

INTRODUCTION

- **Trainees introduce themselves and their products;**
- **Seat arrangement and group division**

- **Introduction to training purposes and contents;** [PURPOSE, CONTENT.doc](#)
- **Introduction of trainees and trainer**

DEFINITION, NECESSITY OF AGRICULTURAL PRODUCTS MARKETING

- **Definition, content and forms of agricultural product marketing;** [*KHÁI NIỆM MARKETING.doc*](#)
- **Position of marketing in household's activities** [*VI TRÍ MARKETING.doc*](#)
- **Why is marketing needed?.** [*NỘI DUNG HOẠT ĐỘNG MARKETING.doc*](#)

EFFECTS OF MARKETING

- **Increase income as more products are sold at higher price**
- **Decrease transaction costs**
- **Make use of advantages in terms of scale**
- **Increase negotiation strength with traders**

EFFECTS OF MARKETING

- **Strengthen quality control**
- **Create motivation for production extension**
- **Increase opportunity of getting credit loan**
- **Use services and materials**
- **Have social benefits**

CONTENTS OF PRODUCT MARKETING

- **MARKETING IN PRODUCTION STAGE**
- **MARKETING IN PRE-SALE STAGE**
- **MARKETING IN SALE STAGE**
- **MARKETING IN AFTER-SALE STAGE**

MARKETING IN PRODUCTION STAGE

- **Produce products sold widely at low price**
- **Produce products with good quality and new uses.**

MARKETING IN PRE-SALE STAGE

- **Pre-processing, packing and quality improvement**
- **Consumption network organization**
- **Product delivery to customer's door**

MARKETING IN SALE STAGE

- **Sale management method**
- **Business administration skills: assessing method, negotiation and bargain skills;**
- **Communication and customer help-desk skills**

MARKETING IN SALE STAGE

- Recognize customer's behavior
- Visit intermediary markets and supermarkets to study collecting process of agricultural products and food safety standards;
- Form brand name of products
- Develop marketing plans.

MARKETING IN AFTER-SALE STAGE

- **Collect information on products and customers**
- **Apply promotion programs, payment modes and product warranty**

DIFFICULTIES IN MARKETING

- **Lack of market information**
 - *Products are not suitable with customer's demand*
 - *Weak advantage in market joining*
 - *Be taken advantages due to unconscientiously intermediary traders*
- **Lack of capacity to build shops, quality preservation storehouses; damaged-easily products;**

DIFFICULTIES IN MARKETING

- **Agricultural activities are seasonal**
- **Lack of capital in cash**
- **Traffic roads to local market**

MARKET FINDING

- **Why is market finding needed?**

- *For what do we identify production purposes?*

- *Study consumption demand of products planned to be produced*

- **What does market finding mean?**

- *Quantity and types of products available in the market*

- *Product demand of each region, each consumer and exporter*

MARKET CHANNELS

- **Directly sell for consumer**
- **Increase product value by pre-processing**
- **Sell non-preprocessed products at lower price but suitable with big production scale**

MARKET CHANNELS

- **Branch market**
- **Organic product market**
- **Export market**
- **Domestic and local market**

MARKET CHANNELS

- **Labeled products**
- **Non-preprocessed products**

SAMPLE IDENTIFICATION OF HOUSEHOLD MARKETING STRATEGY

- **In terms of individual and household**
 - *Objective, capacity and necessary condition,*
 - *Long-term plan....*
- **Feasibility of farm:**
 - *Geographic and land conditions,*
 - *Production custom and tradition*
- **Market factors:**
 - *Local market*
 - *Domestic and export market*

IN TERMS OF INDIVIDUAL AND HOUSEHOLD

- Household's objectives in production development (*farm type, small production...*)**
- Does household have enough resources to implement designed objectives?**
- Does household have more annual short-term and 5-year long-term plan?**

FEASIBILITY OF FARM

- Possibility in terms of techniques, geographic condition, weather, custom and tradition...
- **MARKET FACTORS**
 - Have you understood characteristics of your product? (in terms of product size, quality, type, etc as well as benefits for customers)?
 - Does market have demand on your product? If yes, who are your target customers and market ?

MARKET FACTORS

- **How much does the current market demand?**
 - Number of potential customers
 - Annual consumption per capita
 - Average purchasing number by each customer
 - Correlation between market demand and product supply
- **Product price accepted in the market**

MARKET FACTORS

- **Market and customer**
 - Where do your target customers live?
 - What are your target customers' social characteristics?
 - What are your target customers' behavior characteristics
- **Product supply quantity in other regions**

PRODUCT PRICE

- **Product price accepted in the market**
- **Price change following season crop cycle**
- **Price change identification in many years**
- **Price prediction in the future**
- **Price comparison among different regions**

OTHER FACTORS

- Does market have demand on a specific product type or quality standard? Is the product standard and origin needed to be certificated In the long term?
- Cost for transporting products to selling locations
- Customer's requirements on services provided by intermediary person, trader and supplier

OTHER FACTORS

- How many competitors are in your region? What can you supply better product than others?
- How many products do you predict to sell in a year?
- Learn about price of transport means to calculate costs and transport products to other location for selling if the price and income generation there is higher and higher than in the local market.

Marketing plan

is to work out expected activities of mixed marketing (including product, packing, labeling, advertisement, distribution, assessing) based on farm owner's understanding of sector and general economic situation, current competitiveness and target market.

Advertisement forms

- Oral advertisement
- Hoardings
- User's guide
- Information page
- Broadcasting
- Television
- Advertisement card and leaflet
- Festivals and fairs
- Product labels
- Internet advertisement
- Other forms like using samples
- Or decoration of product selling store...

Group work organization and planning

- The best strategy for farmer-farmer cooperation is that farmers sell their product together and reach high agreement in production activities such as breeding selection, production time and organization form.
- Product marketing in farmer groups/ teams is that farmers collect products produced by individuals together and carry out classification, packing, labeling output market output market seeking, transporting to selling location and selling their products.

To be effective in product selling and marketing

- **Overcome reluctance of team working**
- **Groups which are experienced in team working will be easily successful**
- **Economic benefits should be clear. Profits should be gradually generated from doing business and marketing by the group.**
- **Group consolidation, development of technical support, production and marketing for members should be carried out at the same time.**
- **Group prestige is the most important: ensuring product with good-quality as committed, reasonable price and reliable service.**

Negotiation and contract signing with trader

- The business contract can be in oral or written form
- Contract on product selling is to bind economic responsibility between the buyer and the seller.
- Evaluate the contracted partner in terms of prestige, financial capacity, legal personality; find out the partner's residence address and relationships

Negotiation and contract signing with trader

- To have a successful negotiation on the business contract, farmer representative should know well about production cost and price of their product, the current price of the product in the market, then to estimate selling price for traders in their locality
- Farmers should do business with more than 2 traders to avoid disadvantageous position in a negotiation; strongly refuse in case the price suggested by traders is lower as you expect. Especially, do not let traders know that you are in need of money and need to sell your product immediately.
- Do not offer so high price as traders will not bargain and return again.
- Negotiate to have open provisions in the trading contract: “In case of force majeure risks, the two sides can negotiate again”

Clear contractual provisions; farmers should understand and discuss with the buyer during the contract making

- Specify delivery date**
- Specify product quantity**
- Detailed price provisions**
- Detailed requirements of product quality**

As product is sold by the group, farmers should have pressure and commitment among themselves to follow the contract in order to create business prestige for keeping long term benefits of the group with the partner

- **Delivery location: transport cost should be included in the product price in case delivery location is far away from the farm**
- **Payment mode provision: in cash or by bank transfer; before or after delivery...**

Forms of doing business in agriculture

- **Free business through network of small traders**
- **Contract signed between enterprise and farmer household**
- **Contract signed between enterprise and cooperatives, groups, farm owners**
- **Contract signed between organizations and representative of farmers**
- **Doing business in agricultural product wholesale markets**

Steps of marketing in group

- Group meeting to decide whether carry out marketing in group or not
- Study list of traders and select the traders who can buy products in a big quantity
- Evaluate yield of each member in the group in the worst and best conditions
- Decide selling price after referring the market price

Steps of marketing in group

- Consider possibility of the price increase in case product is better classified, packed or labeled
- Select location for product gathering for the group
- Assign responsibility among members in the group
- Divide profits
- Evaluate the first business in group and prepare for the next

Thank you for your attention!