Marketing is Part of the Production Process

You have spent most of the summer caring for your livestock project. With the county fair quickly approaching, your project responsibilities increase. Some of these responsibilities include keeping plenty of cool water available, practicing your showmanship techniques, and keeping your project records up-to-date. Hopefully, your reward for all of this work is an enjoyable week at the fair, with the chance to participate in the livestock shows and sell your project in the 4-H livestock sale. Many exhibitors hope they receive a good price for their animals so they can recover the expenses incurred by the family for buying and raising their animals. Any profit after expenses can be used to buy something as a reward for your labor or it can be deposited into a savings account to be used later to buy a car or go to college, as examples. But, have you ever thought about why a livestock buyer comes to the fair to support the livestock sale? Have you thought about why they might buy your individual animal? What type of effort is required to interest a buyer in your animal? Marketing involves not just the sale of the animal but also sharing information with the prospective buyer about yourself and the 4-H program.

The 4-H and Community Partnership

“Learning by Doing” is the foundation of 4-H. This concept is embraced by businesses and individuals who support the livestock sale at the fair. These buyers understand the dedication and discipline it takes to maintain and complete a livestock project, as they apply these same principles in their daily lives. In fact, many buyers have gained this appreciation from participation in 4-H as a young person and/or acquiring these skills to run a successful business. Livestock buyers hope that the money they spend at the county fair is really an investment in the future of the individual 4-H members and the community in which they live.

What Does the Buyer Get?

Certainly, as a 4-H member, you understand that you receive money for your project when the check arrives. But what does the buyer get? Most business supporters of a 4-H livestock sale are spending money from their advertising budget. This money is a tax deductible expense for their business. They realize that their presence at the sale is seen by potential customers and fellow businesses that may purchase their products or services. Many 4-H livestock sales provide their supporters with placards or banners to display at their business so customers throughout the year will know they have supported the 4-H youth in their county. Additionally, the sale sponsors often place group advertising to recognize buyers and may provide a free meal and admission to the fair. Many parents of 4-H youth will make their buying decisions favoring those who support the livestock sale.
Approaching a Prospective Buyer

In most cases, the 4-H livestock buyers are regular supporters of the sale and will be invited each year by the sponsor of the sale. If you are a new 4-H member or want to invite a new buyer, there are a few different approaches you can take. Most businesses will start each calendar year with a new advertising budget. This is a good time to send them a letter with general information about 4-H and the livestock sale. Let them know how supporting the livestock sale will benefit their business. Larger businesses may need to seek approval at a higher corporate level or request tax forms from the sponsor. This early notice helps them build their budget and complete the necessary paperwork. Many buyers prefer to have a personal letter from the livestock exhibitor about one to two weeks prior to the sale.

Marketing Your Project and Yourself

The time just before the fair is busy with final preparations. It is also the most critical for marketing. This is the time for you to send a personal invitation to potential buyers. Your personal invitation letter or contact with a buyer should include information about yourself that a buyer can recognize. Provide information about your age, 4-H club, how many years you have been a 4-H member, and your experience with this project including what you have learned and like best about it. Also include where you live, your parents’ names, and indicate if you have done business with them. Conclude the letter by inviting them to the sale to support the youth of your county. Never directly ask a buyer to purchase your animal, but rather to come and bid on your project and support 4-H. Include a picture of yourself working with your project.

The Bidding/Buying Process

Livestock sales are managed several different ways. Some buyers have never participated in an auction event and may need to be educated on the process. If your county operates on a whole dollar premium, then the buyer pays exactly what they bid. As an example, the winning bid of $400.00 on a member’s swine project is paid directly to the sale management. The member then receives a check for that amount minus any sale expenses such as commission or commodity check-offs. The actual market value of the animal may be received in a separate payment from a livestock company or could be included with the premium in one check from the sale management. For those sales that auction by the pound, the buyer pays the difference between the amount of the winning bid and the market value. In this example, a 1200 pound steer that is bought for $1.20/lb. at the sale and has a market value of .85/lb. would cost the buyer $420.00 (1200 x ($1.20 - $.85)). If the buyer wishes to have the animal processed for their home freezer then they pay the entire amount.

Thanking Your Buyer

After a business or individual purchases your project animal, it is an important courtesy to thank them for supporting both you and your county’s youth program. Always send them a personal thank-you note within two weeks after the fair. Other courtesies could include a verbal thanks or bringing them a cold drink on a hot day at the sale. Placing a small thank-you ad in a local paper or presenting your buyer with a picture or plaque to display in their business adds a personal touch that builds a relationship between the buyer and the youth program to help promote future livestock sales.