Promoting Agribusiness and Agritourism

Dave Mace was raised in Kansas City and followed a circuitous road to agribusiness – but today there is not much about the food supply chain that he does not know. His undergraduate studies in finance, economics, and communications led him to an internship with the Kansas City Board of Trade. Although his original interest was in the financial side (hedging and risk management), he became fascinated with agribusiness and spent two years working as a reporter for Knight-Ridder Financial News covering the agricultural markets. “It was fast paced. Deadlines were measured in minutes.” Dave made the transition to account executive and worked for advertising and public relations agencies in Kansas City. Among his clients were Bayer Crop Protection and the United Soybean Board, promotional arm of the soybean industry, which was looking for new uses for soybeans such as biodiesel.

In 2000, Dave followed his wife to Manhattan, Kan., and spent six years as a church youth director and social worker. He enrolled in the MAB program. His thesis examined reasons why farmers want to become agritourism entrepreneurs.

In the past century, the number of farmers in the country has decreased by 90% as the industry has consolidated. Dave found that social factors such as wanting to give back to their community, maintain a rural way of life, and be their own boss are as important as expectations for financial gain.

In Manhattan, Dave landed a job at the Kansas Ag Innovation Center working with Dr. Vincent Amanor-Boadu under a USDA small business grants project. Dave especially appreciated working with Dr. Vincent, who combines a strong innovation background with a passion for agribusiness. Under the small grants projects, Dave worked with producers to come up with innovative ideas for processing and marketing their commodities. For example, a producer growing Kansas wheat might come in with an idea for a cereal bar and Dave would develop ideas for packaging, distribution and prepare a business plan to make the concept financially feasible.

Next, Dave worked for Sullivan, Higdon and Sink, an advertising agency in Wichita, and headed up the Cargill Meat Solutions team to consolidate their advertising for beef and pork. This turned out to be an opportunity for Dave to stretch his wings as a consumer marketer and help his client extend the reach of branded beef and pork. Two examples are Cargill’s Ranchers Reserve brand marketed in Safeway stores and Sterling Silver in Dillons.

Dave has developed a passion for working with small businesses. “I like to work with the people who call the shots.” In 2008, he started his own small business consulting firm, Maverick Creative Group (www.letmaverick.com), offering process consulting, marketing, strategic planning and other consulting services. He is also an independent consultant and workshop facilitator for the Kansas State Small Business Development Center.

Cluster Approach to Agritourism

The consolidation of the farming industry has generated interest in agritourism. A key consideration in agritourism development is proximity to consumers. Businesses in remote areas need to adopt a cluster approach and gather enough attractions to entice people off the main road. A single winery may not suffice, but people may be willing to drive up to six hours to spend a day and a night enjoying a winery, buffalo experience, and cowboy experience in one location.

Offering a Mix of Products and Services

Farmers in closer proximity to consumers can reinvent themselves by offering a mix of services. One such example is Pendleton’s Country Market located at most an hour from Kansas City (www.pendletons.com). By the early ’90s, Pendleton’s had exited the row crop business, leased their land and established an agritourism destination. At Pendleton’s, visitors can do more than just pick out a pumpkin: they can ride a tractor, light a bonfire, pick asparagus, shop in the store and take care of their plant needs. This year, Pendleton’s debuted their butterfly villa where they tagged and released monarch butterflies in the fall. Pendleton’s has the added advantage of forming a cluster with other agritourism sites in the area.

Creating Value Added

Another agribusiness strategy is to find alternative uses for existing products and create value added for the producer. Walter’s Pumpkin Patch in Burns, Kansas, (www.letmaverick.com)
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walterspumpkinpatch.com) markets a pumpkin salsa. Other pumpkin growers are producing pumpkin puree to market to restaurants for soup. “Anyone with a simple pumpkin patch is throwing away excess produce. If we can create value where before there was none, that’s already a big achievement,” Dave says. “Vincent taught me the goal should be to make the by-product more valuable than the original output.”

Area branding

Agritourism strategies can include the branding of an entire region by creating a geographic identity recognizable by consumers, in the way that the Appellation [d’origine] Controllée certification has created identities for French wine producers. In Kansas, “Our Local Food” brand promotes the Kaw River Valley (www.ourlocalfoodsks.org) by touting experiences and products that visitors cannot get anywhere else. The ultimate goal is to have a governing body that certifies products and businesses from the region and create the same intimacy between consumers and Kaw River produce that popular packaged food brands enjoy.

Electronic Marketing for Agritourism

Today, Kansas has a population of 3 million. Half of these are already on Facebook – putting Kansas in the top 10 states (per capita) on that platform. This represents a captive audience that spends an average of 23 minutes a day on Facebook. People are looking for places to go and things to do. Given the current economic times, they may not be able to afford Disney World, but a getaway trip within the state is a distinct possibility.

Computer owners are not the targets for electronic marketing as much as mobile device owners. Consumers are purchasing mobile devices at three times the rate of computers. Everything is location based, so a mobile device (such as a cellphone) knows if a user is in Wichita or Manhattan. Applications like Foursquare (www.foursquare.com) and Yelp (www.yelp.com) allow users to identify activities nearby. A user can select a category like “restaurants” and the applications will continually refresh as they travel down I-70. A hungry traveler may stop at a food chain restaurant or – if the local small business is listed – they may be able to stop and have a Kansas-grown pork BBQ sandwich instead.

To help small businesses take advantage of the opportunities offered by electronic media, Dave has established a new division focusing on electronic marketing within a second firm he founded called Valé (www.littlebigadguys.com). “The opportunities are truly unlimited and the electronic media really level the playing field because small businesses have the same tools available to them as the large corporations. If they do the right thing, the return on the marketing investment might be immense.” Dave has started a division of Valé called agdig (www.agdig.com) that addresses the electronic marketing needs of agribusiness clients.

In looking back on his accomplishments, Dave’s thoughts return to the MAB program. “I came into the program with a lot of energy, but what MAB gave me was the analytical toolkit. It teaches you how to think.”

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outlook of Cargill’s future grains and oilseed production.

The event concluded with a roundtable panel discussion that connected all of these topics. Moderated by Dr. Keith Woodford of Lincoln University, the roundtable featured MAB Alum from the class of 2003 Dave Rock, Manager of Dealer Strategy, John Deere; Dr. Ravipim Chaveesuk, Professor at Kasetsart University; and Dr. Nicolas Habert, Professor at Purpan, offered more thoughts on the future of the food and agriculture industry and field questions from attendees.

“The speakers at this event were fantastic and the energy of the audience was great! People in the audience asked questions and engaged the speakers and maintained a very interesting conversation throughout the entire event,” said Dr. Vincent Amanor-Boadu, Associate Professor of Agricultural Economics at K-State.

Previous professional development events sponsored by the Master of Agribusiness program have been held in Kansas City and Junction City.

“This was a great educational experience. Definitely some of the best money I’ve ever spent. There is a wealth of educational knowledge at these events and it is valuable in shaping the future of agriculture,” said class of 2013 MAB student Grant Good, Sr. Design Engineer for AGCO Corporation.

Brummett says a fond farewell

After eight years of guiding students through the MAB program, Program Coordinator Lynnette Brummett left her position on October 4th to spend more time with her three children and assist with husband Jason’s growing electrician business.

“I’ll always treasure the experiences I’ve had with MAB students, alumni and Advisory Board Members,” Brummett said. “I’ve enjoyed my time with the program and getting to know everyone involved with the MAB.”

The program is conducting a search for a new Program Coordinator.

“I am not telling you to get rich out of this, but if you put a little effort into making a novel experience for people and it helps you make a truck payment, what is wrong with that?”