

FAQ 6

What Do I Need for a Good Marketing Program?

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Key Points from *Developing a Sensible and Successful Marketing Attitude* (EC-673)

- Analyze your risk-taking attitude.
- Understand the relationship between your attitude toward risk and your marketing attitude.
- Familiarize yourself with basic marketing concepts and terms.
- Realize that a sensible and successful marketing attitude must start with you.

Key Points from *Developing and Implementing a Successful Marketing Plan* (EC-674)

- Find reliable sources of marketing information, and learn how to use them.
- Understand that there are a variety of acceptable ways to respond to price risks.
- Develop your own strategy for marketing.
- Keep your plan simple and consistent, and base it on all available facts about market conditions.
- Learn to follow a basic list of rules when making marketing decisions.

Ag options will provide a new marketing alternative with some clear-cut advantages over the traditional futures position-i.e., outright hedging. However, whether or not options should be used by producers will be determined by the cost of the options established in the marketplace. Only experience, careful comparison between the costs and benefits associated with both options and futures positions, and determination of individual market objectives will provide the producer with answers as to which alternative to use. The success of options will also be determined by the willingness of speculators to enter this market.

Well-informed producers can make better marketing decisions. Even if producers choose not to trade options, they should be aware of how these markets work and how they can be used. This will allow them to better evaluate all available marketing alternatives.

Resources for Marketing Programs

Resources	Sources
<i>Developing a Sensible and Successful Marketing Attitude</i> (EC-673). Purdue Extension.	http://www.ces.purdue.edu/extmedia/EC/EC-673.html
<i>Developing and Implementing a Successful Marketing Plan</i> (EC-674). Purdue Extension.	http://www.ces.purdue.edu/extmedia/EC/EC-674.html
University of Nebraska marketing publications	http://www.ianr.unl.edu/pubs/farmmgmt/#marketing
Ag Market Advisory Service Project at the University of Illinois	http://www.farmdoc.uiuc.edu/agmas/

Date Prepared: October 2001