

THE VALUE OF SOMETHING

WHY YOUR VALUES ARE THE NEW VALUE-ADDED

By Av Singh

How to save the family farm? With narrowing profit margins and a more discriminating consumer dollar, the typical agricultural bureaucrat's pat answer would be to "value-add."

Most farmers already know that sauerkraut will fetch a lot more money than cabbages; but they also know that someone out there will make it for less. Reducing consumer end-price below the cost of production (or processing) is a race to the bottom for farmers and the selling of bulk raw goods is, at best, a slow death. But, there may be a way out, a path which requires farmers to better understand why they choose to farm and to be willing to share those reasons with their customers.

Arguably, all organic farmers produce a value-added product—the value is the organic production system. For many consumers, the organic label was once sufficient in addressing their concerns, whether the issue was animal welfare, human health or the environment. However, recent consumer interest in local food and a resultant equating of organic and local as interchangeable has led some consumers to make decisions based solely on price comparisons.

Cater to those consumers who love the products you produce, but, perhaps more importantly, see you for who you are.

Often, the value-added theory is introduced as a means of product differentiation. Although the value-added principle has a lot of merit, it diminishes the value of some of the less tangible qualities of your product—the "something" about your product that makes it special.

For farmers using direct marketing, the price-wary consumer is not likely to be their most loyal customer and probably not the type of consumer that made



Highwood Crossing Farms sells products that are both value-added and values-added.

direct marketing an attractive option. Tony and Penny Marshall of Highwood Crossing Farms in Alberta have a marketing mantra, "Go to those who love you." In essence, cater to those consumers who love the products you produce, but, perhaps more importantly, see you for who you are. For many farmers the former is the easy part. They know that they are producing the best free-range chicken or have



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the sweetest carrots or their cheddar is the sharpest. They know because their customers tell them so every week at the farmers’ market or when they pick up their CSA shares. But, the latter part—customers seeing you for who you are and what you do—is often not so clear. This is the *VALUES*-added part of marketing.

In large part, farmers don’t do a great job of marketing their values simply because their values have never been valued! Often, success in farming has been characterized by the bottom line. A farmer’s wealth was defined by money, not by their knowledge, their land, their commitment to food production, or their belief in rural communities. As such, many farmers forget their values, forget why they got into farming, and forget why they keep farming. The stress involved in making profit replaces all of the “something” on the farm. Their concern turns to the fact they are not making ends meet, resulting in panicked decisions that conflict with their val-

ues and often lead to a worse financial scenario and a compromised belief system.

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Making money is usually not the primary reason why people get into farming—there are easier ways of making money than farming. If making money was the most important factor, most good farmers could make money, but it would come at a cost of some of their other values. In that sense farming is no different than most professions. You can make a lot of money but it may come with some hidden costs (i.e. your health, your marriage, your relationship to your children). Most farmers have made their farming decisions based on beliefs or philosophies

around land stewardship; how food should taste; how animals should be raised; or even how families should be raised. These concerns are often the backbone of many farm families and yet the consumer is often unaware of these values.

Progressive marketing experts are recognizing that the number of ethical shoppers is growing. Some may argue that this fiercely loyal group is still too small to make a difference, but most marketers will tell you that maintaining a loyal customer is the best advertisement. For example, Ron and Sheila Hamilton of Alberta’s Sunworks Farm are stalwarts at the Calgary Farmers’ Market and the Old Strathcona market in Edmonton. In less than a decade, using a philosophy of transparency and good communication, their loyal customer base has allowed them to direct market over 100,000 chickens a year, one bird at a time.

I have been fortunate enough to visit close to a thousand farms and have had the opportunity to meet many farm families. This has given me the chance to better understand a family’s motivation behind their farming decisions.

As a consumer, when I’m buying my beet greens, I know that the cost of these greens is not only covering the cost of growing beets, but also allows that farmer to raise their goats in an incredibly humane way. In buying my apple cider, my choice is not solely based on flavour; rather I know that this particular farm family has a strong commitment to training farmers for the future. I choose my coffee because I know that the roasters are willing to pay a higher premium than the fair-trade minimum. My vegetables come from



Across Canada, there are farms, such as Salt Spring Island's Moonstruck dairy, that adhere to animal welfare practices far beyond any standards.

a farm that has not only dedicated their lifestyle to tread lightly upon the earth but are also committed members of the National Farmers Union and Slow Food International (both great organizations dedicated to addressing the struggles of farmers locally and globally).

Across Canada, countless farms are involved in humanitarian projects all over the world. There are farms working with single mothers ensuring their families receive healthy food; farms that adhere to animal welfare practices far beyond any standards; and farms that are committed to making rural communities viable. The intimate knowledge of the values of these farms should not be for a privileged few, but should be communicated to all customers.

Socially engaged consumers are demanding to know more about their purchases. This is a way of re-defining product differentiation. Product differentiation is anything that will lead me to want to buy your feta cheese over the

feta at the grocery store or at another vendor's stall. It is not an entirely new concept, but is one that is not adequately practiced at many farmers' markets.

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Most of us are familiar with The Body Shop, Ben & Jerry's or Tom's of Maine. These companies had "corporate social responsibility" before it became a euphemism for greenwashing. These companies were very deliberate in stating their values and created a devout consumer base. Unfortunately, all three companies "sold out" to large multinationals, but I highly doubt that will happen to too many vendors at farmers' markets. Customers want to hear your story—tell it to them.

Many farmers will argue that "not all consumers want to be educated" and that is true, but many of the customers at farmers' markets and CSAs are looking at developing a deeper connection with their food and those producing it. The more informed I am as a consumer, the easier it will be for me to choose and most likely build a lasting relationship. Fostering the relationship with your customers by being more transparent with your farm and family values may move a good customer into a great one. These customers are the ones who value the "something" you offer and are willing to pay for those less tangible qualities in what you produce.

Even if you are uncomfortable with the idea of being more transparent with who you are and what you do, it remains, nonetheless, a good exercise to evaluate your values. When farmers look at what they are doing, many realize that they would want it no other way. For many farmers, their values define their wealth—they see wealth in the time spent with family; wealth in the stewardship of the land; wealth in the care of their animals; wealth in the relationships with their friends; and wealth in the taste of their food.

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