

DEVELOPMENT OF A MARKETING PLAN

SUMMARY

The National Beekeepers Association National Executive is requesting assistance from the Honey Industry Trusts toward the development of a formal marketing plan for the coming year's activities.

RATIONALE

Effective marketing is an activity that benefits the entire industry, not just commercial beekeepers, particular sectors nor just members of the NBA. It is for this reason that the NBA requests funding assistance from the Honey Industry Trusts toward the development of a marketing plan, with the marketing activities to be funded by hive levy payers.

A systematic, planned approach to marketing in the honey industry is required. Predetermined goals and strategies for achievement of those goals provide levels of accountability necessary to ensure that efforts put toward marketing are effective and supportable.

The industry, at the recent Hasting's conference, indicated overwhelming support for an increase in the Hive Levy of 50 cents per hive for marketing of honey. This levy is expected to produce an estimated \$120,000 for next year. Several factors may mean that the full amount will not be available.

- 1 Possibility of continuation of last few year's reduction in hive numbers.
- 2 Possibility of intentional under-declaration of hive numbers to avoid levy.

As well, the NBA will require more than usual cash flow planning associated with both the marketing levy and the disease control programme levy. Because the activities associated with the disease control programme do not coincide with the NBA's financial year and are based on an annual contract for provision and payment, the NBA's related funding requirement is, to an extent, non-variable.

It is that much more important that the marketing activities be thoroughly planned in such a way that we are able to take advantage of opportunities arising as well as providing the ability to vary activities based on funds available at the time.

WHAT IS MARKETING?

Marketing has been defined as "all of the process by which a company (or organisation) identifies a consumer's individual and societal wants and needs and conceptualises and effects their fulfilment". Allied to this is the need for a company or organisation to remain financially viable, to make a sustainable profit.

Marketing is not just selling, not just advertising, though these are components of the concept of 'marketing'.

Marketing is concerned with:

- 1 the product
- 2 the price
- 3 the placement/physical distribution
- 4 promotion

Product is the sum total of the benefits being offered - the material being sold, its packaging, any guarantees and all other tangible and non-tangible attributes.

Price involves not only the dollar cost of a product but the perception of the consumer and attitudes felt and expressed about the payment.

Placement relates to the whole question of physical distribution and the provision of new and innovative methods of making the product available to the consumer.

Promotion can be described under the headings of publicity, public relations, advertising and personal selling.

OVERVIEW OF THE MARKETING INTENT

The marketing plan for the honey industry will not be related to a particular brand, company or type of honey.

It will be developed to allow for the separate and competitive activities of individual beekeepers, packers and exporters of honey. It will be designed to 'grow the market for honey'.

MARKETING PLAN MODEL

Based on current expectations, the honey industry marketing plan will relate for the most part to existing perceptions of target markets and opportunities. Though the formal development of the plan, there is an opportunity to identify and develop additional or alternative possibilities for increasing profitability for the industry.

The development of the plan will use a number of tools familiar to the industry: SWOT (strength, weakness, opportunity, threat) analyses, objective, goal and action plan setting and strategic planning techniques in general.

A strategic overview will be written, based to a great extent on a SWOT analysis of our existing and perceived future situation.

The current marketing situation will be described. It will discuss current market share, describe the full range of products with which the honey industry is currently involved and determine the nature and extent of our existing competitors. Some aspects will be identified that will require more proper survey techniques; these would then be undertaken as activities with the marketing plan.

Based on similar developments within similar industries, it is presumed that the plan will consist of a number of complementary objectives. These will be refined by the development of specific strategies. The achievement of the strategies will be defined and quantified by actions plans, describing will do what for what cost by when.

Possible objectives and direction for elaboration include:

- 1 Production planning - maximising returns from existing products and existing investment in equipment and other capital resources.
- 2 Market forecasting - determining market needs and trends, allowing the industry to adjust to and take advantage of those trends, setting targets for sales, developing a customer relations plan.
- 3 New product opportunities - providing the industry with new ideas for development, creating opportunities with food ingredient manufacturers for our products.
- 4 Public relations - creating good relations with all groups that affect the industry's marketing objectives.
- 5 Promotional activities - ensuring that all such corporate promotional activities are planned and co-ordinated appropriately, developing utilities and materials that can be used in public and customer relations plans.
- 6 Marketing resources - ensuring that the industry has full opportunity to take advantage of financial resources and research opportunities available to it from outside sources.
- 7 Excellence in performance - developing systems of accountability to ensure that marketing funds are spent properly and effectively.

SUMMARY

To make the most effective use of the large financial resource being committed by hive levy payers, the NBA feels it essential that a complete marketing plan be developed prior to the commencement of activities.

- 1 All actions must be co-ordinated and part of the overall strategy.
- 2 The entire industry should clearly understand the range of activities that will be undertaken.

Though the bulk funding for the marketing itself will come from hive levy payers, the NBA feels that as marketing will undoubtedly affect and benefit all beekeepers in the industry it is proper that the development of the marketing plan be funded by the entire industry, through the vehicle of the industry trust funds.