Marketing Pomegranates

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Identify your market

• Market segment = group of consumers with similar needs
• Measurable, Substantive, Actionable
• Niche = small consumer segment with narrowly defined needs
• Market segment is an Identifiable group
The 4 “Ps” of Marketing

1. Product Positioning
2. Price
3. Place (Distribution)
4. Promotion
4Ps: Product Positioning

• The process of creating the desired image in the customer’s mind
• Not what you do with the product, what you do with the mind of the prospect
• Have to first understand the mind of the customer, it is not always what you think
4 Ps: Product Positioning

• Competitive Advantage
  – Set of competencies where firm has a clear and distinct advantage over the competition
  – The reason customers buy from you and not your competitor

• Differentiation
  – What sets your product apart from others
4 Ps: Price

• Price impacts revenue
  – Price * Quantity

• Price level impacts demand
  – Higher prices = lower demand
  – Relative prices with competitors affects demand

• Need to consider Cost, Competitors, and Consumers when setting prices

• Estimated price for pomegranates over 5 years from California crop reports is $18/28 lb. box
  – 2010 UC Cooperative Extension Pomegranate cost and return study
How Important Are Costs?

- Consumers don’t care what it cost you
- Competitor might have different cost structure

But...

- Use to establish minimum price
- Must know costs to control them
4 Ps: Place

• How much, Where, How, When
• Physical distribution
• Marketing Channel = path products travel from producer to customer
4 Ps: Promotion

• Delivering a message to consumers
• What many people think of as “marketing”
• 3 purposes
  – To inform
  – To persuade
  – To remind
Pomegranates

• Need to establish product strategy
  – What characteristics are important to consumers
• As well as marketing channel (place)
  – Juice or fresh fruit (both?)
  – Niche (local) or larger?
• Price
  – Understand cost structure relative to competition
• Promotion comes later