

MARKETING CLUBS

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What is a marketing club?

A marketing club is a group of farmers who meet regularly in order to increase their knowledge of marketing concepts and gain greater success in the marketplace. Marketing clubs have become very popular among grain and livestock farmers in the Midwest, where they have been promoted as a way to help farmers cope with increasingly risky markets.

A marketing club is a farmer-to-farmer learning group, in which all participants contribute their knowledge and share in the task of increasing their marketing savvy. Extension educators, lenders, agribusiness representatives, University staff, and other resource people can play supportive roles, but it's the farmers who determine what they want to learn and how they will go about learning it. Members' learning is self-paced and self-taught, with the assistance of other group members.

How does it work?

Typically, a marketing club involves 10 to 20 producers, one of whom serves as the discussion leader during meetings. An Extension educator or agribusiness representative often gets the club up and running, and provides ongoing support by arranging the meeting space, refreshments, publicity, speakers and tours, if desired. Producers decide how often and when they want to meet, how many months they will meet, what topics they would like to learn about, and how they will go about it. Marketing clubs typically meet bimonthly or monthly, for one to three hours. Some meet year-round, others meet only during the winter months.

Location of the meeting can also be important to the success of a group. Some smaller clubs have found it useful to meet in the intimacy of members' homes. Others have found local restaurants with a small meeting/dining room and have combined the topical discussions with a social event. Still other groups have used meeting rooms at local Extension offices, schools or businesses with good effect. Meeting locations are decided by the consensus of the group.

Marketing clubs involving grain and livestock producers tend to have a strong focus on the commodities markets, and often engage in buying and selling options or futures contracts together as a way to learn about these markets. Members pay "tuition" of \$25 to \$200, which the group invests in the commodities

markets. Because these groups can handle significant amounts of money, a formal organizational structure with bylaws and officers can be useful. Horticultural marketing clubs in the Northeast are not likely to be interested in options and futures markets, and probably have no need for a formal structure. Most groups will collect some type of dues to offset the costs of refreshments or meeting space.

What's in it for me?

A marketing club provides growers an opportunity to explore whatever marketing-related topics interest them, at whatever pace and level of depth they need. Members decide together what the topics will be, and then assign readings, find speakers, or arrange tours to learn more about these topics. Committees may be formed to research specific topics and share their findings at a future meeting. The club might decide to study seasonal price variations for selected products in different marketing channels, for example, or opportunities for adding value to specific products.

One important function that marketing clubs can serve is to help members through the process of developing their own marketing plans. Over a series of meetings, participants go through a step-by-step process of thinking through the various pieces of their marketing plan, and getting feedback from each other and from outside resource people. The meetings provide continuity and group support for the process, which can be challenging for growers to tackle by themselves.

Perhaps the greatest benefit of marketing clubs is that they increase trust and communication among growers in a given geographic area. Over time, club members will naturally identify ways to cooperate with each other, for example, by buying and selling from each other for their retail farm stands or wholesale accounts, or by purchasing supplies together. This gradual development of trust and cooperation may allow the eventual formation of more formal cooperative relationships down the road, allowing growers to achieve new levels of marketing success.

How can I get a marketing club started?

If you are a producer or an Extension educator interested in forming a marketing club in your area, Cornell's Horticultural Business Management and Marketing Program can help. In cooperation with USDA's Risk Management Agency, we will be providing start-up assistance and ongoing support for marketing clubs throughout New York State for at least the next 2 years. Specifically, we can help you with:

- Getting a club started
- Planning meetings
- Educational materials (including this newsletter series)
- Presenting special workshops
- Recruiting speakers and resource people

- Sharing information among marketing clubs

There are already more than two-dozen groups that have been formed in New York State to take advantage of this kind of collective learning process and social structure. In the horticulture arena, several Cooperative Extension Educators and Area Specialists are beginning to work with us to organize marketing clubs for fruit, vegetable, and greenhouse growers through a special grant from the USDA Risk Management Agency. They include Karen Hall, Erie County; Walt Nelson, Chemung County; Steve Hadcock and Steve McKay, Columbia County; Alison DeMarree, Lake Ontario Fruit Program; and Stephen Childs, Wyoming County.

If you'd like help organizing a marketing club, contact Wen fei Uva at WL32@CORNELL.EDU, or Jerry White at GBW2@CORNELL.EDU.

For additional resources on marketing risks and marketing clubs, [click here](#).