half hour at \$15 per hour. Container and associated costs are estimated at \$1.50 per quart. The store pays the farm \$12 per month and charges customers \$18 for a total of 200 quarts of syrup sold per year. Net return for the year is a loss of \$34 per year. Below is an example of such a feasibility using the Maple Marketing Action Financial Feasibility Sheet. A blank Maple Marketing Action Financial Feasibility Sheet is available at the end of this article.

Maple Marketing Action Financial Feasibility

Action: Selling the small village grocery

Costs:

Product **\$1600** (cost of production \$8 per quart)

Delivery - **\$ 264** every month (\$.55 per mile 20 miles each way 12 times a year, takes one hour

Labor for delivery (\$15 per hr. **\$180**

Canning labor **\$90** (½ hour per month \$15 per hr.)

Containers, heat, filters \$1.50 per container **\$300**

Total costs: **\$2434**

Returns:

Annual sales at the market **\$2400**

Quarts only, at \$12 each, they sell at the store for \$18 **200** quarts per year

Total return: **\$2400**

Total **-\$34.00**

If the same store was able to sell 800 quarts per year the net income would increase to \$1186.

Maple Marketing Action Financial Feasibility

Action: Selling at a small local grocery

Costs:

Product **\$6400** (cost of production \$8 per quart)

Delivery - **\$ 264** every month (\$.55 per mile 20 miles each way 12 times a year, takes one hour

Labor for delivery (\$15 per hr. **\$180**

Canning labor **\$360** (2 hour per month \$15 per hr.)

Containers, heat, filters \$1.50 per container **\$1200**

Total costs: **\$8404**

Returns:

Annual sales at the market **\$9600**

Quarts only, at \$12 each, they sell at the store for \$18 **800** quarts per year

Total return: **\$9600**

Total **+\$1196**

On the list of options I seem willing to do. One of the more important items may be to get a better filtering system so that quality standard can be better met and to avoid potential complaints. It would seem this is a investment necessary for entering this new kind of marketing for the business. And the investment would need to be paid for simply through having the access to the new market. To get a good look at if the new sales have the potential to pay for the filter press a financial feasibility must be calculated. In this case the feasibility analysis is calculated as a break even analysis. It shows that 976 quarts of syrup would need to be sold just to cover the purchase of the filter press. Based on this analysis this one market would not likely encourage a purchase of the filter. However, having the filter would likely increase the possibility of expanding into new wholesale markets.

Maple Marketing Action Financial Feasibility - Break even analysis

Action: Selling at a small local grocery with new filter press

Costs:

Product **\$1600** (cost of production
\$8 per quart)

Delivery - **\$ 264** every month(\$.55
per mile 20 miles each way 12
times a year, takes one hour

Labor for delivery (\$15 per hr. **\$180**

Fixed costs of \$444/year / \$12 = 37

Canning labor **\$90** (½ hour per
month \$15per hr.)= \$.45 per quart

Containers, heat, filters \$1.50 per
container **\$300**

Total **\$9.95** Per Quart

How many quarts do I need to sell to
break even on a new \$2000 filter
press?

Returns:

Annual sales at the market

Quarts only, at \$12 each, they sell at
the store for \$18 200 quarts per
year

**\$12 per quart – cost of \$9.95 per
quart = \$2.05 per quart**

\$2000/\$2.05 = 976 quarts

**+37 quarts delivery cost = 1013
quarts sold to just break even or
about 6 years of current sales**

It is always a good idea with financial feasibility evaluations to follow up with the “what happens if my projections are off” by 10% and by 20%.

Plans and goals are then best set based on the most favorable financial feasibility evaluations as long as it is also determined to provide a livable situation. Livable means you can live with the schedule and it fits the personalities of the people involved.

Selling wholesale in retail containers requires excellent records keeping!

- Can be one of the most difficult ways to make money in maple production. Bulk price ranges between \$25 and \$40 per gallon of table grade syrup. Expenses for containers, processing, handling, and delivery can easily run into significant costs.

- It is most important to record these cost as much as possible and estimate those that are less direct. Wholesale purchasers are good at seeking your lowest price.

- Close financial planning and management are essential

Connecting with the wholesale market.

- A personal visit with sample product
- Many sites would want this done by appointment
- Phone calls
- Trade show
- Letter and brochure
- Invitation to your production site
- A common association – local chamber of commerce, local action group
- E-mail

Assembling the Marketing Plan.

- As you work through evaluating the options/ answering the questions you continually update the I will and I will not lists on your Marketing Actions Options Sheet listing the I will list in order of priority.
- Now start with #1, on a new sheet write Priority #1 and state that priority and write a few lines describing how that priority will be carried out and present the financial evaluation that you conducted.
- If that priority has subcategories list and present the actions that will be taken to make them happen along with the financial evaluations and goals for the enterprise. Assign responsibilities.

Example Marketing Plan

- Priority #1, Mighty Tree Maple will market maple products at **** grocery store starting in May. Canning and delivery will be accomplished by George using the farm pickup truck. The current filtering and canning system will be used to service this market. This market expects delivery on the first Monday of each month and billing at the time of delivery. Payment will be made by the end of the month.

Marketing Plan Props

- Idea, brainstorm, questions or options list
- SWOT Analysis Sheet
- Marketing Actions Options
- Financial Feasibility
- Written Marketing Plan

Developing a Maple Marketing Plan for Bulk Sales

All of the information provided previously for developing a marketing plan for wholesale sales in retail containers also applies to this section. Only the questions posed changes. Now the evaluation is how bulk sales fits into the maple business. The question posed here is “should I wholesale bulk maple syrup or value added products. See the SWOT example below:

EXAMPLE SWOT Analysis Sheet

Question: Should I wholesale bulk Maple syrup or value added products? ____

- **STRENGTHS**

- Several maple producers near me have developed great markets for maple
- I don't have time for retail sales
- Basic equipment in-place for start-up
- Family members available for delivery
- I don't have the personality for retail

- **OPPORTUNITIES**

- A number of potential buyers of bulk syrup
- Bulk prices are ok
- Several potential food processors in the area
- I can concentrate on production efficiency

- **WEAKNESSES**

- Price may not be high enough
- Distance to purchaser
- Not a very efficient production system

- **THREATS**

- Other local producers already in these markets.
- Poor production years possible
- Very nervous about selling to big buyers
- Cost and retrieve ability of stainless barrels

As the strengths, weaknesses, opportunities and threats are evaluated, answer the question! or determine the need for additional market research.

Marketing Research—what is it, ???

Answers the

–Who

–What

–When

–Where

–Why

–How

of your operation, products or potential customers

Provides objective information for building your marketing plan

Marketing Research—where do I get it???

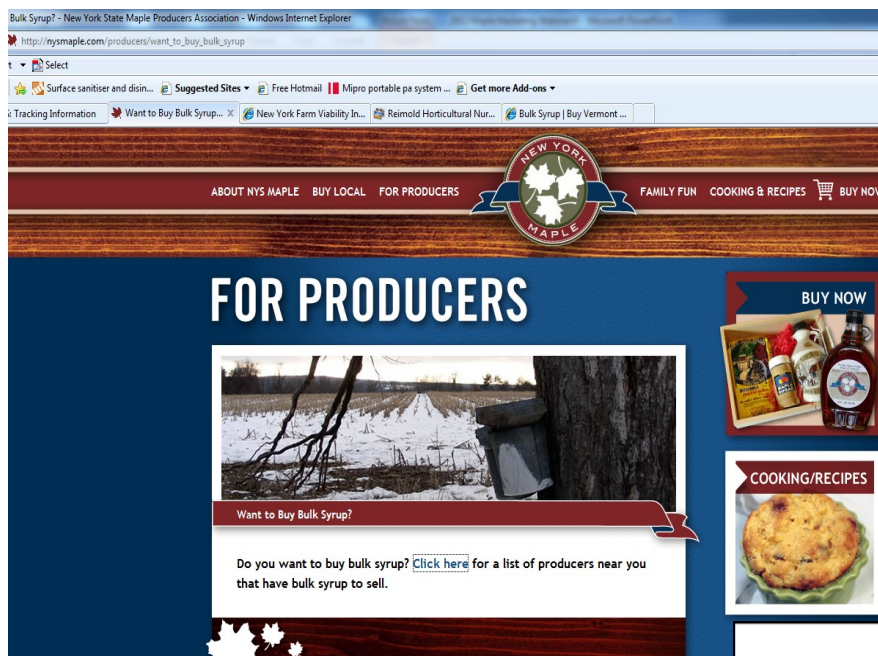
When seeking to enter wholesale bulk markets you can conduct significant market research by yourself

–Location and distance to packers, food processors, maple producers, restaurants, schools, nursing homes, caterers, brokers can be obtained from a variety of sources.

- Maple associations meetings and trade shows, phone book, internet, trade associations, trade publications, regulators listings (ag and markets regulates grocery, dept. of health

Regulates restaurants)

For example several of the state maple associations maintain listings of producers who have bulk syrup available or who are looking to purchase bulk syrup. The New York State Maple Producers Association does so through the nysmaple.com webpage as seen below:



Other states have similar systems

The search for restaurants, trade associations, chefs, brokers and so on can be accomplished for bulk sales as described earlier in this publication using web search engines

Folks with Bulk Syrup to Sell as of October 5, 2012

Chuck Arnold

Arnold's Maple Products
Member

(607) 437-8473 Mobile
(607) 965-8485 Home
chuckarnold55@gmail.com
1076 County Highway 19
Burlington Flats, NY 13315-3602

Dwayne Hill

Shaver-Hill Maple Farm
Member

(607) 437-6942 Mobile
(607) 652-6792 Home
dwayneandmarylee@yahoo.com
310 Shaver Road
Harpersfield, NY 13786-8365

Marketing Research Questions:

- What are the current prices.
- Who are the buyers
- Where are the buyers
- Who may be potential buyers
- What kinds of containers are used?
- What are pick up and delivery options?
- Find the market conditions and requirements for markets that look the most promising.
- Do suppliers have to be company certified or inspected, provide proof of certification or licenses.
- Can you deliver direct or does everything go through the central warehouse?
- Are there volume requirements, tracking code requirements, boxing requirements, pallet requirements, barrel requirement.

Marketing Research on MY Supply Side

- What will specified containers or barrels cost me?
- Can I sell at that price and make a profit?
- Is there equipment that can make me more efficient and profitable?
- How does selling bulk compare labor and cost wise with selling retail or wholesale in retail containers?

What can you buy and sell bulk now?

- Sap
- Syrup
- Granulated maple sugar
- Maple cotton mix
- Molded maple sugar candy
- Maple suckers and hard candy

Having proper supplier orientation

Maple producer who want to be successful in the bulk markets need to develop proper supplier orientation. The items that become the focus of a supplier oriented maple producer is as follows:

- Consistent secure supply and quality
- Deliveries arrive on time in excellent condition
- Cost competitive
- Effective communication
- Trace ability – source and date id.
- Fast effective resolution of adjustments and complaints
- Right container
- Right classification (light, med, dark)
- Right density, size or weight
- Right identification
- Right billing

Bulk buyers don't like!

- Price shoppers
 - Selling a different place each year
- Hold outs
 - Selling at different time each year
- Quality careless
 - Syrup that loses quality due to producer carelessness

Bulk selling crimes

- In appropriate container
- Off quality – density, classification, flavor
- Ignore calls or poor communication
- Don't show up when expected
- Billing and delivery don't match

- Un-professional billing
- Improper identification
- Saying no when they have a supply need

The next step in developing the Maple Marketing Plan

Brain storming the bulk marketing options may have been accomplished as part of marketing research but that list needs to be primary next. List all of the ways bulk marketing could be approached by the maple business. List both the obvious and ideas that may at first seem extreme. Next put the list in order of priority, listing first the ideas that without much further analysis seem like they could work for the business. An example of such a list is next:

- 1.Local maple producer
- 2.Distant maple producer
- 3.Out of state packer
- 4.Food processor
- 5.Restaurants
- 6.Broker
- 7.Schools, nursing homes, caterers
- 8.Value added products

SWOT or Marketing Action Options

Now go can go back to the SWOT analysis sheet for a second round only with new more detailed questions. If you have those basic questions answered sufficiently without going back to SWOT move to the Marketing Action Options Sheet. This sheet assists in organizing you thoughts on just what you would be will to do and what you may be unwilling to do to begin implementation of the top priority on your Brainstorm list. Why list what you think you are unwilling to do? Evaluation and analysis often moves items from one side to the other as some of the hard realities become more obvious. In this next example the SWOT will be used again then proceed to the Marketing Action Options List to continue developing the marketing plan. In this SWOT the option of selling to another local producer will be considered.

EXAMPLE SWOT Analysis Sheet

Question: Should I wholesale bulk maple syrup to a neighbor producer? _____

- **STRENGTHS**

- Several maple producers near me have developed great markets for maple and are looking for bulk syrup
- I don't have time for retail sales
- Family members available for delivery
- I don't have the personality for retail
- **OPPORTUNITIES**
- A number of potential buyers of bulk syrup
- Bulk prices are ok
- I can concentrate on production efficiency
- Delivery costs are very minimal

- **WEAKNESSES**

- Price may not be high enough
- Need to purchase stainless barrels
- Not a very efficient production system in place
- Need equipment to handle bigger barrels

- **THREATS**

- Other local producers already in these markets with more history.
- Poor production years possible
- Very nervous about selling too close to home
- Cost and retrieve ability of stainless barrels
- Personal trust in some of the potential buyers
- Selling wholesale into our own retail area

• Then we move on in the planning to the action plan – what seems reasonable and what seems unreasonable to do to make it work

• If you answer No then you go back to the next marketing option and SWOT it.

Example: The Marketing Action Options

Question: If I sell Maple syrup in the barrel to a neighbor maple producer.

I will (begin or continue):

- Continue to make syrup with the equipment I have

I will not:

- Buy new stainless steel barrels
- Deliver
- Upgrade to a filter press

•Next pick what you think is your best “I will action option or options” and assemble a simple financial feasibility. In this example the advantage is based on the chance to use old barrels rather than purchase new stainless barrels to make this bulk sale to a neighbor maple producer.

Maple Marketing Action Financial Feasibility

Action: Selling bulk syrup to a neighbor

Costs:

Product 10 40 gallon barrels with production cost of \$2.00 per pound and syrup at 11.2 # per gallon = **\$8960**

Cost of using current old barrels ~\$4 each = **\$40**

Total costs: **\$9000**

Returns:

Because the syrup is in old barrels it loses a grade or two and because the buyer must pick it up the purchase price is \$2.40 per pound = **\$10,752**

Total return: **\$10,752**

Total income **\$1752**

This example adds the option of purchasing new stainless barrels to see if this is a positive change.

Example: The Marketing Action Options

Question: If I sell Maple syrup in the barrel to a neighbor maple producer.

I will (begin or continue):

- Continue to make syrup with the filtering equipment I have
- Buy new stainless steel barrels

I will not:

- Deliver
- Upgrade to a filter press

Maple Marketing Action Financial Feasibility

Action: Selling bulk syrup to a neighbor

Costs:

Product 10 40 gallon barrels with production cost of \$2.00 per pound and syrup at 11.2 # per gallon = **\$8960**

Cost of using new stainless steel barrels with average life of 15 years purchase at \$235 each = $235 \times 10 / 15 =$ **\$157**

Total costs: **\$9117**

Returns:

Because the syrup is in new barrels it maintains grade and because the buyer must pick it up the purchase price is \$2.80 per pound = **\$12,544**

Total return: **\$12,544**

Total income **\$3427 (+1675)**

Finance charge \$59 per year at 5%

Selling Syrup in Barrels important points.

- Can be a difficult way to make money in maple production if your production and handling system are not efficient. Bulk price ranges between \$1.50 and \$3.00+ per pound depending on grade, classification and location. Expenses for production and delivery can easily run into significant costs.
- It is most important to record production and delivery costs as much as possible and estimate those that are less direct like labor and machinery costs. Bulk purchasers are good at seeking your lowest price.
- Close financial planning and management are essential.
- This can be one of the easiest markets to locate and sell into. Unless you do something completely inappropriate bulk syrup can be sold right now.

Making the connection for a higher priced bulk sale

- A personal visit with sample product
 - Many sites would want this done by appointment
- Website listings
- Phone calls
- Trade show
- Letter and brochure
- Invitation to your production site
- A common association – local chamber of commerce, local action group
- E-mail
- Word of mouth, particularly at maple meetings or other business gatherings
- Ads in local or maple related publications

Assembling the Marketing Plan

- As you work through evaluating the options/ answering the questions you continually update the I will and I will not lists on your Marketing Actions Options Sheet listing the “I will” list in order of priority
- Then start with #1, on a new sheet write Priority #1 and state that priority and write a few lines describing how that priority will be carried out and present the financial evaluation that you conducted.
- If that priority has subcategories list and present the actions that will be taken to make them happen along with the financial evaluations and goals for the enterprise. Assign responsibilities.

Example Marketing Plan

- Priority #1, Mighty Tree Maple will sell bulk maple syrup in May to a major packer. Delivery will be accomplished by George using the farm pickup truck during the Vermont open house. New stainless steel barrels will be purchase for the 2013 season. George will take the whole crop on this trip and come back with full payment.

Marketing Plan Props

- Idea, brainstorm, questions or options list
- SWOT Analysis Sheet
- Marketing Actions Options
- Financial Feasibility

SWOT Analysis Sheet

Question: _____

STRENGTHS

1.

2.

3.

4.

OPPORTUNITIES

1.

2.

3.

4.

5.

WEAKNESSES

1.

2.

3.

4.

THREATS

1.

2.

3.

4.

5.

The Marketing Action Plan

Question: _____

I will (begin or continue):

1.

2.

3.

4.

5.

I will not:

1.

2.

3.

4.

5.

Maple Marketing Action Financial Feasibility

Action: _____

Costs:

Returns:

Total costs:

Total return:

Total

