

Wishbone  Marketing



“Better nutrition. Better taste. *Superior turkey.*”

Sam's Superior Turkeys

California
Elk Grove FFA
CA0069
2022

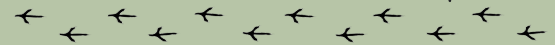
Market Analysis

Turkey trends are expected to climb in 2022. Beyond special occasions and holidays, turkey is being consumed by Americans every day. Strong retail sales growth of turkey products is occurring due to a "premiumization" trend for refrigerated and frozen products, driven in part by the growing popularity of heritage, natural and organic turkey. Market research has proven an upward trend in turkey sales as customers continue to choose this product as a lean white meat alternative to chicken for non-holiday meals. Between 2011-2018, sales of turkey products in the U.S. meat and poultry market had a compound annual growth of almost 8%.¹

Client's Status in Current Market

Sam's Superior Turkeys is a locally owned and operated small business in Elk Grove, California. The company produces premium, all-natural, fully processed broad breasted white turkeys, with a reputation for superior quality, texture, and flavor. Sam's Superior Turkeys was founded in 2016, when Sam sold her extra turkeys from the local county fair to some family friends. Both she and her customers caught the bird bug, and now Sam's Superior Turkeys produces 2 flocks of 20 turkeys each year. Sam's Superior Turkeys enjoys enthusiastic community support, and its customers receive a consistent supply of delicious turkey. Being a small family farm helps us to combat the rising production costs and increased regulations that large commercial farms are challenged with in California.

"... my family still talks about the naturally fed turkey we enjoyed from Sam a few years ago... We are all excited for this year's Thanksgiving dinner and it will be much more special!"



Industry Trends

The United States is the world's largest producer and exporter of turkey, with niche markets becoming a focus of turkey producers nationwide. In 2021, U.S. consumption of turkey was over 5 billion pounds and 15.3 pounds per capita, with availability of smoked and unsmoked whole birds diversifying the market. Turkey producers are meeting niche market demands, using updated labeling to make poultry a more appealing product. In November of 2021, the Food Safety Inspection Service (FSIS) enforced new federal regulations to ensure all meat and poultry products associated and in commerce with the United States were not misbranded.² In 2021, the USDA announced plans to invest \$500 million in expanding nationwide poultry processing capacity to both meet increasing product demand and level the playing field of large-scale producers and smaller family farmers. While overall nationwide turkey consumption has decreased, this investment has supported small producers by providing them with the resources necessary to successfully carry out their operation, regardless of size. Following the hit the poultry and meat industry took from COVID-19, USDA recognized the financial challenges small-scale producers faced and supported their facilities during a challenging period. With a shift in the market from cheap, available birds to specialized turkey products, turkey producers need to meet industry demands for high-quality, specially raised turkey.³

Buyer Profile and Behavior

By November of 2021, the United States had consumed 5.61 billion pounds of turkey.⁴ The highest rate of Sam's Superior Turkeys' consumption occurs among family households of two to six with an annual income greater than \$100,000. The majority of Sam's Superior Turkeys' customer base is looking to purchase turkeys two to three times per year, specifically on Thanksgiving and Christmas. They are in the market for birds that weigh 16-20 pounds or 21-24 pounds, whereas traditional store-bought turkeys range from 12-15 pounds. Sam's Superior Turkeys are consumed in households of all ethnicities; with Caucasian and Asian/Pacific Islanders predominant, making up 80.6% and 14.6% of the total market.⁵

After the release of our survey, we found those purchasing turkeys rank their priorities as primarily quality, then price, locally produced, all-natural, and lastly brand recognition. As income increases, consumers' purchasing priorities shift to natural and locally produced labels and brand recognition. The majority of Sam's Superior Turkeys customers are located throughout Sacramento County and surrounding areas. Our potential customers are likely to purchase a turkey with a quality guarantee, competitive price point, and from a strong local brand.⁵

"I've gotten two in the past, they were extremely superior to any other turkey I have ever had!"

1. "Turkey remains a year-round favorite" - (2018, November 26). <https://www.supermarketnews.com/meat/turkey-remains-year-round-favorite>

2. *Turkey by the Numbers*. (2022). National Turkey Federation: <https://www.eatturkey.org/turkeystats/>

3. PRESS RELEASE: *USDA Announces \$500 Million for Expanded Meat & Poultry Processing Capacity as Part of Efforts to Increase Competition, Level the Playing Field for Family Farmers and Ranchers, and Build a Better Food System*. (2021, July 9).

USDA: <https://www.usda.gov/media/press-releases/2021/07/09/usda-announces-500-million-expanded-meat-poultry-processing>

4. Grossen, G. (2022, February 24). *Turkey Sector: Background & Statistics*. Economic Research Service:




USDA: <https://www.ers.usda.gov/newsroom/trending-topics/turkey-sector-background-statistics/>

5. Albiani, S. P. (2022, February 10). *Marketing Plan Survey*. Sam's Superior Turkeys :

https://docs.google.com/forms/d/e/1FAIpQLSe7e5a07eo5YaD7h9H7Nb4Xc1S4okJW_k0EAegbNOVwHVgRmg/viewform

Competitors SWOT Analysis

Sam's Superior Turkeys is entering the turkey market with numerous capable competitors, but brings unique community presence and product quality to the table. Sam's Superior Turkeys is rooted in community support and has curated a dedicated and growing customer base. Additionally, it brings the high quality, great tasting turkeys to the market with a flexible business model to adapt to changes in customer preferences. The most prominent indirect competitor is Foster Farms, with the highest market share of frozen turkeys in California. Direct competitors include Swingle Meats and Diestel Farms, local businesses who produce small flocks of quality turkeys in the Sacramento area.

Company	Strengths	Weaknesses	Opportunities	Threats
	<ul style="list-style-type: none"> Cage free, free-range, & organic options AHA certified Diet with no genetically engineered ingredients Reliable customer base Consistent bird availability Financial & operational security Brand recognition 	<ul style="list-style-type: none"> Only offers unsmoked whole turkeys Unfavorable feedback on quality Poor press & reputation for producer treatment Decline in social media presence 	<ul style="list-style-type: none"> Product repositioning Help regain positive image regarding animal rights 	<ul style="list-style-type: none"> Image potentially discredited by social media Consumers become opposed to large companies Avian influenza
	<ul style="list-style-type: none"> Consistent bird availability Smoked, unsmoked turkeys- customizable products Brand extension In-house processing 	<ul style="list-style-type: none"> Small market presence Sales only through associates/over phone Limited brand recognition Fewer financial resources 	<ul style="list-style-type: none"> Penetrating regional distribution channels Expanding and enhancing facility and product catalog 	<ul style="list-style-type: none"> Regional and national brands Economic uncertainty Avian influenza
	<ul style="list-style-type: none"> User friendly website Variety of market turkey breeds Branded transportation Regional grocery store presence 	<ul style="list-style-type: none"> Expensive Unfavorable customer reviews Misprints on labeling Poor customer reviews on consistency of product quality 	<ul style="list-style-type: none"> Transparency with welfare action plan Advertising nutritional advantages 	<ul style="list-style-type: none"> Animal welfare claims against company⁶ Avian influenza



Sam's Superior Turkeys SWOT



S

- Loyal customers
- Established media presence
- Aggressive local sales presence
- Strong customer references
- Premium quality

W

- All sales through associates, no online sales options
- Limited customization options
- Fewer financial resources
- No grocery store presence

O

- Initiate TV presence
- Create user friendly website
- Introduce smoked option
- Increase flock size & frequency of sales

T

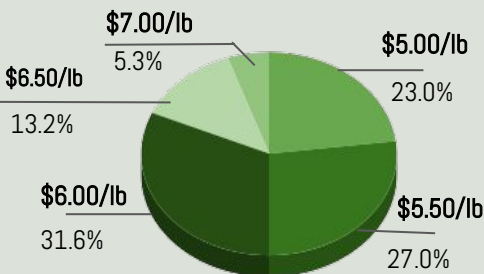
- Economic unpredictability
- Lack of bird availability
- Similar business models & objectives
- Avian influenza

6. Michelle, P. C. (2020, December 4). *Animal Activist Group's 'Open Rescue' Violates California's Unfair Competition Law*. (D. M. LLP, Ed.) Retrieved August 9, 2022, from Duane Morris Animal Law Practice Overview:

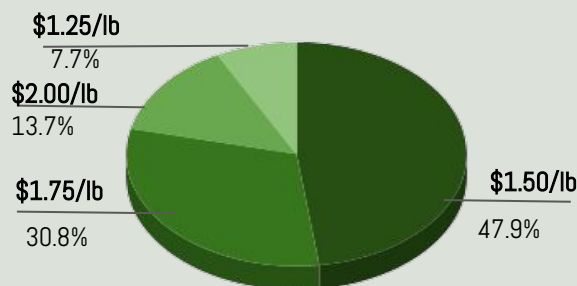
<https://blogs.duanemorris.com/animallawdevelopments/2020/12/04/animal-activist-groups-open-rescue-violates-californias-unfair-competition-law/>

Primary Research Results

To effectively market this product, an online survey was distributed for one month to 118 of Sam's Superior Turkeys' previous customers, social media followers, previous buyers from the Sacramento County Fair Junior Livestock Auction, and constituents of Sacramento County. This survey consisted of demographic and customer interest questions to further characterize the target market. Through both survey results and extensive industry research, Wishbone Marketing was able to determine the exact target market, product and diversification options, and a price margin for suggested products. The survey detected that if the option were available, 64.1% of the respondents would consider purchasing a smoked turkey. However, regardless of options, 72.6% of the respondents would still prefer a traditional/unsmoked turkey. With this being said, an increase in flock size and quantity can help expand both customer base and business profitability, as 91.47% of respondents eat a whole turkey more than one time per year.⁵

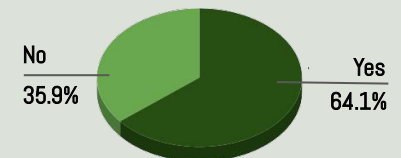


Reasonable Price Point (\$/lb.)

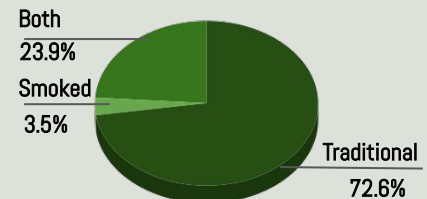


Reasonable Premium for Smoked

Consider Purchasing Smoked Turkey?



Smoked vs Traditional



Buyer Spotlight



Matriarch
51 years old
Annual Income
>\$100,000
Elk Grove, CA

Works in Human Resources
Prioritizes feeding family with locally grown, quality products

Focus Group

A focus group was conducted by Wishbone Marketing with 12 customers of Sam's Superior Turkeys. Respondents gave the product highly satisfied reviews, indicating their turkey tasted better and was juicier than any other turkey they'd eaten. They indicated that guests and family members expressed similar sentiments regarding flavor and quality, and they would recommend Sam's turkey to friends and family. Respondents shared that, "it's the best turkey I've ever had" and "my brother hates turkey and got seconds!" They expressed interest in trying smoked turkeys, and agreed that \$1.50/lb was a reasonable premium for smoked birds. A majority indicated a sliding price scale would be preferred over the current flat price. There were no negative comments about the product.

Business Proposal

As consumer income increases, Sam's Superior Turkeys' customers prioritize quality over affordability in available products. Customers who shift their perspective on the concept of cost and quality are more likely to shop at high-quality brand markets. Specifically, higher-income consumers are more likely to purchase from producers who emphasize freshness, natural production, and locally produced products.

Mission Statement

Sam's Superior Turkeys is committed to raising all natural, premium quality turkeys that bring families and communities together to enjoy a delicious dining experience that always leaves them coming back for seconds!

"My turkey came ready to be the star of Thanksgiving ... Sam's Superior turkeys are the best!"

Key Planning Assumptions

1. **Consumers like accessing social media platforms for information about where their food comes from.** *Validation:* Secondary Research- Facebook has over two billion monthly users. It facilitates convenient community engagement and information exchange, and agricultural pages have become increasingly popular.^{7,8}
2. **Consumers would consider purchasing smoked turkey when given the option, with a growing trend towards both smoked and unsmoked turkey.** *Validation:* Primary Research- As reflected in the survey, 64.1% of respondents would consider purchasing a smoked bird, and 23.9% enjoy both smoked and unsmoked turkeys.⁵

7. Hilverda, F., Kutttschreuter, M., & Giebels, E. (2018, August 3). *Health Communication*. Frontiers in Communication: <https://www.frontiersin.org/articles/10.3389/fcomm.2018.00030/full>

8. Martin, M. (2022, March 2). *Strategy*. Retrieved from Hootsuite: <https://blog.hootsuite.com/facebook-statistics/>

Key Planning Assumptions Cont.

3. **Customers want to purchase local products from small businesses, so advertising these two factors will increase customer connection and support.** Validation: Secondary Research- 57% of the American population prefers to shop and support small businesses because their money will stay local.⁹
4. **Customers prioritize quality over price when purchasing whole turkeys.** Validation: Primary Research- 70% of the respondents of the customer survey ranked quality over price when making purchasing decisions.⁵
5. **Consumers want to see animals grow and will respond positively to a webcam allowing them to do so.** Validation: Secondary Research- Recently webcam usage has become more popular, and consumers enjoy watching animals' lives.^{10,11}

Goal Setting

Short-Term Goals:



By June 1, 2023, Sam's Superior Turkeys will have a fully operational website for pre-sale before processing. 2023 production will increase to 70 turkeys, adding in a Christmas flock of 20 birds.



By June 1, 2024, Sam's Superior Turkeys will be utilizing the social media schedule of two different posts per week, increasing presence on Instagram and Facebook. Yearly production will increase to 105 turkeys and 15% of all sales will be smoked turkeys.

Long-Term Goals:



By June 1, 2025, a 24-hour webcam will be installed and linked to the website. The summer flock will be publicized through local news sites, including a feature on Good Day Sacramento. Production will increase to 45 summer birds, 60 Thanksgiving birds, and 55 Christmas birds. 20% of turkeys sold will be smoked.



By December 31, 2026, flock production will increase to 170 turkeys a year. Additionally, 25% of turkeys will be smoked before sale. At least one media feature on television and in publications per quarter will further establish the local, premium brand.

Target Market

Primary Market: Families of 4 or more with a yearly income of \$71,000+ who are comfortable with investing in a premium turkey to enjoy a better-tasting bird and support small business.⁵

Secondary Market: Families or individuals who are interested in investing in a high-quality turkey for a group gathering, such as Thanksgiving or Christmas.⁵

Strategies and Action Plan

Product

Sam's Superior Turkeys sells whole, processed, vacuum packaged, frozen turkeys. Turkeys will come in a range of different weight brackets from 13-20+ lbs. Turkeys will be available three times per year.

These all-natural, premium quality turkeys remain on an all-natural show quality diet; starting with 28% starter protein and ending with 13% protein. Sam's Superior Turkeys also adds a liquid fat - wheat germ oil which is absorbed on a cellular level so that when the turkey is cooked it doesn't dry out. Along with an additional bone meal protein source for added muscle gain.

Based on a presold order system; turkeys will be smoked for those customers who select that method. The company provides excellent customer support to assist in informing consumers about upcoming promotions and discounts as well as offering transparency and support to consumers.



9. *Money Etiquette*. (2021, January 11). Intuit: mintlife: <https://mint.intuit.com/blog/money-etiquette/buying-local-statistics-survey/>

10. *Livestock Monitoring*. (2022). techDetector: <https://techdetector.de/stories/livestock-monitoring>

11. *What is a Video Content Management System (CMS) and How to Choose One for Your Business*. (2021, May 25).

<https://www.dacast.com/blog/what-is-a-video-cms/>

Price

Survey respondents determined that a sliding rate of \$5.50/lb per bird 15lbs or lower, \$6.00/lb for 15-20lbs, and \$6.50/lb for 20lbs+ would be reasonable prices for turkeys. This sliding scale reflects higher feed costs and consumer desire to pay a fair price for the amount of product, rather than a flat rate. Operational costs are met while turning a 58% or greater profit per bird. Additionally, 92.4% of consumers indicated \$1.50/lb or more is an appropriate premium for smoked turkey.⁵

Place

- ★ Interact with Customer Base:
 - Sam's Superior Turkeys will be available to interact with their customer base through their website and by increasing their social media presence. Additionally, representatives of the business will be present at community events to build relationships. A webcam on the website and features on local television channels will also increase brand and marketing visibility (see Promotion).
- ★ Pre-Orders:
 - Currently, pre-orders are obtained through in-person sales and social media communications. Sam's Superior Turkeys will continue in-person sales and implement a pre-order system through the website, which will also be linked in all social media posts.
- ★ Distribute:
 - Turkeys will be distributed on a retail level from the Sam's Superior Turkeys' storage facility, which is located in the city of Elk Grove in Sacramento County, the center of Sam's Superior Turkeys' customer base. Distribution will occur shortly after processing three times per year: June, November, and December. Processed birds will be stored in the industrial freezer at the front of the rearing and distribution facility. Three days will be established to distribute turkeys from each flock, allowing flexibility for customer pickup.

Promotion

Current promotion for Sam's Superior Turkeys occurs irregularly via Facebook and Instagram posts on their established pages. Discounts for high quantities exist, but are sporadic and not well advertised. Promotion should be increased by further developing online presence, increasing community engagement, and improving discount availability through:

Publicity:

Donations:

- 6 birds per year to: Blue Corduroy Classic, local FFA chapters, Lions Clubs, Rotary Clubs, and other community fundraisers
- Improves public relations, functions as direct sales promotion, and generates advertising for only the cost of production

Community Events:

- Attend community events and fundraisers, an opportunity for promotion and direct sales

Discounts:

- Military discount
- High quantity (2+/order)
- Highlight on website, social media, & other platforms

Advertisement:

Social Media:

- Increased presence on Instagram & Facebook pages; utilize 2-per-week posting schedule with varied content, promoting directly to customers
- Create LinkedIn page for greater visibility & accessibility

Online Presence:

- Create website with Squarespace business plan
- Ability to pre-order turkeys through website
- Include QR code and link to live webcam, allowing customers to view turkeys throughout lifespan^{7,9}
- Highlight bird availability, promotions, everyday care/ high quality of turkey life, and positive customer reviews

Media Features:

- Feature on Good Day Sacramento; reach out to other local news networks and publications for features

Position

Sam's Superior Turkeys are high quality, great tasting turkeys. They are raised on an all-natural, specialized diet that was formulated to feed champion market turkeys. The turkeys are fed premium turkey feed- Swanson's Natural Turkey Starter and Grower, and finished with liquid fat, making them cut and taste better, and reducing the risk of a dry, chewy bird. The local facilities and smaller scale allow individual turkey care and a far higher quality of life compared to commercial turkeys. Sam's Superior Turkeys also deliver an easy, supportive turkey-purchasing experience, as they take pride in quality customer service and satisfaction. The company's unique roots and values also give it an innate advantage- with strong values and local presence, Sam's Superior Turkeys connects interpersonally with their community through connection with local FFA chapters, building loyalty within their local setting, and product exposure.

Budget

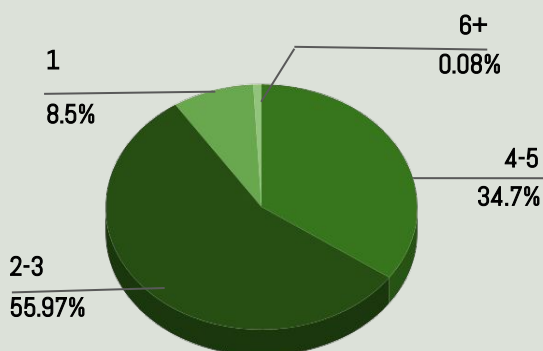
Projected income was categorized as natural and smoked turkey sales, on a sliding scale. Expenses were categorized into three main groups:

1. Bird expenses- including purchasing of poults and care costs.
2. Processing bird expenses- including costs associated with processing and transportation.
3. Marketing expenses- which include the website and yearly donations.

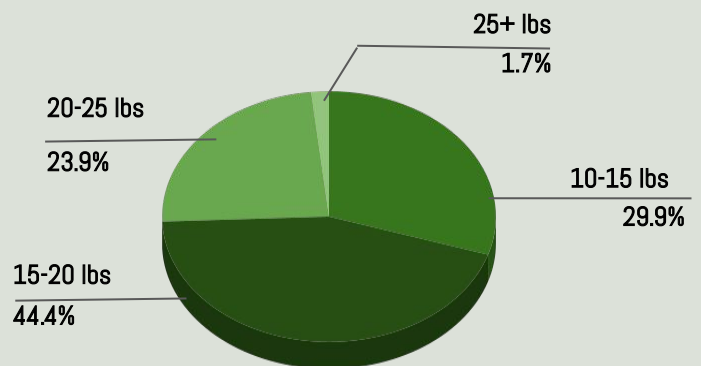
Ultimately, this plan endorses heavy growth investment with a large return; first year expenses will total \$4,374. This includes adding a Christmas flock and associated expenses in the fourth quarter, with the majority of respondents consuming turkey twice or more per year justifying the cost. This increase in flock quantity and size will lead to greater profit, with total first year revenue of \$7,471 and a 68.38% ROI. Flock sizes and ROI will continue to increase, up to 82.75% in year 3.

	First Year				Second Year				Third Year			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Projected Turkey Sales (Natural)												
10-15lb Sales (\$5.50/lb)		6		16		8		20		12		25
15-20lb Sales (\$6.00/lb)		10		24		11		30		17		40
20+ Sales (\$6.50/lb)		4		10		6		15		6		20
Projected Turkey Sales (Smoked)												
10-15lb Sales (\$7.00/lb)						2		4		4		10
15-20lb Sales (\$7.50/lb)						2		4		4		10
20+ Sales (\$8.00/lb)						1		2		2		5
Quarterly Revenue		\$2,147		\$5,324		\$3,352		\$8,334		\$4,937		\$12,501
Total Revenue	\$7,471				\$11,686				\$17,438			

Frequency of Whole Turkey Consumption (times/year)



Ideal Weight of a Turkey to Purchase



	First Year				Second Year				Third Year			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Bird Expenses												
Poults	\$155		\$388		\$233		\$581		\$349		\$853	
Feed		\$539		\$1,347		\$808		\$2,021		\$1,212		\$2,963
Medication	\$8		\$20		\$12		\$30		\$18		\$44	
Bedding		\$38		\$94		\$56		\$141		\$85		\$207
Equipment	\$21	\$21	\$21	\$21	\$32	\$32	\$32	\$32	\$47	\$47	\$47	\$47
Electricity & Gas	\$42	\$68	\$100	\$5	\$42	\$65	\$124	\$5	\$60	\$100	\$171	\$5
Processing Bird Expenses												
Labor & Gas		\$77		\$154		\$97		\$184		\$92		\$184
Processing		\$200		\$500		\$300		\$750		\$450		\$1,100
Smoking						\$75		\$150		\$150		\$375
Marketing Expenses												
Website	\$69	\$69	\$69	\$69	\$69	\$69	\$69	\$69	\$69	\$69	\$69	\$69
Camera									\$85			
Discounts		\$13		\$31		\$19		\$47		\$28		\$70
Donations	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75	\$75
Total Expenses	\$370	\$1,099	\$672	\$2,296	\$462	\$1,599	\$910	\$3,473	\$747	\$2,352	\$1,303	\$5,139
Total Yr. Expenses				\$4,437				\$6,443				\$9,542
Net Profit				\$3,033				\$5,242				\$7,896
ROI				68.38%				81.38%				82.75%

Evaluation

To measure the level of success, we will monitor sales and potential growth in sales volume through the preorder system and regular communication with Sam's Superior Turkeys' sales staff. Product quality and promotional success will be evaluated through a web-based survey and formal customer reviews. Promotional changes can be made after results of preorders, sales, and surveys are analyzed, with the most effective method of promotion emphasized. If short term sales growth goals are not met, then Wishbone Marketing suggests reducing flock growth, as well as emphasizing presence at community events and face-to-face sales tactics. Pricing structure will be re-evaluated after the first year's three flocks. Growth benchmarks include:

- 1) By 2023, Sam's Superior Turkeys will have launched a website used to update and inform consumers about current promotions and growth and facilitate all preorders.
- 2) In 2024, smoked turkeys will be added to the business and sold alongside the traditional birds. This will be advertised by following a social media schedule and joining LinkedIn, ensuring consistent customer engagement.
- 3) In 2025, Sam's Superior Turkeys will increase visibility to customers by installing a 24-hour webcam in the barn, and advertisement through features on local television outlets such as Good Day Sacramento.
- 4) In 2026, local advertising and visibility will continue through features on television outlets, publications, and at local events (1+ per quarter). Facilities will expand to facilitate flock housing, production, and storage.