



Marketing Pomegranates

Dr. Lisa House

Director, Florida Agricultural Market Research Center

Professor, Food and Resource Economics Department



Identify your market

- Market segment = group of consumers with similar needs
- Measurable, Substantive, Actionable
- Niche = small consumer segment with narrowly defined needs
- Market segment is an Identifiable group



The 4 “Ps” of Marketing

1. Product Positioning
2. Price
3. Place (Distribution)
4. Promotion



4Ps: Product Positioning

- The process of creating the desired image in the customer's mind
- Not what you do with the product, what you do with the mind of the prospect
- Have to first understand the mind of the customer, it is not always what you think



4 Ps: Product Positioning

- Competitive Advantage
 - Set of competencies where firm has a clear and distinct advantage over the competition
 - The reason customers buy from you and not your competitor
- Differentiation
 - What sets your product apart from others



4 Ps: Price

- Price impacts revenue
 - Price * Quantity
- Price level impacts demand
 - Higher prices = lower demand
 - Relative prices with competitors affects demand
- Need to consider Cost, Competitors, and Consumers when setting prices
- Estimated price for pomegranates over 5 years from California crop reports is \$18/28 lb. box
 - 2010 UC Cooperative Extension Pomegranate cost and return study



How Important Are Costs?

- Consumers don't care what it cost you
- Competitor might have different cost structure

But...

- Use to establish minimum price
- Must know costs to control them



4 Ps: Place

- How much, Where, How, When
- Physical distribution
- Marketing Channel = path products travel from producer to customer



4 Ps: Promotion

- Delivering a message to consumers
- What many people think of as “marketing”
- 3 purposes
 - To inform
 - To persuade
 - To remind



Pomegranates

- Need to establish product strategy
 - What characteristics are important to consumers
- As well as marketing channel (place)
 - Juice or fresh fruit (both?)
 - Niche (local) or larger?
- Price
 - Understand cost structure relative to competition
- Promotion comes later