

Managing an Agri-Marketing Team

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ABSTRACT

This senior project is a manager's perspective of the creation of a marketing plan from start to finish. The project begins with the team assembly process in which fifteen students were hired to execute different parts of the marketing plan and continues all the way through the completion of the project and presentation of the marketing plan at the National Agri-Marketing Association conference in Kansas City, Missouri.

The marketing plan was a product repositioning strategy for a unique variety of grape tomatoes. Through consumer research, healthy eating trends in the United States along with an increasing demand for snack foods created the perfect platform for Rubies, the sweetest, healthiest, and most convenient snacking tomato to ever reach mainstream retail shelves.

After five months of product development, the Rubies marketing plan was taken to the National Agri-marketing Association Collegiate Competition in Kansas City to compete with marketing plans developed by 35 of the nation's top agribusiness universities. The project was a success, winning fifth place overall and reaching the finals for the first time in a decade for Cal Poly.

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TABLE OF CONTENTS

SIGNATURE PAGE.....	ii
ACKNOWLEDGEMENTS.....	iii
ABSTRACT.....	iv
DISCLAIMER STATEMENT.....	v
LIST OF FIGURES.....	vii
INTRODUCTION.....	1
LITERATURE REVIEW.....	2
PROCEDURES AND METHODS.....	4
RESULTS.....	8
DISCUSSION.....	9
RECOMMENDATION.....	10
REFERENCES.....	12
APPENDICES	
Appendix A: How Project Meets Requirements for the ASM Major.....	13
Appendix B: Executive Summary.....	17
Appendix C: Miscellaneous Documents.....	19

LIST OF FIGURES

1. Executive Summary Team Format.....	5
2. Presentation Team Format.....	6

INTRODUCTION

The National Agri Marketing Association (NAMA) is the nation's largest association for professionals in marketing and agribusiness. Every year, NAMA holds a trade convention for all of its members to gather and make new connections, share ideas, meet with customers and to gain insight to the most critical issues facing ag-marketing and agribusiness. Another component of this annual convention is the student marketing plan competition. The NAMA convention is a battleground for students from over 30 of the nation's top agribusiness schools, all aiming to be named the University with the most innovative and fundamentally sound marketing plan. The project is judged based on two criteria: the executive summary and the presentation. The executive summary is a physical document that highlights the key elements of the marketing plan and the presentation is a formal overview of the marketing plan that is given to a panel of judges at the NAMA convention.

Opposed to years past in which the team was managed by faculty members, it was decided that the project be managed and carried out by students only this year. The student project manager's role on the Cal Poly NAMA team is to ensure the success of the project. This includes everything from the actual formation of the team to organizing meetings, setting deadlines and providing strategic direction and consistency within the team.

LITERATURE REVIEW

Executive Summary

The executive summary is a document that summarizes a marketing plan. It consists of the five main components in a marketing plan and gives a brief overview of each.

- Market Analysis
 - The market analysis is an investigation of the current conditions of the market in which the product will be competing in. Things like general market size, market structure, distribution channels and estimated market potential are the main areas of study in the market analysis.
- Competitive Analysis
 - The competitive analysis is created in order to better understand the direct and indirect competitors in the market. The competitive analysis is designed in a way in which the competitive advantages and disadvantages of the product can be assessed. Tools like a SWOT (Strengths, Weaknesses, Opportunities, and Threats) are very common in evaluating the competitive environment of the industry.
- Business Proposition/ Action Plan
 - The plan of action is the most strategic aspect of the project. In this section, the identity of the product is uncovered, adding value to the product and getting consumers to identify the product and become loyal to the brand. The general areas in which the action plan addresses are the location of the planned product launch, the price of the product, the position the product plans to take in opposition to its competitors as well as the target consumer the plan is geared to market towards.
- Monitoring and Measurement
 - The monitoring and measurement section lays out an assessment strategy that will take place after the product has launched. The main objective of the monitoring and measurement plan is to measure the success of the product and to plan for any contingencies that could possibly arise.
- Financial Evaluation
 - The financial evaluation breaks down the product launch into dollar terms. Operational costs are considered as well as packaging, marketing and logistics. A sound financial analysis is a critical component to a good marketing plan because most of the goals set are ultimately financially oriented and are based on predicted future values.

Managerial Responsibilities

A good leader's main objective is to achieve desirable results. Every decision a good leader makes should be with the goal of improving the end result of the project. The following is a

list of six particular responsibilities that a team leader has that are absolutely vital to the success of any project:

- 1) *Team Formulation* – The people who are chosen to be a part of the team need to be qualified to work on the project and must have the basic skills necessary to be a part of a high functioning team such as the ability to work in groups and the communication skills necessary to collaborate with other team members.
- 2) *Communication* – Although each member of the team should have adequate communication skills, it is the managers responsibility to build a strong line of communication within the team in order to ensure everyone involved with the project is kept well informed on project matters.
- 3) *Conflict Resolution* – Conflict between team members is extremely counterproductive. It is the role of the project manager to address inter-team conflict immediately and directly. Major sources of conflict are anxiety, power struggle, and poor communication.
- 4) *Decision Making* – Indecisiveness is a business leader's worst enemy. In order to be an effective leader one must be a strong decision maker because no action can be taken until a decision is made on the topic at hand.
- 5) *Organizational structure* – This task becomes more important as the size of a team gets bigger. For large teams, establishing an organizational structure is a very important aspect of the project management. A good organizational structure will aid in establishing a good communication line and will help avoid conflict over task delegation.
- 6) *Project Direction* – Each member of the project team must be well aware of the desired end result of the project in order to know how to properly organize her portion of the project. The leader is faced with the challenge of maintaining a consistent and clear project direction that every team member knows and is able to follow.

PROCEDURES AND METHODS

Team Assembly

The team was assembled based on two criteria: a written application and a personal interview. A week long campaign in the department created interest for the project. This consisted of posting flyers in the halls and holding an information session. The two weeks following the campaign was when the tryouts were held and the week after the tryouts was when the team was finalized.

Written Application. The application served primarily as an indicator of interest and secondarily as a tool for assessing the candidates. The questions were very general and were intended to serve as a way to get to know the candidates before they walked in the door for their interviews as well as to get an idea of their writing styles and fields of interest. In a few extreme cases, it was apparent based on the quality of the written application that a candidate was or was not going to make the team. The majority of the applicants left the decision in the hands of their personal interviews.

Personal Interview. There were two different personal interview styles: the presentation interview and the standard question and answer style interview. The Presentation style interview was meant for candidates who were trying out for the role of a presenter and the question and answer interviews were intended for those who were trying out to be a researcher, with no role in the presentation at the competition. The two student project managers along with the agribusiness department chair and faculty advisor made up the interviewing panel.

Organizational Structure

The organizational format of the team had two major phases, one during the executive summary portion of the project and the other for the presentation preparation. The structure of the team transformed from the original format, which was designed for the creation of the executive summary to a more suitable format for the creation of the presentation.

Executive summary. As described in the Literature Review, the executive summary is comprised of five major categories: Market analysis, competitive analysis, business proposition and action plan, monitoring and measuring, and financial analysis. The group was split into five small groups, each one focused on one of the five areas of the marketing plan. One presenter and two researchers were assigned to each category.

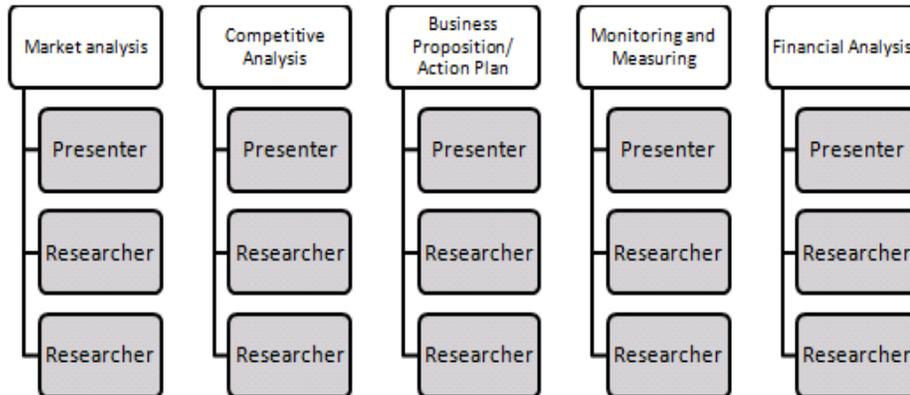


Figure 1: Executive Summary Team Format

Presentation. Following the completion of the executive summary, the team's objectives take a completely new direction. At this point, the actual marketing plan is completed and the team's only concern is to present the plan in the most effective and outstanding manner. During this phase of the project, the team was divided into three main groups: presenters, PowerPoint developers and display developers. The presenters spent the majority of their time polishing their presentation style and perfecting the actual verbal presentation that is so vital to success at the national level. The PowerPoint group built a visual presentation using Microsoft PowerPoint that accented the information that was presented at the competition. The visual aid group developed the design of the packaging, took pictures of the package prototype and created visual aids for the presentation that were aside from the PowerPoint.

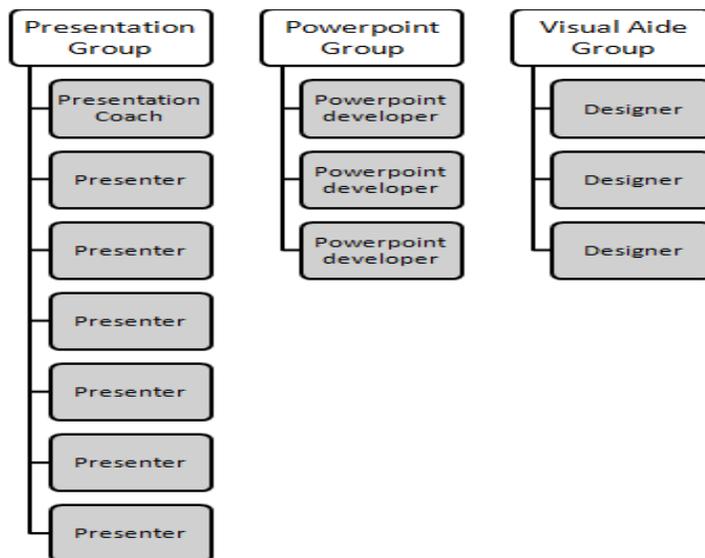


Figure 2: Presentation Team Format

Product Selection

The first order of business for the team to address was the selection of the product to create the marketing plan for. Through the alumni network, the founder of a company named Golden Sun Marketing presented an idea for a new variety of grape tomato that had now yet reached the marketplace. The major selling points for this tomato were its thicker skin, which caused a higher protein content, sweet taste, and higher lycopene content. The tomatoes are grown by a group of hothouse growers in Sinaloa and Central Mexico and are shipped to a central location in Nogales, Arizona to be transported into the mainstream grocery chains.

Brainstorming

The most difficult part of this project was the brainstorming process. It is really easy to spend hours throwing ideas back on forth but it is extremely difficult to sift through all of the ideas and identify the superior ones. The approach that was taken in order to combat this problem was trend identification. Finding similarities in some of the ideas and pooling them together into broad categories proved to be the best way to come up with a good direction for the marketing plan to follow. It is important to leave the brainstorming sessions with a very general direction in which the plan will take and allow the details to be worked out as the marketing strategy develops.

Communication

Communication within the team was critical to the success of the project. It was important that the team held regular biweekly meetings in order to have everyone in the same room at the same time to open up all communication channels amongst the different sub groups. Although each group was working somewhat independently, each section of the marketing plan relies on information gathered from other sections, so communication had to be absolutely open amongst the groups. In many cases, the project manager was circulating through the room in order to pick out areas in which two groups had conflicting views. While e-mail was the most common means for communication outside of meetings, text messaging and phone discussions also played key roles in keeping everyone up to date.

RESULTS

After two weeks of interviews, a team of fifteen students were selected to participate on the team. After the first meeting, however, one student dropped out, leaving a 14 student team. The team spent five months developing the Rubies marketing plan (See Appendix B) and another month preparing the presentation for the NAMA competition. The team traveled to Kansas City, Missouri, to compete in the National Agri-Marketing Association's intercollegiate marketing competition.

This year, a record breaking 35 universities were in attendance coming from all over the country.

The Competition consisted of three rounds of presentations. In the preliminary round, the teams were divided into heats of five or six teams each. The top two presentations from each heat moved into the semi-finals, narrowing the number of teams down to three heats of four teams each. The top two teams in each heat advance again to compete in the finals. The two primary heats have three judges who listen to the presentation and are given a question and answer time after each presentation. In the finals, a panel of six judges evaluate the presentation and determine the ranking of the top six teams.

Overall, the team did very well in the competition. Sailing through the preliminary and semi final heats, Cal Poly NAMA made its way into the finals for the first time in almost a decade. In the finals, Cal Poly ended up in fifth place overall.

After the first round of the competition, the team was given feedback from the judges on the executive summary and the presentation. The feedback that was received was very positive. One of the judges remarked that the executive summary was the strongest in the entire competition and that it "...looked like it belonged in any board room..." The presentation itself was very highly spoken about, with remarks that highlighted the organizational structure of the presentation, the PowerPoint visuals, and the natural presentation style of the speakers.

Ultimately, the results of this project extend beyond the scope of the 2010 NAMA team.

Due to the success of this years' team, the agribusiness department has decided to try to keep the NAMA team going for future generations to experience NAMA in its new form as a student run program.

DISCUSSION

Although several variables factored into the success of the 2010 NAMA team, three components of the overall organizational team structure were of particular value in this case: Faculty leadership approach, senior project incentive, and team size. These three fundamental changes in the structure of the program created the foundation upon which all the ensuing victories were won.

Faculty Leadership approach

In recent years, the NAMA team has had a lack of student interest, primarily driven by the lack of ownership participants felt with their project. The source of this disconnect between students and their project was the use of faculty members as team managers. Although intuitive logic may lead one to associate experience with success, the learn by doing methodology argues that, in fact, the opposite can also be true. There is an overwhelming tendency for students to accept the opinions of their professors as facts. This leads to a lack of confidence in students' own opinions and, ultimately, serves as a gateway to groupthink mentality. Due to the hands off approach that was taken by the faculty leadership, the team was forced to utilize the tools that were learned through the various classes, projects, internships and personal experiences that each member had prior to being a part of the NAMA project.

Senior Project Incentive

The intrinsic educational value of participating in such an organization as the Cal Poly NAMA team has proven to be an inadequate incentive for student involvement. This year, the decision to allow students of senior standing to use their contribution to the team as senior project credit served as both a way of capturing students' interest in trying out for the team as well as holding each team member accountable for the work he/she did. This is an extremely demanding project and full participation from each team member is critical to the outcome of the marketing plan. Having this incentive program in place allows the team manager to plan for 150-200 hours of work towards the project from each student. Also,

Team Size

In years past, the NAMA team has only had between five and ten members. This year, the use of fifteen students allowed for a well spread workload while increasing the breadth of the project as a whole. For example, by having fifteen people, the team was able to develop a prototype for the packaging, which goes beyond the parameters of the competition but enhances the educational process greatly.

RECOMMENDATIONS

Initial Team Assembly

Team Formation Timeline. The team should be assembled and working by the 5th week of the fall quarter. This will allow for more time to choose the product and decide on the general strategic direction of the marketing plan. Perhaps more importantly, this will allow enough time for the individual groups to assign tasks to be completed over the winter break. Last year, the team accomplished very little over the winter break, leaving the majority of the work to be completed during the winter quarter. By starting earlier, the team manager can expect more from the team over the break and will alleviate some of the stress from the winter quarter.

Tryout Goal. This year, there were only 17 applicants who tried out for the team. Next year, the goal should be at least 30 applicants. There are over one thousand Agribusiness students to pool from so 30 is a very attainable goal. There needs to be a much greater emphasis on the campaign that takes place in the beginning of the year that gets students interested in trying out.

Primary Team Format. The team assembly process should be done with the idea of having six presenters for the competition. During tryouts, however, only the most outstanding presentation candidates should be selected for the presentation team. One or two spots should be reserved and filled later in the project, perhaps a week or two before the executive summary is turned in.

Faculty Advisory Committee

The Agribusiness Department Faculty is the most valuable and accessible resource the NAMA team has. One of the most impressive attributes of the faculty is the diversity amongst the professors. For this reason, a faculty advisory committee will be proposed for next year's team. This committee will consist of a group of faculty members who are willing to hold weekly meetings with a group of students from the team. These meetings should only last between 10-20 minutes and are designed to give student groups guidance throughout the project.

Product Selection

Although the NAMA competition allows for a wide range of agricultural products, the Cal Poly NAMA team should try to stick with marketing produce related items. Because of the geographic location of the University as well as the various connections Cal Poly has in the produce industry, this field provides the most readily available resources in terms of industry leaders and people willing to help the team.

Supply Chain Analysis

For the sake of the competition, it is best to simplify the supply chain as much as possible. The reason for this is that the judges often will become confused with too complex of a supply chain. There should be a clear path from the producer to the consumer that isn't clouded by too many middle men that might be necessary for the actual marketing of the product.

Blackboard Page

Since there are so many people working on one document at different times, it is very difficult to maintain an updated copy of the executive summary and its part using email as a means for document sharing. The most effective way to share the document would be by having it posted on a central location on the internet for anyone with access to the page to edit. This would also be a great place to post calendars, deadlines, common goals, etc. for everyone to see. Although email would still be a great tool for regular communication amongst team members, a blackboard page would be very useful for future teams.

Presentation Questions Preparation

The weakest point for the 2010 team's presentation was the question and answer segment which took place after the 20 minute presentation. It is important that future teams take the Q&A section very seriously. I recommend that each member of the team creates a list of questions starting at the beginning of the project that runs all the way through the final product. Also, more emphasis needs to be placed on the questions that are asked during the practice presentations. There should be more practice presentations in front of more people who have industry knowledge and marketing backgrounds.

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APPENDIX A
HOW PROJECT MEETS REQUIREMENTS FOR THE ASM MAJOR

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ASM Project Requirements

The ASM senior project must include a problem solving experience that incorporates the application of technology and the organizational skills of business and management, and quantitative, analytical problem solving. This project addresses these issues as follows.

Application of Agricultural Technology.

N/A

Application of Business and/or Management Skills.

This was the most predominant feature of this senior project. The project itself was a simulated business proposition and my role in the project was to manage a fifteen person team to develop and deliver the proposition.

Quantitative, Analytical Problem Solving.

N/A

Capstone Project Experience

The ASM senior project must incorporate knowledge and skills acquired in earlier coursework (Major, Support and/or GE courses). This project incorporates knowledge/skills from these key courses.

- BRAE 418 Ag Systems Management I
- BRAE 419 Ag Systems Management II
- BRAE 202 Ag Systems Analysis
- AGB 301 Food and Fiber Marketing
- AGB 310 Agribusiness Credit and Finance
- AGB 212 Ag Economics
- AGB 313 Ag Economic Analysis
- AGB 318 International Agribusiness Marketing
- AGB 321 Farm Records
- BUS 202 Business Law
- ECON 222 Macroeconomics

ASM Approach

Agricultural Systems Management involves the development of solutions to technological, business or management problems associated with agricultural or related industries. A systems approach, interdisciplinary experience, and agricultural training in specialized areas are common features of this type of problem solving. This project addresses these issues as follows.

Specialized Agricultural Knowledge.

The project dealt with grape tomatoes. Considerations included growing, packing, shipping, food safety, and marketing of this agricultural product.

