

UBC Social, Ecological Economic Development Studies (SEEDS) Student Report

**Marketing Plan for UBC Farm**

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## **Executive Summary**

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UBC Farm is a non-for-profit farmland that is located on the campus of The University of British Columbia. The farm began its operation in 2000 as a student-driven organization. UBC Farm's main goal is not selling produce to its customers. Rather, the farm aims to be an academic resource to the community while providing a model for sustainable farming practices. The Farm does sell its wide variety of fruits and vegetables at its Saturday Markets as well as selling to some restaurants on campus and in the local area.

Through careful analysis, we have examined the industry that UBC Farm finds itself in, as well as its competitors. We have determined that UBC Farm offers a significantly different product than other local companies that sell organic produce. Loyal UBC Farm customers realize that by shopping there, they are buying into the overall idea of the farm. Customers are not only buying fresh organic produce, but they are supporting the idea of sustainable farm practices in addition to the educational and academic aspects that the farm brings to the UBC community.

By examining our research, we propose three different marketing strategies. These strategies aim to increase not only brand loyalty but also recognition of UBC Farm's values. Being able to generate more income for the UBC Farm, these strategies will contribute to the farm's financial stability, which is crucial for operation to continue. Furthermore, we have included an implementation timeline in this report as well as contingency plans.

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## **Organizational Goals and Objectives**

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### ***Goal***

To increase brand loyalty of the UBC Farm consumers

### ***Objective***

To increase 10% of brand loyalty of the UBC Farm by end of August 2007

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## **Company Overview**

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UBC Farm was first established in the main campus area in 1915 by the UBC Faculty of Agriculture. The farm moved to several locations before settling at its current location in the mid 1970s. Within the city of Vancouver, UBC Farm is the only operational farmland, so the goals of the UBC Farm are unique and specific to the area, such as becoming a center that is sustainable in agricultural, forestry and food aspects. The primary goal of the farm is to serve as an educational resource used for research and further learning.

As a non-profit organization, UBC Farm receives funding from various providers. The faculties at the University of British Columbia were major financial contributors until recent years. At the present time, new supporters include VanCity Credit Union, Fisher Scientific Company and the government funded HRDC program. These contributors are vital for all operations at the farm, which range from growing produce for research, for hosting special educational events, and for selling produce through various distribution channels.

The feature attribute of the Farm experience is the Saturday morning market, which sells vegetables and in season fruits. Household vendors also participate, selling homemade baking and jams. UBC Farm produce is known for its freshness, as it is harvested no longer than a day before sale. Furthermore, UBC Farm provides fresh produce and eggs to local restaurants and other retail locations. These sales are aimed at maintaining UBC Farm's economical sustainability.

The unique location, freshness and varieties of produce as well as the volunteer contributions are some of the strengths behind the success of the farm. The UBC Farm is where students, faculty, staff, and the community are able to work together to create a place where people can learn and discover the connection between land, food and sustainability.

## **Product / Category Definition**

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UBC Farm's main financial activity is producing and selling organic produce. Generating ecologically sustainable farming practices is the ideological goal around which the farm has been built. Although the farm does sell its production to the public and local restaurants, the main goal of the farm is not to be a

retailer of produce. This farm is in the business of providing education, however in order to ensure the farm will have a foreseeable future, it must become financially sustainable.

UBC Farm operates in the organic food production and retail industry. The details of this industry are explained below:

### ***Competition***

UBC Farm Market experiences direct competition from other retailers of fruits and vegetables. This includes, but is not limited to, Safeway, Capers, Choices and the Nat Bailey Stadium Farmers market. This competition should be categorized as direct competition, since it occurs among retailers of produce.

Although the retailers may not supply the exact same types of produce, we consider this to be a similar product, whether it is purchased at UBC Farm Market or at another retailer. UBC Farm Market encounters indirect competition retailers of other food products. Indirect competition occurs between products that are easily substitutable. This could also include grocery stores, as someone may forgo buying apples at UBC Farm Market for yogurt at Safeway. However, indirect competition would also include restaurants and fast food retailers. The shape of the competition in the produce retailer industry is pure competition because there is a large number of similar products that require good distribution for the product supplying business to succeed (Boone et al. 82).

### ***Political-Legal***

The UBC Farm has been operating under the Certified Organic Association of British Columbia's (COABC) crop management practices since 2000. However, they have yet to receive their organic certification (UBC Farm). COABC is an organization that is sanctioned by the Government of British Columbia to ensure that members of the organization are complying with requirements for foods to be labeled as "British Columbia Certified Organic" (Certified Organic Associations of British Columbia). The lack of COABC certification is sometimes a product distribution barrier to the UBC Farm, however this barrier is not significant enough to make UBC Farm pursue full organic certification. The main customers of UBC Farm produce understand the organic nature of the products, and do not need the COABC verification (Bomford).

### *Economic*

The national unemployment rate at the moment is 6.4% (September 2006) (Stats Canada Website). This is considerably lower than has been seen in recent years, signifying that the current Canadian economy is in a phase of prosperity (Statistics Canada). A low unemployment rate suggests that consumers have more disposable income to spend.

The organic food industry is growing in British Columbia and throughout the world. For example, in the United States, the organic food market grew by 18.3% in 2005. Furthermore, this market is predicted to grow by another 108% by the year 2010 (Datamonitor). The number of producers that had organic certification in British Columbia tripled from 1992 to 2001 (Ministry of Environment). This represented a major increase in consumer demand for the product (Datamonitor). Organic produce sells on average at a 15% greater cost than non-organic produce. However, this does not reflect the true cost structure of this good. Much of the organic produce that is bought in British Columbia is imported from California where farms are heavily subsidized and where cheap Mexican labor is often used. If the food that is grown at the UBC Farm were to be priced according to the costs associated with producing the products, it is estimated that the UBC food would be 250% more expensive than other non-organic produce (Bomford).

### *Social-Demographic*

The changing social values around the environment, living a healthy lifestyle and buying locally have all contributed to the growing demand for organic produce. The growing trend around environmental protection has greatly influenced the organic food industry. Many consumers are becoming concerned about the effect that the fertilizers, pesticides and other chemicals used in non-organic farming are permanently having on the environment. Also, many consumers are choosing to live a healthier lifestyle and are conscious of the food and chemicals that they are ingesting. Therefore, the chemicals used in non-organic farming are considered by many to be toxic and should not be eaten if you are trying to live a healthy lifestyle. Finally, the new and emerging trend to buy locally is also supporting the sales of UBC Farm. Not only does buying locally support businesses and the economy in a person's area, but it also greatly decreases the economical and environmental costs of transporting goods from outside the area.

## Customer Analysis

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Based on the research, survey and interview we have done, we define the UBC farm customers as people who obtain UBC Farm products. The following factors were considered:

### *Geographic*

West Point Grey and UBC are the two main geographic areas that UBC Farm consumers reside in. Students and people who are interested in UBC Farm produce can access the farm easily, as the areas considered in this geographic analysis are relatively close to the farm.

### *Demographic*

1. *Age:* The biggest age group in West Point Grey is middle age. They are from 40 to 65 years old. Moreover, the student population in UBC should also be considered (City of Vancouver). Students are normally from 20 to 30 years old.
2. *Occupation:* The standard UBC Farm customer is educated, and therefore holds a position in society reserved for individuals with a substantial academic background. There are non-educated customers; however their occupation does not reflect their understanding of the importance of organic produce (Bomford).
3. *Income levels:* According to 2001 Census, people who live in West Point Grey area have an average household income of \$105,000 per year (City of Vancouver). Most students are not financially self supporting; however, due to financial flexibility, their potential purchasing power is high. The income levels of the people who support the UBC Farm allow them the freedom to purchase products at a higher price.
4. *Education:* UBC Farm customers tend to be have a high level of education (Bomford). This aspect of the consumer applies to both the students and non-students who habitually attend the Saturday Market. These customers value the importance of fresh and organic produce, which contributes to their purchasing decisions

### ***Psychographic***

The average Saturday Market customer supports the UBC Farm system because they like natural and organic food. Some customers are concerned with the ecological impacts farming has on the environment, and support the UBC Farm because it is environmentally conscious (Bomford).

### ***Product-based***

The average UBC Farm customer likes the fact that the produce is healthy, local, fresh, and organic. These product-based aspects are entities that have to be looked for, which is why some customers come to the UBC farm.

## **Customer Segmentation**

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The following segments purchase UBC Farm produce:

### ***#1 – UBC Farm Advocates (10%)***

- *Characteristics:*
  - Know the Farm well
  - Past or present volunteers of the Farm
  - Support the Farm ideology
  - Support health awareness, personal development, sustainable living, and are environmentally conscious
- These are people who know about the Farm's situation and willing to support the Farm financially (by buying the produce). They are the most likely segment to promote the Farm's existence to the general public.

### ***#2 – Potential Local Customers (20%)***

- *Characteristics:*
  - Live in the UBC residence area and/or West Point Grey area
  - Want diversity in food options
  - Have relatively high education
  - Have relatively high disposable income
  - Have an understanding of what organic produce is

- Because of their relative short commute to the UBC Farm, Potential Local Customers are likely to buy UBC Farm produce if they are looking for fresh and organic food. This segment is not too concerned with pricing as long as the UBC Farm is a convenient shopping location, where they can find organic produce.

### **#3 – Potential Municipality Customers (60%)**

- *Characteristics:*
  - Lifestyle involves actions that promote health
  - Live outside of the UBC/West Point Grey area
  - Supports personal development, sustainable living, and are environmentally conscious
  - Makes up a significant portion of the market
- This segment is on the rise, and their ideology towards health, sustainability, and environment can potentially be a good source of income for the UBC Farm (LOHAS). They are likely to become advocates for the Farm, and may become opinion leaders on sustainable, fresh, and organic produce.

### **#4 – Retail locations (10%)**

- *Characteristics:*
  - These locations sell or use UBC Farm Produce
  - These are businesses that support the intentions of the UBC Farm
  - Consumes a significant portion of the UBC Farm weekly produce
- This segment will not be focused on in this study, as the UBC Farm is not interested in increasing sales to this segment.



## **Distribution / Channel Analysis**

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There are several ways in which the UBC Farm's produce reaches the consumer. The farm is currently using a dual distribution strategy in which they supply their produce to the consumers through five different channels (Boone et al. 432-433).

### ***Channel#1 - The Saturday Market***

The Saturday Market runs every Saturday in June until October from 9 am to 1 pm. At the Market, organic fruit, vegetables, eggs, honey, and produce from other organic farms are offered. The produce is fresh as it is harvested for no longer than one day in advance of being sold. Every week, produce lists and promotions are sent via email to those who have signed up for the mailing list. The market is run by both staff and student volunteers (UBC Farm).

### ***Channel#2 - CSA Box Program***

The Community Supported Agriculture (CSA) Box Program commenced in 2005. It is open to consumers who are interested in purchasing a share of the UBC Farm produce in advance. The program commences in June, and for every week of the twenty week program, these consumers receive a box containing \$30 worth of produce from the UBC farm. The program is pick-up only, and at times non-UBC Farm produce is included. Currently 25 shareholders are a part of the program. A \$60 deposit is needed to reserve a share and it costs \$30 per week (UBC Farm).

### ***Channel#3 - Restaurants***

A few restaurants in the local area purchase produce from the UBC Farm and these locations consume approximately 15% of the UBC Farm weekly harvest (Bomford). The current locations are: Sage Bistro, Provence Mediterranean Grill, and The West Restaurant (UBC Farm). These locations are within 25km of the UBC Farm, which makes delivery financially acceptable. The UBC Farm cannot guarantee a regular and steady supply of organic produces, and restaurants can only order from the farm one week in advance. The order confirmation from UBC Farm is only available two days in advance, and this aspect inconveniences the chefs (Bomford).

#### ***Channel#4 - Sprouts***

Opened in 2004, Sprouts is the only non-profit, student run organic food store on UBC Campus. It is located in the Student Union Building, a very convenient location in the heart of the campus. UBC Farm contributes around 30-40% of the produce that are sold in Sprouts, and this produce is delivered once a week (UBC Farm). Produce from the UBC farm sells quickly, however Sprouts accounts for less than 5% of the total consumption of UBC Farm produce (Bomford). Sprouts also works closely with the UBC Farm to increase consumer awareness of organic products.

#### ***Channel#5 - Special Events***

UBC Farm organizes events such as Farmade to promote its business, and introduce itself to potential customers. Every September and October, the farm also hosts field trips for elementary school students. Although this distribution channel only contributes less than 5% of the revenue for the UBC Farm, it attracts newcomers to the location, which is good for business (Bomford).

### **Competitive Analysis**

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The key competitors for UBC Farm, in the organic produce retailers industry, are Safeway, The Nat Bailey Stadium Farmers Market, Capers, Choices and Meinhardts. UBC Farm differs significantly in some respects to its competitors. UBC Farm is able to offer produce that is significantly fresher than the alternative retailers. This increases the life span of the produce bought at UBC Farm. Also, its location makes it unusual to the other retailers. Other than Sprouts, to which UBC Farm supplies vegetables, there is not another retailer on campus that supplies organic produce. This makes it closer for students and those that live on the UBC campus. Also, the amount of variety that UBC farm provides is much higher than its competitors. The hours of operation of UBC Farm makes it less accessible than grocery stores such as Capers and Choices. Since it is only open one day per week, UBC Farm is not the most accessible alternative. Finally, UBC Farm is a not for profit business that has different goals than many of its competitors. It is run by students and has other uses such as research and contributing to academic life. This means that obtaining financial sustainability has been a much more difficult goal for UBC farm to sustain than the other retailers. This limits the amount of advertising, promotion and staffing that can be put into place.

In the competitive matrix, we examined the competitors in reference to a number of different variables. These variables included price, freshness and accessibility. In order to view the competitive matrix in its entirety, please refer to Appendix III.

## **S.W.O.T. Analysis**

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### ***Strengths***

The UBC Farm's commitments to organic ideology, product variety and freshness of the produce have helped them gain a reputation among people and restaurants over the surrounding University of British Columbia area. Furthermore, many of the consumers respect the educational purpose of the Farm and will continue to support it by buying its product.

### ***Weaknesses***

The UBC Farm has three primary weaknesses: 1) demand for UBC produce currently exceeds supply; 2) produce sales revenue does not cover all expenses related to farm operation, and 3) increasing production while using the current administrative and pricing systems will not result in economic sustainability. The UBC Farm's primary focus is educational, so profitability can not be the main objective. Because of this, the UBC Farm obviously does not have the resources for such things as more staff, which can hinder the satisfaction of the customer's experience.

### ***Opportunities***

While demand already exceeds supply at the UBC Farm, there is still an opportunity to increase brand loyalty. The UBC farm has a good understanding of organic produce practices and could use this to their advantage to sell a lifestyle to the consumers and turn them into advocates of the Farm. Furthermore, the Farm has the potential to expand the target market to a number of different groups. It is a case of establishing that buying organic produce is not simply eating healthier, but rather is way of life.

### ***Threats***

Future land developments have been increasingly threatening the UBC Farm. Within the next five to seven years the University will have decided whether the UBC Farm's land will continue be used for agricultural

practices of for housing developments. Also, another threat to the Farm is the surrounding produce stores and markets which can provide suitable substitutes for the produce provided by the Farm.

Please refer to Appendix IV to view the complete S.W.O.T. analysis.



## **Marketing Strategies**

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### ***Target Market and Segmentation***

From our situation analysis and limited resources available it is reasonable to focus our target market in the following two areas:

1. UBC Farm Advocates
2. Potential Local Customers

Since the Farm's produce can be easily substitutable by other major competitors, it is our interest to maintain a long-term or even build a better relationship between the Farm and its loyal supporters, particularly the Farm Advocates. This enhanced brand loyalty not only benefits the Farm by maintaining a relatively stable income but also helps the Farm to increase awareness among the community.

It is also important to generate more awareness and recognition of UBC Farm among the Potential Local Customers. Although the Farm is not interested in increasing demand (Bomford), still many people know nothing about the UBC Farm. Therefore, increasing recognition in the local customers can help the Farm to promote its ideology of sustainability and educational purposes while keeping local customer's interested in the Farm.

### ***Positioning Statement***

UBC Farm aims to provide fresh vegetables that are grown and harvested in accordance with the ideology of environmental sustainability to its target market of regular UBC Farm customers

### ***Positioning Dimensions***

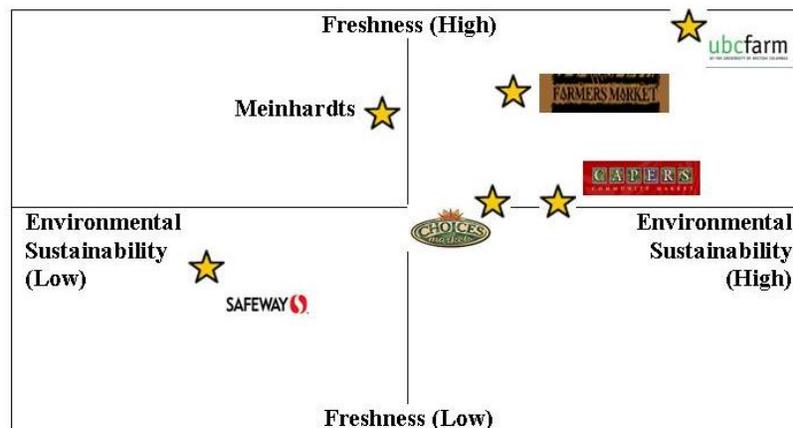
- Freshness of product

This dimension measures the quality and freshness of the product when it is bought by customers. UBC Farm prides itself in selling fresh vegetables to its customers. Because UBC Farm customers are buying the product directly from the grower, they are purchasing their produce soon after it has been harvested. This allows UBC Farm customers to obtain the fruit and vegetables at their peak quality. By doing this, it extends the lifetime of the product.

- Environmental sustainability

This dimension determines how committed each company is to the idea of environmental sustainability. Our target market is concerned about the environment and the impact that farming techniques have on their world. Therefore, it is important for UBC Farm customers to view that they are supporting a greater cause when buying their produce from UBC Farm, in contrast to its competitors.

### Freshness vs. Environmental Sustainability Position Map



## Marketing Programs

### Strategy 1

To increase the quality and amount of information available about the goals and ideology associated with the UBC Farm.

Tactic 1: To include brochures in all CSA Boxes.

The CSA Box program currently provides produce for numerous households in Vancouver. These produces are obtained by people who can be considered as our target market, the UBC Farm Advocates. In order to build off of this current support, we propose that an informational card be included in the weekly CSA Boxes.

The cards included in CSA Boxes could include information on the organic process that the UBC Farm produce is grown according to, as well as information about the educational goals of the Farm. Information

about the reasons that schools visit the farm should be mentioned, and the UBC Farm Advocates should be reminded about the importance of educating people about the farming process. Without knowledge of farming within society, people may become inclined to presume that all produce appears as the produce sold at stores such as Safeway. This was one of the points mentioned in the interview with Mark Bomford, and is one of the reasons that UBC Farm prides itself of educating the public on realistic produce appearance expectations. The natural appearance of the produce at the UBC Farm is not easily substitutable, as sorting methods ensure only ideal produce characteristics are accepted for selling at stores such as Safeway.

If these cards are included in the CSA Boxes, they are likely to be viewed by the friends and family of the UBC Farm Advocates. This will build support and recognition for the farm, as it will inform more individuals as well as remind current customers of the UBC Farm goals and ideology. Customers who already support the UBC Farm ideology may gain an increased sense of loyalty to the farm if they are subjected to continued information on the importance of the farm.

*Tactic 2: To increase signage about the Farm promoting and explaining the values and goals of the UBC Farm.*

The educational objectives of the UBC Farm appeal to people who value the development of society. The UBC Farm Advocates customer segment includes people with these values. Signage that includes information about the values that the farm places on educating the public on farming methods, and the goals associated with long term farm life as well as providing produce to the local area is a good way of enhancing recognition of the UBC Farm.

Signage at the UBC Farm itself could contribute to capturing the UBC Advocates attention, as well as at the on site UBC Farm produce location, Sprouts. The Saturday Market is a good location for additional signage, because the target segment continually visits this location. The signs that this group suggests should include information, and be more detailed than a simple sign with the UBC Farm logo. Revising current signs, such as the sign for Sprouts, could also effect the reader's perception of the importance of the Farm.

## *Strategy 2*

Create programs and activities that will increase UBC Farm recognition

*Tactic 1: Offer free educational tours to kids on Saturdays.*

On Market Saturdays, many UBC Farm Advocates come with their kids. Based on the research we have done, we presume that people who concern about environmental sustainability and organic foods enjoy having their children educated about these issues. The tour will teach the children about environmentally friendly practices, such as traditional farming.

The tour program is an opportunity for the UBC Farm Advocates to have their children educated about the issues that they value, which will increase the recognition of the Farm within that customer's family. This educational opportunity will create an incentive for the Advocates to continue or increase their support for the UBC Farm. The early childhood education will also influence the child's attitude towards environmental sustainability and organic food when they grow up. Recognizing the Farm for its education value to the children, UBC Farm Advocates will be reinforced once again with the idea that the UBC Farm is not easily replaceable.

Furthermore, the educational tours will help parents by providing an activity for the children to have fun with while the parents wait in line and shop for food. In order to attract children's attention, humor as well as interesting facts that are not well known should be incorporated in the tour. An example would be the difference between Safeway's Farm Fresh Egg production process, and the UBC Farm egg harvesting process.

*Tactic 2: Offer a potluck picnic once a week at the UBC Farm.*

The location of the UBC Farm is good for establishing a picnic area, considering that the UBC Farm customers generally like the atmosphere and environmentally friendly setting. A picnic in which all participants bring their own food will not cost the UBC farm a lot of money; however it will provide a forum to discuss the use of organic produce.

At the picnic, activities related to the importance of health and environmental sustainability could be introduced. Volunteers or UBC Farm workers could use this opportunity to network with the UBC Farm Advocates. During the discussion, UBC Farm representatives will have an opportunity to discuss about the importance of advocate support and express their appreciation. They could also give advocates information on new research processes and products as they eventuate, which would bring new support to issues that were previously unknown.

The goal of this activity would be to remind the advocates of the UBC Farm educational value and the sustainable ideology of the farm, which would encourage the advocates to continue their support towards the UBC Farm.

### *Strategy 3*

To sell merchandise that supports the goal of environmental and economic sustainability.

#### *Tactic 1: Sell merchandise which rewards UBC Farm's consumers' repetitive behavior*

The Bag Program will be a central component to the UBC farm's promotional strategy. This tactic is directed towards our suggested target market and segment of consumers who already buy produce from the UBC Farm, but who we are looking to increase their loyalty. It will provide an opportunity for the UBC



Farm community to reduce the impact of throwing away plastic bags in their local environment. UBC farm will sell reusable, canvas bags with the Farm's logo on the side. The consumers can bring their reusable bag each time they buy produce from UBC Farm. Furthermore, consumers will also be able to purchase a reusable coffee mug with the UBC Farm logo on it to refill with coffee for half price each time they come to the Farm. This will make waiting in line much more enjoyable for our repetitive consumers.

*Tactic 2: Use collateral to reinforce the brand loyalty and recognition.*

As a promotional strategy, T-shirts with the UBC farm logo displayed on them will be put on sale at various locations throughout the campus. On the back of the shirts there will be various facts stating information about UBC farm's ideology towards organic produce and environmental sustainability. The T-shirts will be designed by students of the UBC Farm and made from organic materials, which follow the principles and values, which govern the UBC Farm. This merchandise will allow for consumers to recognize the differentiation of supporting the education behind the produce, which other organic producers in the surrounding area do not provide.



*Tactic 3: Introduce interactive activity to increase UBC Advocates involvement with the farm*

A cookbook with recipes using organic ingredients that can be purchased from the UBC Farm would be of great interest to UBC Advocates as they highly value healthy meals. A recipe contest would be hosted to collect recipes for the cookbook. Collecting recipes through the contest not only reduce the cookbook's production cost but also provide another opportunity for the Advocates to be involved; thus, creating a sense of belongingness and enhancing their loyalty to the Farm. The cookbook can act as another medium for the Farm to educate the target market about organic food and environmental sustainability. Nutritional values of organic food and tips about recycling can be included in the cookbook. Furthermore, cookbooks are great gifts. Advocates can introduce and promote the ideology of environmental sustainability to their family and friends through the cookbook.

## **Implementation Timeline**

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The marketing programs suggested in this report could be implemented at different times in order to ensure they maximize their success. The charts in Appendix VI summarize activities that could be conducted before, during, and after the introduction of each marketing program.

## **Monitors and Controls**

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There are two types of strategies that should be used to address monitoring the effectiveness of the suggested marketing strategies. Communication is important when the recommended activities and strategies is addressed, and cost analysis is important when dealing with the suggestions that involve money transactions.

Communication with farm customers is essential in order to successfully and accurately monitor the implementation of the CSA Box Brochure, UBC Farm Tours and Farm Picnic. Discussions about the progress that these programs are making can be concluded based on feedback from the customers involved in the marketing strategy.

The cost analysis of the UBC Farm t-shirt and bag, as well as the poster/signage increase is conducted by subtracting the costs of introducing the strategy from the revenue generated by the strategy. The result of this calculation is called the Net Gain, and if this value is negative, it is called a Net Loss, and therefore should be discontinued.

A sample calculation for the UBC Farm t-shirts and bag are located below. These calculations should be done at the end of the market season in 2007, and all costs associated with the strategy implementations should be recorded beginning in 2006.

$$\text{Net Gain} = (\text{Number of t-shirts sold in 2007} * \text{Price/t-shirt}) - \text{Cost of Purchasing T-shirts}$$

$$\text{Net Gain} = (\text{Number of bags sold in 2007} * \text{Price/bag}) - \text{Cost of Purchasing bags}$$

These calculations are required in order to assure that money is not being incorrectly allocated.

## **Contingency Plans**

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In the event of our suggested marketing strategies being unsuccessful, contingency plans have been prepared in order to ensure the projects reach the highest possible level of success. The following paragraphs describe possible scenarios the marketing plans may encounter, and how this report recommends dealing with them.

***CSA Box Brochures may not receive constructive feedback***

The UBC Farm representatives could suggest to the recipient of the box that they put the brochure on display in their home, or bring the brochure up in conversation with their friends and family members. Also, the representative could relay a story of different customers constructive comments, which may renew the customers desire in spreading the UBC Farm knowledge summarized on the brochure.

***UBC Farm promotion signs may become defaced by alternative advertising being placed over it***

In the event of signage becoming overcrowded with other advertising, or graffiti, the person posting the poster could locate the poster in a different location. If the problem persists, continue to relocate the posters until this problem does not occur any more.

***During the educational tour, some kids may get injured or missing***

In order to prevent any accidents in the trip, the Farm should have an emergency plans and wavier forms. The Farm should set at least two volunteers to lead the tour and take care the kids. Counter the number of kids at the beginning of the trip and set the limitation of number up to 15 kids. Give each kid a card to write their names and parents' phone number and keep it for any accidentally case. Any activities that offered during the trip should be interesting and safe.

***The day of potluck picnic may have rain or bad weather.***

Check the weather forecast before the picnic data. If the picnic is cancelled, contact the advocates as soon as possible by e-mail or phone call. Just in case, if the rain is coming during the picnic, offer an in door place to advocates to finish the activity.

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**Conclusion**

The recommendations provided above are based on the UBC Farm's necessary educational component. Because the Farm is a non-profit organization, we have chosen the direction of gaining loyalty from the Farm's already supporting customers. Our implementations follow fundamental marketing concepts and will ensure that awareness of the fact that the UBC Farm is not substitutable is generated. The UBC Farm will be able to continue its main purpose of education while revealing even amongst all the other organic producers there is nothing quite like the Farm.

## Appendix I

### Population Data

- The population of City of Vancouver is 545,671 (Census 2001)
- The population in the West Point Grey district is 12,680 (Census 2001)
  - o The average household income is \$105,383 (Census 2001)
- The current families and students living on UBC campus is 6,131 (Housing Service in Brock Hall)
  - o Single Housing 5,000
  - o Thunder Bird 600
  - o Family Housing 531
- The total number of students that is attending UBC is around 43,540 (01 Nov 05)
- The total number of UBC Faculty & staff members is around 11,985 (10 Nov 05)
- These are potential customers for the UBC Farm

|                    |            | Male          | Female        | Total         |
|--------------------|------------|---------------|---------------|---------------|
| Under Grads        | Full Time  | 12,858        | 10,429        | 23,287        |
|                    | Part Time  | 6,922         | 5,194         | 12,116        |
|                    |            | <i>19,780</i> | <i>15,623</i> | <i>35,403</i> |
| Grads              | Full Time  | 3,460         | 3,240         | 6,700         |
|                    | Part Time  | 543           | 352           | 895           |
|                    | Continuing | 293           | 249           | 542           |
|                    |            | <i>4,296</i>  | <i>3,841</i>  | <i>8,137</i>  |
| <b>Grand Total</b> |            | <b>24,076</b> | <b>19,464</b> | <b>43,540</b> |

**Appendix II**

**Group Survey Results**

Date of survey: Saturday September 30, 2006.

Total Survey = 50

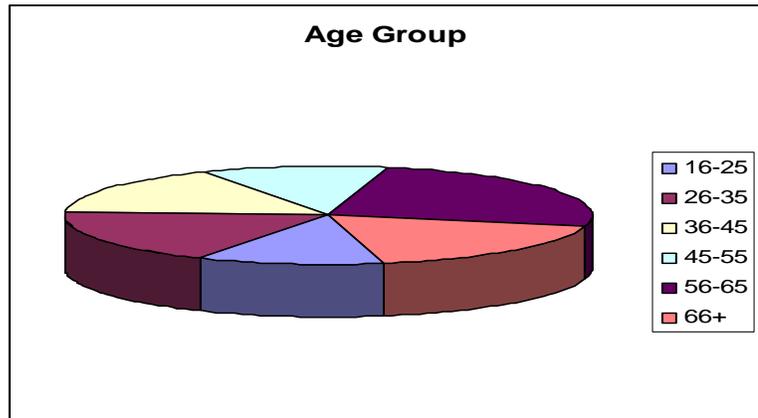
Actual Survey Filled = 44

Time: 10:00 – 12:30

Date: Saturday 30 September 2006

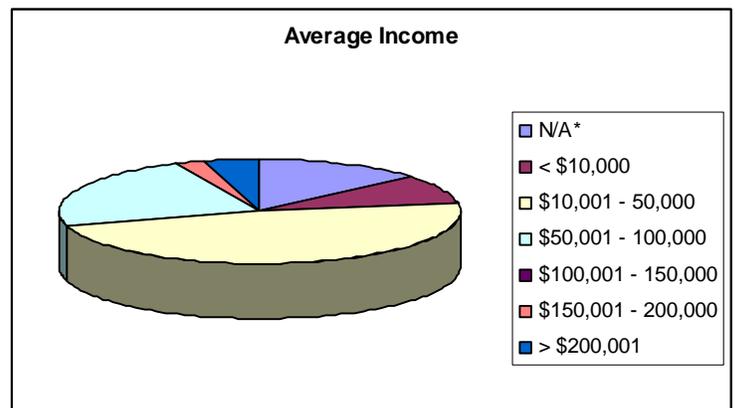
Age Group

| Range | #         | %          |
|-------|-----------|------------|
| 16-25 | 5         | 11%        |
| 26-35 | 8         | 18%        |
| 36-45 | 7         | 16%        |
| 45-55 | 5         | 11%        |
| 56-65 | 11        | 25%        |
| 66+   | 8         | 18%        |
|       | <b>44</b> | <b>99%</b> |



Average Income

| Range               | #         | %           |
|---------------------|-----------|-------------|
| N/A*                | 6         | 14%         |
| < \$10,000          | 4         | 9%          |
| \$10,001 - 50,000   | 21        | 48%         |
| \$50,001 - 100,000  | 10        | 23%         |
| \$100,001 - 150,000 | 0         | 0%          |
| \$150,001 - 200,000 | 1         | 2%          |
| > \$200,001         | 2         | 4%          |
|                     | <b>44</b> | <b>100%</b> |



\* Due to the sensitivity of the question, some participants did not choose a response

What Best Describes You

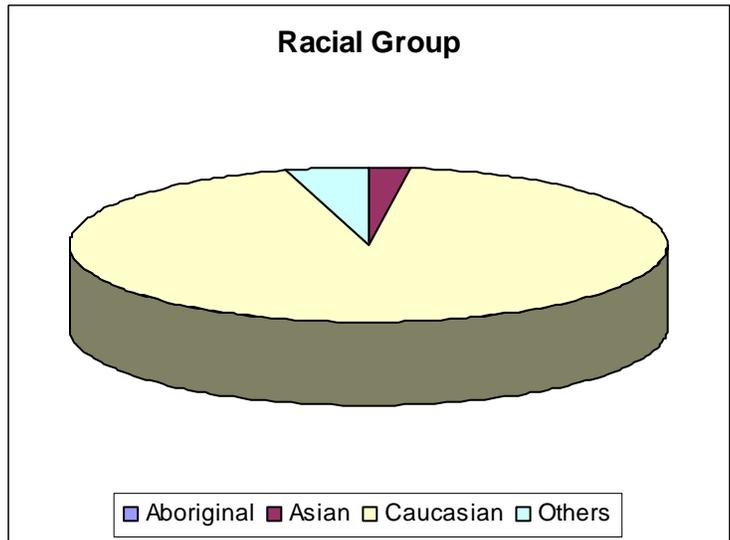
| Types   | #         | %           |
|---------|-----------|-------------|
| Student | 7         | 16%         |
| Parent  | 5         | 11%         |
| Retiree | 15        | 34%         |
| Worker  | 11        | 25%         |
| Others* | 6         | 14%         |
|         | <b>44</b> | <b>100%</b> |

\* Have mixed roles



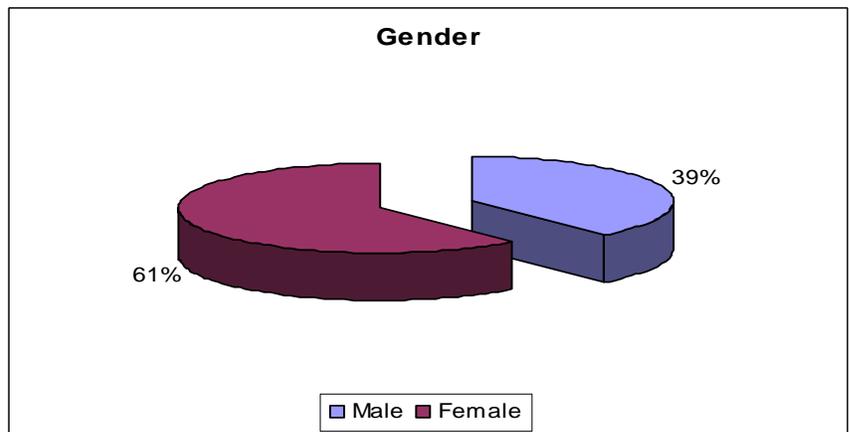
Racial Group

| Types      | #         | %          |
|------------|-----------|------------|
| Aboriginal | 0         | 0%         |
| Asian      | 1         | 2%         |
| Caucasian  | 41        | 93%        |
| Others     | 2         | 4%         |
|            | <b>44</b> | <b>99%</b> |



Gender

| Type   | #         | %           |
|--------|-----------|-------------|
| Male   | 17        | 39%         |
| Female | 27        | 61%         |
|        | <b>44</b> | <b>100%</b> |



Where did you heard about UBC Farm

| <b>Ways</b>                      | <b>#</b> | <b>%</b> |
|----------------------------------|----------|----------|
| Signage                          | 10       | 23%      |
| Victoria at a Conference in 2000 | 1        | 2%       |
| At work / through UBC            | 9        | 20%      |
| Courier                          | 4        | 9%       |
| Friend / Word of Mouth           | 6        | 14%      |
| Radio                            | 5        | 11%      |
| govolunteer.ca                   | 1        | 2%       |
| UBC Website                      | 2        | 5%       |
| Magazine                         | 1        | 2%       |
| Community                        | 2        | 5%       |
| Others                           | 3        | 7%       |

**44**

**100%**

**Appendix III**

**Competitive Matrix**

|  | <b>UBC Farm</b> | <b>Safeway</b> | <b>Nat Bailey Stadium – Farmers Market</b> | <b>Capers</b> | <b>Choices</b> | <b>Meinhardts</b> |
|--|-----------------|----------------|--|---------------|----------------|-------------------|
| <b>Price</b>                           | 7               | 7              | 5  | 9             | 9              | 9                 |
| <b>Product Variety</b>                 | 7               | 3              | 7  | 10            | 9              | 8                 |
| <b>Promotion (websites)</b>            | 8               | 10             | 5  | 9             | 6              | 0                 |
| <b>Distribution (location)</b>         | 9               | 10             | 2  | 7             | 6              | 5                 |
| <b>Freshness</b>                       | 10              | 6              | 9  | 9             | 7              | 9                 |
| <b>Accessibility (Operation Hours)</b> | 1               | 9              | 3  | 8             | 8              | 8                 |
| <b>Staff Friendliness</b>              | 5               | 7              | 6  | 7             | 7              | 8                 |
| <b>Organic Produce Understanding</b>   | 9               | 1              | 1  | 10            | 8              | 8                 |

Comparison based on organic produce

Scale: 0 (bad) – 10 (good)

**Appendix IV**

**S.W.O.T. Analysis**

|  |   |
|--|---|
| <p><b>Strength</b></p> <ul style="list-style-type: none"> <li>- Only organic farm in the local area</li> <li>- Supported by various UBC faculties</li> <li>- Grants received from the government</li> <li>- Located in a growing residential area</li> <li>- Support from Vancity Envirofund and Fisherscientific funds</li> <li>- Recognition (UBC)</li> <li>- Delivery cost is minimized by only delivering to restaurants in the local area</li> <li>- Freshness</li> </ul>   | <p><b>Weakness</b></p> <ul style="list-style-type: none"> <li>- Demand for UBC produce currently exceeds supply</li> <li>- Produce sales revenue does not cover all expenses related to farm operation</li> <li>- Increasing production while using the current administrative and pricing systems will not result in economic sustainability</li> <li>- Saturday Market only operate once a week from June to October which limits sales</li> <li>- Closes to the public from December to February</li> <li>- Lacks organic certification</li> </ul> |
| <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>- Initiates Winter production</li> <li>- Extends operation hours</li> <li>- Potential for involvement in the campus dining plan</li> <li>- Raises demand by increasing business with retailers</li> <li>- Expands Saturday market</li> <li>- Works with UBC course instructors to attract more volunteers eg. Course credit for volunteering hours or project</li> <li>- Sells Saturday market booths to local farmers</li> <li>- Expands the CSA programs by increasing the number of shareholders</li> <li>- Expands farming area in UBC</li> </ul> | <p><b>Threats</b></p> <ul style="list-style-type: none"> <li>- Unpredictable weather affects farm yield</li> <li>- Substitutable fruits and vegetables available at other locations within the West Point Grey/ UBC Area</li> <li>- Future UBC land development threatens to encroach on UBC Farmland</li> <li>- Restaurants who order from UBC Farm may turn to other organic produce suppliers who have consistent produce supply</li> </ul>  |

## Appendix V

### UBC Farm Interview October 5, 2006

What is your feeling towards the industry? Glowing? Slowing Down?

- Organic sector has double digit growth
- Generally difficult to obtain loans from the bank in this industry

What is the financial situation of UBC Farm?

- Ideological support from university
- Hard to obtain loans from bank
- UBC loan depends on educational justification

What makes the Farm successful?

- Environmental oasis feeling in urban center
- Student support
- Provide unique connection with food system
- Local
- Fresh because produce are harvested on demand
- UBC identity which links to customer value

Product Category

- a) If the price for UBC produce was lowered, will you expect there to be an increase in restaurant demand? (What do you think about the idea of increasing market demand?)
  - Lower pricing will increase demand but the pricing is affected by administrative costs
  - Improvements are required in current administrative and pricing systems to increase demand
- b) Is it difficult for restaurants to find organic produce similar to that of UBC Farm's with the same price? (Is it difficult for the Farm to sell its produce to restaurants and other distributors?)
  - It is harder to find produce as fresh with wholesalers.
  - UBC Farm can provide more fresh produce because of its proximity
- c) Why hasn't UBC farm achieved organic status
  - Not enough time, effort and money
  - No Middle man to provide assurance directly
  - Do not have consistent supply of a certain produce in large quantity

Customer Segmentation

- a) What target markets/ market segments you have in mind
  - Value- driver segment
- b) What types of people buy from the Farm? Traits? Characteristics? Attributes?
  - People who buy organic produce
  - Highly educated
  - Older population
  - People who are not above average affluence
  - Many from Hampton place
- c) What are some reasons people want to order/ buy from UBC Farm?
  - Ecological
  - Personal health (minority of population)
  - People ideologically support the UBC Farm
  - Concerns about how food is produced

- Buying the whole system
- Buying something which is encouraging ecological improvement, a system of food production which is better than the conventional model

#### Distribution

- Estimated contribution percentage of the following:
  - Individual consumers (Saturday market) 70%
  - Restaurant 15% in total (with distribution mostly to UBC Sage and Proven Mediterranean 6%, West Restaurant 3%)
  - CSA Box Program 10%
  - Sprouts and other special events 5%
- Does the business do pre-ordering? Reserves for restaurants?
  - Try to do pre-ordering 4-5 days in advance
  - Confirms orders 2 days prior to pick up
- When do customers, distributors, restaurants usually come to buy from the Farm?
  - Saturday Market (Eggs are only sold on Saturday)
  - CSA Box pick up through out the week and residential delivery on Friday
  - Restaurants delivery on Friday and Saturday
- Which channel of distribution is most profitable? Main source of income?
  - Hard to determine because cost of production varies and they cannot identify cost of a specific product
  - Revenue from market sales does not cover cost

#### Competitive Analysis

- What are your major competitors?
  - Specialty stores- Choices, Capers
  - Discovery Organics/ Pro-Organics
- Do restaurants/ distributors get a lower price on produce than standard customers?
  - Yes

What is the staffing structure? Volunteers? Part-time/ full time staffs?

| Type of Employee                  | Number | Hours  |
|-----------------------------------|--------|--|
| Full Time Staff                   | 1      | A total of approximately 7000 paid labor hours |
| Student Workers (Part-time)       | 18     |  |
| Market Garden Workers (Part-time) | 5      |  |
| Volunteers                        |        | A total of approximately 2300 volunteer hours  |

Others:

- Farm labor is not unskilled labor, requires training
- Market is also very labor intensive
- Volunteers need a program coordinator for training, and managing all volunteer related issues such as getting t-shirts for volunteers and organizing BBQ

Main Goals of the UBC Farm:

- Superior education and academic research opportunity for students
- Lends credibility for UBC
- Build a strong community
- Last to concern would be selling vegetables

## Appendix VI

### Marketing Implementation Timeline

#### **1A) CSA Box Brochures**

Before

Contract with printing and supplies company should be arranged and confirmed.  
All necessary production materials should be obtained.

During

Continuous updates to the CSA Box Brochure, including changes to the frequency of UBC Farm events and activities.

After

Follow-up discussions with CSA Box Program customers about the impact that this information is having on them and their families. This information could be used to validate whether or not the program should be continued.

#### **1B) Signage Increase**

Before

New locations should be scouted, and all affected individuals and businesses should be consulted. Their consent should be obtained before signs are located on the respective locations.

During

The signs should be monitored for quality degradation. If quality degradation persists, move the sign to an alternate location.

After

Continue monitoring sign quality; replace signs once they have become aged.

#### **2A) Educational Tours**

Before

Inform parents who regularly visit the UBC Farm about the tours that are going to be conducted in the future. This could be done through casual conversations and signage.

During

Conduct random tours throughout the day (Saturdays) whenever there are enough interested participants. Job rotation could also occur between tour leaders, in order to maintain UBC Farm personnel interest.

After

Ask the parents of children who recently went on the tour for feedback. Farm knowledge points that made a good impression should be noted, and promoted during future tours.

#### **2B) Farm Picnic**

Before

Consult potential future participants about the picnic, and obtain RSVP's. This list of customers will allow the UBC Farm representatives to prepare the knowledge they want to share, which is relevant because certain customers may be more interested in some points than others.

During

Conduct networking and informational discussions with UBC Farm customers.

After

Discussion with the customers who attend the picnic and who are aware of the picnic will give the UBC Farm an idea of the impact that the picnic has for the Farm.

#### **3A) UBC Farm Merchandise - Bags**

Before

Analyze the cost of bag introduction; confirm the location and people involved in the sales.

During

Monitor the turnover rate of the bags.

After

Analyze the benefit of selling the bags by calculating the revenue collected through sales, and subtract the cost of bag introduction. This information could be used to validate whether or not the program should be continued.

**3B) UBC Farm Merchandise - T-shirts**

Before

Collect information to be printed on the t-shirts. Analyze the cost of t-shirt introduction; confirm the location and people involved in the sales.

During

Monitor the turnover rate of the T-shirts.

After

Analyze the benefit of selling the t-shirts by calculating the revenue collected through sales, and subtract the cost of t-shirts introduction. This information could be used to validate whether or not the program should be continued.

**3C) UBC Farm Merchandise – Cook Book**

Before

Collect recipes through contest  
Analyze all production costs related to cookbook

During

Monitor the turnover rate of the cookbooks

After

Analyze the benefit of selling the cookbook by calculating the revenue collected through sales, and subtract the cost of cookbook introduction. This information could be used to validate whether or not the program should be continued.

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